



education

Department:
Education
REPUBLIC OF SOUTH AFRICA

GREENBURY SECONDARY SCHOOL

ACCOUNTING: GRADE 11

FIRST CONTROL TEST: 2016

EXAMINER : C. MAHARAJ

DURATION : 1 HOUR

MODERATOR : A. RAJOO

MARKS: 100

INSTRUCTIONS TO LEARNERS:

1. This paper consists of 5 pages.
2. Answer ALL questions on the special answer booklet provided.
3. Show all workings so that part marks can be allocated.
4. You must attempt to comply with the suggested time allocations

QUESTION	TOPIC	MARKS	SUGGESTED TIME
1	Bank Reconciliation	50	30 minutes
2	Creditors Reconciliation	15	9 minutes
3	Tangible Assets	35	21 minutes
	Total	100	60 minutes

QUESTION ONE: BANK RECONCILIATION**[50 marks ; 30 minutes]**

You are provided with information relating to Back Street Traders.

REQUIRED:

- 1.1.1** Explain why it is important for a business to prepare a Bank Reconciliation Statement each month. (2)
- 1.1.2.** Calculate the correct totals for the **Cash Receipts Journal** and **Cash Payments Journal** for May 2016. (12)
- 1.1.3.** Prepare the **Bank Account** in the General Ledger on 31 May 2016. (6)
- 1.1.4.** Prepare the **Bank Reconciliation Statement** on 31 May 2016 (10)
- 1.1.5.** Refer to information 3 below.
- The fixed deposit of R84 000 matures next month. What advice would you offer the owner in this regard? Explain two points, quoting appropriate figures to support your answer. (4)
- 1.1.6.** Refer to information 4 below.
- Explain why the internal auditor should be concerned about the outstanding deposit of R20 295. (3)
 - Explain how cheque no. 674 should be dealt with when the financial statements are prepared on 31 May 2016. Give a reason for your answer. (3)

INFORMATION:

1. At the end of the previous month, 30 April 2016, the following items were reflected on the Bank Reconciliation Statement

Favourable balance as per bank statement	12 545
Outstanding deposit	12 000
Outstanding cheques:	
No. 261 (dated 3 November 2015)	5 000
No. 519 (dated 14 April 2016)	8 920
No. 543 (dated 12 May 2016)	4 300
Favourable balance as per bank account	6 325

2. On 31 May 2016, the provisional totals in the journals were:
- CRJ R 70 600
 - CPJ R105 320

3. The following items were reflected in the Bank Statement but not in the journals for May 2016.

- Cheque no.543 for 4 300 issued for stationery.
- A deposit of R12 000.
- Bank charges R 520
- Interest on fixed deposit for May , R 700
- Interest on overdraft for May, R 810
- Stop order in favour of Old Mutual, R660 for insurance.
- Dishonoured cheque on 30 May 2016, originally presented by a debtor, M.Moodley, R6 200.

4. The following differences were noted:

- Cheque no. 565 for repairs was shown in the CPJ as R 1 570, but on the May Bank Statement as R1 750. The Bank Statement is correct.
- A deposit of R20 295 dated 20 May 2016, appeared in the May CRJ but not on the May Bank Statement.
- The following cheques appeared in the May CPJ, but not on the Bank Statement:
 - No. 654 (dated 23 May 2016), R 2800.
 - No.674 (dated 29 August 2016), R 2 520.
- Cheque no.261 for R5 000 was to Phoenix Youth Club as a donation. The club is no longer in existence.

5. The Bank statement had a credit balance of R34 720, on 31 May 2016

1.2. Explain the procedure for a post dated cheque received from a debtor. (3)

1.3. An error made by the bank must be corrected on the Bank Reconciliation Statement. State whether statement is True or False (1)

1.4. Cheque fraud is a problem for businesses. List **three** internal controls that the businesses can implement to make paying by cheque safer. (6)

QUESTION TWO: CREDITORS RECONCILIATION**[15 marks ; 9 minutes]**

The information below shows the accounting records of Musica Traders and their creditor CD Suppliers for March 2016

REQUIRED:

- 2.1. Prepare the correct account of CD Suppliers in the Creditors Ledger of Musica Traders. (10)
- 2.2. Prepare the Creditors Reconciliation Statement on 31 March 2016. (5)

INFORMATION:

