



Province of the
EASTERN CAPE
EDUCATION

Name:

**NATIONAL
SENIOR CERTIFICATE**

GRADE 11

NOVEMBER 2018

**ACCOUNTING
ANSWER BOOK**

QUESTION	MAX MARKS	MARKS OBTAINED	MODERATED MARKS
1	40		
2	50		
3	60		
4	50		
5	45		
6	55		
	300		



This answer book consists of 12 pages.

QUESTION 1: RECONCILIATIONS

1.1

1.1.1	
1.1.2	
1.1.3	
1.1.4	

4

1.2.1

CASH RECEIPTS JOURNAL		CASH PAYMENTS JOURNAL	
SUNDRY ACCOUNT	AMOUNT	SUNDRY ACCOUNT	AMOUNT

10

1.2.2

BANK RECONCILIATION STATEMENT ON 31 OCTOBER 2018		
	DEBIT	CREDIT

10

1.2.3

PROBLEM IDENTIFIED	SOLUTION

6

1.3 CREDITORS RECONCILIATION

Creditors Ledger Account	Statement
20 000	21 500
A	
B	
C	
D	
E	

10

QUESTION 2: INCOME STATEMENT**VUZI TRADERS****Income Statement for the year ended 28 February 2018**

Sales	
Cost of Sales	
GROSS PROFIT	
Other income	
Gross income	
Operating expenses	
Operating profit	
Profit before interest expense	
Net profit for the year	

50

QUESTION 3: PARTNERSHIPS

3.1 CURRENT ACCOUNT NOTE

	THANDI	XOLA	TOTAL
Salaries			
Interest on capital			
Bonus			
Net profit for the year			471 250
Drawings	(148 800)	(127 100)	(275 900)
Balance (1 March 2017)			
Balance (28 February 2018)			

25

3.2 Calculate the following financial indicators:

3.2.1 CURRENT RATIO

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3

3.2.2 AVERAGE DEBTORS COLLECTION PERIOD

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6

3.2.3 PARTNER XOLA'S RETURN ON EQUITY

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7

3.2.4

DEBT/EQUITY RATIO

4

3.3

Comment on the liquidity of the business. Quote TWO financial indicators (with figures) to support your comment.

6

3.4.1

Explain Thandi's concern about the 'unlimited liability' principle.

3

3.4.2

Provide TWO points to support Xola's suggestion. Quote ONE financial indicator (with figures) in your motivation.

6

QUESTION 4: COST ACCOUNTING

4.1.1 Calculate: Direct material cost

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7

Calculate: Direct labour cost

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5

4.1.2

**GENERAL LEDGER OF STRUMPHER MANUFACTURERS
WORK-IN-PROGRESS STOCK**

10

FINISHED GOODS STOCK

6

4.1.3

The owner is concerned about the control of workers in production. Provide TWO points that justify his concern. Quote relevant figures.

Point 1:	Figures
Point 2:	Figures

6

4.2 JOLENE AND JUANE DOLLS

4.2.1

Calculate the break-even point.

Comment on the findings.

7

3

4.2.2

Did the business achieve the targeted gross profit on sales? Provide a calculation to support your opinion.

6

QUESTION 5: BUDGETING

5.1 Calculate the percentage of goods sold on credit during December 2018.

4

5.2 Complete the Debtors Collection Schedule for December 2018.

MONTH	CREDIT SALES	NOVEMBER	DECEMBER
October	57 600	23 040	
November	64 800	24 624	
December	72 000		
CASH FROM DEBTORS			

8

5.3 **CASH BUDGET FOR DECEMBER 2018**

RECEIPTS	DECEMBER 2018
Cash Sales	
TOTAL RECEIPTS	
<hr/>	
PAYMENTS	
Advertising	3 600
Repairs and maintenance	5 000
TOTAL PAYMENTS	
<hr/>	
SURPLUS/(SHORTFALL)	
Bank (Opening Balance)	
BANK (CLOSING BALANCE)	

23

5.4

ITEM	REASON
Well controlled:	
Not well controlled:	

6

Provide the owner with different internal control measures he can use to exercise better control over any TWO items on this list.

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4

QUESTION 6: CLUBS AND FIXED ASSETS

6.1.1

**GENERAL LEDGER OF MOUNT COKE HIKING CLUB
MEMBERSHIP FEES ACCOUNT**

20

6.1.2

Explain why they feel this way. Provide ONE point.

2

Provide a solution to solve this problem. ONE point

2

6.2.1

Calculate: Total depreciation on vehicles

6

Calculate: Total depreciation on equipment

3

6.2.2 **FIXED ASSETS NOTE**

	VEHICLES	EQUIPMENT
CARRYING VALUE (1 March 2017)		213 000
Cost	924 000	380 000
Accumulated depreciation	(554 400)	(167 000)
<i>Movements:</i>		
Additions		0
Disposals	0	
Depreciation		
CARRYING VALUE (28 February 2018)		
Cost	1 090 000	335 000
Accumulated depreciation		(165 340)

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6.2.3 Provide TWO points to justify her concern. Quote figures.

6

Give Shirley TWO points of advice on how she can exercise better control over the use of the vehicles.

4

6.2.4 The six drivers are dissatisfied with their salary increase and are planning a strike. Are they justified? Explain.

3

TOTAL: 300