



Province of the
EASTERN CAPE
EDUCATION

Name:

**NATIONAL
SENIOR CERTIFICATE**

GRADE 11

NOVEMBER 2017

**ACCOUNTING
ANSWER BOOK**

QUESTION	MAX MARKS	MARKS OBTAINED	MODERATED MARKS
1	45		
2	75		
3	35		
4	70		
5	45		
6	30		
	300		

This answer book consists of 14 pages.

1.3 Debtors Reconciliation

1.3.1 Explain why the Debtors Control account balance and the Debtors List total should be the same.

2

1.3.2 Correct the Debtors' List

DEBTOR	WORKINGS	BALANCE
A. Santos	12 560	
B. Deepak	9 840	
C. Mellissa	7 660	
D. Rossie	11 400	

10

1.3.3 • Explain 30 days credit terms

2

• What should the credit manager do to ensure that only reliable persons are allowed to buy goods on credit? Provide TWO points.

4

Q1	45	
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QUESTION 2: PARTNERSHIPS – FINANCIAL STATEMENTS**2.1 PB STORES****INCOME STATEMENT FOR THE YEAR ENDED 28 FEBRUARY 2017**

Sales		
Cost of sales		
Gross profit		
Other income		
Commission income	58 545	
Gross income		
Operating expenses		
Salaries and wages	45 000	
Operating profit		
Profit before interest expense		
Net profit for the year	311 135	33

2.2.1 CAPITAL NOTE

	PINKY	BRIAN	TOTAL
Opening balance			
Closing balance			

8

2.2.2 CURRENT ACCOUNT NOTE

	PINKY	BRIAN	TOTAL
Salaries			
Interest on capital			
Bonus			
Closing balance			

28

2.3.1 Provide TWO reasons to justify why he feels this way. In each case provide relevant figures to support your comments.

Empty text box for answer to 2.3.1

4

2.3.2 Give ONE suggestion that the partnership can use to address the concern expressed by Pinky.

Empty text box for answer to 2.3.2

2

Q2	75	
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QUESTION 3: PARTNERSHIPS – FINANCIAL STATEMENTS AND INTERPRETATION**3.1 Matching**

3.1.1			<table border="1"> <tr><td> </td></tr> <tr><td>4</td></tr> </table>		4
4					
3.1.2					
3.1.3					
3.1.4					

3.2 MP TRADERS**3.2.1 Calculate the following:**

WORKINGS	ANSWER			
<ul style="list-style-type: none"> Percentage mark-up on cost 		<table border="1"> <tr><td> </td></tr> <tr><td>4</td></tr> </table>		4
4				
<ul style="list-style-type: none"> Operating expenses on sales 		<table border="1"> <tr><td> </td></tr> <tr><td>3</td></tr> </table>		3
3				
<ul style="list-style-type: none"> Total earnings of Monty 		<table border="1"> <tr><td> </td></tr> <tr><td>4</td></tr> </table>		4
4				
<ul style="list-style-type: none"> The percentage return earned by Python 		<table border="1"> <tr><td> </td></tr> <tr><td>5</td></tr> </table>		5
5				
<ul style="list-style-type: none"> The debt/equity ratio for 2017 		<table border="1"> <tr><td> </td></tr> <tr><td>3</td></tr> </table>		3
3				

3.2.2

Comment on the liquidity of the business. Quote and explain TWO financial indicators (with figures) in your answer.

4

3.2.3

Were the partners justified in increasing the loan? Explain. Quote TWO financial indicators, and figures, in your explanation.

4

3.2.4

Monty is not happy with his return on investment. Explain why you think he feels this way. Quote figures.

4

Q3	35	
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QUESTION 4: BUDGETING AND CLUBS

4.1.1 State ONE difference between a Cash Budget and a Projected Income Statement.

2

4.1.2 List TWO items that would not appear in a Cash Budget.

2

4.1.3 Explain why it is necessary to compare the actual amounts received or paid against the budgeted figures.

2

4.2 Thabo's Gymnasium

4.2.1 Debtors' Collection Schedule

MONTHS	CREDIT SALES	NOVEMBER	DECEMBER
October	28 500	10 830	
November	30 000		
December			
Cash from Debtors			

10

4.2.2 Cash Budget for the budget period ended 31 December 2017

RECEIPTS	NOVEMBER	DECEMBER
Cash sales	70 000	
Cash from debtors		
Fee income (gym members)	33 600	
Rent income		10 638
Loan: Thabo Snr	80 000	0
TOTAL RECEIPTS		196 038
PAYMENTS		
Payment to creditors (for stock)		
Salaries and wages	24 000	25 800
Personal trainers (fees)	21 400	
Cleaning detergents	4 500	4 500
Telephone	5 000	5 000
Maintenance of equipment	13 000	16 280
Purchase of new equipment		0
Loan instalment (including interest)	0	
Sundry expenses		18 375
TOTAL PAYMENTS		
SURPLUS/DEFICIT		
OPENING BALANCE IN BANK	(6 930)	
CLOSING BALANCE IN BANK		

28

4.2.3 Calculate the percentage increase in salaries and wages.

3

Explain why you think that the workers should/should not be satisfied with this increase.

2

4.2.4

REASON FOR CONCERN	ADVICE
Fee income:	
Telephone:	
Maintenance: training equipment	

6

4.3 **SPORTS CLUBS**

**GENERAL LEDGER OF MBIZANA SOCIAL CLUB
MEMBERSHIP FEES ACCOUNT**

15

Q4	70	
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5.3 SaSa Furnishers

5.3.1 Provide ONE difference between a fixed cost and a variable cost.

2

5.3.2 Calculate the number of plastic bar-stools that the business needed to produce to breakeven.

5

5.3.3

- Comment on the break-even point calculated in QUESTION 5.3.2 and the level of production achieved.

3

- What advice would you offer SaSa for the future? Provide ONE point.

2

Q5	45	
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QUESTION 6: FIXED ASSETS AND PROBLEM SOLVING

6.1.1

GENERAL LEDGER OF PITT TRADERS

ASSET DISPOSAL ACCOUNT

9

6.1.2 Calculate the following:

WORKINGS	ANSWER
(i) Additional land and buildings	
(ii) Accumulated depreciation on vehicles	
(iii) Additional vehicles	
(iv) Total depreciation on vehicles	

2

2

2

6

6.2

6.2.1 IDENTIFY ONE PROBLEM QUOTE FIGURES	6.2.2 PROVIDE A VALID SOLUTION
TAXI 1:	
TAXI 2:	
TAXI 3:	

9

Q6	30	
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TOTAL: 300