



# EXAMINATIONS COUNCIL OF SWAZILAND JUNIOR CERTIFICATE EXAMINATION

**Bookkeeping and Accounts  
Paper 1**

**520/01  
October/November 2012  
1 hour 15 minutes**

## READ THESE INSTRUCTIONS FIRST

1. There are forty questions on this paper.
2. Answer all questions. For each question there are four possible answers A, B, C and D. Choose the one you consider correct and shade your choice on the separate answer sheet provided.
3. Use an HB pencil only, do not use ink.
4. Shade only one oval per question.
5. Example:  
Question  
50. In Accounting, the term purchases means:  
  
A. Goods bought for use in the business  
B. Goods bought by cash  
C. Goods bought for resale  
D. Goods bought on credit

The correct answer is “**C**” which is to be marked on the Answer sheet provided.

A B C D  
50.

6. Make sure you make the mark next to the correct question number
7. Thoroughly erase mistakes when making changes to an answer.
8. Each correct answer will score one mark.
9. Calculators may be used.

This question paper consists of **10** printed pages and **2** blank pages.

1. Which of the following terms best describe money used to run the business on a day to day basis?
  - A Borrowed capital
  - B Fixed capital
  - C Invested capital
  - D Working capital
  
2. Which **one** of the following discounts would appear only on an invoice?
  - A Cash discount
  - B Discount allowed
  - C Discount received
  - D Trade discount
  
3. Mphophoma High School bought books from Masibekela, a book seller on credit. Which document would be used to record this transaction in Masibekela's business?
  - A Invoice issued
  - B Invoice received
  - C Debit Note issued
  - D Debit Note received
  
4. Which of the following books is the principal book of account?
  - A Cash book
  - B Journal
  - C Ledger
  - D Petty cash book
  
5. In which ledger are suppliers' personal accounts normally recorded?
  - A General ledger
  - B Nominal ledger
  - C Purchases ledger
  - D Sales ledger

6. When rent is paid by cheque, rent account is debited and bank account is credited.

Which accounting concept is being observed?

- A Business entity concept
- B Duality concept
- C Money measurement concept
- D Prudence concept

7. Musa had the following balances at 31 December:

	E
Opening stock	1 000
Sales	2 000
Returns inwards	200
Purchases	600
Closing stock	750

How much is Musa's gross profit?

- A E 850
  - B E 950
  - C E1 600
  - D E1 800
8. Which of the following is recorded in the profit and loss account?
- A Carriage inwards
  - B Carriage outwards
  - C Customs duties
  - D Import charges
9. Machinery bought for E2 000 on 1 January 2010 is to be depreciated by 10% per annum, using the straight line method.

What will be the net book value of the machinery at 31 December 2010?

- A E1 800
- B E1 900
- C E2 100
- D E2 200

10. Which of the following items are expenses?
- A Discount allowed and motor vehicle
  - B Discount allowed and fuel expenses
  - C Fuel and motor vehicle
  - D Rent owing and overdraft
11. On 1 June 2011, A. Masuku a retailer bought goods worth E 2400 from BG wholesaler. The wholesaler offers 30% trade discount and further 5% cash discount if payment is made within 30 days. A. Masuku paid his debt in full on 25 June 2011.  
How much was paid by A. Masuku to BG Wholesaler?
- A E720
  - B E1596
  - C E1680
  - D E2400
12. Which of the following is **not** a non-profit making organisation?
- A Health club
  - B Orphanage
  - C Hair salon
  - D Social club
13. In which subsidiary book are sales returns normally recorded?
- A Purchases journal
  - B Returns inwards journal
  - C Returns outwards journal
  - D Sales journal
14. In which subsidiary book would a debit note, to a debtor, be recorded in the seller's books?
- A Purchases journal
  - B Returns outward journal
  - C Sales journal
  - D Sales returns journal

15. Which of the following would be used to calculate capital in an opening statement?
- A Assets and gross profit
  - B Assets and liabilities
  - C Assets and net profit
  - D Assets and turnover
16. Which source documents are used for cash transactions?
- A Cheques and invoice
  - B Cheques and credit note
  - C Cheques and debit note
  - D Cheques and receipts
17. Which of the following is a real account?
- A Motor vehicle account
  - B Purchases account
  - C Rent account
  - D Stationery account
18. Zibonele's books showed the following balances :  
Sales E28 500, Purchases E21 360, Opening stock E4 690, Carriage inwards E570, Carriage outwards E620 and Closing stock E7 240.
- How much is Zibonele's cost of goods sold?
- A E 9 120
  - B E18 240
  - C E18 760
  - D E19 380
19. Paid Bonkhe, a creditor E200 by cheque.  
What is the effect of this transaction on the accounting equation?
- A Decrease assets by E200 and liabilities by E200
  - B Decrease assets by E400 and liabilities by E400
  - C Increase assets by E200 and liabilities by E200
  - D Increase assets by E400 and liabilities by E400

20. Outstanding debtors at the end of the year stand at E1320. Write off E220 as bad debts.

Calculate the debtor's figure that would appear in the Balance Sheet.

