



ACCOUNTING

Grade 10

REVISION 2026

TERM 1

ACTIVITIES

This revision material has been developed to help you review and capture the key content and skills as included in the Revised Annual Teaching Plan for 2026. The aim is to improve your understanding of basic, core concepts and provide resources with which you can practice and strengthen your ability to apply **knowledge that will enable you to write the final 2026 examination with confidence.**

Use the list of topics in the index as a checklist to make sure you have covered all those topics that will be asked in your final exam. Make sure that your teacher indicates which topics will be asked in the final examination.

INDEX / CHECKLIST

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BASIC ACCOUNTING PRINCIPLES (RULES)

Dr	ASSETS (A)	Ct
Increase by debit entry +		Decrease with a credit entry -

Dr	LIABILITIES (L)	Ct
Decrease with a debit entry -		Increase with a credit entry +

Dr	OWNERS EQUITY (OE)	Ct
Decrease with a debit entry -		Increase with a credit entry +

INCOME ACCOUNTS	
	Credited (Income increases OE)
EXPENDITURE ACCOUNTS	
Debited Expenditure decreases OE)	

Internal control; Ethics; GAAP

Activity 1 (Internal Control & Ethics)

Your business has two office workers. They have the following duties:

Rixaka	Indy
<ul style="list-style-type: none"> • Receive cash from customers • Control the cash register • Deposit daily cash receipts • Issue invoices and credit notes to debtors • Issue receipts to debtors for their payments • In charge of the petty cash & holds the keys to the cash box • Record EFTs - she has authorisation to make electronic payments • Process and pay out weekly wages • Prepare all the journals and the ledger accounts • Prepare the monthly trial balance 	<ul style="list-style-type: none"> • Handle customer service and answer the phone • Manage the advertising and marketing • Check Trading Stock delivered • Count stock at the end of each month • Control Fixed assets • Count Fixed assets every month • Write down the inventory records and complete the fixed asset register • Control the office keys – she locks up at the end of business every day

REQUIRED:

1. Explain TWO ways in which Rixaka can defraud the business and cover up her crime. (4)
2. Explain TWO ways in which Indy can defraud the business and disguise her crime. (4)
3. Explain how duties could be effectively divided between Rixaka and Indy to improve internal control. Supply TWO examples based on the duties listed above. (4)

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Activity 2 (GAAP)

Show the applicable GAAP principle for each example below:

- A** A damage claim received from a customer will be paid to her next year. An estimated amount of R9 000 will be recorded this year.
- B** Interest on the overdrawn bank account is shown separately from interest on loan.
- C** The owner owes his sister R5 000 for expenses he incurred during his holiday. This is not shown in the financial statements of the business.
- D** When a debtor settles his account, the discount granted must be recorded at the same time.
- E** Land and buildings are shown in the financial statements as R400 000, although the real estate agent says that the property is worth twice that amount.
- F** Trading stock is still shown at a cost price of R20 000, although it can be sold immediately for R15 000 at a flea market or auction.

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CASH TRANSACTIONS

Important cash transactions (also in Gr 11 and 12):

Receipts	Payments
Cash received for sales, services rendered, etc.	EFT payments for purchases, expenses, etc. Debit order and / or Stop order
Sales per: Credit card; Debit card; EFT	Cash withdrawals (by bank debit cards) for: wages, petty cash, change and/or owner's cash withdrawals
EFTs received for other income (e.g., rent), capital contributions from the owner, etc.	Cash payments from the petty cash Bank charges (excluding interest on overdrafts)
EFTs received from debtors	Freight on purchases
Discount granted to debtors	EFT payments to creditors
Interest on current bank account	Discount received
Fixed deposit expires	Interest on overdrafts
Interest on fixed deposit	Fixed deposit made
(Mortgage) Loan made	(Mortgage) loan repaid
	Interest on loan (simple and / or capitalized interest)

Activity 1 (Source documents)

Match the correct source document in COLUMN B with the appropriate transaction in COLUMN A. Write the correct letter in the Answer book, e.g., 9. L **NOTE:** Some letters may be used more than once.

