



EXAMINATIONS COUNCIL OF ESWATINI
Junior Certificate Examination

Bookkeeping and Accounts
PAPER 1

520/01
October/November 2020

Confidential

MARK SCHEME

{520/01}

MARKS: 100

This document consists of 7 printed pages.

QUESTION 1

(a) A

(b) D

(c) C

(d) C

(e) A

(f) B

(g) D

(h) D

(i) B

(j) B

[10 marks]

QUESTION 2

- (a) (i) - Stale
- Post-dated
 - Drawers signature different from that on specimen
 - Amount written in words differ from that written in figures
 - Cheque is dirty/ suspected to be stolen

Any 3 x 1

[3]

- (ii) Stop order – regular payments of fixed amounts(1) made by the bank on behalf of the debtor for a specified period(1).

Bank charges – amounts charged by the bank(1) to its clients for operating their accounts (1)

Dividend – A dividend is a sum of money paid by a company to its shareholders (1), normally quarterly out of its profit.(1)

Dishonoured cheque – a cheque refused by the bank(1) for payments(1)

[8]**(b)**MuhleSupplementary Cash Book (bank columns) for the month ended 30 August 2020

Balance	b/d	E	2630(1)	WAX – rent	E	1800(1)
Dishonoured cheque	10397	1600(1)		Bank charges	200(1)	
Dividend		<u>2300(1)</u>		Balance	c/d	<u>4530</u>
		<u>6530</u>				<u>6530</u>
Balance	b/d	4530(1)				

[6]**(c)**MuhleBank Reconciliation Statement as at 30 August 2020

Balance as per cash book		E		E	4 530(1)
Add: Unpresented cheques:	Zulu	3 350(1)			
	Mafu	<u>2 500(1)</u>			
				<u>5 850</u>	
				10 380	
Less: Uncredited deposits: Cash				2 110(1)	
	Mathonsi's cheque			<u>3 200(1)</u>	
				<u>5 310</u>	
Balance as per bank statement				<u>5 070 (1)</u>	

[6]**[Total: 23 Marks]**

QUESTION 3**(a)**

Transaction	Account to be debited	Account to be credited
Wages paid by cheque	Wages (1)	Bank (1)
Sold goods on credit to D Dlamini.	D Dlamini (1)	Sales (1)
Motor van bought by cheque	Motor Van (1)	Bank (1)
Petty cashier bought postage stamps	Postage stamps (1)	petty cash book (1)
Goods returned by D.Dlamini	Buhle (1)	Purchases Returns (1)

[10]**(b)** The duality concept **(1)**

In every transaction, there are two aspects, **(1)** one represented by assets and the other by the claims against them. **(1)**

[3]**(c)** Feb 1 - Total purchases amount **(1)** from previous months **(1)**Feb 15 – Goods **(1)** bought by cheque **(1)**Feb 22 – Goods **(1)** bought for cash **(1)**Feb 28 – Goods bought on credit **(1)** during the month of February **(1)**Feb 28 – Amount **(1)** transferred to income statement **(1)** to calculate profit**[10]****[Total: 23 marks]**

QUESTION 4

- (i) - all profits belong to the owner
 - easily takes decisions as he consults no one
 - easy to start as there are less formal requirements
 - little capital required to start the business
 - the owner knows the customers well and can give them credit
 - conveniently run, open early and close late
 Any 4 x 1

[4]

- (ii) - to know how business is performing
 - to use the profit as a basis for getting loans or attracting investors
 - to calculate amount of tax to be paid
 - to know the amount of dividends to be paid
 Any two x 2

[4]**(b) Historical cost concept (1)**Assets **(1)** must be recorded at their actual costs in books of accounts **(1)****[3]****(c)**

Mphumelelo
Balance Sheet as at 31 March 2020

Non-current Assets		Owners' equity		
	E	E		
Premises		29 000	Capital	52 000
Motor vehicle	30 000(1)		+ Net profit	<u>1 150(1)</u>
Less depreciation	<u>12 000(1)</u>	18 000		53 150
Furniture	4 000(1)		- Drawings	<u>2 000(1)</u>
Less depreciation	<u>800(1)</u>	3 200		51 150
		<u>50 200</u>		
Current assets			Long term liabilities	
Inventory		5 000	Loan ASB Bank	10 700(1)
Debtors	16 000(1)		Current liabilities	
- Prov BD	<u>600(1)</u>	15 400	Creditors	2 500
Insurance prepaid			Bank o/d	8 000(1)
150(1)			Rent accrued	<u>400(1)</u>
Cash		<u>2 000</u>		<u>10 900</u>
		<u>22 550</u>		
		<u>72 750</u>		<u>72 750</u>

[12]**[Total: 23 marks]**

QUESTION 5

- (a) Debtors are people or firms (1) who owe the business(1)
 Creditors are people or firms (1) who are owed by the business(1)

[4]**(b)**

			<u>Blue Ltd a/c</u>		
2020		E	2020		E
April 1	Sales	3 000 (1)	April 30	Balance c/d	3 900
12	Sales	<u>900 (1)</u>			
		<u>3 900</u>			<u>3 900</u>
May 1(1)	Balance b/d	3 900 (1)			

			<u>Brown Traders a/c</u>		
2020			2020		
April 4	Sales	1 500 (1)			

			<u>Green Tea a/c</u>		
2020			2020		
April 8	Sales	2 600 (1)			

			<u>Yellow Traders a/c</u>		
2020			2020		
April 27	Sales	4 200 (1)			

			<u>Sales a/c</u>		
2020			2020		
			April 30	Debtors	12 200 (1)

(no date no mark)**[8]**

(c) (i) $5/100 \times E4200 = E210$ **(1)**

$E4200 - E210 = E3990$ **(1)**

[2]

(ii) Cash book

[1]

(iii)

Date	Account debited	E	Account credited	E
2020 May 11	Bank	3990 (1)	Yellow trader	4200 (1)
	Discount allowed	210 (1)		

[3]

(ii) Money measurement concept **(1)**

Only information that can be measured in monetary terms **(1)** is recorded in the books of accounts of the business **(1)**

[3]

[Total: 21 marks]