

# PROVERTO

Educational Publishers • Opvoedkundige Uitgewers

# 2022

[www.proverto.co.za](http://www.proverto.co.za)

*Guiding the leaders of tomorrow*

## High School Olympiad PREPARATION STUDY GUIDE

# ACCOUNTING

### PAST PAPER AND MEMO ROUND ONE AND TWO

## GRADE 10



### FREE COPY



UNIVERSITEIT VAN PRETORIA  
UNIVERSITY OF PRETORIA  
YUNIBESITHI YA PRETORIA

Denkleiers • Leading Minds • Dikgopolo tša Dihlalefi



FASSET

*Make the future count*



UNIVERSITY  
OF  
JOHANNESBURG



DURBAN UNIVERSITY OF TECHNOLOGY  
INYUVESI YASETHEKWINI YEZOBUCHWEPHESHE

Creative. Distinctive. Impactful.



NELSON MANDELA

UNIVERSITY

YOUR FUTURE WILL BE...

**BRILLIANT**  
**INNOVATIVE**  
*creative*  
**ADAPTIVE**  
**VISIONARY**  
**BRIGHT**

APPLY THROUGH THE CENTRAL APPLICATIONS  
OFFICE (CAO) TODAY VIA [WWW.CAO.AC.ZA](http://WWW.CAO.AC.ZA)

FOR MORE INFORMATION VISIT  
[WWW.DUT.AC.ZA](http://WWW.DUT.AC.ZA)

# PROVERTO



**OLYMPIAD  
CALENDAR**

**OLIMPIADE  
KALENDER**

www.proverto.co.za

GR 10, 11, 12

NATIONAL HIGH SCHOOL OLYMPIAD  
Accounting, Business Studies, Economics

NASIONALE HOËRSKOOL OLIMPIADE  
Rekeningkunde, Besigheidstudies, Ekonomie

## 2022

January							February							March							April								
M	T	W	T	F	S		S	M	T	W	T	F	S		S	M	T	W	T	F	S		S	M	T	W	T	F	S
27	28	29	30	31	1		30	31	1	2	3	4	5		27	28	1	2	3	4	5		27	28	29	30	31	1	2
3	4	5	6	7	8		6	7	8	9	10	11	12		6	7	8	9	10	11	12		3	4	5	6	7	8	9
10	11	12	13	14	15		13	14	15	16	17	18	19		13	14	15	16	17	18	19		10	11	12	13	14	15	16
17	18	19	20	21	22		20	21	22	23	24	25	26		20	21	22	23	24	25	26		17	18	19	20	21	22	23
24	25	26	27	28	29		27	28	1	2	3	4	5		27	28	29	30	31	1	2		24	25	26	27	28	29	30
31	1	2	3	4	5																								
May							June							July							August								
M	T	W	T	F	S		S	M	T	W	T	F	S		S	M	T	W	T	F	S		S	M	T	W	T	F	S
							29	30	31	1	2	3	4		26	27	28	29	30	1	2		31	1	2	3	4	5	6
2	3	4	5	6	7		5	6	7	8	9	10	11		3	4	5	6	7	8	9		7	8	9	10	11	12	13
9	10	11	12	13	14		12	13	14	15	16	17	18		10	11	12	13	14	15	16		14	15	16	17	18	19	20
16	17	18	19	20	21		19	20	21	22	23	24	25		17	18	19	20	21	22	23		21	22	23	24	25	26	27
23	24	25	26	27	28		26	27	28	29	30	1	2		24	25	26	27	28	29	30		28	29	30	31	1	2	3
30	31	1	2	3	4										31	1	2	3	4	5	6								
September							October							November							December								
M	T	W	T	F	S		S	M	T	W	T	F	S		S	M	T	W	T	F	S		S	M	T	W	T	F	S
							25	26	27	28	29	30	1		30	31	1	2	3	4	5		27	28	29	30	1	2	3
29	30	31	1	2	3		2	3	4	5	6	7	8		6	7	8	9	10	11	12		4	5	6	7	8	9	10
5	6	7	8	9	10		9	10	11	12	13	14	15		13	14	15	16	17	18	19		11	12	13	14	15	16	17
12	13	14	15	16	17		16	17	18	19	20	21	22		20	21	22	23	24	25	26		18	19	20	21	22	23	24
19	20	21	22	23	24		23	24	25	26	27	28	29		27	28	29	30	1	2	3		25	26	27	28	29	30	31
26	27	28	29	30	1		30	31	1	2	3	4	5																