COLUMN A Transaction		COLUMN B Source document	
1.	Credit Sales	A	Debit note
2.	Cash deposited with the bank	B	Cash register roll
3.	Payment for goods purchased	C	Invoice
4.	Debtors pay their debts	D	EFT
5.	Equipment purchased on credit	E	Credit note
6.	Payments to creditors	F	Receipt
7.	Cash sales	G	Deposit slip

Activity 2 (Concepts)

Choose ONE term from the list given that matches the description / statement. Write only the correct term next to the question number in the Answer book.

GAAP	Bad debt	Stationery	Current Assets
	Fixed assets	Non-current liabilities	

- 2.1 An example of a non-cash expense
- 2.2 Borrowed capital
- 2.3 Possessions of a business that can be used for more than 12 months
- 2.4 Generally Accepted Accounting Principles (Practices)
- 2.5 Consumables not yet used at the end of the financial year

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Activity 3 (Bookkeeping / AOL)**(38 marks; 35 minutes)**

The information pertains to **Jozi Stores**. Transactions were taken from their June 2021 records.

REQUIRED:

Analyze each transaction according to the table given in the Answer book. Show an increase with a “ + “ and a decrease with a “ – “ Show no effect with a **0**.

NB: Accept a favourable bank balance throughout.

No.	Account debited	Account credited	Amount	Assets	Owners' equity	Liabilities
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- 3.1. The owner transferred his personal vehicle (value R200 000) to the business as part of his capital.
- 3.2 The owner used printing paper from the office for his son's school assignment and for home use, R320.
- 3.3 Bought trading stock for R50 000 minus 5% trade discount. Made an EFT payment to the provider.
- 3.4 Sold goods for cash, R21 000. Applied the mark-up policy of 50%.
- 3.5 Withdraw R1 000 from the current bank account to set up the petty cash account.
- 3.6 Paid R560 from the petty cash for fuel of the business vehicle.
- 3.7 A donation of consumable stores, R2 000, to a local playschool was incorrectly credited to Trading stock. Correct this error.
- 3.8 Borrowed R70 000 from VBS Bank at an interest rate of 12% p.a.
- 3.9 VBS Bank capitalised ONE month's interest on the loan (see 3.8).
- 3.10 Paid the interest on the loan (see 3.9) plus R1 000 capital repayment on the loan per EFT.

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Activity 4 (AOL)**(30 marks; 25 minutes)**

The information given relates to MB Stationery Store.

REQUIRED:

Use the table in the answer book to show the double entry in the General Ledger and the effect on the Accounting Equation for each transaction. The first one was completed as an example.

Assume that the Bank Balance is always favourable.

NOTE: Some details and amounts are already included in the table.

NB: Assets (A) + Expenses (E) + Withdrawals (W) = Capital (C) + Liabilities (L) + Income (I)

Transactions:

Example: The owner transferred R100 000 electronically to the business's Bank Account as his capital contribution.

1. Bought equipment from Stevens Offices. Paid per EFT, R16 000.
2. Bought stock on credit from a supplier, Bic Ltd, R12 000.
3. Paid R10 000 to Bic Ltd because they have not yet delivered all the stock purchased.
4. Paid R800 for paint that will be used for repairs at the owner's house.
5. Sold goods on credit to R. Ely, a credit customer, R700. (Profit margin, 75%)
6. Transferred R5 000 to LM Bank per EFT as a 2-year investment at 6% interest per annum.
7. Cash sales for the week (The cost of these goods was R24 000 and the profit margin on these goods was 75%)
8. TL Bank transferred R40 000 per EFT as a loan that will be repaid over 40 months at 14% interest per annum.
9. The bank statement showed bank charges of R370.