**Creditors Ledger of Musica Traders
CD Suppliers**

Date		Details	Fol	Debit	Credit	Balance
2016 Mar	1	Balance	b/d			12 300
	7	Invoice no. 1024	CJ		1 220	13 520
	10	Debit note 39	CAJ	800		12 720
	15	Cheque no. 965	CPJ	11 685		1 035
	.	Discount received	CPJ	615		420
	20	Invoice no.1073	CJ		6 325	6 745
	23	Debit note 97	CAJ	325		6 420
	30	Invoice no.1032	CJ		2 900	9 320

CD Suppliers Statement of Account						
910 Jacobs Road Durban 4000			Telephone : 031 2099900 Fax: 031 2099911 Date: 28 March 2016			
Date		Details	Debit	Credit	Balance	
2016 Mar	1	Balance			12 300	
	7	Invoice no. 1024	2 120		14 420	
	10	Credit note 26 (ref debit note39)	800		15 220	
	15	Receipt no. 457 (ref cheque no.965)		11 685	3 535	
	20	Invoice no.1073	6 325		9 860	
	28	Interest on overdue account	65		9 925	

On comparing the statement and ledger following differences were noted :

1. Invoice no.1024 was recorded incorrectly by Musica Traders. Correct the error.
2. CD Suppliers recorded credit note 26 on the wrong side of the account.
3. CD Suppliers charged Musica Traders interest on their overdue account, R 65.
4. CD Suppliers will only allow a discount of R300 and not R615.
5. Debit note no.97 sent to CD Suppliers was not accepted because the creditor felt that this was due to the business negligence that the goods were damaged.
6. Invoice no. 1032 was received after the statement date.

QUESTION THREE: TANGIBLE ASSETS

You are provided with the following information which was extracted from the records of Samba Traders, their accounting period ends on 28 February 2016.

REQUIRED:

- 3.1. Prepare the following accounts in the General Ledger of Samba Traders. (7)
- Equipment (7)
 - Asset Disposal (10)
- Note: Accounts to be properly balanced / closed off.**
- 3.2. Provide the missing amounts for A/B/C/D/E/F (12)
- 3.3. List **three** control measures to be implemented by the business to properly manage their tangible assets. (6)

INFORMATION:

Tangible asset	Land and buildings	Vehicles	Equipment
Cost	1 050 000	880 000	470 000
Accumulated depreciation	-	(760 000)	(123 400)
Carrying value(beg. of year)	1 050 000	B	346 600
Movements:			
Additions at cost	A	0	86 000
Disposals at carrying value	0	0	(28 431)
Depreciation	-	C	(50 000)
Carrying value(end of year)	1 300 000	F	354 169
Cost	1 300 000	D	516 000
Accumulated depreciation	-	E	(161 831)

Additional information:

1. The following relates to **Equipment**:
 - Equipment was sold on credit for R 25 000.
 - Depreciation is calculated at 10% p.a. on diminishing balance method.
 - All old equipment was purchased on 1 March 2012.
 - Equipment was purchased for cash.
2. Vehicles are depreciated at 15 % p.a. on cost
3. Land and buildings were purchased during the year.

GREENBURY SECONDARY SCHOOLDEPARTMENT OF COMMERCE
H.O.D. MRS. MAHARAJ

Chakry

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education

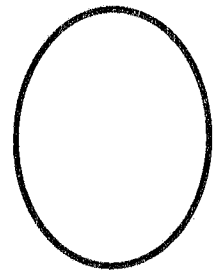
Department:
Education
REPUBLIC OF SOUTH AFRICA

GREENBURY SECONDARY SCHOOL
FIRST CONTROL TEST: 2016
ACCOUNTING
ANSWER BOOK
GRADE 11

NAME OF LEARNER: _____

GRADE: 11 _____

QUESTION	MAX.	FINAL MARKS
1	50	
2	15	
3	35	
	100	



This answer book consists of 6 pages.

QUESTION ONE: BANK RECONCILIATION

1.1.1 Explain why it is important for a business to prepare a Bank Reconciliation Statement each month.

2

1.1.2

Cash Receipts Journal	Bank
Provisional total	70 600
Correct total	

Cash Payments Journal	Bank
Provisional total	105 320
Correct total	

12

1.1.3.

