



Basic Education

KwaZulu-Natal Department of Basic Education
REPUBLIC OF SOUTH AFRICA

ACCOUNTING

MARCH 2016

COMMON TEST

**NATIONAL
SENIOR CERTIFICATE**

GRADE 11

MARKS: 100

TIME : 1 hour

**N.B. This paper consists of 8 pages and
an answer booklet of 5 pages**

INSTRUCTIONS AND INFORMATION

Read the following instructions and be sure to follow them carefully:

1. This question paper consists of 8 pages.
2. A special **ANSWER BOOK** consisting of 5 pages is provided in which to answer all the questions.
3. Answer **ALL** the questions.
4. **Workings must be shown in brackets in order to earn part marks.**
5. Non-programmable calculators may be used.
6. You may use dark pencil or black / blue pen to answer the questions.
7. Marks will be deducted for missing details and foreign entries.
8. Use the information in the table below as a guide when answering the question paper:

Question 1: 11 Marks, 7 Minutes	
The topic of this question is:	Content:
Creditors Reconciliation	<ul style="list-style-type: none"> • Comparison of Creditors Ledger to Statements from Creditor
Question 2: 39 Marks, 23 Minutes	
The topic of this question is:	Content:
Partnerships	<ul style="list-style-type: none"> • Profit and Loss • Calculation of Secondary Distribution • Current Account
Question 3: 25 Marks, 15 Minutes	
The topic of this question is:	Content:
Tangible Assets	<ul style="list-style-type: none"> • Asset Disposal Account • Tangible Asset Note
Question 4: 25 Marks, 15 Minutes	
The topic of this question is:	Content:
Bank Reconciliation	<ul style="list-style-type: none"> • Calculation of Cash Journals • Bank Reconciliation Statement

QUESTION 1 (11 Marks, 7 Minutes)**CREDITORS' RECONCILIATION**

Sammy's Traders received the Statement from their creditor, Super Supplier, on 30 March 2015. A comparison revealed that the balance on the Statement did not agree with that of the Creditors' Ledger Account.

REQUIRED:

- Make a comparison of the Creditors Ledger and the Statement by completing the table in your Answer Book in order to reconcile the two balances. (11)

INFORMATION:**Creditors Ledger of Sammy's Traders****Super Supplier**

Date		Details		DR	CR	Balance
March 2015	1	Balance	b/d			86 600
		Invoice 567	CJ		82 000	168 600
	6	Debit Note	CAJ	4 500		164 100
	10	Cheque no 446	CPJ	52 000		112 100
		Discount Allowed	CPJ	4 160		107 940
	20	Invoice 995	CJ		18 500	126 440
	22	Cheque no. 74	CPJ	22 000		104 440
	24	Invoice 584	CJ		40 000	144 440
	28	Cheque 462	CPJ	23 000		121 440
		Discount Allowed	CPJ	2 300		119 140
	30	Invoice 591	CJ		74 000	193 140

Super Supplier

345 Burger
Street
Pretoria

Debtor:

Sammy's Traders
45 Bosman Street
Boksburg

25 March 2015

Date		Details		DR	CR	Balance
February	26	Balance				111 600
	28	Receipt 115			25 000	86 600
March	1	Invoice 567		82 000		168 600
	6	Credit Note 12		4 500		173 100
	10	Receipt no. 121			52 000	121 100
		Discount Allowed			2 600	118 500
	18	Invoice 572		48 000		166 500
	22	Receipt 135			22 000	144 500
	24	Invoice 584		36 000		180 500
	25	Delivery Charges		5 500		186 000

An investigation revealed the following:

- Super Supplier only allowed a 5% discount on the payment on the 10th.
- Super Supplier has entered Credit Note no. 12 in the wrong column in their records.
- Sammy's Traders forgot to deduct the trade discount they were given on invoice 584.
- Invoice 995 was for goods that Sammy's Traders bought from Pro Traders.
- Invoice 572 was for goods sold by Super Supplier to Sandy Traders.
- In terms of the contract, Super Supplier charge delivery charges to all their debtors.
- The Statement received from Super Supplier does not contain any transactions that occurred after 25 March 2015.

QUESTION 2 (39 Marks, 23 Minutes)**FINAL ACCOUNTS OF PARTNERSHIPS**

You are provided with the Pre-adjustment Trial Balance of Nosipho Traders, with partners Noluthando, Sipho and Noma for the year ended 30 June 2015.