JOURNALS, LEDGER & TRIAL BALANCE**Activity 1 (Missing words)**

Complete the statements by writing the missing word (s) in the Answer Book.

1.	EFTs received for sale will be in the ... (journal).
2.	Creditors will charge... (4 words) if the business does not pay their bills on time.
3.	A debtor will be ... discount if he pays less than his outstanding debt.
4.	A debtor's account that cannot be recovered is written off as a loss, namely ... (2 words).
5.	... is used for the small cash payments.
6.	A business can obtain financing for the purchase of property by applying for ... at a bank or financial institution.

Activity 2 (Journals and Ledger)**(80 marks; 75 minutes)**

The information relates to KJs General Traders for March 2025. KJ sells a variety of goods at a profit margin of 120%. All sales are cash, by credit / debit card or EFT.

Jay is the owner and Gugu the bookkeeper.

REQUIRED:

- 2.1 Gugu entered the transactions for March 2025 only up to 18 March. She requested your help with the rest of the entries:
- Some amounts were omitted because Gugu was not sure how to make the entries. **Enter these amounts in the Answer Book indicated by an * (asterisk).**
 - Use the information provided to **complete the Cash Journals** for the remainder of March 2025. (40)
- 2.2 Post to the General Ledger Accounts as provided in the Answer Book. Balance the **Trading Stock Account only**.
- NOTE:** Enter the opening balances in the ledger accounts. (28)
- 2.3 Answer the questions as given in the Answer Book. (12)

INFORMATION**Extract from the list of balances / totals on 1 March 2025**

Capital	R210 000
Withdrawals	36 000
Loan: FBN Bank (9%)	54 000
Fixed deposit (5%)	12 000
Trading stock	80 000
Bank	190 300
Sales	330 000
Cost of sales	150 000
Fee income	50 000
Salaries and wages	110 000
Bank costs	2 500
Insurance	32 000

TRANSACTIONS FROM 20 MARCH 2025:

- 20 CNA Wholesalers transferred R800 per EFT as a refund for stationery returned.
- 22 Bought trading stock per EFT from ACB Suppliers for R15 000 less 12,5% trading discount.
- 24 Cash sales (CRR 17-20) R132 000
- 25 Received the bank statement from ABA Bank. The following items have not been entered:
- Debit order for insurance to Suredirect, R4 200
 - Interest on a favourable bank balance, R50
 - Bank charges, R160
 - Refund of R2 000 from Suredirect for an overpayment on February 2022's insurance
- 28 Made an EFT payment on the loan to FBN Bank for R2 800 plus one month's interest.
- 29 Paid weekly wages, R10 000 (ordinary wages) per cash withdrawal and the monthly salaries, R20 000 (ordinary salaries) for March 2025 per EFT. Employees received a 22% bonus on their regular wages and salaries.

Activity 3 (Journals & Ledger)**(38 marks; 35 minutes)**

EQ Stores' bookkeeper omitted some transactions from the journals on **June 30, 2025**. Journal columns were totalled, but no posting had been completed.

REQUIRED:

- 3.1 Record the transactions below in the **CRJ and CPJ** on the answer sheet. Provide your own document numbers where necessary.
NOTE: Preliminary totals have already been recorded in the journals. (24)
- 3.2 Post to the selected **ledger accounts** provided in the Answer Book.
NOTE: First enter the initial balances / totals in the ledger accounts before posting from the journals. (14)
DO NOT balance or close off the accounts at the end of the month.

