



Western Cape
Government

Western Cape Education Department
Curriculum (FET)

ACCOUNTING

Grade 10

REVISION 2025

TERM 2

Solutions

DEBTORS & CREDITORS RECONCILIATION

Activity 1 (Debtor's reconciliation)

DEBTORS CONTROL ACCOUNT

2023 Aug	1	Balance	b/d	✓ 16 088	2023 Aug	31	Bank and Discount Allowed✓	CRJ	✓ 7 880
	31	Bank✓	CPJ	✓ 600			Debtor's allowances✓	DAJ	✓ 760
		Sales✓(8888✓ +400✓ +500✓)	DJ	✓ 9 788			Balance	c/d	<input checked="" type="checkbox"/> 17 136
				✓ 25 756					✓ 25 776
2023 Sep	1	Balance	b/d	<input checked="" type="checkbox"/> 17 136					

DEBTOR'S LIST

G. Smith (4146 +100✓)	5 146✓
A. Brown (3 065 + 700✓)	3 765✓
C. Black (4 380✓+400✓)	4 780✓
L. White (4145)	4 145✓
	17 136 <input checked="" type="checkbox"/>

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Activity 2 (Debtor's reconciliation)

2.1

No	Debtors Control		List of Debtors	
	Dr	Cr	Dr	Cr
Balance	9 933✓		9 442✓	
A		100✓✓		
B				95✓
C		28✓		28✓
D		(243+243) 486✓✓		
TOTAL	9 933✓	614✓	9 442✓	123✓
BALANCE	9 319✓		9 319✓	

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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.
	<p><i>Any TWO valid methods</i> ✓ ✓</p> <ul style="list-style-type: none"> • Give discounts for early payments. • Charge interest on overdue accounts. • Send regular statements / reminders. • Do not allow credit to overdue debtors / Only cash sales to overdue debtors

(2)

2.3	Suggest THREE control measures that the bookkeeper can introduce to prevent debtors outstanding debt being written off.
	<p><i>Any THREE valid methods</i> ✓ ✓ ✓</p> <ul style="list-style-type: none"> • Customers need to complete application forms • Their credit status/reference/history needs to be checked / screened • Obtain the following information from customers before approving accounts: <ul style="list-style-type: none"> ○ Salary advice slip / Proof of income ○ Proof of residence / Address ○ Contact details of family / friend ○ Bank statement / Bank balance ○ Identity document ○ Email address

(3)

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Activity 3 (Creditor’s reconciliation)

No	Creditor’s control account	List of Creditors
Balance	16 740	19 260
3.1	+ 1 760✓	+ 1 760✓
3.2		- 120✓
3.3		(1600 + 1600) - 3 200✓✓
3.4	+ 300✓	
3.5		+1 000✓
3.6	- 100✓	
TOTAL	18 700✓	18 700✓

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Activity 4 (Creditor's reconciliation)

4.1	Explain why the Creditors Control account balance and the Creditors list total should be equal.
	<p><i>Any valid explanation:</i> ✓✓</p> <ul style="list-style-type: none"> Both the creditors' control account and individual creditors' accounts are written up / updated from the same set of documents and journals. Applicable totals in the journals are posted to the control account. Separate entries in the journals are posted to individual creditors ledger accounts. Journal totals are the sum / result of these separate entries and should result in the same totals/balances

(2)

4.2 Corrections to the Creditors Control account on 30 September 2023

DETAILS	DEBIT	CREDIT
Balance on 1 September 2023		20 817
Credit purchases of stock		64 050
Journal credits		1 950
Bank and discount received	45 300	
Total returns and allowances	10 662	
Journal debits	5 280	
Additional information (1)	✓ 2 520	
(2)		✓ 60
(3)		
(4)		✓ 350
(5)	✓ 2 700	
(6)		
(7)	✓ 300	
TOTAL OF EACH COLUMN operation (printed amounts included)	<input checked="" type="checkbox"/> 66 762	<input checked="" type="checkbox"/> 87 227
Balance on 30 September 2023 operation		<input checked="" type="checkbox"/> 20 465

