



NATIONAL SENIOR CERTIFICATE (NSC)
--

GRADE 11
FINAL EXAMINATION

ACCOUNTING
(NSC11-12)

ANSWER BOOK

STUDENT NAME: _____

STUDENT NUMBER: _____

Question	Topic	Learner's Mark	TOTAL
1	Debtors' reconciliation and internal control		30
2	Clubs		54
3	Fixed assets		45
4	Manufacturing		50
5	Budgets		50
6	Partnerships, ledger and ratio analysis		40
7	VAT		31
	TOTAL		300

This answer book consists of 16 pages.

ANSWER ALL THE QUESTIONS

(300 MARKS)

**QUESTION 1 DEBTORS'S RECONCILIATION AND INTERNAL CONTROL
(30 MARKS; 18 MINUTES)**

1.1 Explain to the bookkeeper why the balance of the Debtors' Control account should be equal to the total of the Debtors' List.

.....

.....

.....

.....

(4)

1.2 Prepare the correct Debtors' List on 31 July 2013 and show how the Debtors' Control account would be adjusted using the format provided.

	Debtors' List on 31 July 2011	R
	Woodman Traders	
	Cogill Suppliers	
	Phumlazi Traders	
	Chetty Stores	

List of adjustments to Debtors' Control Account

Amount	Account debited	Account credited

(26) [30]

QUESTION 2 CLUBS (54 MARKS; 32 MINUTES)

2.1 LEDGER ACCOUNTS

2.1.1 How many new members joined at the beginning of the 2013 financial year?

.....
.....
.....
.....

(3)

2.1.2 How many members does the club have, excluding those written off?

.....
.....
.....
.....

(3)

2.1.3 What will the amount for 'Membership fees' be in the Receipts and Payments Statement?

.....
.....
.....
.....

(3)

2.1.4 There is an amount of R7 150 on the debit side of the Membership Fees Account. Explain why the contra account of this amount is strictly speaking incorrect and explain what the correct details should be.

.....
.....
.....
.....

(3)

2.1.5 Give **ONE** possible explanation for the entry of R35 on the debit side of the Membership Fees Account.

.....
.....
.....

(2)

2.1.6 Give **ONE** possible explanation for the entry of R30 on the credit side of the Membership Fees Account.

.....
.....
.....

(2)

2.1.7 Explain why it is unlikely that there will be an 'Accrued Income' entry in the Entrance Fees Account.

.....
.....
.....

(2)

3.3 The owner is not happy that the equipment was sold at a loss. The market value indicates that he should have received R110 000. Provide **TWO** reasons why the loss was incurred and suggest **TWO** measures that could in future be taken to avoid such losses.

Reasons:

.....
.....
.....

Suggestions:

.....
.....
.....

(8) [45]

QUESTION 4 MANUFACTURING (50 MARKS; 30 MINUTES)

4.1.1

(2)

4.1.2

(2)

4.1.3

(2)

4.1.4

(2)

4.2.1 GENERAL LEDGER OF JESSIE JACKETS

Work-in-process stock

2012 Feb	29	Direct materials cost	E.		2012 Feb	29	B.		1 751 220
		Direct labour cost	F.						
		A.	402 320						

(8)

Trading account

2012 Feb	29	C.		1 751 220	2012 Feb	29	Sales		G.
		Profit and loss account	H.						

(4)

Profit and loss account

2012 Feb	29	Administration cost	J.		2012 Feb	29	Trading account		I.
		D.	329 000						
		Capital (net profit)	K.						

(5)

4.2 4.2.2 A. Calculate the total fixed costs.

.....

.....

.....

(3)

B. Calculate the fixed costs per unit.

.....
.....
.....

(3)

C. Calculate the variable costs per unit.

.....
.....
.....
.....

(4)

4.2.3 Break-even point:

A. Calculate the break-even point for the year ended 29 February 2012.

.....
.....
.....
.....

(4)

B. Should Jessica be satisfied with the level of production in the 2012 financial year? Explain briefly quoting figures to support your opinion.

