



GAUTENG DEPARTMENT OF EDUCATION
PROVINCIAL EXAMINATION
NOVEMBER 2020
GRADE 10

ACCOUNTING
PAPER 1
ANSWER BOOK

NAME OF SCHOOL: _____

NAME OF LEARNER: _____

| QUESTION | TOPIC | MARKS | MARKS OBTAINED |
|--------------|---|------------|----------------|
| 1 | Concepts and Analysis of transactions | 43 | |
| 2 | Income Statement | 42 | |
| 3 | Balance Sheet and Ethics | 27 | |
| 4 | Analysis and Interpretation of Financial Statements | 38 | |
| TOTAL | | 150 | |

TIME: 2 hours

MARKS: 150

7 pages

QUESTION 1: GAAP CONCEPTS AND ANALYSIS OF TRANSACTIONS

| | |
|---------------------|--|
| 1.1 CONCEPTS | |
| 1.1.1 | |
| 1.1.2 | |
| 1.1.3 | |
| 1.1.4 | |

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| 1.2 ANALYSIS OF TRANSACTIONS | | | | | | |
|-------------------------------------|-----------------|----------------|------------|----------|----|----|
| | SOURCE DOCUMENT | GENERAL LEDGER | | EQUATION | | |
| | | Account DR | Account CR | A | OE | L |
| 1.2.1 | | | | | | |
| 1.2.2 | | | | | | |
| | | | | | | |
| 1.2.3 | | | | | | |
| | | | | | | |
| 1.2.4 | | | | | | |
| 1.2.5 | | | | | | |
| | | | | | | 39 |

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| Total |
| |
| 43 |

QUESTION 2: INCOME STATEMENT

**INCOME STATEMENT OF FOR VEELEE COLLECTIONS THE YEAR ENDED
31 DECEMBER 2020**

| | | |
|---------------------------------------|--|--------|
| Sales | | |
| Cost of Sales | | |
| Gross Profit | | |
| Other Operating Income: | | |
| | | |
| | | |
| Gross Operating income | | |
| Operating Expenses | | |
| Wages & salaries | | 65 000 |
| Telephone | | 4 050 |
| Donations | | 4 000 |
| | | |
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| | | |
| Operating Profit | | |
| | | |
| Profit before interest expense | | |
| | | |
| Net Profit/loss for the year | | |

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| Total |
| |
| 42 |

QUESTION 3: BALANCE SHEET AND ETHICS

3.1 NOTE: TRADE AND OTHER PAYABLES

| | |
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| Creditors' control | |
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**3.2 EGOLI SUPPLIERS
EQUITY AND LIABILITIES ON 30 JUNE 2020**

| | |
|-------------------------------------|--|
| EQUITY AND LIABILITIES | |
| Owners' Equity | |
| (409 000 + 80 000) | |
| NON-CURRENT LIABILITIES | |
| | |
| CURRENT LIABILITIES | |
| | |
| | |
| | |
| TOTAL EQUITY AND LIABILITIES | |

| |
|----|
| 13 |
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3.3 ETHICS

3.3.1 What advice would you give to Wendy? Provide **TWO** points.

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3.3.2 Explain the action that will be taken against the employer for failing to pay the UIF on behalf of the employee. Provide **ONE** point.

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| |
| 2 |

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| Total |
| |
| 27 |

QUESTION 4: ANALYSIS AND INTERPRETATION OF FINANCIAL STATEMENTS

| | |
|-------|--------------------------|
| 4.1.1 | Gross profit on turnover |
| | |

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| |
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|-------|-------------------------------|
| 4.1.2 | Gross profit on cost of sales |
| | |

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|-------|----------------------------------|
| 4.1.3 | Return on average owners' equity |
| | |

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| |
| 5 |

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|-------|---------------|
| 4.1.4 | Current ratio |
| | |

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| |
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| 4.1.5 | Acid test ratio |
| | |

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|-------|--|---|
| 4.1.6 | Respond to the following questions: | |
| A | Comment on the liquidity position of Mabena Shop in 2019. Quote TWO financial indicators. | |
| | | 6 |
| B | The business did not maintain its intended mark-up of 100% on the cost price of goods sold. Explain in TWO points why the intended results were not achieved. | |
| | | 4 |
| C | Give TWO reasons and explain why trading stock is subtracted to calculate the acid test ratio. | |
| | | 4 |
| D | Should Mabena be happy with the return on her investment? Explain and quote relevant financial indicators. | |
| | | 4 |

| |
|--------------|
| Total |
| |
| 38 |

TOTAL: 150

END