- A. E 220
- B. E1 100
- C. E1 320
- D. E1 540

21. Masiko Football Club had the following opening balances:

Equipment E800

Stock of refreshments E300

Cash at bank E470

Calculate Masiko Football Club's accumulated fund.

- A. E 630
- B. E 770
- C. E1 100
- D. E1 570

22. ABC Traders received a cheque of E500 from a debtor on 8 June 2011. On 15 June 2011 the cheque was dishonoured by the bank.

How will ABC Traders record the transaction on 15 June 2011?

- A. Debit bank E500, credit debtor E500
- B. Debit debtor E500, credit bank E500
- C. Debit bank E1 000, credit debtor E1 000
- D. Debit debtor E 1 000, credit bank E1 000

23. In which account are goods taken by a partner for private use in a partnership recorded?

- A. Appropriation account
- B. Current account
- C. Interest on drawings account
- D. Profit and loss account

24. What does a debit balance in a partner's current account mean?

- A. The business owes the partner
- B. The business is a debtor of the partner
- C. The partner is a creditor of the business
- D. The partner is a debtor of the business

25. Rent paid during the year was E720. Rent prepaid at the end of the year was E40.  
How much would appear in the Profit and Loss Account
- A. E 40
  - B. E680
  - C. E720
  - D. E760
26. A business bought motor vehicle tyres by cheque E2 000. This amount was mistakenly debited to the motor vehicle account.  
What error has been committed?
- A. Error of commission
  - B. Error omission
  - C. Error of original entry
  - D. Error of principle
27. Which transaction is referred to as 'Sales' in bookkeeping?
- A. Goods bought for resale
  - B. Goods sold on credit
  - C. Stationery bought on credit
  - D. Stationery sold on credit
28. In which final account is gross profit calculated?
- A. Appropriation account
  - B. Balance sheet
  - C. Profit and Loss Account
  - D. Trading account
29. Under which sub-heading is a bank overdraft shown in the balance Sheet?
- A. Current assets
  - B. Current liabilities
  - C. Fixed assets
  - D. Long-term liabilities

30. Machinery is bought for E22 000 by cheque. Its usage is estimated at 5 years and it has a scrap value of E5 000. Calculate its annual depreciation.
- A E1200
  - B E1700
  - C E3400
  - D E4400
31. Vuvu prepares a motor vehicle account and a provision for depreciation on motor vehicle account separately. Which accounting concept is being followed?
- A The business entity concept
  - B The historical cost concept
  - C The duality concept
  - D The prudence concept
32. What is the minimum number of partners in a partnership?
- A 2
  - B 5
  - C 7
  - D 20
33. In which final account is interest charged on drawings of partners recorded?
- A Appropriation account
  - B Drawings account
  - C Profit and Loss account
  - D Trading account
34. Dudu a debtor, paid Snoop a creditor E54. This amount was debited in error to Dudu's account in Snoop's books. What would be the effect on Dudu's balance after correction of the error?
- A Decrease by E54
  - B Decrease by E108
  - C Increase by E54
  - D Increase by E108



35. Mabhenyenye intends borrowing money from the bank. He decided to overstate his profits by E1 000 to convince the bank that his business is profitable. Which accounting concept did Mabhenyenye disregard?
- The Business entity concept
  - The Duality concept
  - The Money measurement concept
  - The Prudence concept
36. At 30 September 2011 Masusu had the following returns inwards journal:

## Returns Inwards Journal

			Dr
Sept	15	S. Thwala	E <u>210</u>
Sept	30	Total	<u>210</u>

How would Masusu record this in the sales ledger and general ledger?

A.	Debit S. Thwala E210	Credit Sales E210
B.	Debit Sales E210	Credit S. Thwala E210
C.	Debit S. Thwala E210	Credit Returns Inwards E210
D.	Debit Returns Inwards E210	Credit S. Thwala E210

37. A transaction on goods bought for resale was not recorded anywhere in the books of accounts. Which error has been committed?
- Error of commission
  - Error of omission
  - Error of original entry
  - Error of principle
38. Which of the following is a capital expenditure?
- Painting a new extension of a house
  - Payment of rent for premises
  - Purchasing diesel for a generator
  - Repainting a door of an old house

39. Sipho's trial balance had the following balances at 31 March 2011.  
Sales E200, Capital E5 000, Motor vehicle E4 000, Returns outwards E500,  
Debtors E600, Bank E700.  
Calculate the amount that would be entered in the suspense account.
- A. E 400
  - B. E 600
  - C. E5 300
  - D. E5 700
40. An old motor vehicle is sold on credit to Zibonele. Which accounts will be affected?
- A. Zibonele and bank account
  - B. Zibonele and motor vehicle account
  - C. Zibonele and motor vehicle disposal account
  - D. Zibonele and sales account
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