



EXAMINATIONS COUNCIL OF ESWATINI  
Junior Certificate Examination

CANDIDATE  
NAME

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CENTRE  
NUMBER

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CANDIDATE  
NUMBER

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**BOOKKEEPING AND ACCOUNTS**

**520/02**

Paper 2

**October/November 2022**

**2 hours**

**READ THESE INSTRUCTIONS FIRST**

1. Write your name, Centre number and candidate number on the spaces provided.
2. Answer **all** questions.
3. Write your answers using a **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.

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

This question paper consists of **16** printed pages.

**QUESTION 1**

Zamile Grocery Shop issued the following invoice to Thuli Dombolo, a customer.

INVOICE			
NO: 1031			
ZAMILE GROCERY P.O. BOX 20 BHUNYA TEL: 2435 1000			
<input type="text"/> (i) P.O. BOX 3921 BHUNYA		31 March 2022	
Description	Quantity	Unit price E	Total price E
Maize mealie meal 5kg	2	50.00	100.00
White sugar 2kg	1	<input type="text"/> (ii)	35.00
Milk 2L	<input type="text"/> (iii)	20.00	80.00
Rice 2kg	3	15.00	<input type="text"/> (iv)
Brown bread 800g	5	<input type="text"/> (v)	45.00
Niknaks 100g	<input type="text"/> (vi)	8.00	48.00
TOTAL			<input type="text"/> (vii)
All prices include VAT			

**REQUIRED**

(a) Calculate and fill in the missing figures from (i) to (vii) in Zamile Grocery's invoice. [7]

Zamile Grocery shop also issues receipts and credit notes as part of some the source documents used when doing business.

**REQUIRED**

**(b) (i)** What is an invoice issued?

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

**(ii)** State **two** reasons for keeping source documents.

Reason 1

.....  
.....

Reason 2

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

**(iii)** When may Zamile Grocery issue a credit note?

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

**(iv)** Explain **one** reason why Thuli Dombolo may return goods to Zamile Grocery?

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

**(v)** What does VAT stand for?

..... [1]

**(vi)** State the purpose of charging VAT.

..... [1]

Zamile Grocery follows the principle of double entry when recording items in the ledger accounts.

**REQUIRED**

(c) Identify the concept that Zamile Grocery follows and explain it.

Concept .....

Explanation

.....

.....

..... [3]

**[Total marks: 20]**

**QUESTION 2**

The ledger is one of the books used when recording in the books of accounts.

**REQUIRED**

(a) (i) Define a ledger.

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

(ii) State **two** advantages of dividing the ledger.

Advantage 1

.....

Advantage 2

..... [2]

Accounts can be classified as nominal, personal, real and proprietary.

**REQUIRED**

(b) Indicate whether the given items are nominal, personal, real or proprietary accounts and state the type of balance of each account.

The first one has been done as an example.

Item	Type of account	Type of balance
<i>e.g. Advertising</i>	<i>Nominal</i>	<i>Debit</i>
1 Sales		
2 Drawings		
3 Insurance		
4 Land and buildings		
5 Trade payables		

[10]

Mbali had the following items in her books of accounts in the month of May 2022.

2022			E
May	1	Purchases account opening balance	2000
	3	Goods bought on credit from S. Dlamini	800
	9	Bought inventory by cheque	1200
	14	Mbali took goods for private use	100
	20	Goods bought for cash	500

**REQUIRED**

(c) Prepare a purchases account in Mbali’s books of accounts.

Purchases account											

[6]

**[Total marks: 20]**

**QUESTION 3**

Nosipho, a trader, buys and sells goods on credit and cash basis. The following transactions took place during the month of June 2022.

2022

June 5 Sold goods to Bayabonga at E800 less 10% trade discount

7 Bayeta bought goods on credit from Nosipho for E600

12 Sold goods to Buhle for E300

**REQUIRED**

(a) Prepare Nosipho's Sales Journal for the month ended 30 June 2022.

		Sales Journal			Debit (E)			Credit (E)		

[5]

(b) Post to Bayabonga account and sales account.

		Bayabonga account								
		Sales account								

[2]

(c) Explain **two** differences between trade and cash discount.

.....

.....

.....

.....

.....

.....

.....

.....

..... [4]

The following balances were taken from the books of Sivuno Enterprise on 1 July 2022.

	E
Insurance prepaid	3 000
Commission payable accrued	500
Trade receivable	6 700
Trade payables	3 400
Bank overdraft	6 600
Motor vehicle	24 000
Inventory	3 100
Capital	?





**QUESTION 4**

Minenhle prepared the following Trial balance on 31 July 2022.

**Trial Balance as at 31 July 2022**

	Debit (E)	Credit (E)
Inventory/stock	1 500	
Revenue/sales		12 000
Motor vehicles	90 000	
Purchases	8 800	
Returns inwards	100	
Carriage inwards	500	
Discount received		150
Rent	2 900	
Bank	3 500	
Stationery	340	
Capital	<u>          </u>	<u>95 490</u>
	<u>107 640</u>	<u>107 640</u>

After the preparation of the trial balance Minenhle discovered that there were errors which were not revealed by the trial balance.

1. Cheque for E2500 received for goods sold was not recorded in the books of accounts
2. Discount received and stationery account were both overstated by E20
3. Returns inwards for E200 were entered in the carriage inwards account



- (b) Use a tick (✓) to classify the following items from the books of Minenhle as non-current assets, current assets, non-current liabilities and current liabilities.

The first one has been done as an example.

	Items	Non-current assets	Current assets	Non-current liabilities	Current liabilities
	<i>Inventory/stock</i>		✓		
(a)	Bank				
(b)	Motor vehicles				
(c)	Unused stationery				
(d)	Repairs still owing				
(e)	Rent paid in advance				

[5]

[Total marks: 20]

**QUESTION 5**

The following transactions took place in Meme's business during the year ended 31 August 2022.

- 1 Furniture was purchased for E10 000 by cash
- 2 Wages for E3 500 were paid by cheque
- 3 A cheque for E6 000 was received for old furniture sold at net book value
- 4 Telephone bill for E500 paid in advance by cheque

**REQUIRED**

- (a) State the effect of recording the transactions on profit for the year, non-current and current assets.

Write increased, decreased or no effect to answer this question.

The first one has been completed as an example.

	<b>Effect on profit for the year</b>	<b>Effect on non-current assets</b>	<b>Effect on current assets</b>
Transaction 1	<i>No effect</i>	<i>Increased by E10 000</i>	<i>Decreased by E10 000</i>
Transaction 2			
Transaction 3			
Transaction 4			

[9]

Thulebona Stationery Shop had the following balances on 31 September 2022:

	E
Inventory	1 700
Cash on hand	4 500
Drawings	2 000
Furniture and fittings	30 000
Office equipment	15 000
Loan from XYZ Bank	20 000
Trade payables	5 000
Trade receivables	8 000
Capital	25 000
Profit for the year	5 200

**Additional information:**

1. Interest on loan owing E400
2. Thulebona Stationery Shop had paid E400 rent in advance
3. Depreciation on furniture and fittings was 10% per year and 20% depreciation on office equipment per year

