



**GAUTENG PROVINCE**  
EDUCATION  
REPUBLIC OF SOUTH AFRICA

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**GAUTENG DEPARTMENT OF EDUCATION  
PROVINCIAL EXAMINATION  
NOVEMBER 2020**

**GRADE 10**

**ACCOUNTING  
PAPER 2**

**MARKING GUIDELINES**

11 pages

**MARKING PRINCIPLES:**

1. Unless otherwise stated in the marking guideline, penalties for foreign items are applied only if the candidate is not losing marks elsewhere in the question for that item (no penalty for misplaced item). No double penalty applied.
2. Penalties for placement or poor presentation (e.g. details) are applied only if the candidate is earning marks on the figures for that item.
3. Full marks for correct answer. If answer is incorrect, mark the workings provided.
4. If a pre-adjustment figure is shown as a final figure, allocate the part-mark for the working for that figure (not the method-mark for the answer). Note: if figures are stipulated in the memo for components of workings, these do not carry the method-mark for the final answer as well.
5. Unless otherwise indicated, the positive or negative effect of any figure must be considered to award the mark. If no + or – sign or bracket is provided, assume that the figure is positive.
6. Where indicated, part-marks may be awarded to differentiate between differing qualities of answers from candidates.
7. Where penalties are applied, the marks for that section of the question cannot be a final negative. Where method marks are awarded for one part correct, the marker must inspect the reasonableness of the answer before awarding the mark.
8. Operation means 'check operation'. 'One part correct' means operation and one part correct. Note: check operation must be +, -, x, ÷, or per memo.
9. 'One part correct' means 'operation and one part correct'. Where method-marks are awarded for one part correct, the marker must inspect the reasonableness of the answer and at least one part must be correct before awarding the mark. If a figure has earned a method-mark, this will be regarded as 'one part correct'.
10. In calculations, do not award marks for workings if numerator and denominator are swapped – this also applies to ratios.
11. In awarding method-marks, ensure that candidates do not get full marks for any item that is incorrect at least in part. Indicate with an .
12. Be aware of candidates who provide valid alternatives beyond the marking guideline.

**Codes:** f = foreign item; p = placement/presentation.

**QUESTION 1: CONCEPTS AND GENERAL LEDGER ACCOUNTS**

**1.1 CONCEPTS**

1.1.1	income	✓
1.1.2	cost price	✓
1.1.3	expense	✓
1.1.4	original invoice	✓
1.1.5	duplicate invoice	✓

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**1.2 GENERAL LEDGER OF MOLEFI TRADERS  
BALANCE SHEET ACCOUNTS SECTION**

**1.2.1**

DR					TRADING STOCK			B6	CR
Jun	1	Balance	b/d	✓ 87 600	Jun	30	Cost of sales✓	CRJ	✓ 26 250
	30	Bank✓	CPJ	✓ 4 600			Cost of sales✓	DJ	✓✓ 11 500
		Creditors' control✓	CJ	✓ 12 800			Creditors' control✓	CAJ	✓ 800
		Cost of sales✓	DAJ	✓ 1 125			Drawings✓	GJ	✓ 1 650
		Petty cash✓	PCJ	✓ 260			Balance	c/d	69 385
		Stationery✓	GJ	✓ 3 200					
				109 585					109 585
Jul	1	Balance	b/d	☑ 69 385					

Allocate 2 marks for folio references – minimum of three on each side

- Debit side ✓
- Credit side ✓

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1.2.2

DR		CREDITORS' CONTROL					B7		CR
Jun	30	Bank✓	CPJ	✓22 620	Jun	1	Balance	b/d	✓38 900
		Discount received✓	CPJ	✓980		30	Total purchases✓	CJ	✓✓29 200
		Total allowances✓	CAJ	✓2 800			Journal credits✓	GJ	✓1 420
		Journal debits✓	GJ	✓780					
		Balance	c/d	42 340					
				69 520					69 520
					Jul	1	Balance	b/d	<input checked="" type="checkbox"/> 42 340

Allocate 2 marks for folio references – minimum of three on each side

- Debit side ✓
- Credit side ✓

<b>17</b>

<b>45</b>

**QUESTION 2 : DEBTORS' RECONCILIATION**

**2.1.1 Why should the Debtors' Control and the Debtors' List always agree? Explain in ONE point.**

**Allocate two marks for any valid answer** ✓✓

- They are both prepared from the same source documents.
- The Debtors' Control is a summary of the Debtors' List.

**Allocate one mark for partially correct answer**

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2.1.2

**GENERAL LEDGER OF STEPHAN STORES  
BALANCE SHEET ACCOUNTS SECTION**

DR		DEBTORS' CONTROL					B6	CR	
Jul	01	Balance [212 080- 1 080]	b/d	211 000 ✓✓	Jul	31	Bank and discount allowed [224 550 ✓ + 15 000 ✓ + 450 ✓ ✓]	CRJ	☑ 240 000
	30	Sales [277 300 + 25 000 ✓ + 7 700 ✓]	DJ	310 000 ☑			Debtors' Allowances [8 000 + 1 000 ]	DAJ	✓✓ 9 000
		Bank (refund) ✓	CPJ	✓ 5 000			Journal Credits	GJ	✓ 2 400
		Journal Debits [4 700 ✓ + 100 ✓ *]	GJ	☑ 4 800			Balance	c/d	279 400
		<b>*See Stuurman below</b>		530 800					530 800
Aug	01	Balance	b/d	279 400 ☑					
									<b>19</b>

