**EXAMINATIONS COUNCIL OF SWAZILAND**

**JUNIOR CERTIFICATE EXAMINATIONS**

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CANDIDATE

NAME

CENTRE CANDIDATE

NUMBER NUMBER

**BOOKKEEPING AND ACCOUNTS** **520/02**

**Paper 2** **October/November 2011**

 **2 hours**

**READ THESE INSTRUCTIONS FIRST**

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| --- |
| **For Examiner’s use** |
| 1. |  |
| 2. |  |
| 3. |  |
| 4. |  |
| 5. |  |
| **TOTAL** |  |

1. Answer all questions.
2. Write your answers using a dark blue or

black pen in the spaces provided.

1. No additional or special ruled paper is provided
2. Special attention must be paid to **legibility** and **neatness**
3. Calculators may be used.
4. Marks allocated to each question or part question are shown in brackets.

[ ] at the end of each question or part question.

1. Name(s) of businesses/persons used in this paper are fictitious.

This question paper consists of **15** printed pages and **1** blank page.

**QUESTION 1**

For Examiner’s use

(a) Distinguish between cash transactions and credit transactions.

 …………………………………………………………………………………………….

 …………………………………………………………………………………………….

 ……………………………………………………………………………………. [2]

(b) Shukuma Traders had the following transactions for the month of July 2011.

 2011

 July 15 Sold goods on credit to: D. Dumo E1500

 S. Siviwe E2000

 N. Nkosi E2500

 July 18 Damaged goods returned by Siviwe E220

 July 25 Nkosi returned faulty goods E500

 Required:

 (i) Record Shukuma’s transactions in the appropriate subsidiary books and show

amounts posted to the general ledger at 31 July 2011.

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For Examiner’s use

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 [3]

 D. Dumo paid his debt on 28 July 2011, and was allowed 5% cash discount.

 (ii) Calculate the discount allowed to Dumo by Shukuma. Show your working.

……………………………………………………………………………………..

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 ……………………………………………………………………………………..

 ………………………………………………………………………….. [3]

 (iii) How much did Dumo pay? Show your working.

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 For

Examiner’s

use

(c) Name the subsidiary book Shukuma would use to record the following transactions:

|  |  |  |
| --- | --- | --- |
|  | **Transaction** | **Subsidiary book** |
| e.g. | Rent paid by cheque |  Cash Book |
| (i) | Goods returned to Supplier |  |
| (ii) | Cash withdrawn from bank for office use |  |
| (iii) | Interest charged by Supplier for late payment |  |
| (iv) | Rent received deposited into the bank |  |
| (v) | Motor vehicle repaired by Soso on credit |  |

 [5]

 **Total Marks [ 20 ]**

QUESTION **2**

For

Examiner’s

use

(a) (i) Define a Trial Balance.

………………………………………………………………………………………

 …………………………………………………………………………… [2]

 (ii) State **one** purpose of preparing a trial balance.

………………………………………………………………………………………

 …………………………………………………………………………… [2]

 (iii) Name **two** errors revealed by a Trial Balance.

1. …………………………………………………………………..

 2. ………………………………………………………………….. [2]

(b) In each of the following transactions identify the type of error committed.

 (i) A cheque paid by S. Sozabile E2000, recorded in S. Setsabile’s account.

Error: ………………………….……………………………………….

(ii) Cost of renovating a building was debited to the buildings account.

Error: …………………………………………………………………..

(iii) Goods bought on credit from Jama E650 was recorded in the books as E560.

Error: ………………………………………………………………….

(iv) The Sales account and discount allowed account undercast by E10.

Error: ………………………………………………………………….

(v) An Invoice from J K Suppliers for E1000 was misplaced and not recorded in the books.

Error: ………………………………………………………………….

(vi) Stationery bought E150 cash. Cash account debited by E150 and Stationery account

credited by E150.

Error: …………………………………………………………………….

[6]

For Examiner’s use

(c) Vivi had the following balances at 30 April 2011

 **E**

 Capital 5000

 Purchases 2000

 Stock at 1 may 2010 1500

 Rent 1800

 Salaries 2500

 Returns outwards 200

 Sales 2700

 Discount allowed 45

 Stationery 55

 Required:

 (i) Prepare Vivi Trial balance at 30 April 2011 [10]

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**Total Marks [ 22 ]**

**QUESTION 3**

For Examiner’s use

The following are balances taken from Mashikizela’s Trial balance as at 31 December 2010.

