



# EXAMINATIONS COUNCIL OF ESWATINI

## Junior Certificate Examination

CANDIDATE  
NAME

--

CENTRE  
NUMBER

--	--	--	--

CANDIDATE  
NUMBER

--	--	--	--

**BOOKKEEPING AND ACCOUNTS**

**520/01**

**Paper 1**

**October/November 2019**

**1 hour 30 minutes**

### READ THESE INSTRUCTIONS FIRST

Write your Name, Centre number and candidate number on the spaces provided.

Answer **all** questions.

Write your answers using a dark blue or black pen in the spaces provided.

Marks are given in [ ] at the end of each question or part question.

Special attention must be paid to **legibility** and **neatness**.

You may use a calculator.

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

For Examiner's use only	
1.	
2.	
3.	
4.	
5.	
<b>TOTAL</b>	

This document consists of **14** printed pages and **2** blank pages

**QUESTION 1**

For each of the questions (a) – (j) below, choose the response which you consider to be correct and write the letter in the box to indicate the correct answer.

- (a) Who uses accounting information to decide whether to invest in a business or not?
- A. Employees
  - B. Manager
  - C. Owner of the business
  - D. Prospective investor
- [1]
- (b) Which item is a non-current asset?
- A. Bank Cr
  - B. Bank Dr
  - C. Motor vehicle
  - D. Prepaid expense
- [1]
- (c) What is the international standards term used for creditors?
- A. Sales on credit
  - B. Sales invoice
  - C. Trade payables
  - D. Trade receivables
- [1]
- (d) Which of the following is recorded on both sides of the cash book?
- A. Cash deposited by the business
  - B. Cash deposited by debtors
  - C. Cheques paid to suppliers
  - D. Cheques received from customers
- [1]
- (e) How is cash withdrawn from the bank for business use recorded in the cash book?
- A. Debit bank, credit cash
  - B. Debit cash, credit bank
  - C. Debit drawings, credit cash
  - D. Debit drawings, credit bank
- [1]

- (f) How many people can form a partnership business?
- A. 1 to 10
  - B. 1 to 20
  - C. 2 to 10
  - D. 2 to 20
- [1]
- (g) What would be the result if cost of sales exceed turnover?
- A. Gross loss
  - B. Gross profit
  - C. Net loss
  - D. Net profit
- [1]
- (h) Which one of the following terms refers to money spent on installation costs of a fixed asset?
- A. Capital expenditure
  - B. Capital receipt
  - C. Revenue expenditure
  - D. Revenue receipt
- [1]
- (i) Zewu Traders had the following assets and liabilities at 1 January 2019. Furniture E8 000, cash balance E1 000, rent prepaid E1 500, bank overdraft E2 000.
- How much was the capital?
- A. E5 500
  - B. E8 500
  - C. E9 500
  - D. E12 500
- [1]
- (j) Vusi's account had a debit balance of E3200 in Sipho's books.
- What was the meaning of the balance?
- A. Sipho owed Vusi, E3200
  - B. Sipho paid Vusi, E3200
  - C. Vusi owed Sipho, E3200
  - D. Vusi paid Sipho, E3200
- [1]

[Total: 10 Marks]

**QUESTION 2**

**(a)** Define the following terms:

Bookkeeping

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

Bad debts

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

Transaction

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

**[6]**

Sizwe is a clothing shop owner. He provided the following information at the end of the financial year on 30 September 2019.

	<b>(E)</b>
Stock/inventory(1 October 2018)	8 000
Sales	92 000
Purchases	43 000
Carriage outwards	1 500
Carriage inwards	400
Customs duties	800
Sales returns	3 000
Purchases returns	2 000
Commission received	1 000
Sewing machine	50 000
Wages and salaries	10 000
 <b>Additional information</b>	
Stock (30 September 2019)	22 000
Wages and salaries in arrears	2 500
Depreciation on sewing machine	2 500

**REQUIRED**

- (b)** Prepare Sizwe's trading, profit and loss account for the year ended 30 September 2019.