**First Round: 11 MAY**  
**Second Round: 3 AUGUST**

**Eerste Ronde: 11 MEI**  
**Tweede Ronde: 3 AUGUSTUS**

**Online self assessment test available**

**Aanlyn self assesering toetse beskikbaar**

**www.proverto.co.za**

**Link: <https://www.proverto.co.za/olympiad/onlineAssess.html>**

# NELSON MANDELA UNIVERSITY



**Change the World by applying for a qualification in one of the following study field:**

Accounting • Advertising • Afrikaans • Agricultural Management • Analytical Chemistry • Anthropology • Applied Design • Applied Mathematics • Architectural Technology • Architecture • Art • Auditing • Biochemistry • Biokinetics • Botany • Broadcasting • Building • Business Management • Business Studies • Ceramic Design • Chemistry • Criminal Justice • Civil Engineering • Clinical Psychology • Computer Science • Communication Networks (IT) • Conservation Biology • Construction Economics • Construction Management • Construction Studies • Counselling Psychology • Chemical Process Technology • Development Studies • Dietetics • Economics • Ecology • Education • Electrical Engineering • English • Environmental Health • Environmental Management • Emergency Medical Care (Paramedic) • Fashion • Financial Accounting • Financial Planning • Fine Art • Foundation Phase Teaching • Forestry • French • FET Teaching • Game Ranch Management • Geography • Geology • Graphic Design • History • Hospitality Management • Human Movement Science • Human Resource Management • Human Settlement Development • Industrial Psychology • Industrial Engineering • Information Systems • Information Technology • Inorganic Chemistry • Interior Design • Internal Auditing • Inventory Management • Intermediate Phase Teaching • isiXhosa • Journalism • Language & Literature • Law • Logistics • Management • Marine Biology • Marine Engineering • Marketing • Mathematics • Mechanical Engineering • Mechatronics • Media, Communication & Culture • Microbiology • Music • Music Education • Medical Laboratory Science • Medicine & Surgery • Nature Conservation • Nursing • Operations Management • Painting • Pharmacy • Philosophy • Physiology • Photography • Physics • Political Studies • Polymer Technology • Psychology • Public Administration • Public Management • Public Relations Management • Quality Management • Quantity Surveying • Radiography (Diagnostic) • Restoration Ecology • Renewable Energy • Sculpture • Senior Phase Teaching • Social Work • Sociology • Software Development • Sport Management • Sport Science • Statistics • Support Services (IT) • Taxation • Textile Design & Technology • Tourism • Transport Economics • User Support Services (IT) • Veldfire Management • Visual Arts • Wood Technology • Youth Work • Zoology

**Change the World**

**T** 041 504 1111

**E** [info@mandela.ac.za](mailto:info@mandela.ac.za)

[myfuture.mandela.ac.za](http://myfuture.mandela.ac.za)



## High School Olympiad

*Guiding the leaders of tomorrow*

# ACCOUNTING

## GRADE 10

### Olympiad Paper

### Round One

### Marks: 30

### Time: 1 hour

### Date: 12 May 2021



## Instructions

1. Complete questions on the ANSWER SHEET provided.
2. Complete all information on the ANSWER SHEET.
3. The ANSWER SHEET consist of 4 sections. Please select the correct section/subject.
4. There are 4 possible answers per question (A B C D)  
Only one answer is correct.  
Colour a circle completely.
5. Good luck!

# PROVERTO

## NATIONAL HIGH SCHOOL OLYMPIAD

### ANSWER SHEET ROUND ONE

TODAY'S DATE DAY MONTH YEAR GRADE

SCHOOL NAME

LEARNER SURNAME

FIRST NAME INITIALS DATE OF BIRTH Female Male

LEARNER EMAIL (if available)

LEARNER Mobile Number

**SELECT THE SUBJECT/SUBJECTS (Mark a block with a X)**

ACCOUNTING/REKENINGKUNDE  BUSINESS STUDIES/BESIGHEIDSTUDIES  ECONOMICS/EKONOMIE

### ACCOUNTING / REKENINGKUNDE

1 A B C D	6 A B C D	11 A B C D	16 A B C D	21 A B C D	26 A B C D
2 A B C D	7 A B C D	12 A B C D	17 A B C D	22 A B C D	27 A B C D
3 A B C D	8 A B C D	13 A B C D	18 A B C D	23 A B C D	28 A B C D
4 A B C D	9 A B C D	14 A B C D	19 A B C D	24 A B C D	29 A B C D
5 A B C D	10 A B C D	15 A B C D	20 A B C D	25 A B C D	30 A B C D

TOTAL \_\_\_\_/30

### BUSINESS STUDIES / BESIGHEIDSTUDIES

1 A B C D	6 A B C D	11 A B C D	16 A B C D	21 A B C D	26 A B C D
2 A B C D	7 A B C D	12 A B C D	17 A B C D	22 A B C D	27 A B C D
3 A B C D	8 A B C D	13 A B C D	18 A B C D	23 A B C D	28 A B C D
4 A B C D	9 A B C D	14 A B C D	19 A B C D	24 A B C D	29 A B C D
5 A B C D	10 A B C D	15 A B C D	20 A B C D	25 A B C D	30 A B C D

TOTAL \_\_\_\_/30

### ECONOMICS / EKONOMIE

1 A B C D	6 A B C D	11 A B C D	16 A B C D	21 A B C D	26 A B C D
2 A B C D	7 A B C D	12 A B C D	17 A B C D	22 A B C D	27 A B C D
3 A B C D	8 A B C D	13 A B C D	18 A B C D	23 A B C D	28 A B C D
4 A B C D	9 A B C D	14 A B C D	19 A B C D	24 A B C D	29 A B C D
5 A B C D	10 A B C D	15 A B C D	20 A B C D	25 A B C D	30 A B C D

TOTAL \_\_\_\_/30

**INSTRUCTIONS:** Please complete all required information  
Colour a circle completely ● CORRECT MARK  
Erase any faulty marks completely  
Do not fold, tear or damage this form

# PROVERTO EMS OLYMPIAD 2021 – GRADE 10

## ACCOUNTING

### ROUND 1

#### ACCOUNTING AND GAAP PRINCIPLES

1. The \_\_\_\_\_ principle of accounting is the idea that all transactions should be included in the periods during which they actually take place, rather than when cash flow associated with them occurs.
  - A matching / accrual
  - B prudence / conservatism
  - C consistency
  - D going concern
  
2. The principle of \_\_\_\_\_ refers to the idea that all liabilities and expenses should be recorded as soon as possible, while assets and revenues should only be recorded when an accountant is certain they will occur.
  - A matching / accrual
  - B prudence / conservatism
  - C consistency
  - D going concern
  
3. The \_\_\_\_\_ principle entails that the recorded amounts for equity investments, assets and liabilities should not be adjusted for improvements, market value or inflation.
  - A economic entity
  - B double entry
  - C full disclosure
  - D historic cost
  
4. According to the \_\_\_\_\_ principle, credit sales are recorded when sales take place and not when the customer pays the invoice.
  - A full disclosure
  - B monetary unit
  - C time period
  - D matching / accrual
  
5. Which one of the following is an example of the business entity principle?
  - A Fixed assets must be shown at their original values.
  - B Market conditions, technological changes and the efficiency of management would not be disclosed in the accounts.
  - C Any payments for the owner's personal expenses by the business will be treated as drawings and reduce the owner's capital contribution in the business.
  - D A provision for doubtful debts should be made.

