



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**

**520/01**

Paper 1

**October/November 2024**

**1 hour 30 minutes**

**READ THESE INSTRUCTIONS FIRST**

1. Write your name, centre number and candidate number in the spaces provided.
2. Answer **all** questions.
3. Write your answers using **blue** or **black** pen.
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	

**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)** Which statement refers to inventory?

- A** goods awaiting to be sold
- B** goods bought for cash
- C** goods bought on credit
- D** goods bought for resale

☐ [1]

**(b)** What would be the result if revenue exceeded cost of sales?

- A** gross loss
- B** gross profit
- C** loss for the year
- D** profit for the year

☐ [1]

**(c)** Muzi received an invoice for motor repairs, E900 from Cebi.

In which subsidiary book will Muzi record the transaction?

- A** cash book
- B** general journal
- C** purchases journal
- D** sales journal

☐ [1]

**(d)** Which term refers to installation costs of a non-current asset?

- A** capital expenditure
- B** capital receipt
- C** revenue expenditure
- D** revenue receipt

☐ [1]

**(e)** On 28 February 2024, rent received totaled E4200, and rent received in arrears was E800.

How much should be recorded for rent received in the income statement on 28 February 2024?

- A** E800
- B** E3400
- C** E4200
- D** E5000

☐ [1]

**(f)** Where is interest on partner's loan recorded?

- A** appropriation account
- B** capital account
- C** income statement
- D** statement of financial position

☐ [1]

- (g) On 31 March 2024, Bongi returned goods for E300 to Futhi Traders.

Which document was issued by Futhi Traders to Bongi for this transaction?

- A credit note
- B debit note
- C invoice
- D receipt

☐

[1]

- (h) How is an increase in provision for doubtful debts shown in the income statement?

- A added to expenses
- B added to income
- C subtracted from expenses
- D subtracted from income

☐

[1]

- (i) Which is the formula for calculating depreciation of non-current assets using the straight-line method.

- A cost price – accumulated depreciation
- B cost price – disposal value
- C cost price – residual value
- D cost price – residual value divided by life span

☐

[1]

- (j) How is working capital calculated?

- A current assets plus current liabilities
- B current assets minus current liabilities
- C non-current assets plus current liabilities
- D non-current assets minus current liabilities

☐

[1]

**[Total:10 Marks]**

**Question 2**

Sinky, a trader, runs a furniture shop. He keeps proper accounting records and is always given a 20% trade discount on all inventory bought for resale. On 31 August 2024, he provided the following information.

August	4	bought goods from Mandi wholesalers, E5000
August	6	bought inventory from Elis wholesalers, E2000
August	10	bought more inventory from Mandi wholesalers, E1500
August	15	Sinky paid the amount owing to Elis wholesalers less 5% cash discount

**REQUIRED**

(a) Explain **two** reasons why Sinky would give an allowance to his customers.

1 .....

.....

.....

.....

2 .....

.....

.....

.....

..... [2]

(b) Calculate the total purchases from Mandi. Show your working.

.....

.....

.....

.....

.....

.....

.....

.....

..... [4]

- (c) Calculate the amount paid by Sinky on 15 August 2024. Show your working.

.....

.....

.....

.....

.....

..... [3]

- (d) State the subsidiary book and the side Sinky used to record the discount on 15 August 2024.

Subsidiary book .....

Side ..... [2]

On 4 September 2024, Sinky received an invoice from Mandi.

### REQUIRED

(e) Complete the invoice with the missing words and figures.

Invoice: 101			
		_____ (i)	
		P.O. Box 1515	
		Big city	
To: _____ (ii)		Date: _____ (iii)	
<hr/>			
<b>Description</b>	<b>Quantity</b>	<b>Unit Price(E)</b>	<b>Total Price(E)</b>
<hr/>			
Brown stools	22	50-00	_____ (iv)
Long white tables	10	_____ (v)	3000-00
Orange tables	_____ (vi)	80-00	480-00
Medium tables	6	70-00	420-00
Total			5000-00
Less: 20% _____ (vii) discount			_____ (viii)
			_____ (ix)
<b>Terms: 5% _____ (x) if paid within 30 days</b>			

[10]

(f) Sinky charges VAT on all goods sold.

(i) What does VAT stand for?

..... [1]

(ii) What is the current rate for VAT in Eswatini?

..... [1]

(iii) Explain **one** reason for charging VAT.

.....

.....

.....

..... [2]

**[Total:25 Marks]**

**Question 3**

Mkhulu, a trader, prepared the following cash book for May 2024.

Mkhulu  
Cash Book for the Month ended 31 May 2024

May	1	Capital	3000	5000	May	5	Rent		2000
	12	Sales	700			9	Equipment		3500
	20	Sales	800			30	Rent	2000	
	25	Commission received	1000						
	31	Balance c/d		500		31	Balance c/d	3500	
			<u>5500</u>	<u>5500</u>				<u>5500</u>	<u>5500</u>
June	1	Balance b/d	3500		June	1	Balance b/d		500



**REQUIRED**

- (a) Post the entries in Mkhulu's cash book to the ledger and balance the accounts and bring down the balance on 1 June 2024.

Capital account									
Rent account									
Equipment account									
Sales account									
Commission received account									

After balancing the ledger accounts, Mkhulu prepared a trial balance.

**REQUIRED**

**(b) (i)** Define a trial balance.

.....  
 ..... [1]

**(ii)** State the purpose to Mkhulu of preparing a trial balance.

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

**(iii)** Prepare a trial balance as at 31 May 2024.

Mkhulu  
Trial Balance at 31 May 2024


[8]

**[Total: 24 Marks]**

**(a)** Differentiate between a long-term loan and a bank overdraft.

[4]

[4]

- (c) State the effect of **each** of the items on assets, liabilities, expenses and profit.

The first one has been done as an example.

Item	Assets	Liabilities	Expenses	Profit
<i>Bought motor van by cheque</i>	<i>+motor van -bank</i>	<i>No effect</i>	<i>No effect</i>	<i>No effect</i>
Paid rent by cheque				
Goods taken for own use				
Equipment bought on credit				

[12]

- (d) Give **one** example of an item that increases profit.

..... [1]

**[Total: 21 Marks]**



**Question 5**

The Treasurer of Philani Youth Centre prepared the following receipts and payments account on 31 March 2024.

Receipts	E	Payments	E
Balance b/d	960	Party expenses	770
Subscriptions	1 020	Furniture	590
Donation	840	Equipment	1 560
Tickets sales	1 090	Music expenses	280
Gate collections	1 370	Cleaner's wages	840
		Electricity	200
		Balance c/d	1 040
	5 280		5 280

**Additional information at 31 March 2024**

- 1 Furniture is to be depreciated at 10% per annum.
- 2 Equipment was purchased on 1 October 2023, and it is to be depreciated at 10% per annum.
- 3 Electricity of E50 had not been paid.

Philani Youth Centre  
Income and Expenditure account for the year ended 31 March 2024

[illegible]

520/01/O/N/24

	E
Cash in hand	1 040
Furniture	590
Equipment	1 560
Electricity in arrears	50
Bank overdraft	220
Trade payables	430
Trade receivables	980

**(b)** Calculate the accumulated fund at 31 March 2024.

[illegible]

**[Total: 20 Marks]**