



EXAMINATIONS COUNCIL OF SWAZILAND

Junior Certificate Examination

CANDIDATE NAME

CENTRE NUMBER

CANDIDATE NUMBER

BOOKKEEPING AND ACCOUNTS

520/02

Paper 2

October/November 2018

2 hours

READ THESE INSTRUCTIONS FIRST

1. Write your Centre number, candidate number and name on the spaces provided.
2. Answer **all** questions.
3. Write your answers using a dark blue or black pen in the spaces provided.
4. Marks are given in [] at the end of each question or part question.
5. Special attention must be paid to **legibility** and **neatness**.
6. Name(s) of businesses/persons used in this paper are fictitious.
7. You may use a calculator.

For Examiner's use	
1.	
2.	
3.	
4.	
5.	
TOTAL	

This document consists of **17** printed pages and **3** blank pages.

QUESTION 1

Mayenziwe's bookkeeper recorded some cash book transactions for January 2018 but became sick before the end of the month. As such the following transactions were not recorded in the books of accounts:

Jan 29	Paid wages and salaries cash, E2 400
29	Paid Zabo by cheque E1 600 after receiving E80 discount.
30	Received E3 200 cash from sales

REQUIRED

- (a) Complete Mayenziwe’s cash book by recording the transactions that were not recorded. Balance the cash book and bring down the balances at 1 February 2018.

**Mayenziwe
Cash Book for the month ending 31 January 2018**

Date		Receipts	Folio	Discount Allowed E	Cash E	Bank E		Date		Receipts	Folio	Discount Received E	Cash E	Bank E	
2018 Jan	1	Capital			1200	16 000		2018 Jan	3	Rent				1500	
Jan	4	Sales			4300			Jan	5	Purchases				3800	
Jan	16	Velile		90		1800		Jan	8	Equipment				2000	
Jan	26	Cash Deposit	C			4000		Jan	19	Drawings			800		
								Jan	26	Bank deposit	C		4000		
								Jan	28	Zithulele		125		2500	

3

REQUIRED

(b) Post the cash book entries to the ledger. **DO NOT** balance the accounts

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Use

[11]

[Total: 19 marks]

QUESTION 2

XTT buys and sells goods for cash and credit terms. XTT also receives and gives trade and cash discounts.

REQUIRED

(a) (i) State any **two** differences between a trade and cash discounts.

Difference 1

.....
.....
.....

Difference 2

.....
.....
.....[4]

(ii) Explain **two** instances in which an allowance could be made on a customer's account.

Instance 1

.....
.....
.....

Instance 2

.....
.....
.....[4]

ATT is a supplier of sports equipment and gear. On 16 May 2018 XTT, issued an invoice to Shukuma Mzimba.

For
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Use

REQUIRED

(b) Complete the invoice by calculating the missing figures (i – vi).

INVOICE XTT 237 Ludzibi Street Down Town Tel: 55332110						No. 2004
Shukuma Mzimba 295 High Street Mantjolo Tel: 4221762			Date: 16 May 2017			
Quantity	Description	Unit Price E	Total E	VAT@14% E	Total E	
50	Tennis balls	6.00	(i).....	52.50	352.50	
25	Cricket balls	48.00	1200.00	168.00	(ii).....	
10	Soccer balls	80.00	(iii).....	180.00	(iv).....	
(v).....	Tennis racquet	30.00	360.00	56.50	416.50	
	Invoice Total				(vi).....	
Terms:	<i>2% discount for payment made within 30 days</i>					

[6]

The owner of XTT has always wondered why source documents that have already been recorded in the books of accounts are not destroyed.

REQUIRED

- (c) Advise the owner of XTT on the importance of keeping source documents safely.

Advice 1

.....
.....

Advice 2

.....
.....

[4]

[Total: 18 marks]

QUESTION 3

Mafu, a trader prepares final accounts at the end of each financial year.

REQUIRED

- (a) State the effect of transactions (ii) – (iv) on Mafu's accounting equation in the table below. The first one has been completed as an example.

Transaction	Capital = Assets – Liabilities		
	(i) <i>Bought goods for E200 by cheque</i>	<i>No effect</i>	<i>Stock + E200 Bank – E200</i>
(ii) Mafu withdrew E500 from bank for his own use			
(iii) Sold motor van for cash E10 000			
(iv) Paid insurance by cheque E300			

[10]

Mafu provided the following information at 31 October 2018.

	E
Sales	12 000
Purchases	14 000
Stock at 01 November 2017	400
Stock at 31 October 2018	300
Carriage inwards	200
Returns inwards	250
Returns outwards	450
Customs duty	500

QUESTION 4

Zibonele Traders' provided the following cash book (bank column only) for the month of July 2018.

Zibonele Traders'
Cash Book for the month ending 31 July 2018

Date	Details	Bank		Date	Details	Bank
2018 Jul 1	Balance b/d	E 2250		2018 Jul 6	Z. Zikodze	E 350
Jul 5	Credit transfer	500		Jul 10	Water Services	600
Jul 26	Sales	750		Jul 18	Insurance	800
Jul 30	T. Mangweni	450		Jul 25	Wages	200
				Jul 30	Balance	<u>2000</u>
		<u>3950</u>				<u>3950</u>

Additional information at 31 July 2018

Zibonele Traders provided the following information at 31 July 2018,

1. The bank statement had a credit balance of E5470.
2. Bank charges for E180 only appeared in the bank statement.
3. A dividend for E1 500 directly deposited, appeared in the bank statement but not in the cash book.
4. Cheques paid to D. Thusi, E600 and S. Zondo, E800 were not presented to the bank for payment.
5. The cheque from T. Mangweni for E450 did not appear in the bank statement.
6. The bank statement showed a credit entry of E1 200 rent received from a tenant.

(b) (i) State **two** causes of disagreements between a bank statement balance and a cash book balance.

Cause 1

.....
.....

Cause 2

.....
.....

[2]

(ii) Explain the following terms:

favourable balance

.....
.....

Standing order

.....
.....

Dishonored cheque

.....
.....

[6]

QUESTION 5

Lunga and Lungile are partners trading under the name L & L Partners. Lunga is an active partner and is entitled to an annual salary of E16 000.

Capitals:	Lunga	E8 500
	Lungile	E9 300

Drawings:	Lunga	E4 800
	Lungile	E4 500

Partners are entitled to 10% interest on capital and are charged 5% interest on drawings. The partnership agreement states that profits should be shared in the ratio 2:1 respectively. The net profit for the year was E36 000.

REQUIRED

(a) (i) List any **three** contents of a partnership agreement.

- 1.....
- 2.....
- 3.....[3]

(ii) Explain **two** advantages of a partnership.

Advantage 1

.....

Advantage 2

.....
[4]

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