



PROVINCIAL EXAMINATION

NOVEMBER 2023

GRADE 10

MARKING GUIDELINES

ACCOUNTING (PAPER 2)

MARKING PRINCIPLES:

1. 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 items). No double-penalty is 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 the 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).
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.
8. Operation means 'check operation'. 'One part correct' means operation and one part correct. Note: check operation must be +, -, x, ÷ as per the candidate's calculation (if valid) or per memo.
9. Where method marks are awarded for operation, the marker must inspect the reasonableness of the answer and at least one part must be correct before awarding the mark.
10. In awarding method marks, ensure that candidates do not get full marks for any item that is incorrect at least in part.
11. Be aware of candidates who provide valid alternatives beyond the marking guidelines.
12. Codes: F = foreign item; P = placement/presentation.

8 pages

QUESTION 1: CONCEPTS AND CREDITORS' RECONCILIATION

1.1 CONCEPTS

1.1.1	True	✓
1.1.2	False	✓
1.1.3	False	✓

3

1.2 CREDITORS' RECONCILIATION

1.2.1

GENERAL LEDGER OF METH STORES									
CREDITORS' CONTROL ACCOUNT									
2023 Aug	31	Bank and discount received✓	CPJ	✓25 550	2023 Aug	1	Balance	b/d	✓33 500
		Total returns✓	CAJ	☑ 2 970		31	Total purchases✓	CJ	☑ 26 400
		(2 200✓ + 770✓)					(26 100✓ + 300✓)		
		*Sundry debits✓		✓950			*Sundry credits✓		✓800
		Balance	c/d	☑ 31 230					
				60 700					60 700
					2023 Sept	1	Balance	b/d	☑ 31 230

*Accept journal debits/credits

17

1.2.2

CREDITORS' LIST OF METH STORES ON 31 AUGUST 2023	
Creditor	Amount
AB Dealers (14 350 ✓ + 1 200 ✓ – 330 ✓ – 330 ✓)	☑14 890
BB Traders (7 400 ✓ – 1 200 ✓ – 770 ✓)	☑ 5 430
Otto Furnishers (9 300 ✓ – 90 ✓✓)	☑ 9 210
Crox Stationers (2 300 – 600)	✓ ✓1 700
	☑ 31 230

☑ One part correct

16

1.2.3

Provide THREE internal control measures that should be implemented by Meth Stores.

Any three acceptable answers ✓✓ ✓✓ ✓✓ one mark for partially correct response

- All purchases of goods must be authorised by senior personnel.
- Goods received must be checked against the purchase order, invoice, and delivery note.
- Placement of orders, receiving of goods from suppliers and payment to suppliers should not be handled by one person.
(Allocate one mark for division of duties.)
- Detailed inventory records should be maintained for any movement of stock.
- Access to stock should be limited and supervised.
- Regular physical stocktaking must be undertaken.

6

TOTAL
42

QUESTION 2: BUDGETING

2.1 2.1.1 Calculate the total expected cost of the tour for all the players (for a three-day tour).

Receipts		
Sponsorship		✓ 18 200
Donation		✓ 7 700
Total receipts		✓ 25 900
Payments/Costs		
Item	Calculation	Answer
Uniform/Kit	$(23 \times 800) \checkmark \square + (2 \times 250) \checkmark$	$\square 18\ 900$
Accommodation	$980 \checkmark \times 2 \checkmark \times 3 \checkmark$	$\square 5\ 880$
Transport	$18\ 000 \checkmark + (3,50 \checkmark \times 2\ 164 \checkmark)$	$\square 25\ 574$
Meals	$(46 \checkmark + 18 \checkmark) \times 25 \checkmark \times 3 \checkmark$	$\square 4\ 800$
Entrance fees	$150 \checkmark \times 25 \checkmark \times 80/100 \checkmark$ OR 120×25 2 marks 1 mark	$\square 3\ 000$
Total payments/costs		$\square 58\ 154$
Total expected cost of the tour for all players 58 154 – 25 900 (see payments and receipts)		32 254 $\square \square$

2.1.2 Calculate the cost of the tour per player.

$32\ 254 \square \text{ see 2.1.1} / 23 \checkmark = 1\ 402,35 \square$ one part correct
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2.1.3 How can the contributions expected from each player be reduced? Provide TWO methods that can be used to raise funds for the team, excluding the sources of funds mentioned in the given information.

Any two valid points ✓✓ ✓✓
<ul style="list-style-type: none"> Request a donation from the <u>school governing body (SGB)</u> Sell refreshments on the school premises Sell raffle tickets

TOTAL
34

QUESTION 3: INVENTORY PROBLEM SOLVING AND ETHICS

3.1 INVENTORY

3.1.1	<p>What is the contra account for A?</p> <p>Bank ✓</p>	1
3.1.2	<p>Where do we record the closing trading stock in the financial statements?</p> <p>In the statement of financial position or balance sheet ✓ under current assets ✓</p>	2
3.1.3	<p>What transaction gave rise to B?</p> <p>Goods bought on credit (on account). ✓✓</p>	2
3.1.4	<p>What is the contra account indicated by C?</p> <p>Cost of sales ✓</p>	1
3.1.5	<p>Give a reason for entry D.</p> <p>Paid out of petty cash for the delivery of goods. ✓✓</p>	2
3.1.6	<p>Calculate the missing amount for E.</p> <p>$102\ 000 - 54\ 780 - 7\ 008 - 36\ 192 - 2\ 370 = 1\ 650$ ✓✓</p>	2
3.1.7	<p>What is the contra account indicated by F?</p> <p>Creditors' control ✓</p>	1
3.1.8	<p>Calculate G, goods were sold on credit for R27 000, a mark-up of 25% was added.</p> <p>$27\ 000 \checkmark \times 100/125 \checkmark = 21\ 600$ <input checked="" type="checkbox"/> one part correct</p>	3
3.1.9	<p>What is the folio reference for H?</p> <p>CRJ ✓</p>	1
3.1.10	<p>Give THREE possible reasons for item I.</p> <p>Any THREE (Any other acceptable answer) ✓✓✓✓✓✓</p> <ul style="list-style-type: none"> • The owner took goods for personal use or <u>drawings</u>. • Goods stock were <u>donated</u>. • Correction of error. 	6