INFORMATION:**A. Balances / Total on 1 June 2025:**

Debtor's control	R7 200
Creditor's control	10 400
Fixed deposit: CC Bank	6 000
Loan: GP Bank	80 000
Discount received	750
Interest on overdrafts	650

B. Total: Cash Receipts Journal of EQ Stores - 30 June 2025

Bank	Sales	Cost of sales	Debtors (Receipts)	Discount Allowed	Sundry accounts
23 200	16 000	12 000	5 000	150	2 200

C. Total: Cash Payment Journal of EQ Stores - 30 June 2025

Bank	Trading Stock	Consumable stores	Creditors (Payments)	Discount Received	Sundry accounts
?	19 000	4 500	8 500	600	3 200

D. Transactions still to be entered:

- Received an EFT for R1 500 from debtor, R. Jobela, as part payment on his account. Allowed a cash discount of 5%.
- Paid R9 500 per EFT to PN Suppliers for stock purchased. R1 500 covered the delivery cost of the stock
- Received the bank statement from SeQure Bank. The following items have yet to be recorded:
 - charges and credit card fees, R350
 - interest on bank overdrafts, R120
 - An EFT from CC Bank for the fixed deposit that has expired, R6 300. This amount includes the year's interest.
 - a debit order for the monthly instalment for the loan from GP Bank, R2 000. R200 interest is included in this amount. Interest on loan is capitalised.

Activity 4 (Trading Stock Account)

(20 marks; 15 minutes)

The incomplete Trading Inventory Account for **April 2025** appeared in the General Ledger of **Xtra Stores**.

REQUIRED:

- 4.1 Provide the correct details or folio references marked **(a)** to **(f)**. (6)
- 4.2 The business applies a 50% profit margin on cost price for all sales transactions. Calculate the total cash sales for the month. (4)
- 4.3 Identify the incorrect transfer. Explain your choice. (2)
- 4.4 Calculate the correct balance of the Trading Inventory Account, after correcting the error (see 3.3). (5)
- 4.5 How can the closing balance's accuracy be confirmed? (2)
- 4.6 In which financial statement will the closing balance appear at the end of a financial year? (1)

GENERAL LEDGER OF XTRA STORES

Dr		Trading stock (B7)				Cr			
2025 Apr	1	Balance	b / d	42 200	2025 Apr	30	Cost of sales	CRJ	18 700
	30	(a)	CPJ	23 500			Cost of sales	(d)	9 800
		Creditor's control	(b)	16 800			(e)	CAJ	4 120
		(c)	DAJ	4 200					
		Drawings *	(f)	1 200					

* The owner took goods for personal use

CREDIT TRANSACTIONS

Accounting Cycle for credit transactions

	Transactions	Documents	Journal	Ledger Accounts	
DEBTORS	Credit Sales	Credit invoice (issued to debtors)	DJ	Sales	Cost of sales
				Dr Debtors control Cr Sales	Dr Cost of Sales Cr Trading Stock
	Items returned by dissatisfied customers	Credit note	DAJ	Returns at selling price	Cost of sales (cost price)
				Dr Debtors allowance Cr Debtors Control	Dr Trading Stock Cr Cost of Sales (ONLY IF items were returned)
CREDITORS	Credit purchases of asset items, inventory, consumables, etc.	Credit invoice (received from suppliers/creditors)	CJ	Dr All other contra accounts Cr Creditors Control	
				Cr Individual creditors (in the CL)	
	Returns to creditors	Debit note	CAJ	Dr Creditors Control Cr All other contra accounts	
				Dr Individual creditors (in the CL)	

Activity 1

(5 marks)

All the statements below are FALSE. Rewrite the underlined part to make the statement true.

1.	Stock sold on credit is recorded in the <u>CJ</u> .
2.	The Creditors Control Account has a <u>debit</u> balance at the beginning of a month.
3.	The Debtors List total should be <u>more</u> than the final balance of the Debtors Control account.
4.	Damaged stationery was returned to a creditor. The business issued a <u>credit note</u> as a source document as proof of return.
5.	Pat, a debtor, complained that the shoes he bought did not fit, but decided to keep them. The business will lower the selling price. This price reduction will be entered in the DAJ in <u>both</u> columns.

