



GAUTENG DEPARTMENT OF EDUCATION
PROVINCIAL EXAMINATION
NOVEMBER 2017
GRADE 10

ACCOUNTING
ANSWER BOOK

NAME OF SCHOOL: _____

NAME OF LEARNER: _____

QUESTION	TOPIC	MARKS	MARKS OBTAINED	MARKS MODERATED
1	Analysis of transactions	44		
2	Debtors' Reconciliation	40		
3	Income Statement and Notes	88		
4	Note 'Tangible assets'	38		
5	Balance Sheet	30		
6	Analysis and Interpretation	40		
7	VAT, Manufacturing and Budgets	20		
TOTAL		300		

10 pages

**QUESTION 1
TRANSACTION ANALYSIS**

44 MARKS

No	Source document	General Ledger		Accounting equation		
		Account debited	Account credited	A	OE	L
e.g	Original invoice	Stationery	Creditors' Control	0	- 500	+ 500
1						
2						
3						
4						
5						
6						

44

QUESTION 3

88 MARKS

INCOME STATEMENT AND NOTES

SAMANTHA DISTRIBUTORS		
INCOME STATEMENT FOR THE YEAR ENDED 28 FEBRUARY 2017		
Sales		
Cost of Sales		
Gross Profit		
Operating Income		
Discount Received		9 280
Rent Income		
Gross Operating Income		
Operating Expenses		
Discount Allowed		
Salaries and wages		
Bad Debts		
Bank Charges		
Insurance		
Telephone		
Operating Profit		
Profit Before Interest Expense		
Interest Expense		(13 500)
Net Profit		

65

TRADE AND OTHER RECEIVABLES		
Trade Debtors		
Prepaid Expense		
Accrued Income		

11

TRADE AND OTHER PAYABLES		
Trade Creditors		45 000
Income Received in Advance / Deferred Income		
Accrued Expenses		
SARS - PAYE		
Pension Fund		
Medical Aid		
Unemployment Insurance Fund		
Creditors for Salaries		

12

QUESTION 4

38 MARKS

TANGIBLE ASSETS

4.1	Total Depreciation on Vehicles	Answer
OLD		
NEW		

5

4.2	Total Depreciation on Equipment	Answer
OLD		
NEW		

5

4.3	NOTE 3 : FIXED / TANGIBLE ASSETS		
	LAND AND BUILDINGS	VEHICLES	EQUIPMENT
Carrying value at the beginning of the year	240 000	161 500	50 400
Cost			
Accumulated Depreciation			
MOVEMENTS			
Additions at cost			
Depreciation			
Carrying value at the end of the year			
Cost			
Accumulated Depreciation			

20

4.4.1	Indicate the amount that will be recorded in the financial statements on 30 June 2017	(2)

4.4.2	Name the GAAP principle that is applicable to Question 4.4.1.	(2)

4.5	State TWO internal control measures that can be put in place to reduce the misuse of the delivery vehicle by the driver.	(4)

**QUESTION 5
BALANCE SHEET**

30 MARKS

LIVINGSTONE SUPPLIERS		
BALANCE SHEET AT 28 FEBRUARY 2017		
ASSETS		
Non-Current Assets		
Fixed / Tangible Assets		947 180
Financial Assets		
Current Assets		
TOTAL ASSETS		
EQUITY AND LIABILITIES		630 800
Non-Current Liabilities		
Current Liabilities		
TOTAL EQUITY AND LIABILITIES		

QUESTION 6

40 MARKS

6.1 CONCEPTS

[6]

The information provided below is incorrect, use the table provided to reclassify.		
Liquidity	Profitability	Return

6.2 ANALYSIS AND INTERPRETATION

[34]

6.2.1	Calculate the Mark-up %

3

6.2.2	Comment on the change in the Mark up %.

2

6.2.3	Calculate % Operating Expenses on Sales for 2017.

3

6.2.4	Should the owner be satisfied with the % operating expenses on sales?

3

6.2.5	Calculate the Solvency Ratio for 2017.

4

6.2.6	Calculate the Current Ratio for 2017.

3

6.2.7	Calculate the Acid Test Ratio for 2017.

4

6.2.8	Comment on the liquidity of the business.

4

6.2.9	Calculate % Return on Equity for 2017.

5

6.2.10	Comment on the return on equity. Should the owner be satisfied with the return?

3

QUESTION 7

7.1 VAT

7.1.1	
7.1.2	
7.1.3	
7.1.4	
7.1.5	
7.1.6	
7.1.7	

7.2 MANUFACTURING

7.2.1	
7.2.2	
7.2.3	
7.2.4	
7.2.5	
7.2.6	

7.3 BUDGETS

7.3.1	
7.3.2	
7.3.3	
7.3.4	
7.3.5	
7.3.6	
7.3.7	

20

TOTAL: 300

END