(8)

4.3 Corrections in the CREDITORS LIST on 30 September 2023

CREDITOR	DEBIT	CREDIT
Welsh Stores (8 665 - 2 700 ✓ - 300 ✓)		5 665 <i>(2 marks)</i>
Loubser Stores (3 343 + 2 500 ✓)		5 843 <i>(1 mark)</i>
Lawrence Traders (8 997 - 2 500 ✓)		6 497 <i>(1 mark)</i>
CJ Motors (5 360 - 1 450 ✓ - 1 450 ✓) OR (5 360 - 2 900)		2 460 <i>(2 marks)</i>
Mbekwa Traders (- 350 + 350 ✓)		0
Mark with the sign		<input checked="" type="checkbox"/> 20 465

(8)

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Salaries and Wages**ACTIVITY 1**

Column A	Column B
1.1.	H ✓
1.2	E ✓
1.3	D ✓
1.4	G ✓
1.5	B ✓
1.6	I ✓
1.7	J ✓
1.8	C ✓
1.9	F ✓
1.10	A ✓

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ACTIVITY 2: Wages Calculations

2.1	Calculate Deon's net wages for the week. Show all workings.	
	Normal wages (40 x R130)	5 200 ✓
	Overtime pay (6 x R195)	1 170 ✓
	GROSS WAGES	6 370 ☑
	Deductions:	(2 012) ☑
	PAYE (R6 370 x 20%)	1 274 ✓☑
	Pension fund (R5 200 x 7.5%)	390 ☑
	Medical Aid	280 ✓
	UIF (R5 200 x 1%)	52 ☑
	Union fees	16 ✓
	NET WAGES	4 358 ☑

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2.2	Calculate the employer's contribution for the week.
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Pension contributions (R5 200 x 10%)	520 ✓
Medical Aid contributions (R280 x R1,50)	420 ✓✓
UIF contributions (R5 200 x 1%)	52 ✓
Skills Development Levy (R5 200 x 1%)	52 ✓
TOTAL	1 044 ☑

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2.3	Calculate the total amount that the business will submit to the Medical Aid Fund on behalf of Deon Martin for the month of April 2023. (4 weeks)
✓ ☑ ✓ ☑	(280 + 420) x 4 = R2 800

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2.4	Why would it not be possible to accurately estimate the total tax amount due to SARS on behalf of Deon Martin.
	<ul style="list-style-type: none"> • Overtime is part of taxable income ✓✓ • Overtime hours are not expected to be constant ✓✓

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ACTIVITY 3

3.1 Salary Scale

3.1.1	Calculate Koen’s monthly salary in her first year of employment.	(2)
R156 000 ÷ 12 = R13 000 ✓✓		
3.1.2	What will her annual salary be in her third year of employment?	(4)
✓ ✓ ✓ R156 000 + R16 500 + R16 500 = R189 000 ☑		
3.1.3	What will her monthly increase be in her 6th year of employment?	(2)
R18 900 ÷ 12 = R1 575 ✓✓		
3.1.4	How many years would she work before she reaches R243 300 p.a.?	(2)
R156 000 (1 st); R172 500 (2 nd); R189 000 (3 rd); R205 500 (4 th); R224 400 (5 th); 243 300 (6 th) 6th year ✓✓		

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3.2 SALARY ADVICE: CALCULATIONS