**DEBTORS' LIST AT 31 JULY 2020**

NAME OF DEBTOR	AMOUNT
C. Botha (20 600 – 5 000)	✓✓ 15 600
H. Dipho	✓ 12 000
N. Dladla ( 64 000✓ – 1 000✓ – 1 000✓ )	☑ 62 000
D. Mkhize ( - 3 200✓ + 3 200 ✓)	*0
E. Mthimkulu ( 6 500✓ – 900✓✓)	☑ 5 600
L. Nkozi	✓ 73 000
G. Stuurman (13 400✓ + 100✓✓)	☑ 13 500
B. Zunaid (90 000 + 7 700)	✓✓ 97 700
<b>TOTAL</b>	☑ 279 400

\*if workings are not shown allocate 2 marks to a zero

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**2.1.3 List TWO measures Stephan can implement to collect his money earlier from debtors.**

**Allocate two marks for any valid answer** ✓✓ ✓✓

- Charge interest on overdue accounts.
- Offer debtors early settlement discounts.
- Send debtors letters of demand/reminders/sms's.

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### QUESTION 3: FIXED ASSETS

#### 3.1 CONCEPTS

3.1.1	False	✓
3.1.2	False	✓
3.1.3	True	✓
3.1.4	False	✓

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#### 3.2 FIXED ASSET REGISTER

<b>Asset:</b>	Delivery Van	<b>Date Purchased:</b>	31 August 2018
<b>Ledger Account:</b>	Vehicles	<b>From whom purchased</b>	Falcon Motors
<b>Cost price:</b>	150 000	<b>Depreciation method</b>	20% p.a. on diminishing balance
<b>RECORD OF DEPRECIATION</b>			
<b>Date</b>	<b>Depreciation</b>	<b>Accumulated Depreciation</b>	<b>Carrying value</b>
<b>28 Feb 2019</b>	✓✓ 15 000	☑ 15 000 check depreciation	☑ 135 000
<b>29 Feb 2020</b>	☑ ✓27 000	☑ 42 000	☑ 108 000

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### 3.3 FIXED ASSET NOTE

3.3.1 Calculate the total depreciation on equipment on 29 February 2020.

Old:

$$R2\,000\,000 - R1\,200\,000 \times 10\% = R80\,000 \checkmark \checkmark \text{ one part correct}$$

New:

$$R90\,000 \checkmark + R25\,000 \checkmark \times 10\% \times 3/12 \checkmark$$

$$= R2\,875 \checkmark \text{ one part correct}$$

Total Depreciation:

$$R80\,000 + R2\,875 = R82\,875 \checkmark \text{ carried over to the fixed asset note}$$

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3.3.2 Calculate the price of ONE vehicle.

$$\frac{R1\,000\,000}{4} = R250\,000 \checkmark \checkmark$$

2

3.3.3 Calculate the total depreciation on vehicles on 29 February 2020.

Old:

$$(R1\,000\,000 - R250\,000) \checkmark \times 25\% = R187\,500 \checkmark \text{ one part correct}$$

New:

$$R250\,000 \checkmark \times 25\% \times 6/12 \checkmark = R31\,250 \checkmark \text{ one part correct}$$

Total Depreciation:

$$R187\,500 + R31\,250 = R218\,750 \text{ carried over to the fixed asset note}$$

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<b>3.3.4 FIXED ASSET NOTE</b>			
	<b>Land &amp; Buildings</b>	<b>Equipment</b>	<b>Vehicles</b>
Carrying value at the beginning of the year	✓ 5 500 000	✓ 800 000	<b>375 000</b>
Cost	<b>5 500 000</b>	<b>2 000 000</b>	☑ 750 000
Accumulated depreciation	0	<b>(1 200 000)</b>	<b>(375 000)</b>
Movements			
Additions at cost	✓ 300 000	☑ 115 000 Check 3.3.1 new asset	3.3.2 ☑ 250 000
Depreciation for the year	0	3.3.1 ☑ (82 875)	3.3.3 ☑ (218 750)
Carrying value at the end of the year	☑ 5 800 000	☑ 832 125	☑ 406 250
Cost	5 800 000	☑ 2 115 000	<b>1 000 000</b>
Accumulated depreciation	0	☑ (1 282 875)	☑ (593 750)

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<b>39</b>

**QUESTION 4 : INTERNAL CONTROL AND ETHICS ON FIXED ASSETS AND INVENTORY**

**4.1.1 Explain how John's unethical conduct will affect the business financially. Provide TWO points.**

**Two marks for each valid point ✓✓ ✓✓**

- The abuse of vehicles will increase the maintenance costs.
- The petrol cost will also increase.
- The value of the asset will depreciate/drop quickly and the business might be expected to replace the vehicles earlier than estimated.

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**4.1.2 Provide THREE internal control measures that can be implemented by the owner of the business to avoid any abuse of delivery vehicles by employees.**

**Two marks for each valid point ✓✓ ✓✓ ✓✓**

- Install tracking device.
  - Drivers need to have a log book to record all kilometres travelled
  - The owner needs to approve all trips taken by drivers
  - Deliveries should be done early
- (Any acceptable answer)

6

**4.1.3 Provide TWO steps that can be taken against John for his unethical conduct.**

**Any three valid steps ✓✓ ✓✓ ✓✓**

- Written warning
  - Disciplinary hearing
  - Open a case against John
- (Any acceptable answer)

**Note:** do not give marks if learner said to fire John

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4.1.4 Discuss THREE internal control measures that can be implemented by the owner to prevent theft of trading stock.

Any three valid answers ✓✓ ✓✓ ✓✓

- Division of duties – each storeman has specific duty to fulfil
- Install cameras in the store room
- Appoint security guard at the gate to check stock against delivery notes

6

20

TOTAL: 150