6. A business writes off the cost of small-valued assets such as pencil sharpeners, wastepaper baskets and pocket calculators to the stationery expense account, although they can last for more than one accounting period. The applicable accounting principle is \_\_\_\_\_.
- A objectivity
  - B consistency
  - C materiality
  - D matching / accrual

## ACCOUNTING INFORMATION AND TERMINOLOGY

7. The owner takes some stationery at the beginning of the year for her son to use at school.
- In which journal will the accountant make an entry and which source document will he use?**
- A General Journal using a journal voucher.
  - B Petty Cash Journal using a petty cash voucher.
  - C General Journal using an EFT voucher.
  - D Cash payments journal using an EFT voucher.
8. A business earns interest on a fixed deposit.
- Which account will the accountant credit?**
- A Bank
  - B Interest on fixed deposit
  - C Interest on current account
  - D Interest on savings account
9. Assets and liabilities are classified as either current or non-current based on \_\_\_\_\_.
- A value
  - B time
  - C payments
  - D cost
10. A business takes out a short-term loan for three months to use as bridging finance.
- The interest in this loan will be classified as a/an \_\_\_\_\_.**
- A expense
  - B payment
  - C non-current liability
  - D current liability



## JOURNALS AND GENERAL LEDGER ACCOUNTS

11. On 28 February 2021, the Bank column in the CRJ totalled R180 000 and the Bank column in the CPJ totalled R160 000. After the cash journals were posted, the bank account in the General Ledger had a debit balance of R74 000.

The opening balance of the bank account on 1 February 2021 was \_\_\_\_\_.

- A R94 000 credit
  - B R94 000 debit
  - C R54 000 credit
  - D R54 000 debit
12. On 28 February 2021, the Sales column of the CRJ totalled R70 000 and the Cost of sales column totalled R50 000.

The mark-up that is contained on cost price is \_\_\_\_\_.

- A 40,00 %
  - B 28,57 %
  - C -40,00%
  - D -28,57 %
13. Which one of the following is **NOT** an advantage of using a system of control accounts?
- A It removes bulky information from the General Ledger.
  - B The trial balance figures provide detail from the individual accounts rather than a summary of totals.
  - C It minimises the likelihood of fraud, because different staff independently maintain control account records and subsidiary ledgers.
  - D Larger companies can set up accounting departments for specific areas, e.g. debtors.
14. Calculate the total of the **DEBTORS CONTROL COLUMN** amount in the **CRJ** (marked ①) if the following column totals are given on 28 February 2021.

BANK	SALES	COST OF SALES	DEBTORS CONTROL	DISCOUNT ALLOWED	CREDITORS CONTROL	SUNDRY ACCOUNTS
180 000	70 000	50 000	①	2 000	3 000	45 000

- A R62 000
- B R14 000
- C R10 000
- D R64 000

15. The petty cash imprest is set on R1 750 with a maximum cash payment amount of R250. How much cash will the accountant need to adjust the balance on 1 March 2021 if the following totals were taken from the PCJ on 28 February 2021?

PETTY CASH	TRADING STOCK	WAGES	SUNDRY ACCOUNTS
?	820	180	720

- A R1 750  
B R30  
C R1 720  
D R1 500
16. On 28 January 2021, the total of the debtors list amounts to R69 874.
- During February 2021:**
- Total payments of R59 864 were received from debtors and discount allowed amounted to R3 222.
  - Total credit sales (after R6 879 trade discount was given) amounted to R40 324.
  - Total debtors allowance granted was R1 987.
- What will the balance of the Debtors Control Account be on 1 March 2021?**
- A R49 099  
B R45 125  
C R44 690  
D R38 246
17. Returns were analysed by the sales manager and he reported that returns that could be resold amounted to R2 800 and that returns that were so damaged that they could not be resold amounted to R476. Assume that the mark-up percentage on cost price is 40%.

**What entry will be made in the TRADING STOCK ACCOUNT?**

- A Debit entry of R2 000.  
B Credit entry of R2 000.  
C Debit entry of R2 340.  
D Credit entry of R2 340.
18. Using the same information as in question 17.
- Which entry will be made in the DEBTORS ALLOWANCE ACCOUNT?**
- A No entry will be made in the Debtors Allowance Account.  
B The account will be debited with R3 276.  
C The account will be credited with R3 276.  
D The account will be debited with R2 324.

19. The Creditors Control account shows a credit entry for Bank. The following is a list of possible transactions.

**Which one is NOT a possibility?**

- A The payment made to a creditor was posted to the incorrect creditor's account in the Creditors Ledger.
- B An overstated error in the CPJ is corrected.
- C The payment made to the creditor is cancelled as a result of insufficient funds in the bank account.
- D An amount overpaid is returned by the creditor.