REQUIRED:

- 2.1 Complete the Profit and Loss account in the General Ledger of Nosipho Traders for the year ended 30 June 2015. Show calculations in brackets so part marks can be awarded. (20)
- 2.2 Calculate the amount of the profit that Noma will receive for her secondary distribution. (7)
- 2.3 Complete the Current account for Noma for the year ending 30 June 2015. (12)

INFORMATION:

Nosipho Traders
List of Balances from the Pre-Adjustment Trial Balance on 30 June 2015

Bad Debts	32 000
Bad Debts Recovered	12 300
Capital: Noluthando	400 000
Capital: Noma	400 000
Capital: Sipho	800 000
Current Account: Noluthando (1 July 2014)	5000 (CR)
Current Account: Noma (1 July 2014)	35 000 (DR)
Current Account: Sipho (1 July 2014)	20 000 (DR)
Debtors' Control	296 000
Drawings: Noluthando	295000
Drawings: Noma	380 000
Drawings: Sipho	80000
Fixed Deposit (5% p.a.)	395 000
Interest on Fixed Deposit	16 630
Marketing Expense	480 000
Provision for Bad Debts	18 000
Rent Income	209 040
Salaries and Wages	833 800
Sundry Expenses	86 870
Trading Stock	875 000

ADJUSTMENTS:

- Gross Profit for the year amounted to R1 979 868.
- Make provision for the outstanding interest on the fixed deposit. This investment has been in existence for the entire year.
- A debtor who originally owed R18 000 has been declared insolvent. His estate paid out 30 cents in every rand. **This receipt has already been correctly recorded.** The remaining balance must be written off as irrecoverable.
- Rent Income for July 2015 has already been received. The rent has not increased during the year and the building has been occupied from the beginning of the financial year.
- Marketing expenses of R160 000 have been paid in respect of the period 1 July to 31 December 2015.
- The partnership agreement allows for the following:
 - ✓ A monthly salary of R30 000 for both Noluthando and Noma. (Sipho does not work in the business so does not earn a salary).
 - ✓ Interest on Capital of 5% per partner. (There have been no changes to capital during the financial year)
 - ✓ Profits are shared between Sipho, Noluthando and Noma in the ratio of 2 : 1 : 1.

QUESTION 3 (25 Marks, 15 Minutes)**TANGIBLE ASSETS**

Pillay's Pizza' is a take away situated in Chatsworth. This business was established on 1 September 2010. The financial year ends at the end of February each year.

REQUIRED:

- 3.1 Fill in the missing amounts in the Fixed / Tangible Assets note of Pillay's Pizza' on 28 February 2015. (Some figures have already been entered to assist you.) (16)
- 3.2 Complete the Asset Disposal account in the General Ledger for the sale of Equipment. (9)

INFORMATION

The General Ledger Account below show entries with regards to the purchase of Equipment on 1 September 2010 and subsequent entries regarding its sale.

**General Ledger of Pillay's Pizza'
Equipment**

2010 Sept	1	Bank	CPJ	90 000	2015 Nov	30	Asset Disposal	GJ	18 000
2011 Nov	1	Creditors Control	CJ	42 000	2015 Feb	28	Balance	c/d	144 000
2013 Dec	1	Bank	CPJ	30 000					
				162 000					162 000
2015 Mar	1	Balance	b/d	144 000					

ADJUSTMENTS AND ADDITIONAL INFORMATION

- The kitchen was extended at a cost of R320 000.
- Repairs to the existing restaurant were undertaken, R58 000.
- One pizza oven was sold for cash, for a profit of R1 000, on 30 November 2014. The accumulated depreciation on this equipment on the date of sale was R13 000.
- From the beginning of the financial year, the business has a small truck which is used for transporting raw materials to the site.
- A second hand car was purchased on 31 July 2014 to use for delivering pizza to customers, at an additional fee.

QUESTION 4 (25 Marks, 15 Minutes)**BANK RECONCILIATION**

"Flier Traders" sells a wide range of household goods to the public. They operate a current account at Wings Bank and have negotiated an overdraft facility of R20 000. They have one bookkeeper who is responsible for all recording, depositing of money, issuing of cheques etc.

REQUIRED:

- 4.1 Calculate the totals of the Cash Journals for May 2015. (12)
- 4.2 Prepare the Bank Reconciliation Statement on 31 May 2015 (9)
- 4.3 The owner has noticed that the bookkeeper is not managing to complete all her work and is therefore claiming a lot of overtime, especially at the end of the month when completing the bank reconciliation. The owner trusts the bookkeeper and accepts that she is reliable and accurate at all times. He has therefore instructed her that she does not need to complete the bank reconciliation. She disagrees with this decision. Explain **TWO** reasons to motivate the necessity of completing the bank reconciliation. (4)

INFORMATION

- The following details were extracted from the Bank Reconciliation on 30 April 2015:

	R
Balance as per Bank Statement	?
Outstanding deposits	7 070
Outstanding cheques No. 341	2 500
No. 364	4 860
No. 366	8 620
No. 367	5 577
Balance as per Bank Account	?