3.2.1 Salary Advise

High End Traders	
SALARY ADVICE	Date: 30 November 2023
Employee: Neil Brydon	Job Title: Junior Clerk
BASIC SALARY (198 000 ÷ 12)	✓✓ 16 500
Bonuses and allowances (R16 500 x 40%)	✓✓ 6 600
GROSS SALARY	☑ 23 100
TOTAL DEDUCTIONS:	☑ (6 381)
PAYE (R23 100 x 16%)	✓✓ 3 696
Pension fund (R16 500 x 8%)	✓✓ 1 320
Medical Aid	✓ 1 200
UIF (R16 500 x 1%)	✓ 165
NET SALARY DUE TO EMPLOYEE	☑ 16 719

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3.2.2	Calculate the total salary expense of the business with regards to Neil Brydon, inclusive of all benefits for November 2023
(1 320 x 2)	
R16 500 + 6 600 + 2 640 + 165 + 1 200 = R27 270	
☑ ☑ ☑ ☑ ✓ ✓ ☑	

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ACTIVITY 4

No	General Ledger		Assets	Owner's Equity	Liabilities
	Account debited	Account credited			
(a)	Salaries ✓	SARS: PAYE ✓	0	-13 670✓	+13 670✓
(b)	Pension Fund contributions ✓	Pension fund ✓	0	- 9 870✓	+9 870✓
(c)	Skills Development Levy ✓	Skills Development Fund ✓	0	-345✓	+345✓
(d)	Wages ✓	Medical Aid Fund ✓	0	-2 520✓	+2 520✓
(e)	UIF ✓	Bank ✓	-324✓	0	-324✓
(f)	Creditors for wages ✓	Bank ✓	0	0	+43 600✓ -43 600✓

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ACTIVITY 5

5.1	Provide the folio for the entry for R1 200 on the debit side of the Pension Fund account.	(1)
	CPJ ✓	
5.2	How much was deducted from the employee's salary in respect of Medical Aid?	(1)
	R420 ✓	
5.3	How much was contributed on a Rand to Rand basis, by the business on behalf of the Pension fund?	(3)
	R600 ✓	
5.4	How much was deducted from the employee's gross salary in respect of PAYE if there are no other deductions?	(5)
	$R10\ 000 \checkmark - 420 \checkmark - 600 \checkmark - 7\ 120 \checkmark = R1\ 860 \checkmark$	
5.5	Calculate the rate of PAYE deduction. Use amount calculated above.	(5)
	$1\ 860 \checkmark \div 10\ 000 \checkmark \times 100 \checkmark = 18,6\% \checkmark$	
5.6	Calculate the total operational expense in respect of salaries for the month of January 2023.	(4)
	$R10\ 000 \checkmark + 560 \checkmark + 600 \checkmark = R11\ 160 \checkmark$	
5.7	Provide the contra-account details for the following entries:	(4)
5.7.1	R7 120 on the debit side of the Creditors for Salaries account	
	Bank ✓	
5.7.2	R560 on the credit side of the Medical Aid account.	
	Medical Aid contributions ✓	
5.7.3	R7 120 on the credit side of the Creditors for Salaries account.	
	Salaries ✓	
5.7.4	R10 000 on the debit side of the Salaries account.	
	Gross salaries / Sundry accounts ✓	