## CASH TRANSACTIONS & ACCOUNTING EQUATION

20. The bank statement received shows a debit entry for cash handling fees, R200 and a credit entry for interest, R80.

**Which one of the following is the most likely entry that the accountant of the business will make?**

- A There is an error on the bank statement, as it is impossible to have debit and credit entries from the bank on a bank statement, as such no entry will be made in the books of the business.
- B She will credit Interest on current account with R80 and debit Bank charges with R200.
- C She will debit Interest on current account with R200 and credit Interest on overdraft with R80.
- D She will debit Interest on current account with R80 and credit Bank charges with R200.

21. **What will be the effect of the following transactions on the accounting equation?**

Trading stock ordered and paid cash, R4 000.  
Carriages in purchases paid cash, R500

	ASSETS	EQUITY	LIABILITIES
A	+ R4 500 -R4 500		
B	+R4 000	+R4 000	
C	+ R4 000 -R4 000	+R500	+R500
D	-R4 500	-R4 000	-R500

22. A debtor sends an internet proof of payment to the business. He settled his outstanding account after being granted a 5% discount. The discount amount is R60.

**Which entry will the accountant make in the CRJ?**

	BANK	DEBTORS CONTROL	DISCOUNT ALLOWED
A	1 200	1 260	60
B	1 140	1 200	60
C	1 200	1 140	60
D	1 260	1 200	60

23. The following information was taken from the loan account statement received for the year ending 28 February 2020.

Balance on 1 March 2019	?
Fixed monthly payment of R9 600 (including interest)	?
Capitalised interest for the year	R56 700
Balance on 28 February 2020	R482 000

What was the balance of the loan account on 1 March 2019?

- A R597 200  
 B R653 900  
 C R540 500  
 D R548 300
24. The insolvent estate of a debtor pays 60 cents in the Rand. A payment of R3 600 was received.

Which is the correct entry/entries on the credit side in the Debtors Control Account?

A

DETAILS	FOL	AMOUNT
Bank and discount allowed	CRJ	6 000

B

DETAILS	FOL	AMOUNT
Bank	CRJ	3 600
Bad debts	GJ	2 400

C

DETAILS	FOL	AMOUNT
Bank	CRJ	2 400
Bad debts	GJ	3 600

D

DETAILS	FOL	AMOUNT
Bank and bad debts	CPJ	6 000

25. C. Johnson, a debtor, lost his job and his account of R600 was written off as irrecoverable. He managed to get a job and used some of his first salary and paid R200 to the business.

The correct entry in the cash journal will be:

	BANK	DEBTORS CONTROL	DISCOUNT ALLOWED	SUNDRY ACCOUNTS	
				AMOUNT	DETAILS
A	200	200			
B	200			200	Bad debts recovered
C	200		200		
D	200			200	Bad debts

26. The General Journal shows the following entry:

	DEBIT	CREDIT
Stationery	R80	
Trading Stock		R80

Which one of the following transactions resulted in this entry in the General Journal?

- A Stationery was incorrectly recorded as trading stock.
  - B Trading stock was incorrectly recorded as stationery.
  - C Stationery purchased cash was sold as trading stock.
  - D An error was made when posting the petty cash journal to the General Journal.
27. The General Journal shows the following entry with regards to a transaction that took place with M. Jabula, a debtor:

	DEBIT	CREDIT
M. Jabula	R40	
Discount		R40

Which one of the following transactions resulted in this entry in the General Journal?

- A M. Jabula was granted R40 discount for the early payment of his account.
  - B M. Jabula was granted an additional R40 discount for the early payment of his account.
  - C The discount allowed to M. Jabula is cancelled as a result of the late payment of his account.
  - D The debtors allowance granted to M. Jabula is cancelled.
28. The business invested surplus funds in a 12-month deposit. The initial investment was R8 000 and interest, which is not capitalised, will be payable when the investment matures. The interest rate for the first 3 months was 8.5% per annum and for the remainder of the period 6% per annum.

Which entries, with regards to the interest account, will be made in the General Ledger?

- A The Interest on fixed deposit account will be debited with R530.
  - B The Interest on fixed deposit account will be credited with R530.
  - C The Interest income account will be debited with R360.
  - D The Interest income account will be credited with R360.
29. Calculate the value of equity:

NON-CURRENT ASSETS	CURRENT ASSETS	NON-CURRENT LIABILITIES	CURRENT LIABILITIES	EQUITY
400 000	75 000	200 000	58 000	?

- A R733 000
- B R467 000
- C R475 000
- D R217 000

30. Calculate the capital value:

ASSETS	CAPITAL	DRAWINGS	PROFIT	LIABILITIES
1 400 000	?	231 000	478 000	655 000

- A R36 000
- B R745 000
- C R902 000
- D R498 000

#ChooseUP

# Imagine your future #ChooseUP



Our degrees are **internationally recognised**.



Our alumni are **highly sought after**.



We have **support programmes** to assist our students to succeed.



We help to **prepare you** for the **world of work**.

Your future matters.

**Apply** as soon as possible from **1 April 2022**  
at [www.up.ac.za/apply](http://www.up.ac.za/apply).

**Selection programmes** close on **30 June 2022**.

All other programmes (**non-selection programmes**)  
close as soon as a programme is full.