Activity 2 (Journals - Debtors)**(25 marks; 20 minutes)**

Lucky Star owns a business, Lucky Traders, which buys and sells household accessories. Goods are sold on credit at a profit margin of 25% on cost.

Debtors list on 1 March 2025:	
S. Sardien	R3 450
H. Harder	R2 890

REQUIRED

- 2.1 Record the following transactions in the DJ and DAJ.
Close off the journals at the end of the month (13)
- 2.2 Post to the Debtors' Ledger accounts as provided in the Answer Book. (8)
- 2.3 Prepare the Debtors' list on 31 March 2025. (4)

TRANSACTIONS for March 2025

- 7 Sold goods on credit to S. Sardien, R1 525. Issued Invoice 201.
- 10 S. Sardien claimed discount for damaged items, R125. He agreed to keep the items. Issued credit note 54 to him.
- 13 Issued an invoice to H. Harder for goods sold to her, R840.
- 30 H. Harder bought goods on credit, R1 800.
- 31 H. Harder returned damaged items, R400. Issued a credit note.

Activity 3 (Ledger)**(25 marks; 20 minutes)****REQUIRED:**

Post from the journals below to the General and Debtors' ledger accounts as provided in the Answer Book. Close off the Balance Sheet Accounts ONLY.

INFORMATION**A. Extract: CASH RECEIPTS JOURNAL OF ABBA TRADERS - MAY 2025**

D	Details	Bank	Sales	Cost of sales	Debtor's control (Total)	Discount granted	Sundry accounts	
							Amount	Details
10	R. Rex	1 300			1 450	150		
15	T. Tenko	825			855	30		
20	Cash	3 000	3 000	2 000				
26	T. Tenko	600			600			
		5 725	3 000	2 000	2 905	180		

B. Extract: DEBTORS JOURNAL - MAY 2025

D	Details	Sales	Cost of sales
22	R. Rex	350	280
22	T. Tenko	900	720
28	B. Bach	320	250
		1 570	1 250

C. DEBTORS ALLOWANCE JOURNAL - MAY 2025

D	Details	Debtor's allowance	Cost of sales
23	R. Rex	150	80
24	T. Tenko	180	0
		330	80

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Activity 4 (Journals and posting Creditors)**(35 marks; 30 minutes)****REQUIRED**

Record the transactions in the **Creditors Journal** of LIBERTY Traders for March 2025. Post to the General **AND** Creditors Ledger accounts provided in the Answer Book.

INFORMATION**Transactions March 2025**

- 5 Bought trading stock from Eksteen Traders R 15 000. Renumbered their invoice to 19.
- 13 Bought goods R3 500 and stationery R1 300 on credit from Fishy Traders.
- 27 Bought merchandise R 7 500 less 10% trade discount, and packaging material R600 from Eksteen Traders. Received their invoice for R8 100.
- 31 Bought a computer on credit for R11 500 from Lesedi Traders.

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Activity 5 (Journals - Creditors)**(35 marks; 30 minutes)****REQUIRED**

Record the transactions in the **Creditors Allowances Journal** of Reichs Traders for March 2025 on. Only post to the **Creditors Ledger accounts** provided in the Answer book.

INFORMATION**Credit balances on 1 March 1, 2025**

Creditor's control (Cr)	24 650
Y. Sinoko	6 600
J. Gerber	7 250
E. Kruger	4 750
S. Badela	6 050

TRANSACTIONS for March 2025

- 1 Returned damaged goods to J. Gerber, R890. (Debit note 43 issued).
- 4 Claimed discount for a query on stationery purchased from E. Kruger, R625.
- 8 Packaging material R800, not according to order, returned to S. Badela.
- 10 Returned faulty equipment, purchased earlier from Y. Sinoko, with a debit note, R4 700.
- 15 Returned damaged packaging material, , to J. Gerber, R820.
- 20 Issued a debit note to S. Badela for R360 trade discount not claimed on purchases.