- The Cash Journals showed the following provisional totals at the end of May, prior to receiving the Bank Statement:

	R
Cash Receipts Journal	41 630
Cash Payments Journal	49 920

- The following items were not on the Bank Statement for May 2015:

✓ The following cheques were not presented for payment:

No. 366 R8 620 (Dated 3 July 2015)

No. 384 R 854 (Dated 25 May 2015)

✓ The following deposits have not been credited to the Bank Statement:

R2 590 Deposited 30 May 2015

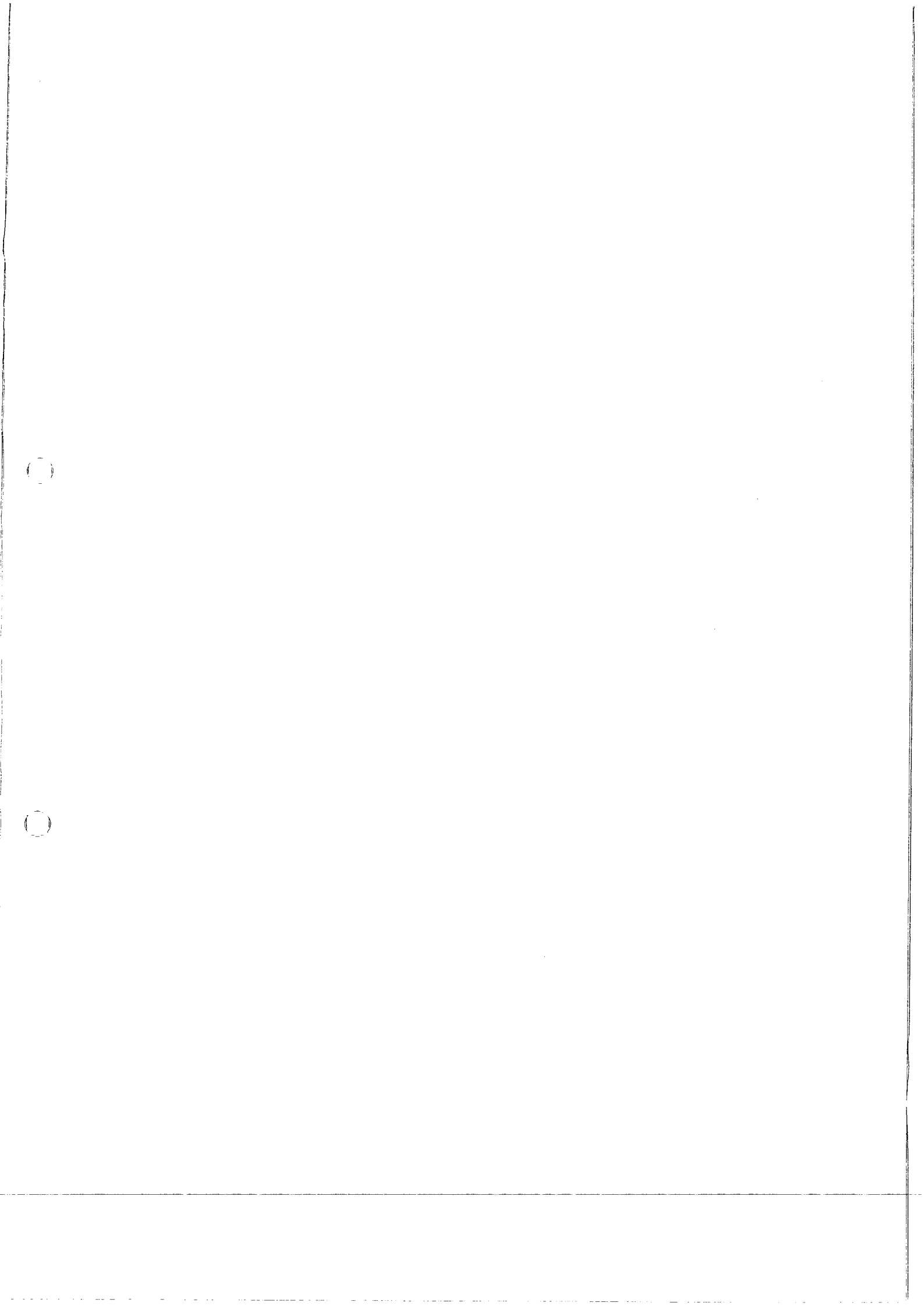
R6 175 Deposited 31 May 2015

- **The following items were found in the Bank Statement for May 2015, but not in the Cash Journals:**
 - ✓ Cheque no. 367 for R5 777 is correct according to the Bank Statement. The cheque had been issued to Star Stationers for stationery bought.
 - ✓ The outstanding deposit on 30 April 2015 appeared on the Bank Statement for May 2015
 - ✓ A cheque for R700 which was originally received from S. Small, a debtor, was dishonoured by the bank due to insufficient funds.
 - ✓ The bank charged the current bank account of "Flier Traders" with the following amounts:

Interest on Overdraft	245
Service Fees	232
Credit Card Levy	160
 - ✓ The Bank Statement showed a debit order for R326 in favour of the City Council for municipal rates.
 - ✓ An amount of R2 200 was deposit electronically by Wentworth & Co, a tenant, into the current account of "Flier Traders".
 - ✓ On 31 May 2015, the bank statement showed an unfavourable balance of R15 636.

- **Errors and additional findings:**
 - ✓ Cheque no. 341, for R2 500, had been issued to Ethekwini Shop Suppliers on 4 October 2014 for trading stock, is now stale. A new cheque (no. 387) was issued on 31 May 2015 but no entry has been made.
 - ✓ Cheque no. 364 appears on the Bank Statement for May 2015 for R4 680 but had been wrongly entered in the Cash Journal as R4 860. The cheque had been issued to Pinetown Motors for repairs to the owner's vehicle.
 - ✓ A cheque, dated 15 June 2015, was received from A. Singh, a debtor, for R560 in settlement of her debt of R600. No entry has been made for this cheque.
 - ✓ A cheque for R260 appears on the Bank Statement for May 2015. On investigation it was revealed that this cheque, written out by "Flyer Trade", was wrongly debited to "Flier Traders" Bank account. The bank has promised to rectify this error.

TOTAL MARKS: [100]







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ACCOUNTING
ANSWER BOOK
MARCH 2016
COMMON TEST

**NATIONAL
SENIOR CERTIFICATE**

GRADE 11

MARKS : 100

TIME : 1 hour

Name: _____ Grade: _____

Question	Topic	Learners Mark	Moderators Mark
1	Creditors Reconciliation		
2	Final Accounts of Partnerships		
3	Asset Disposal		
4	Bank Reconciliation		

N.B. This answer book consists of 5 pages.

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9

4

Test



6



9



Basic Education

KwaZulu-Natal Department of Basic Education
REPUBLIC OF SOUTH AFRICA

ACCOUNTING
MARKING MEMORANDUM
MARCH 2016
COMMON TEST

NATIONAL SENIOR CERTIFICATE

GRADE 11

MARKS : 100

TIME : 1 hour

Question	Topic	Marks	Minutes
1	Creditors Reconciliation	11	7
2	Final Accounts of Partnerships	39	23
3	Asset Disposal	25	15
4	Bank Reconciliation	25	15
		100	60

N.B. This memorandum consists of 5 pages.

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Accounting (Grade 11)

2 NSC

QUESTION 1 (11 Marks, 7 Minutes)

CREDITORS' RECONCILIATION

Creditors Ledger
193 140
1 560✓
(4 000)✓
(18 500)✓
5 500✓
177 700

Creditors Reconciliation
186 000
(9 000)✓
(48 000)✓
(23 000)✓
(2 300)✓
74 000✓
177 700

11
11

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QUESTION 4 (25 Marks, 15 Minutes)

BANK RECONCILIATION

4.1

Cash Receipts Journal	Cash Payments Journal
41 630	49 920
2 500✓	200✓
180✓	700✓
2 200✓	245✓
	232✓
	160✓
	326✓
	2 500✓
46 510	54 283

12

4.2 Bank Reconciliation Statement on 31 May 2015

	DR	CR
DR Balance as per Bank Statement	15 636✓	
CR Outstanding deposits		2 590✓
		6 175✓
DR Outstanding cheques	No. 366	8 620✓
	No. 384	854✓
	No. 387	2 500✓
CR Cheque wrongly debited		260✓
CR Balance as per Bank Account		18 585
Both figures for a method/mark	27 610	27 610

9

4.3 Explain TWO reasons to motivate the necessity of completing the bank reconciliation.

- Bank Reconciliation is a good form of internal control✓✓
 - Assists in keeping track of outstanding cheques and deposits✓✓
 - The bookkeeper cannot possibly be accurate all the time✓✓
 - A way of checking the Bank's records for accuracy✓✓
- ANY LOGICAL ANSWER**
- One mark for an incomplete explanation.

4

Any 2 X 2 = 4

TOTAL MARKS: [100]