UNIVERSITEIT VAN PRETORIA  
UNIVERSITY OF PRETORIA  
YUNIBESITHI YA PRETORIA

Make today matter

[www.up.ac.za](http://www.up.ac.za)

## High School Olympiad

*Guiding the leaders of tomorrow*

# ACCOUNTING

## GRADE 10

### Olympiad Paper

### Round Two

### Marks: 30

### Time: 1 hour

### Date: 04 Aug 2021

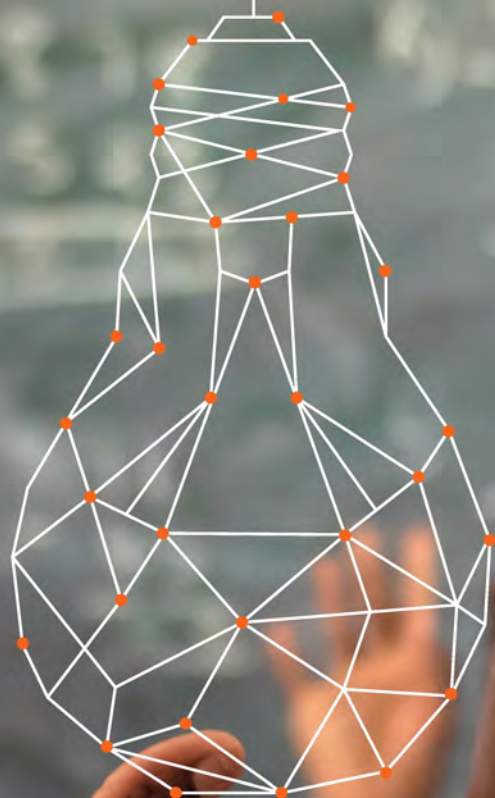
## Instructions

1. Complete questions on the ANSWER SHEET provided.
2. Complete all information on the ANSWER SHEET.
3. The ANSWER SHEET consist of 4 sections. Please select the correct section/subject.
4. There are 4 possible answers per question (A B C D)  
Only one answer is correct.  
Colour a circle completely.
5. Good luck!





# RULES OF ORDERING IN MATHEMATICS - BODMAS



<b>B</b>	<b>O</b>	<b>D</b>	<b>M</b>	<b>A</b>	<b>S</b>
Brackets (...)	Orders $\sqrt{x}$ $x^2$	Division $\div$	Multiplication $\times$	Addition $+$	Subtraction $-$

A leader on our continent. **UJ. Fourth in South Africa.**

**Fifth in Africa:** Quacquarelli Symonds (QS) World University Rankings.

For more information, visit [future.uj.mobi](http://future.uj.mobi)

**The Future  
Reimagined**

# PROVERTO EMS OLYMPIAD 2021 – GRADE 10 ACCOUNTING

## ROUND 2

### ACCOUNTING AND GAAP PRINCIPLES

Questions 1 to 7 relates to accounting concepts, GAAP principles and year-end procedures.

Match the term in COLUMN A to the best description in COLUMN B. Therefore, select only A, B, C or D on the answer sheet.

COLUMN A	
1.	Materiality principle
2.	Matching principle
3.	Going concern principle
4.	Prudence principle

COLUMN B	
A	Rent income was received from 1 January 2020 to 30 April 2021. If the business's financial year ends on 31 December 2020, four months' worth of Rent income must be removed from the account.
B	Stock must be shown and reflected at the most realistic value in the books of the business to depict that business would continue into the future.
C	The loss of fixed asset value caused by wear and tear must be valued against the current year's profits by creating a Depreciation expense account.
D	Smaller expenses such as cleaning materials, tea and coffee and stationery for staff can be grouped together into one account called Sundry expenses.

5. To record information into the books of the business, the following accounting process must be followed:

- i. Trial balance
- ii. Ledgers
- iii. Financial statement
- iv. Transactions
- v. Source documents
- vi. Analysis of financial statements
- vii. Journals

Choose the correct order of the process:

- A v, iv, vii, ii, i, iii, vi
- B iv, vii, v, ii, iii, i, vi
- C v, iv, ii, vii, i, iii, vi
- D iv, v, vii, ii, i, iii, vi

6. At year-end, the following process must be followed to prepare the books of a business for financial year-end.
- i. Pre-adjustment Trial Balance
  - ii. Adjustments
  - iii. Post-closing Trial Balance
  - iv. Closing transfers
  - v. Post-adjustment Trial Balance

**Choose the correct order of the process:**

- A** i, ii, v, iv, iii  
**B** ii, i, v, iv, iii  
**C** i, ii, iii, iv, v  
**D** i, ii, v, iii, iv
7. At year-end the following closing transfer process must be followed to close off the nominal accounts section and determine the net profit for the year.
- i. Transfer the net profit from the Profit and loss account to the Capital account
  - ii. All expenses close off to the Profit and loss account
  - iii. Sales close off to the Trading account
  - iv. All incomes close off to the Profit and loss account
  - v. Debtors Allowances close off to the Sales
  - vi. Drawings close off to the Capital account
  - vii. Transfer the gross profit from the Trading account to the Profit and loss account
  - viii. Cost of sales close off to the Trading account

**Choose the correct order of the process:**

- A** iii, viii, v, vii, i, iv, ii, vi  
**B** v, iii, viii, iv, ii, vi, i, vii  
**C** iii, v, viii, i, vi, ii, iv, vii  
**D** v, iii, viii, vii, iv, ii, i, vi

## CREDITORS RECONCILIATION

Questions 8 to 12 relate to correction of errors between the Creditors control account in the General Ledger and the List of Creditors of Proverto Ltd.

List of balances/totals on 30 June 2021:

- Creditors control, R28 400
- List of Creditors, R12 400

Choose the best option to correct the errors.

**TIP:** Keep a calculation sheet close by to calculate the reconciled totals.

8. A debit note of R900 was issued by Big Blossom Bouquets for goods returned to them. No entry was made.

	CREDITORS CONTROL ACCOUNT	LIST OF CREDITORS
A	900	900
B	(900)	(900)
C	-	(900)
D	(900)	-

9. Goods purchased on credit from Waltons to the amount of R3 700; this was incorrectly entered as R7 300 on the debit side of the current creditor's account.