3.1.11 Calculate the missing amount for J.

102 000 – 5 700 – 21 600 – 22 800 – 900 = 51 000 ✓✓ <input checked="" type="checkbox"/>	two parts correct
Check 3.1.8	

3

3.2 PROBLEM SOLVING

3.2.1 Calculate the number of cakes sold at Diepkloof Square Bakery.

280 - 8 = 272 ✓ <input checked="" type="checkbox"/> one part correct
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2

3.2.2 Diepkloof Square Bakery has a high number of cakes that are not collected. Suggest TWO strategies that can be implemented by the business to improve the collection of cakes by customers. (Refer to information A and B.)

Any two valid strategies ✓✓ ✓✓
<ul style="list-style-type: none"> • <u>Increase the deposit</u> (accept any reasonable percentage above 10%.) <p style="text-align: center;">OR</p> <ul style="list-style-type: none"> • A deposit charged must be sufficient to cover the costs of baking. • Call customers and remind them to collect their orders.

4

3.2.3 Suggest TWO methods that can be used by the business to promote sales.

Any two valid answers ✓✓ ✓✓
<ul style="list-style-type: none"> • Use flyers or catalogues to advertise the cakes. • Use social media such as WhatsApp, Facebook etc. to advertise goods • Create a website to advertise goods.

4

3.2.4 Refer to information A. Identify a problem at Naledi Mall Bakery and provide TWO solutions to a problem. Use figures to support the problem identified.

Problem ✓ and figure(s) ✓	any two valid solutions ✓✓ ✓✓						
<table border="1"> <thead> <tr> <th>Problem and figures</th> <th>Solutions</th> </tr> </thead> <tbody> <tr> <td>Theft/34 cakes are missing</td> <td>Cakes that are not collected must be kept in a lockable glass cabinet.</td> </tr> <tr> <td></td> <td>Do regular physical counts of cakes.</td> </tr> </tbody> </table>		Problem and figures	Solutions	Theft/34 cakes are missing	Cakes that are not collected must be kept in a lockable glass cabinet.		Do regular physical counts of cakes.
Problem and figures	Solutions						
Theft/34 cakes are missing	Cakes that are not collected must be kept in a lockable glass cabinet.						
	Do regular physical counts of cakes.						

6

3.3 ETHICS

3.3.1

<p>What advice would you offer her? Provide THREE points.</p> <p>Any three valid points ✓✓ ✓✓ ✓✓</p> <ul style="list-style-type: none"> • This is <u>unethical</u> conduct. • The business will <u>lose customers</u> and its good reputation. • It will create a <u>negative impression</u> of the business when this is discovered by customers.
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6

TOTAL
46

QUESTION 4: COST ACCOUNTING

4.1 CONCEPTS

4.1.1	D	✓
4.1.2	E	✓
4.1.3	A	✓
4.1.4	B	✓
4.1.5	C	✓

5

4.2 Calculate the following costs and show all the calculations.

4.2.1 Calculate the direct material cost.

	Quantity	Price per item	Calculation	Answer
Zips	2	R5	R10 x 100	R1 000 ✓✓
Material	1,5	R25	R37,50 x 100	R3 750 ✓✓
Cotton	10	R2	R20 x 100	R2 000 ✓✓
Beads	4	R9 per packet	R36 x 100	R3 600 ✓✓
			one part correct	R10 350 ✓

9

4.2.2	Calculate the direct labour cost. $(3 \times R36) \checkmark \times 100 \checkmark = R10\ 800 \checkmark$ one part correct	<table border="1"> <tr><td> </td></tr> <tr><td>3</td></tr> </table>		3
3				
4.2.3	Calculate the total direct cost. $10\ 350 + 10\ 800 = R21\ 150 \checkmark \checkmark \#$ see 4.2.1 and 4.2.2	<table border="1"> <tr><td> </td></tr> <tr><td>2</td></tr> </table>		2
2				
4.2.4	Calculate the factory overhead cost. $700 + 4\ 000 + 590 + 350 = 5\ 640 \checkmark \checkmark$ one part correct	<table border="1"> <tr><td> </td></tr> <tr><td>2</td></tr> </table>		2
2				
4.2.5	Calculate the total cost of production. $21\ 150 + 5\ 640 = R26\ 790 \checkmark \checkmark \#$ see 4.2.3 and 4.2.4	<table border="1"> <tr><td> </td></tr> <tr><td>2</td></tr> </table>		2
2				
4.2.6	Calculate the production cost per handbag. $26\ 790 \checkmark / 100 = R267,90$ OR $R268 \checkmark$ one part correct see 4.2.5	<table border="1"> <tr><td> </td></tr> <tr><td>2</td></tr> </table>		2
2				
4.2.7	Calculate the selling price per handbag. $267.9 \checkmark \times 140/100 \checkmark = R375,06$ OR $R375.20 \checkmark$ one part correct	<table border="1"> <tr><td> </td></tr> <tr><td>3</td></tr> </table>		3
3				

One method mark for one correctly transferred amount
 Two method marks for two correctly transferred and added marks

TOTAL
28

TOTAL: 150