GENERAL JOURNAL

GENERAL JOURNAL - BASICS

- **The General Journal (GJ)** caters for transactions which do not occur frequently enough to justify a special journal for it. These entries cannot be made in any other journal.
- A GJ entry shows the **account debited**, the **account credited** and a **narration**, which is a brief description of the reason for the entry. It supports the internal and audit processes.
- The GJ caters for entries that include debtors and/or creditors – separate Debtors and Creditors columns.
- **Only** the Debtors Control and Creditors Control columns are totaled. Totals are posted at month-end.

GENERAL JOURNAL TRANSACTIONS

- Bad debts written off
- Withdrawals of merchandise/other items by the owner
- Interest charged on overdue debtors
- Correction of errors
- Adjustment journal entries at year-end to prepare financial statements (**COVERED in Term 2 and 3**)

BASIC STEPS TO COMPLETE A GENERAL JOURNAL ENTRY

1. Identify the two accounts affected.
2. Decide which account to debit and which to credit (Use 'AOL' to help you in this process)
3. The account debited is entered FIRST, with the amount in the debit column.
4. The account credited is entered SECOND, with the amount in the credit column.
5. Where a debtor or creditor is involved in the entry, the Debtors or Creditors 'control' column(s) on the right-hand side ALSO need to show the amount.

Activity 6 (General Journal)

(30 marks; 25 minutes)

REQUIRED

Record the following transactions in the **General Journal of Larah Traders for February 2025**. Larah Traders apply 100% mark-up on trading stock.

TRANSACTIONS: FEBRUARY 2025

- 3 Write off the account of I. Owe (a debtor) as irrecoverable, R500
- 9 B. Good (a debtor) was declared insolvent. His insolvent estate paid a first and final dividend of 20 cents in the rand per EFT (electronic funds transfer), R292. Write off the balance as irrecoverable.
- 14 The owner withdrew stock, marked at R1 500, for personal use.
- 16 Charged debtor A. Andy 10% p.a. interest on her overdue account of 3 months. She owed R600.
- 19 The owner donated stock, R990 (cost price) to the Children's Home. It was incorrectly debited to Drawings.
- 21 Transferred M. Salah's credit balance, R400 from the Debtors Ledger to the Creditors Ledger.
- 24 Received an EFT payment from AB Bank for R11 000, for a fixed deposit of R10 000 that matured on 30 January 2025. The full amount was entered in the Fixed Deposit account. Correct the error.

Activity 7 (General Journal)**(70 marks; 60 minutes)**

The following information relates to Kolisi Traders for October 2025. Kolisi Traders maintain a gross profit mark-up of 50% on cost.

REQUIRED:

- 7.1 **Refer to INFORMATION C:**
Enter the transactions in the **General Journal**. Narrations are not required (25)
- 7.2 Post from the general journal to accounts in the General Ledger:
 - Trading stock
 - Creditor's control
 - Stationery
Only balance the Balance sheet accounts. (41)
- 7.3 Suggest TWO internal control measures that the owner could introduce to ensure that the trading stock is well controlled. (4)

INFORMATION**A. Balances/Totals in the General Ledger on 1 October 2025:**

Trading stock	R28 000
Creditor's control	15 430
Stationery	670

B. Totals of the journals on 31 October 2025:

Cash Receipts Journal					
Bank	Debtor's control		Sales	Cost of sales	Sundry accounts
	Received	Discount allowed			
?	8 540	300	19 200	?	4 500

Cash Payments Journal					
Bank	Wages	Trading stock	Creditor's control		Sundry accounts
			Payments	Discount received	
21 040	3 800	?	7 040	340	4 200

NOTE: Stationery, R330, was paid for on 23 October 2025 and entered correctly

Debtors Journal	
Sales	Cost of sales
15 300	?