	CREDITORS CONTROL ACCOUNT	LIST OF CREDITORS
A	-	3 700
B	-	7 300
C	-	(3 600)
D	-	11 000

10. The credit balance of R4 600 of debtor, A Johnson, in the Debtors Ledger must be transferred to her account in the Creditors Ledger.

	CREDITORS CONTROL ACCOUNT	LIST OF CREDITORS
A	4 600	4 600
B	-	(4 600)
C	-	4 600
D	(4 600)	(4 600)

11. The total of the Creditors control column in the Creditors Allowances Journal was understated by R5 000 and posted as such.

	CREDITORS CONTROL ACCOUNT	LIST OF CREDITORS
A	5 000	-
B	(5 000)	-
C	-	5 000
D	-	(5 000)

12. The correct balance/total after the above errors were corrected was:

	CREDITORS CONTROL ACCOUNT	LIST OF CREDITORS
A	R6 400	R6 400
B	R27 100	R27 100
C	R32 700	R32 700
D	R23 500	R23 500

## SALARIES AND WAGES

13. Study the salary scale below.

**315 000 x 15 000 – 375 000 x 25 000 – 450 000 x 35 000 – 590 000**

How many years must the employee work for the business to advance to a R400 000 annual salary?

- A 4 years
- B 5 years
- C 6 years
- D 7 years

14. Study the Salaries journal below.

DEDUCTIONS			NET SALARIES	CONTRIBUTIONS		
PAYE	UIF	PENSION		UIF	PENSION	SDL
?		2 120	19 239		3 180	

Choose the correct Accounting equation entry for the posting of the pension fund deduction and the pension fund contribution.

	ACCOUNT DEBITED	ACCOUNT CREDITED	ASSETS	OWNERS EQUITY	LIABILITIES
A	Salaries	Pension fund		- 2 120	+ 2 120
	Pension fund	Pension contribution		+ 3 180	- 3 180
B	Salaries	Pension fund		- 2 120	+ 2 120
	Pension contribution	Pension fund		- 3 180	+ 3 180
C	Pension fund	Pension deduction		+ 2 120	- 2 120
	Pension fund	Pension contribution		+ 3 180	- 3 180
D	Pension deduction	Pension fund		- 2 120	+ 2 120
	Pension contribution	Pension fund		- 3 180	+ 3 180

15. Study the Salaries journal below.

DEDUCTIONS			NET SALARIES	CONTRIBUTIONS		
PAYE	UIF	PENSION		UIF	PENSION	SDL
?		2 120	19 239		3 180	

Choose the correct Cash payments journal to make the pension fund payment to Liberty at the end of the current month.

	NAME OF BENEFICIARY	BANK	TRADING STOCK	SUNDRY ACCOUNTS	
				AMOUNT	ACCOUNT
A	Liberty	5 300		5 300	Pension fund
B	Liberty	5 300		2 120	Pension fund
				3 180	Pension contribution
C	Liberty	5 300		2 120	Pension deduction
				3 180	Pension contribution
D	Liberty	5 300		5 300	Salaries

16. Study the Salaries journal below.

DEDUCTIONS			NET SALARIES	CONTRIBUTIONS		
PAYE	UIF	PENSION		UIF	PENSION	SDL
?		2 120	19 239		3 180	

- The employee contributes 8% of the gross salary to the pension fund. The employer contributes R1,50 for every rand contributed by the employee.
- Pay-as-you-earn tax is calculated at 20% of the taxable income.

Calculate the outstanding tax for the above salaries journal.

- A R3 424
- B R3 848
- C R4 876
- D R5 300

17. Study the list of deductions/contributions below:

- i. Pay-as-you-earn tax
- ii. Pension fund
- iii. Unemployment Insurance fund (UIF)
- iv. Medical fund
- v. Tea fund
- vi. Skills development levy (SDL)
- vii. Trade union

Which of the above listed are compulsory contributions for the employer?

- A i, ii and iv
- B ii, iii and vi
- C iii and vi
- D ii, iii and vii

## YEAR-END ADJUSTMENTS

### 18. Study the extract from the Balance Sheet:

	NOTE	
<b>CURRENT ASSETS</b>		1 150 200
Inventory	4	520 000
Trade and other receivables	5	389 200
Cash and cash equivalents	6	241 000

Why should current assets be placed in this specific order on the Balance Sheet?

- A Due to the order of liquidity.
- B Due to the numerical order.
- C Due to the alphabetical order.
- D Due to the order of importance.

### 19. Study the Interest on Loan account provided.

#### INTEREST ON LOAN

2020 May	31	Bank	15 000	2020 Mar	1	Accrued expense	6 000
Dec	31	Bank	15 000				

List of balances:

	28 FEBRUARY 2021	1 MARCH 2020
Loans: ABSA (8% p.a.)	380 000	450 000

\*Repayments on loans was made on 1 December 2020.

Choose the correct interest on loan adjustment needed for the year ending 28 February 2021.

	ACCOUNT DEBITED	ACCOUNT CREDITED	ASSETS	OWNERS EQUITY	LIABILITIES
<b>A</b>	Interest on loan	Accrued income	0	- 4 600	+ 4 600
<b>B</b>	Interest on loan	Loan: ABSA	0	- 6 400	+ 6 400
<b>C</b>	Interest on loan	Accrued income	0	- 10 600	+ 10 600
<b>D</b>	Interest on loan	Accrued income	0	- 12 000	+ 12 000

### 20. EXTRACT FROM THE PRE-ADJUSTMENT TRIAL BALANCE ON 30 APRIL 2021

Rent income	175 000
-------------	---------

A section of our building has been let since 1 May 2012. The rent was decreased by 10% as from 1 January 2021. According to the rental agreement, rent must be paid one month in advance.