  **E**

 Cash on hand……………………………….420

 Purchases …………………………………… 3 618

Sales ……………………………. ………… 6 402

 Returns inwards …………………………….. 402

Returns outwards ………………………….. 618

 Stock (1 January 2010) ……………………... 1 290

 Salaries ………………………………….….. 1 470

 Capital …………………………………….. 30 948

 Debtors ……………………………………... 3 900

Creditors ……………………………………. 5 840

 Drawings ………………………………….... 4 800

 Land and Building ………………………….. 30 000

 Bank overdraft ……………………………… 1 560

 Electricity…………… ……………………... 390

 Commission received………..……………… 620

 Rent paid ………………................................. 488

Rent received ……………………………….. 790

 \_\_\_\_\_\_\_

 46 778

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 Adjustments:

1. At 31st December 2010 stock was valued at E800
2. The debtors figure E3900 includes E500 owed by one debtor who has since

disappeared and can not be traced. His account is to be written off as bad.

1. Electricity accrued E60.
2. Rent paid in advance E18.

 Required:

 (a) Trading, Profit and Loss account for the year ended 31December 2010. [17]

 (b) Identify **three** current liabilities that would be found in Mashikizela’s

For Examiner’s use

Balance Sheet as at 31 December 2010

 Current liability 1 ….………………………………………………………..

 Current liability 2 ………..………………………………………………….

 Current liability 3 …….…………………………………………………….

 [3]

 **Total Marks [ 20 ]**

For Examiner’s use

**QUESTION 4**

(a) For the following items state the final account in which each would be entered.

 The first one has been done as an example.

|  |  |
| --- | --- |
| **Item** | **Final account** |
|  (i) E.g. Sales |  Trading account |
|  (ii) Stock of stationery |  |
|  (iii) Carriage inwards |  |
|  (iv) Carriage outwards |  |
|  (v) Petty cash balance |  |
|  (vi) Renovating a building  |  |
|  (vii) Customs duty |  |

 [6]

(b) On January 2010, Magedeza bought a motor van by cheque E40 000. The motor van was

expected to be in use for 5 years then sold for E20 000. The annual depreciation is fixed.

1. Define the term depreciation.

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 ………………………………………………………………………………………

 …………………………………………………………………………… [2]

 (ii) State any **two** methods of calculating depreciation.

 Method 1

 …………………………………………………………………………… [1]

 Method 2

 …………………………………………………………………………… [1]

For Examiner’s use

1. Calculate Magedeza’s motor van depreciation for the year ended 31 December 2010.

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 ………………………………………………………………………………………

 …………………………………………………………………………… [3]

1. Journalise the motor vehicle depreciation calculated in (b) (ii) above.

Narration is **not** required.

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 [3]

For Examiner’s use

(c) (i) Show how the following would appear in Magedeza’s books of accounts for

the year 2010, Motor van account, Profit and Loss account and balance sheet

(extracts) at 31 December..

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| **Motor Van A/C** |
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|  |  | **Profit and Loss Account (extract)** |  |
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|  |  | **Balance Sheet as at 31 December 2010 (extract)** |  |
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 **Total Mark [ 22 ]**

**QUESTION 5**

For Examiner’s use

(a) Complete the accounting equation.

Capital = …………………………………………………………………… [2]

Mavela Traders specialises in selling cleaning materials.

During the month of March 2011, the following transactions took place.

March 1 Debtor W. Washesha pays by cheque E700

March 5 Equipment bought on credit from Quick Equip E1000

March 7 Paid Quick Equip by cheque E1000

March 9 Proprietor paid in additional capital E5000

 Required:

 (b) (i) State the accounts to be debited and credited for each transaction,

March 1, 5, 7 and 9.

|  |  |  |
| --- | --- | --- |
|  | **Account to be debited** | **Account to be credited** |
| March 1 ………… | ………………………… | ………………………… |
| March 5 ………… | ………………………… | ………………………… |
| March 7 ………… | ………………………… | ………………………… |
| March 9 ………... | ………………………... | ………………………... |

 [8]

(ii) Show the effect of the transactions on March 5 and 7 on the accounting

equation.

 Example: March 15 goods sold on credit to W. Washesha E7000.

|  |  |  |  |
| --- | --- | --- | --- |
| **Transaction** | **Capital** | **Assets** | **Liabilities** |
|  **Example:** March 15 |  No effect | Debtors + E7000Stock - E7000 |  No effect |
|  March 5 |  |  |  |
|  March 7 |  |  |  |

 [6]

 **Total Marks [16 ]**