.....
.....
.....

(3)

- 4.2.4 A. Identify **ONE** cost that has **NOT** been well-controlled in 2012. Quote appropriate figures/indicators to support your answer and provide a solution to the problem.

Cost	Appropriate figures/indicators	Solution

(4)

- B. Identify **ONE** cost that has been well-controlled in 2012. Quote appropriate figures / indicators to support your answer and provide a possible reason for this.

Cost	Appropriate figures/indicators	Reason

(4) [50]

QUESTION 5 – BUDGETS (50 MARKS; 30 MINUTES)

- 5.1 Explain briefly to Mrs Clone, the owner what the purpose of preparing a Cash Budget is.

.....

.....

(2)

- 5.2 Mention **ONE** item that may appear in the Projected Income Statement but not in a Cash Budget.

.....

(1)

- 5.3 Mention **TWO** items that may appear in the Cash Budget but not in the Projected Income Statement.

.....

.....

(2)

5.4 CLONE LINEN TRADERS

CASH BUDGET FOR THE PERIOD APRIL TO JUNE 2012

	APRIL	MAY	JUNE
CASH RECEIPTS			
Cash sales	720 000	900 000	
	720 000		
CASH PAYMENTS			
Cash purchases of stock	180 000		
Payments to creditors	203 250		
Wages	80 000	80 000	
Salary of manager	25 000	25 000	
Rent paid	60 000	60 000	
Drawings	25 000	25 000	
Sundry expenses	50 000	50 000	
Cash surplus (deficit)			
Bank balance at beginning of month	32 500		
Bank balance at end of month			

(35)

5.5 It has been brought to Mrs Clone's attention that the workers are planning strike action since they heard about the annual increases. Mrs Clone cannot understand why the workers are feeling so disgruntled. She would like your opinion.

Provide **ONE** reason for the strike. Provide relevant figures from the budget to support your reason.

.....

Provide **ONE** reason against the strike. Provide relevant figures from the budget to support your reason.

.....

(6)

Solvency:

.....
.....

(2)

6.3 Calculate the debt equity ratio

.....
.....
.....
.....
.....
.....

(5)

6.4 Would you advise them to take out the additional loan? Quote figures of **TWO** ratios or financial indicators for 2012 to support your answer.

.....
.....
.....
.....
.....
.....

(6)

6.5 Calculate the acid test ratio.

.....
.....
.....
.....
.....

(5)

6.6 Comment on the liquidity position. Quote **TWO** ratios or financial indicators to support your answer.

.....
.....
.....
.....
.....
.....

(6) [40]

QUESTION 7 VAT (31 MARKS; 19 MINUTES)

7.1 Provide answers to the following:

7.1.1 The current rate of VAT in South Africa is

..... %

7.1.2 If the price displayed on an item includes VAT, the price is said to be VAT

.....

7.1.3 The VAT paid by a business on purchases, will be reflected in the

.....
 account in the General Ledger.

7.1.4 There are two methods of calculating how to pay and claim VAT, i.e.

.....
OR
 basis.

7.1.5 You will register, pay or claim VAT with:

..... (5 × 2 = 10)

7.2 Calculate the following:

7.2.1 The following invoice already includes VAT. Calculate the VAT that Magi Traders had to pay to SARS. Complete the invoice by inserting all the missing figures.

Magi Traders			
Credit Invoice			
59 Thambo Street, Khayelitsha		Invoice No: 109	
		Tel: (021) 364 2233	
			Date:
12 May 2007			
To:	M Phike 14 Victory Street Kuilsrivier		Tel: (021) 903 4567 Cell: 082 786 7117
Quantity	Description	Unit price	Total
4	Chairs	R250.00	
1	Table	R2 500.00	
		14% VAT	
E & OE		Terms	30 Days

(8)

7.2.2

Output
Cost to the retailer
Input
Amount payable over to SARS

(13) [31]

GRAND TOTAL: 300 MARKS