Calculate the correct rent income adjustment amount that must be removed from the rent income account for the year ending 30 April 2021.

- A R12 500
- B R12 600
- C R14 000
- D R14 260

21. Debtor, T Tomas, was declared insolvent. The business received 40 cents in the rand, R1 180; this was properly recorded. Write off the existing account as irrecoverable.

Choose the correct accounting equation entry.

	ACCOUNT DEBITED	ACCOUNT CREDITED	ASSETS	OWNERS EQUITY	LIABILITIES
A	Bad debts	Debtors control	- 708	- 708	0
B	Bad debts	Debtors control	- 1 770	-1 770	0
C	Debtors control	Bad debts	- 708	- 708	0
D	Debtors control	Bad debts	- 1 770	- 1 770	0

22. The loan statement from ABSA showed the following information:

Balance on 1 January 2021	900 000
Additional loan on 31 March 2021	250 000
Instalments paid (including interest) during the year	193 200
Balance on 31 December 2021	1 016 200

The interest on the loan must still be capitalised.

Choose the correct interest on loan adjustment needed for the year ending 31 December 2021.

	ACCOUNT DEBITED	ACCOUNT CREDITED	ASSETS	OWNERS EQUITY	LIABILITIES
A	Interest on loan	Loan: ABSA	0	-173 000	+173 000
B	Loan: ABSA	Interest on loan	0	-173 000	-173 000
C	Loan: ABSA	Interest on loan	0	+59 400	-59 400
D	Interest on loan	Loan: ABSA	0	-59 400	+59 400

23. NOTES TO THE FINANCIAL STATEMENTS:

3. Property, plant and equipment

	Land and buildings	Vehicles	Equipment
Cost	2 000 000	560 000	?
Accumulated depreciation	-	?	(230 000)
<b>Carrying value on 1 June 2020</b>	<b>2 000 000</b>	<b>?</b>	<b>?</b>
<b>Movements:</b>			
Additions	900 000	250 000	55 000
Depreciation	-	(60 000)	(12 200)
<b>Carrying value on 31 May 2021</b>	<b>?</b>	<b>?</b>	<b>?</b>
Cost	?	?	350 000
Accumulated depreciation	-	(360 000)	?

Calculate the property, plant and equipment total that should be disclosed on the Balance Sheet at 31 May 2021.

- A R1 132 800
- B R3 457 800
- C R3 700 000
- D R4 060 000



24. EXTRACT FROM THE PRE-ADJUSTMENT TRIAL BALANCE ON 31 JULY 2021

BALANCE SHEET ACCOUNTS SECTION	DEBIT	CREDIT
Land and buildings	4 500 000	
Vehicles	780 000	
Equipment	89 000	
Accumulated depreciation on vehicles		256 800
Accumulated depreciation on equipment		24 700

**NEW ADDITIONS:**

- A new vehicle was purchased on 1 November 2020 for R352 000; this was properly recorded.
- New equipment was purchased on 31 March 2021 for R83 000. No entry was made yet in the books of the business.

**DEPRECIATION:**

- Depreciation on vehicles at 20% p.a. on the diminishing balance method.
- Depreciation on equipment at 15% p.a. on cost.

Calculate the depreciation for the year ending 31 July 2021.

- A R104 540
- B R105 578
- C R155 900
- D R174 940

25. Belfast Builders demanded a payment of R255 000 for their services:

- the building of a new storeroom, R200 000
- repairs to the roof, R55 000

Both these amounts were debited to the repairs account.

Choose the correct entry for the adjustment needed for the year ending 31 May 2021.

	ACCOUNT DEBITED	ACCOUNT CREDITED	ASSETS	OWNERS EQUITY	LIABILITIES
A	Land and buildings	Repairs	+ 255 000	+ 255 000	0
B	Repairs	Land and buildings	- 55 000	- 55 000	0
C	Land and buildings	Repairs	+ 200 000	+ 200 000	0
D	Repairs	Land and buildings	- 255 000	- 255 000	0

26. The business invested surplus funds in a 12-month deposit. The initial investment was R8 000 and interest, which is not capitalised, will be payable when the investment matures. The interest rate for the first 3 months was 8.5% per annum and for the remainder of the period 6% per annum.

Which entries, with regard to the interest account, will be made in the General Ledger?

- A The Interest on fixed deposit account will be debited with R530.
- B The Interest on fixed deposit account will be credited with R530.
- C The Interest income account will be debited with R360.
- D The Interest income account will be credited with R360.

27. The following credit sales invoice was not yet posted at the end of the financial year.

<b>PACK-MAN-STUDIO</b>				NO: 7122
<b>CREDIT INVOICE</b>				
<b>TO:</b>		Scott Traders 81 West avenue, 01445	<b>DATE:</b> 30 April 2021	
UNITS	DESCRIPTION	UNIT PRICE	VAT	TOTAL
1000	Business cards- printed	R 2,50	-	?
1	Design	R 500	-	?
<b>MINUS (10% DISCOUNT):</b>				?
<b>TOTAL:</b>				?