Debtors Allowances Journal	
Debtor's allowances	Cost of sales
390	200

Creditors Journal					
Creditor's control	Trading stock	Equipment	Stationery	Packaging	Sundry accounts
12 200	7 800	1 600	700	1 300	800

Creditors Allowances Journal					
Creditor's control	Trading stock	Equipment	Stationery	Packaging	Sundry accounts
2 400	900	600	300	200	400

General Journal					
Debit	Credit	Debtor's control		Creditor's control	
		Dr	Cr	Dr	Cr
		490	236	630	300

C. Transactions to be recorded on 31 October:

- Siya Kolisi, the owner, took stationery (R130) and trading stock (selling price R960) for personal use.
- C. Candice, a debtor owing R430, has to be written off as irrecoverable.
- Kolisi Traders failed to pay their account of R 8 820 with NO.1 Dealers on time. Interest for two months at 10% p.a. must be brought into account.
- Repairs of R20 000 was done to the roof of the store's building. This was entered in the Land and buildings account in error.
- B. Patient, whose account was previously written off as bad debts, returned from overseas and settled his outstanding account of R1 250. It was entered in the Debtors' control column of the Cash Receipts Journal in error and posted as such.

DEBTORS & CREDITORS RECONCILIATION

Basic concepts	debtor debtors' control account debtors list creditor creditors control account creditors list internal control credit sales debtor's allowances discount allowed debtors reconciliation bad debts discount received interest on overdue accounts
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Activity 1 (Debtor's reconciliation)

(25 marks; 20 minutes)

The information relates to Baron Traders. They allow debtors 30 days credit. Some errors and omissions were not recorded in the Debtors control account and Debtors List below during August 2025.

REQUIRED:

- 1.1 Prepare the **CORRECTED Debtors control account** in the Workbook. (16)
- 1.2 Correct the information in the **Debtors List** and calculate the correct total. (9)

NOTE: The balance on 31 August on the corrected Debtors control a/c must be the same as the correct total of Debtors List on 31 August 2025.

INFORMATION

A INCORRECT DEBTORS CONTROL ACCOUNT FOR AUGUST 2025

DEBTORS CONTROL ACCOUNT

2025 Aug	1	Balance	b/d	16 088	2025 Aug	31	Bank and Discount Allowed	CRJ	7 880
	31	Bank (R/D)	CPJ	600			Balance	c/d	16 968
		Sales	DJ	8 888					
				24 848					24 848
2025 Sep	1	Balance	b/d	16 968					

B INCORRECT DEBTORS LIST ON 31 AUGUST 2025

G. Smith	4 146
A. Brown	3 065
C. Black	4 380
L. White	4 145
	15 736

C Additional information

- G. Smith's balance was undercast by R1 000
- An invoice sent to C. Black, R400 has not yet been entered in any journal, nor posted to a ledger account
- The Sales column in the Debtors Journal was undercast by R500.
- An invoice, R700 issued to A. Brown for goods sold, was entered in the Debtors Journal, but not posted to A. Brown's account in the Debtors Ledger.
- The bookkeeper did not post the Debtors allowances total of R760 in the DAJ to the general ledger.

Activity 2 (Debtor's reconciliation - calculation)**(20 marks; 15 minutes)**

The information relates to Vredenburg Traders for **October 2025**. The bookkeeper discovered some errors included in the control accounts; therefore, the Debtors control and Debtor's list total do not correspond.

REQUIRED:

- 2.1 Calculate the correct balance of the Debtors Control account and the correct total of the Debtors List on 31 October 2025. Use the table in the Workbook. (15)
- 2.2 The bookkeeper wants to improve the payment received from debtors. Name TWO measures she can introduce to encourage the debtors to settle their accounts on time. (2)
- 2.3 Suggest THREE control measures that the bookkeeper can introduce to prevent debtors outstanding debt being written off. (3)

INFORMATION**Balance and total on 31 October 2025**

Debtors control account	R9 933
Total of the Debtors list	R9 442

ERRORS AND OMISSIONS

- A. The total of the Sales column in the DJ was overcast by R100.
- B. An amount of R95 in the Debtors' column in the CRJ was not posted the debtor's account in the Debtors ledger.
- C. A credit note issued for R28 was not entered at all.
- D. The total of the Debtors allowances column in the DAJ, R243, was posted to the debit side of the Debtors Control Account.