**[18]**

**[Total: 24 Marks]**



**QUESTION 3**

Sibusisiwe's petty cashier keeps a petty cash book using the imprest system.

**REQUIRED**

(a) Explain the following terms:

(i) Petty cashier

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

(ii) Imprest amount

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

Sibusisiwe provided the following information for the month ended 30 June 2019.

2019			E
June	1	Imprest amount received	450
	4	Stamps bought	15
	7	Purchased pens for office use	37
	9	Bought floor polish	35
	12	Bought petrol	25
	14	Bought cleaning dusters	12
	17	Bought envelopes	20
	20	Paid a creditor V. Mzala	100
	22	A cash book was bought	10
	25	Purchased pencils for the office	30

**REQUIRED**

(b) (i) Prepare Sibusisiwe's petty cash book for the month ended 30 June 2019.

Balance and bring down the balance at 1 July 2019.

Restore the imprest amount at 1 July 2019.

[17]





(ii) Post to the ledger only the postage and cleaning accounts.

**Postage account**

Date	Details	(E)	Date	Details	(E)

**Cleaning account**


**[2]**

**[Total: 23 Marks]**

**QUESTION 4**

Pepe and Pupu are partners. They agreed to share profits and losses in the ratio 2:3 respectively.

**REQUIRED**

(a) List **three** disadvantages of a partnership.

(i) .....

(ii) .....

(iii) ..... [3]

(b) Explain **one** reason why partnership businesses charge interest on drawings.

Reason .....

..... [2]

On 1 July 2018, the business had the following balances.

Capital: Pepe - E20 000

Pupu - E30 000

On 30 June 2019 the following information was provided.

	(E)
Motor van	50 000
Cash	3 000
Bank Loan	55 000
Debtors	8 000
Wages prepaid	400
Bank overdraft	4 000
Closing stock (inventory)	2 300
Rent owing	500
Furniture	25 000
Creditors	6 000
Machinery	35 000

**Additional information**

Details	Pepe	Pupu
Drawings	5500	8000
Interest on capital	2000	3000
Salary	2500	0
Share of profits	6000	9000

**REQUIRED**

(c) Prepare Pepe and Pupu's balance sheet for the year ended 30 June 2019. [17]

[Total: 22 Marks]

**CURRENT ACCOUNTS WORKING**

Pepe	Pupu



**QUESTION 5**

Vuli uses the accounting equation to calculate capital, assets and liabilities of his balance sheet.

(a) Explain the following terms:

(i) Current assets

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

(ii) Liabilities

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

(b) Calculate the missing amounts from the following table.

	<b>Assets</b>	<b>Capital</b>	<b>Liabilities</b>
<b>1</b>	170 000	.....	130 000
<b>2</b>	.....	143 000	193 000
<b>3</b>	175 000	112 000	.....
<b>4</b>	131 000	.....	113 000
<b>5</b>	.....	119 000	167 000

[5]

(c) State the effects of the following transactions on the accounting equation.

The first one has been completed as an example.

Transaction	Capital =	Assets	-	Liabilities
Bought goods E200 by cheque	No effect	Stock + E200 Bank – E200		No effect
Sold Furniture by cash E10 000				
Withdrew E1 500 from bank for his own use				

[7]

Vuli always record his fixed assets at cost. He bought furniture by cheque from Mlilo Furnishers for E60 000. It was estimated that it will be used for 4 years and have a scrap value of E4 000.

(d) (i) Calculate the annual depreciation of the furniture. (Show all workings).

.....

.....

.....

..... [2]

(ii) Explain the concept applied by Vuli when recording fixed assets.

Concept .....

Explanation .....

.....

..... [3]

[Total: 21 Marks]



**BLANK PAGE**

---

Permission to reproduce items where third party owned material protected by copyright is included has been sought and cleared where possible. Every reasonable effort has been made by the publisher (ECESWA) to trace copyright holders, but if any items requiring clearance have unwittingly been included, the publisher will be pleased to make amends at the earliest possible opportunity.