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FIXED ASSETS & DEPRECIATION

ACTIVITY 1

Column A	Column B
1.1	D ✓
1.2	E ✓
1.3	B ✓
1.4	A ✓
1.5	F ✓

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ACTIVITY 2

2.1	Briefly explain why fixed assets like equipment and vehicles are depreciated but not appreciated.	(2)
<ul style="list-style-type: none"> • It loses value due to wear and tear • They are being used (second-hand) • It would not be worth the price paid after it is used – it becomes old <p>Any valid answer (✓✓)</p>		
2.2	Calculate the depreciation on vehicles on 30 June 2023.	(7)
<p>New:</p> <p style="text-align: center;">✓ ✓</p> $R160\ 000 \times \frac{15}{100} \times \frac{9}{12} = R18\ 000 \checkmark$ <p>Old:</p> <p style="text-align: center;"> ✓ ✓ <input checked="" type="checkbox"/></p> $R190\ 000 - 28\ 500 = 161\ 500 \times \frac{15}{100} = R24\ 225$ <p>Total depreciation: $R18\ 000 + R24\ 225 = R42\ 225 \checkmark$</p>		
2.3	Calculate the depreciation on equipment on 30 June 2023.	(8)
<p>New:</p> <p style="text-align: center;"> ✓ ✓ ✓ <input checked="" type="checkbox"/></p> $R28\ 000 + 2\ 000 = R30\ 000 \times \frac{10}{100} \times \frac{4}{12} = R1\ 000$ <p>Old:</p> <p style="text-align: center;">✓ ✓ <input checked="" type="checkbox"/></p> $R56\ 000 \times \frac{10}{100} = R5\ 600$ <p>Total depreciation: $R1\ 000 + R5\ 600 = R6\ 600 \checkmark$</p>		

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FIXED/TANGIBLE NOTE			
	Land & buildings	Vehicles	Equipment
Carrying value at beginning of year	240 000	161 500 <input checked="" type="checkbox"/>	50 400 <input checked="" type="checkbox"/>
Cost	240 000 ✓	190 000 ✓	56 000 ✓
Accumulated depreciation		(28 500) ✓	(5 600) ✓
Movements:			
Additions at cost	50 000 ✓	160 000 ✓	30 000 <input checked="" type="checkbox"/>
Depreciation		(42 225) <input checked="" type="checkbox"/>	(6 600) <input checked="" type="checkbox"/>
Carrying value at end of year	290 000 <input checked="" type="checkbox"/>	279 275 <input checked="" type="checkbox"/>	73 800 <input checked="" type="checkbox"/>
Cost	290 000	350 000 ✓	86 000 <input checked="" type="checkbox"/>
Accumulated depreciation		(70 725) <input checked="" type="checkbox"/>	(12 200) <input checked="" type="checkbox"/>

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2.5	Which amount will the business put in the financial statements?	(1)
R290 000 ✓		
2.6	Which GAAP principle will you apply?	(1)
Historical cost concept ✓		

ACTIVITY 3

GENERAL LEDGER OF MILEY TRADES											
STATEMENT OF FINANCIAL POSITION ACCOUNTS SECTION											
VEHICLES											
Dr					B						
					Cr						
2022	March	1	Balance	b/d	✓ 640 000	2023	Feb	28	Balance	c/d	1 060 000 <input checked="" type="checkbox"/>
	June	30	Creditors control ✓	CJ	✓ 360 000						
	2023	Feb	Bank ✓	CPJ	✓ 60 000						
					1 060 000						1 060 000
	2023	March	1	Balance	b/d	<input checked="" type="checkbox"/> 1 060 000					

ACCUMULATED DEPRECIATION ON VEHICLES											
					B						
2023	Feb	28	Balance	c/d	<input checked="" type="checkbox"/> 380 480	2022	March	1	Balance	b/d	✓ 255 600
						2023	Feb	28	Depreciation ✓ (76 880 ✓✓ + 48 000 ✓✓)	GJ	<input checked="" type="checkbox"/> 124 880
					380 480						380 480
						2023	Mar	1	Balance	b/d	<input checked="" type="checkbox"/> 380 480

NOMINAL ACCOUNTS SECTION											
DEPRECIATION					N						
2023	Feb	28	Accumulated depreciation on Vehicles ✓	GJ	<input checked="" type="checkbox"/> 124 880	2023	Feb	28	Profit and Loss ✓		<input checked="" type="checkbox"/> 160 880
			Accumulated depreciation on Equipment ✓	GJ	<input checked="" type="checkbox"/> 36 000						
					160 880						160 880

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3.2	Which GAAP principle is being applied when we depreciate assets at the end of the financial year. Explain your answer.	(3)
Prudence concept ✓ <ul style="list-style-type: none"> • Figures must be reported in a conservative manner. ✓✓ 		