Choose the correct entries needed in the respective accounts:

	DEBTORS CONTROL	SALES	CURRENT INCOME	DISCOUNT ALLOWED
<b>A</b>	+ 3 000	+ 3 000	0	0
<b>B</b>	+ 2 700	+ 2 700	0	+ 300
<b>C</b>	+ 2 700	+ 2 250	+ 450	0
<b>D</b>	+ 3 000	+ 2 500	+ 500	+ 300

28. EXTRACT FROM THE PRE-ADJUSTMENT TRIAL BALANCE ON 31 MARCH 2021

Trading stock	549 000
---------------	---------

The following adjustments were not yet taken into account at year end:

- The owner took trading stock (selling price, R3 500; cost price, R2 000) for own use.
- On 20 March 2021, there was a burglary at the storeroom and a lot of stock is missing. The insurance informed the business that only 75% of the claim would be paid out at R65 250.
- A physical stock-take was done on 31 March 2021 and amounts to R468 000.

Choose the correct trading stock deficit/surplus adjustment needed for the year ending 31 March 2021.

	ACCOUNT DEBITED	ACCOUNT CREDITED	ASSETS	OWNERS EQUITY	LIABILITIES
<b>A</b>	Trading stock deficit	Trading stock	- 13 750	- 13 750	0
<b>B</b>	Trading stock deficit	Trading stock	- 12 250	- 12 250	0
<b>C</b>	Trading stock	Trading stock surplus	+ 8 000	+ 8 000	0
<b>D</b>	Trading stock	Trading stock surplus	+ 9 500	+ 9 500	0

29. The General Journal shows the following entry:

	DEBIT	CREDIT
Consumable stores on hand	R120	
Stationery		R120

Which one of the following transactions caused the General Journal entry?

- A Stationery of R120 was incorrectly posted as consumable goods.
- B Reversal entry of consumable goods at the beginning of the new financial year, R120.
- C Stationery on hand at the end of the financial year amounted to R120.
- D Reversal entry of stationery at the beginning of the new financial year, R120.

30. The General Journal on 31 December 2021 shows the following entry:

	DEBIT	CREDIT
Prepaid expenses	R1 572	
Insurance		R1 572

Which one of the following transactions caused this entry in the General Journal?

- A Insurance has a total in the pre-adjustment trial balance of R6 288. Insurance was paid until 31 March 2022.
- B Insurance has a total in the pre-adjustment trial balance of R7 860. Insurance was paid until 31 March 2022.
- C Insurance has a total in the pre-adjustment trial balance of R11 004. Insurance was paid until 31 March 2022.
- D Insurance has a total in the pre-adjustment trial balance of R18 864. Insurance was paid until 31 March 2022.

**ROUND 1 RONDE**

**GR 10 MEMO**

**MEMORANDUM  
2021**

	<b>ANSWER</b>
--	---------------

	<b>LOWER LEVEL</b>
--	------------------------

	<b>MODERATE LEVEL</b>
--	---------------------------

	<b>HIGHER LEVEL</b>
--	-------------------------

**ACCOUNTING / REKENINGKUNDE**

	A	B	C	D		
1.						
2.						
3.						
4.						
5.						
6.						
7.						
8.						
9.						
10.						
11.						
12.						
13.						
14.						
15.						

	A	B	C	D		
16.						
17.						
18.						
19.						
20.						
21.						
22.						
23.						
24.						
25.						
26.						
27.						
28.						
29.						
30.						

**ROUND 2 RONDE**

	A	B	C	D		
1.						
2.						
3.						
4.						
5.						
6.						
7.						
8.						
9.						
10.						
11.						
12.						
13.						
14.						
15.						

	A	B	C	D		
16.						
17.						
18.						
19.						
20.						
21.						
22.						
23.						
24.						
25.						
26.						
27.						
28.						
29.						
30.						

# DON'T JUST STRIVE FOR EXCELLENCE, BECOME IT.

Be a #YoungDifferenceMaker



**AT NEDBANK WE BELIEVE IN USING OUR FINANCIAL EXPERTISE TO DO GOOD BY ASSISTING BRIGHT YOUNG LEADERS TO PURSUE THEIR ACADEMIC DREAMS.**

The Nedbank External Bursary Programme aims to fund academically deserving students who do not have the financial means to study fulltime towards a first undergraduate degree or diploma at a South African public university or university of technology.

Bursaries are awarded to address scarce and future skill requirements in the financial sector with specific focus on **Green Economy** skills.

## CRITERIA FOR SELECTION:

To be eligible for the Nedbank bursary, you must:

- be a South African citizen;
- have a proven financial need, as determined by your household income;
- have achieved:
  - a minimum academic average of 65% in the year that you are applying for the bursary; and
  - a minimum academic average of 65% for the required subjects aligned with the qualification you plan to study towards at university; and
- not have completed your grade 12 or senior certificate with mathematics literacy; and
- have successfully obtained admission approval to a South African public university or university of technology for the undergraduate qualification you plan to study towards.

## THE APPLICATION PROCESS:

We screen bursary applications against our external bursary selection criteria and we award bursaries through the Nedbank Educational Trust, at the sole discretion of the trust.

## IF YOU ARE SHORTLISTED, WE WILL ASK YOU TO:

- submit the relevant documents for financial review;
- participate in psychometric and other assessments; and
- attend an interview.

For the complete application process and a list of required documents, please visit our website at

[www.nedbank.co.za/bursary](http://www.nedbank.co.za/bursary).

There you can also find more information on opening dates and apply online.

All candidates will receive **feedback on the status** of their application at the completion of the recruitment and selection process (expected to be completed by the end of 2022).

### Contact information

Email: [Unlockyourambition@nedbank.co.za](mailto:Unlockyourambition@nedbank.co.za)

Bursaries are granted at Nedbank's sole discretion.

see money differently

**NEDBANK**