Activity 3 (Creditors reconciliation - calculation)**(10 marks; 10 minutes)**

The closing balances of the Creditors Control account and the Creditors List of BOB Stores did not correspond on 31 May 2025.

REQUIRED

Calculate the correct Creditors Control account balance and the total of the Creditors List. Use the table in the Workbook to take the errors and omissions into account and show your calculations.

Indicate an increase with (+) and a decrease with (-)

(10)

HINT: A credit entry will increase the balance/total and a debit entry will decrease the balance/total

INFORMATION**Incorrect balance / total on 31 May 2025:**

Creditors Control	R16 740
Creditors List	R19 260

Errors and omissions to be considered:

- 3.1 The Creditor's list was undercast by R1 000.
- 3.2 The balance of the Creditor's Control account was overcast by R100.
- 3.3 The Creditor's column in the CJ was undercast by R300.
- 3.4 An invoice, R1 760 has not yet been entered in the Creditor's Journal.
- 3.5 Discount, R120 was not entered in the account of creditor, JJ Suppliers.
- 3.6 A debit note for R1 600 was correctly entered in the correct journal but posted as credit purchases in the individual creditor's account.

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Activity 4 (Creditors reconciliation)

(22 marks; 15 minutes)

The information below relates to Augsburg Traders for September 2025. Some information has been entered in the tables in the Workbook and has to be included in the final totals.

REQUIRED:

- 4.1. Explain why the Creditors Control account balance and the Creditors list total should be equal. (2)
- 4.2. **Refer to Information A and C:**
 - Show corrections to the Creditors Control account in the table provided in the Workbook.
 - Add both columns and calculate the correct Creditors Control balance on 30 September 2025 (8)

NOTE: Use only positive figures in the debit or credit columns.
- 4.3. **Refer to Information B and C:** Complete the Creditors List and calculate the correct total on 30 September 2025. (12)
NOTE: Show workings in brackets next to each creditor's name.

INFORMATION

A. Incorrect Creditors Control account on 30 September 2021

Dr				Creditors' control				B5		Cr
2025 Sep	30	Bank and discount received	CPJ	45 300	2025 Sep	1	Balance	b/d	20 817	
		Tot. returns & allowances	CAJ	10 662		30	Credit purchases	CJ	64 050	
		Journal debits	GJ	5 280			Journal credits	GJ	1 950	

B. Incorrect Creditors List on 30 September 2025

CREDITOR	DEBIT	CREDIT
Welsh Stores		8 665
Loubser Stores		3 343
Lawrence Traders		8 997
CJ Motors		5 360
Mbekwa Traders	350	
	350	26 365

C. ADDITIONAL INFORMATION

1. The total of the Creditors Control column in the CPJ was undercast by R2 520.
2. The Creditors Control total in the CAJ was overcast by R60.
3. An invoice, R2 500 received from Loubser Stores was posted to the account of Lawrence Traders in the Creditors Ledger.
4. Augsburg Traders decided to transfer the account of Mbekwa Traders to the Debtors Ledger. No entry has been made in the General Journal.
5. An invoice for R3 600 for goods bought on account from Welsh Stores was incorrectly entered in the Creditors Journal as R6 300
6. Vehicle parts, R1 450, were returned to CJ Motors. This was correctly recorded in the CAJ, but posted to the account of CJ Motors as credit purchases.
7. Augsburg Traders buy goods from and sell goods to Welsh Stores. The debit balance of R300 on Welsh Stores' account in the Debtors' Ledger must be transferred to their account in the Creditors' Ledger. No entry has been made yet