				Bank			

6

1.1.4. **Bank Reconciliation Statement on 31 May 2016**

	Debit	Credit

10

1.1.5. The fixed deposit of R84 000 matures next month. What advice would you offer the owner in this regard? Explain two points, quoting appropriate figures to support your answer.

•
•

3

1.1.6. • Explain why the internal auditor should be concerned about the outstanding deposit of R20 295.

3

• Explain how cheque no. 674 should be dealt with when the financial statements are prepared on 31 May 2016. Give a reason for your answer.

3

1.2. Explain the procedure for a post dated cheque received from a debtor.

3

1.3. An error made by the bank must be corrected on the Bank Reconciliation Statement. State whether statement is True or False

--

1

1.4. Cheque fraud is a problem for businesses. List three internal controls that the businesses can implement to make paying by cheque safer.

•
•
•

6

Total Marks
50

QUESTION TWO: GREDITORS RECONCILIATION

2.1

**CREDITORS LEDGER OF MUSICA TRADERS
CD SUPPLIERS**

Date	Details	Fol	Debit	Credit	Balance

10

2.2. Creditors Reconciliation Statement on 31 March 2016.

	Debit	Credit

5

Total Marks
15

QUESTION THREE: TANGIBLE ASSETS

		EQUIPMENT			

7

		ASSET DISPOSAL			

10

3.2	WORKINGS	ANSWER
A		
B		
C		
D		
E		
F		

12

3.3. List three control measures to be implemented by the business to properly manage their tangible assets.

6

Total Marks
35

QUESTION 1 (11 Marks, 7 Minutes)

CREDITORS' RECONCILIATION

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.

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

QUESTION 2 (39 Marks, 23 Minutes)

FINAL ACCOUNTS OF PARTNERSHIPS

2.1

DR		Profit and Loss		CR			
2015 June	30	Bad Debts (32 000✓ + 12 600✓)	44 600✓	2015 June	30	Trading Account✓	1 979 868 ✓
		Marketing Expenses (480 000✓ - 160 000✓)	320 000✓			Interest on Fixed Deposit (16 630✓ + 3 120✓)	19 750 ✓
		Salaries and Wages	833 800✓			Rent Income (209 040✓ - 16 080✓)	192 960 ✓
		Sundry Expenses	86 870✓			Bad Debts Recovered	12 300 ✓
		Appropriation✓	919 608 ✓				
			2 204 878			<input checked="" type="checkbox"/> Both figures for a method mark	2 204 878

20
20

2.2 Calculate the amount of the profit that Noma will receive for her secondary distribution.

$$919\ 608 \times \frac{1}{4} = 229\ 902$$

7
7

2.3

DR		Current Account: Noma		CR			
2014 July	1	Balance	35 000	2015 June	30	Salary: Noma✓	360 000✓
2015 June	30	Drawings: Noma✓	380 000✓			Interest on Capital✓	20 000✓
		Balance✓	5 098✓			Appropriation✓	29 902 ✓
			409 902			<input checked="" type="checkbox"/> Both figures for a method mark	409 902
				2015 July	1	Balance✓	5 098 ✓

12
12

QUESTION 3 (25 Marks, 15 Minutes)

TANGIBLE ASSETS

3.1

Notes to the Financial Statements for the year ended 28 February 2015

	Land and Buildings	Equipment	Vehicles
Carrying value at the beginning of the year	1 280 000 ✓	83 004 ✓	80 750 ✓
Cost	1 280 000 ✓	162 000 ✓	170 000 ✓
Accumulated Depreciation	0	(78 996)	(89 250)
Movements	320 000 ✓	(24 000) ✓	47 500 ✓
Additions at cost	320 000 ✓	0	80 000
Disposals at carrying value	0	(5 000) ✓	0
Depreciation	0	(19 000)	(32 500) ✓
Carrying value at the end of the year	1 600 000	58 914 ✓	128 250 ✓
Cost	1 600 000	144 000 ✓	250 000
Accumulated Depreciation	0	(85 086) ✓	(121 750)

16
16

3.2

Asset Disposal	
Equipment✓	18 000 ✓
Accumulated Dep on Equipment✓	13 000✓
Profit on Sale of Asset✓	1 000✓
Bank✓	6 000 ✓
19 000	<input checked="" type="checkbox"/> Both figures for a method mark
	19 000

9
9

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✓	2 590✓
CR Outstanding deposits		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.

Any 2 X 2 = 4

4

TOTAL MARKS: [100]

