



EXAMINATIONS COUNCIL OF SWAZILAND

CONFIDENTIAL
November 2018

JUNIOR CERTIFICATE EXAMINATION

BOOKEEPING & ACCOUNTS

PAPER 2

MARK SCHEME

MAXIMUM MARK 100

Question 1

(a)

Mayenziwe's Cash Book for the month ending 31 January 2018

Date	Receipts	Discount Allowed E	Cash E	Bank E	Date	Payments	Discount Received E	Cash E	Bank E
2018 Jan 1	Capital		1200	16 000	2018 Jan 3	Rent			1 500
4	Sales		4300		5	Purchases			3 800
16	Sales			1 400	8	Equipment			2 000
20	Velile	90		1 800	19	Drawings		800	
26	Cash deposit			4 000	26	Bank deposit		4000	
30	Sales		3200 (1)		28	Zithulele	125		2 500
					29	Wages and salaries		2400 (1)	
					29	Zabo	80 (1)		1600 (1)
					31	Balance c/d		1500	11 800
			<u>8700</u>	<u>23 200</u>				<u>8700</u>	<u>23 200</u>
Feb 1	Balance b/d		1500 (1)	11 800 (1)					
	Dr Discount allowed	90 (1)				Cr Discount Received	205 (1)		

[8]

(b) The General Ledger

Capital account

Jan 1 Cash	1200		(1)
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Bank	16000		(1)
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Sales account

Jan 4 Cash	4300		(1)
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16 Bank	1400		(1)
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30 Cash	3200		(1)
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Rent account

Jan 3 Bank	1500		(1)
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Purchases account

Jan 5 Bank	3800		(1)
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Equipment account

Jan 8 Bank	2000		(1)
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Drawings account

Jan 19 Cash	800		(1)
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Wages and salaries

Jan 29 cash	2400	(1)
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Discount allowed account

Jan 31 debtors	90	(1)
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Discount received account

Jan 31 creditors	205	(1)
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[12]**[Total: 20 Marks]**

Question 2**(a) (i) Differences between Trade and Cash Discount**

Trade Discount	Cash Discount
Not recorded in the books	Recorded in the books
Encourages bulk buying	Encourages prompt payment
Given by a trader to another/trader	Given by a retailer to a customer

[4]**(ii) Instances:**

- When packing material or empties that were charged on the invoice have been returned.
 - When the customer is not satisfied with the quality of goods received and negotiates for a price reduction.
 - Damaged goods not returned
 - Courtesy for failure to deliver goods timely
- Any 2 x 2 **[4]**

- (b)**
1. E300 **(1)**
 2. E1368 **(1)**
 3. E800 **(1)**
 4. E980 **(1)**
 5. 12 units **(1)**
 6. E3 117**(1)**

[6]**(c) Reasons for keeping used source documents:**

- They save as proof of the transaction that has taken place.
- They may be used as reference.
- They may be used for future decision making.
- They may be used as proof of payment.

Any 2 x 2

[4]**[Total: 18 Marks]**

Question 3**(a)**

Transaction	Capital = Assets – Liabilities		
	Withdrew E500 from bank for his own use	Drawings - E500(1)	Bank – E500 (1)
Sold Motor Van by cash E1000	No effect (1)	Motor van -E10 000 (1) Cash +E10 000 (1)	No effect (1)
Paid insurance by cheque E300	Profit – E300(1)	Bank – E300 (1)	No effect (1)

[10]**(b)**

Mafu
Trading Account for the year ended 31 October 2018

	E	E	E
Sales			12 000(1)
Returns Inwards			<u>250(1)</u>
			11 750
Opening stock		400(1)	
Add: Purchases	14 000(1)		
Carriage inwards	200(1)		
Customs duty	<u>500(1)</u>		
	14 700		
Less: Returns outwards	<u>450(1)</u>	<u>14 250(1)</u>	
Cost of goods available		14 650	
Less: Closing stock		<u>300(1)</u>	
Cost of sales			<u>14 350(1)</u>
Gross loss (1)			<u>2 600(1)</u>

