



Province of the
EASTERN CAPE
EDUCATION

NAME:

**NATIONAL
SENIOR CERTIFICATE**

GRADE 11

NOVEMBER 2014

**ACCOUNTING
ANSWER BOOK**

| QUESTION | MAX. MARKS | MARKS OBTAINED | MODERATED MARKS |
|----------|------------|-------------------|--------------------|
| 1 | 50 | | |
| 2 | 45 | | |
| 3 | 60 | | |
| 4 | 50 | | |
| 5 | 35 | | |
| 6 | 60 | | |
| | 300 | | |



This answer book consists of 14 pages.

QUESTION 1: RECONCILIATIONS AND FIXED ASSETS**(50 marks; 30 minutes)****1.1 Bank Reconciliation**

| NO. | JOURNALS AND BANK ACCOUNT | | | BANK STATEMENT | | NO ENTRY (X) |
|------|------------------------------|----------------|-----------------|----------------|-----------------|--------------|
| | CONTRA ACCOUNT – DETAILS | AMOUNT DEBITED | AMOUNT CREDITED | AMOUNT DEBITED | AMOUNT CREDITED | |
| E.g. | <i>Interest on overdraft</i> | | <i>R85,00</i> | | | |
| A | | | | | | |
| B | | | | | | |
| C | | | | | | |
| D | | | | | | |
| E | | | | | | |
| F | | | | | | |
| G | | | | | | |
| H | | | | | | |
| I | | | | | | |

15

1.2 Creditors Reconciliation

| | CREDITORS LEDGER ACCOUNT | STATEMENT FROM TRODAT TRADERS |
|------------------------------------|--------------------------|-------------------------------|
| Balance / total | 10 991 | 16 091 |
| A | | |
| B | | |
| C | | |
| D | | |
| E | | |
| F | | |
| BALANCE (30 SEPTEMBER 2014) | | |

15

1.3 Fixed Assets

1.3.1

| | | |
|---|--|---|
| A | | 3 |
| B | | 3 |
| C | | 5 |

1.3.2

**GENERAL LEDGER OF EAST END STORES
ASSET DISPOSAL ACCOUNT (N10)**

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1.3.3

Provide a suitable reason for the equipment being disposed (sold).

2

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| Q1 | 50 | |
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QUESTION 2: SPORTS CLUBS

(45 marks; 27 minutes)

2.1

**GENERAL LEDGER OF AMATHOLE HIKING CLUB
CREDITORS CONTROL (OUTDOOR MANUFACTURERS)**

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HIKING BAGS STOCK ACCOUNT (B6)

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MEMBERSHIP FEES ACCOUNT (N3)

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| 16 |

- 2.2 The new members were unhappy about the fees they had to pay for the year.

2.2.1 Give a possible reason why they feel this way.

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| 2 |

2.2.2 Provide a suggestion to the committee to address this matter.

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| 2 |

- 2.3 The chairperson is concerned with the manner in which the treasurer is managing the collection of fees.

**2.3.1 Why do you think she feels this way?
(Quote relevant figures to support your answer)**

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| 2 |

2.3.2 Provide TWO suggestions that the treasurer can use to improve the collection of fees from members. Note that the chairperson is not in favour of charging members interest on their overdue account.

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| Q2 | 45 | |
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3.1.2 TRADE AND OTHER RECEIVABLES

| | |
|-----------------|--|
| Debtors Control | |
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| Q3 | 60 | |
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QUESTION 4: PARTNERSHIPS AND RATIO ANALYSIS**(50 marks; 30 minutes)****4.1 NOTE : CURRENT ACCOUNT**

| | SAM | TOM | TOTAL |
|--------------------------------------|---------|--------|-------|
| Salaries | 102 000 | | |
| Interest on capital | | 40 000 | |
| Bonus | | | |
| Primary distribution of profits | | | |
| Final distribution of profits | | 7 500 | |
| Net profit as per income statement | | | |
| Drawings | | | |
| Retained income for the year | | | |
| Balance at the beginning of the year | 6 750 | | |
| Balance at end of the year. | 32 550 | | |

21

4.2 4.2.1 Debt/equity ratio

5

4.2.2 Acid test ratio

5

4.2.3 Percentage return on investment earned by Sam.

6

4.3

Should Sam be satisfied with his return on investment?

Explain; quote relevant figures or financial indicators to support your answer.

3

4.4

Tom was concerned that the percentage net profit on sales decreased although the operating profit on sales has improved. Provide him with an explanation. Quote appropriate figures in your explanation.

3

4.5

Comment on the liquidity position of the business. Quote TWO relevant financial indicators (with figures) in your response.

4

4.6

Sam wants to increase the loan by an additional R150 000 to make improvements to the existing buildings. What advice would you offer him? You must make reference to financial indicators and figures to support your advice.

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Q4

50

QUESTION 5: COST ACCOUNTING (MANUFACTURING)**(35 marks; 21 minutes)****5.1 Indicate the cost category for each item.**

| | |
|-------|--|
| 5.1.1 | |
| 5.1.2 | |
| 5.1.3 | |
| 5.1.4 | |
| 5.1.5 | |

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5.2 5.2.1 Calculate:

a) Direct labour cost.

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b) Factory overhead cost.

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5.2.2

GENERAL LEDGER CLASSIC MANUFACTURERS
WORK IN PROCESS STOCK (B7)

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FINISHED GOODS STOCK (B8)

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| Q5 | 35 | |
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QUESTION 6: BUDGETS**(60 marks; 36 minutes)**

- 6.1 Complete the following sentences. Write only the word (s) next to the question numbers in the answer book.

| | |
|-------|--|
| 6.1.1 | |
| 6.1.2 | |
| 6.1.3 | |
| 6.1.4 | |

8

- 6.2 6.2.1 Calculate

- a) The cash received from debtors during November 2014.

| | CREDIT SALES | WORKINGS | NOVEMBER |
|-----------|-----------------|----------|----------|
| September | 70 000 | | |
| October | 85 000 | | |
| November | 90 000 | | |
| | | | |

8

- b) Bad debts to be written off during the budget period.

5

- c) Discount to be allowed during December 2014.

3

6.2.2 CASH BUDGET FOR NOVEMBER 2014 AND DECEMBER 2014

| | NOVEMBER | DECEMBER |
|--------------------------|----------------|----------------|
| TOTAL RECEIPTS | 168 000 | 120 000 |
| CASH PAYMENTS | | |
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| CASH SURPLUS (SHORTFALL) | | |
| BANK (Opening balance) | | |
| BANK (Closing balance) | | |

24

6.2.3

| ITEM | ADVICE/RECOMMENDATION |
|--------------------|-----------------------|
| Rent income | |
| Advertising | |
| Maintenance | |

6

6.3 Problem Solving:

| | PROBLEM IDENTIFIED (with figures) | ADVICE OR SOLUTION |
|--------|--------------------------------------|--------------------|
| SHOP A | | |
| SHOP B | | |

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| |
| 6 |

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|----|----|--|
| Q6 | 60 | |
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GRAND TOTAL: 300