[12]**[Total: 22 Marks]**

Question 4**(a) (i)**

Zibonele Supplementary Cash Book

Date	Receipts	Bank (E)	Date	Payments	Bank(E)
2018 July 1	Balance b/d	2000 (1)	2018 July 1	Bank charges	180 (1)
1	Dividend	1500 (1)		Balance c/d	4520
	Rent received	1200(1)			
		<u>4700</u>			<u>4700</u>
	Balance b/d	4520 (1)			

[5]**(ii) Bank Reconciliation Statement as 31 July 2018**

Balance as per cash book	4520 (1)	
Add: Unpresented cheques (600(1) + 800(1))	<u>1400</u>	
	5920	
Less: Uncredited cheques	<u>450 (1)</u>	
Balance as per bank statement	<u>5470 (1)</u>	[5]

(b) (i)

Zibonele Supplementary Cash Book

Date	Receipts	Bank (E)	Date	Payments	Bank(E)
2018 July 1	Balance b/d	2000 (1)	2018 July 1	Bank charges	180 (1)
1	Dividend	1500 (1)		Balance c/d	4520
	Rent received	1200(1)			
		<u>4700</u>			<u>4700</u>
	Balance b/d	4520 (1)			

[5]

(b) (i) Causes of disagreements:

- Bank charges and interest on overdraft
- Standing orders
- Direct debit/debit transfer
- Bank giro/credit transfer
- Dishonoured cheques

(Any 2 x 1)**[2]**

(ii) Favourable balance is a credit balance in the books of the bank while the same balance is a debit balance in the books of the business. **[2]**

Standing order is an instruction by the business to the bank to make payments of fixed amounts to particular creditors on specific dates of the month. **[2]**

Dishonoured cheques are cheques that the business has received from its customers in payment of their debts to the business. When these cheques are deposited in the bank account, the bank does not pay out the amount due to different reasons. **[2]**

[Total: 18 Marks]

QUESTION 5**(a) (i) Contents of a partnership agreement**

- The name and address of the partnership business.
- The amount of capital contributed by each partner.
- The type of business that the partners will operate.
- The names and addresses of the partners.
- The commencement date of the partnership business.
- The ratio in which profits or losses are to be shared.
- Whether any partner is to earn a salary or not.
- Whether partners are to earn interest on capital or not.
- Whether partners are entitled to drawings or not.
- If there is interest charged on drawings and if so, how much.

Any 3 x 1

[3]**(ii) Advantages of a partnership**

- More capital is raised because there are more people.
- Losses are shared amongst partners.
- It allows sharing of ideas and skills.
- Each partner concentrates on what he/she can do best. This makes division of labour possible.

Any 2 x 2

[4]

(b)(i) L & L Traders' Appropriation account for the year ended 31 July 2018

Net profit			36000 (1)
Add interest on drawings: Lunga		240 (1)	
	Lungile	<u>225(1)</u>	<u>465</u>
			36465
Interest on capital: Lunga	850 (1)		
	Lungile	<u>930(1)</u>	1 780
Salary: Lunga		<u>16 000(1)</u>	<u>17 780</u>
			18 685
Share of profit: Lunga		12 457 (1)	
	Lungile	<u>6 228(1)</u>	
			<u>18685</u>

[8]**(ii)**Lunga's Capital accountJan 31 Balance b/d 8 500 **[1]**Lunga's Current account

Jul 31 Drawings	4 800 (1)	Jul 31 Interest on capital	850 (1)
Int on drawings	240 (1)	Salary	1 600 (1)
Balance c/d	<u>24 267</u>	Share of profit	<u>12 457(1)</u>
	<u>29 307</u>		<u>29 307</u>
Balance b/d	24 267 (1)		

[6]**[Total : 22 Marks]**