Downloaded from Stanmorephysics.com

SEDIBENG EAST DISTRICT

MARKS:	**150**	**EXAMINER:**	**Ms L HEYDENRYCH**
TIME:	**2 HOURS**	**MODERATOR:**	**Ms S GUELPA**

This paper consists out of 8 pages.

Downloaded from Stanmorephysics.com

INSTRUCTIONS AND INFORMATION:

Read the following instructions carefully and follow them precisely.

1. Answer ALL questions.
2. A special ANSWER BOOK is provided in which to answer ALL questions.
3. Show ALL workings in order to earn part-marks.
4. You may use a non-programmable calculator.
5. You may use a dark pencil or blue/black ink to answer your questions.
6. Where applicable, show All calculations to ONE decimal point.
7. Write neatly and legibly.
8. A Financial indicator Formula sheet is attached at the end of this question paper.
9. Use the information in the table below as a guide when answering the question paper. Try Not to deviate from it.

QUESTION	TOPIC	MARKS	MINUTES
1	Concepts & General Ledger accounts	22	18
2	Statement of Comprehensive Income & Notes	73	58
3	Statement of Financial Position & notes	45	36
4	Accounting Equation	10	8
TOTAL		**150**	**120**

Downloaded from Stanmorephysics.com

QUESTION 1 CONCEPTS & GENERAL LEDGER (22 marks; 18 minutes)

1.1 CONCEPTS

The information below is taken from the records of NJ Traders, with partners Nadia and Jessica. The financial year ends 30 June each year. (5)

REQUIRED:

Match the concepts in COLUMN A with the explanation in COLUMN B. Write only the letters (A – E) next to the question numbers (1.1.1 – 1.1.5) in the ANSWERBOOK.

	COLUMN A		COLUMN B
1.1.1	Going concern	A	Fixed assets are recorded in our books at cost price.
1.1.2	Prudence	B	Business stationery is printed for three years in advance and is recorded as stationery on hand.
1.1.3	Business entity	C	Bank Chargers and interest on overdraft must be shown separately in the Statement of Comprehensive Income
1.1.4	Materiality	D	The cost of the family holiday of one of the partners was not recorded in the books of the business.
1.1.5	Historical cost	E	Stock got damaged in a thunderstorm. The insurance is not sure if they are going to pay out. We write off the entire value of the stock.

1.2 GENERAL LEDGER ACCOUTNS (PARTNERSHIPS)

The following information appeared in the books of F1 Traders with partners C Leclerc and M Verstappen, on 28 February 2024.

REQUIRED:

1.2.1 Complete the Appropriation account in the General Ledger on 28 February 2024 (17)

INFORMATION:

Capital: C Leclerc	R900 000
Capital: M Verstappen	R600 000
Current Account: C Leclerc (1 March 2023)	R19 230 Dr
Current Account: M Verstappen (1 March 2023)	R18 720 Cr
Drawings: C Leclerc	R300 000
Drawings: M Verstappen	R310 000

Downloaded from Stanmorephysics.com

A The nett profit for the year amounts R540 000.

B The following changes occurred in the capital accounts of the partners during the year. It was properly recorded.

- C Leclerc has transferred his new vehicle, to the value of R350 000 to the business on 30 November 2023, as an additional capital contribution.
- M Verstappen reduced his capital contribution with R100 000 on 28 February 2024.

C According to the partnership agreement, the nett profit should be divided as follows:

- Salaries of the Partners: C Leclerc earns R10 000 per month. M Verstappen earns 15% more than C Leclerc.
- Make provision for interest on capital at 12% p.a.
- The remaining profit/ loss should be divided according to the partners' capital accounts at the end of the financial year.

Stanmorephysics.com

[22]

QUESTION 2: STATEMENT OF COMPREHENSIVE INCOME

(73 marks; 58 minutes)

You are provided with information regarding the financial records of Bonginkosi Stores in Meyerton. The financial year ends on 28 February 2024. A markup of 40% is maintained at all times.

REQUIRED:

2.1 Complete the Statement of Comprehensive Income for the year ended 28 February 2024. (51)

2.2 Prepare the following notes to the Statement of Financial Position:

2.2.1 Inventory (4)

2.2.2 Trade and other receivables (14)

2.3 Identify TWO possible reasons why the rental income decreased by 8% on 1 January 2024. (4)

Downloaded from Stanmorephysics.com

INFORMATION:

Extract from the Pre-Adjustment Trial Balance on 28 February 2024

Balance Sheet Account Section	
Fixed Deposit (8,5% p.a.)	520 000
Trading stock	1 534 000
Debtors control	280 200
Provision for Bad debt (1 March 2023)	11 000
Nominal Account Section	
Sales	9 472 000
Cost of Sales	6 715 700
Debtors allowance	70 000
Salaries and Wages *(contributions included)*	926 637
Consumables	13 600
Sundry expenses	123 400
Water and electricity	150 330
Bad debt	12 100
Rent income	153 120
Bad debt recovered	3 850
Interest of fixed deposit	27 000
Interest on loan	30 030
Interest on current account	9 300

Stanmorephysics.com

ADJUSTMENTS AND ADDITIONAL INFORMATION:

A. A credit note for R1 680 issued to a debtor was accidentally omitted from the relevant journal.

B. A debtor who owed R1 800 was declared insolvent. His estate is paying 30 cents of every rand. The amount was received and recorded. The difference must be written off as bad debt.

C. Provision for bad debt must be adjusted to 5% of the outstanding debtors.

Downloaded from Stanmorephysics.com

D. Stock to the value of R18 000 was stolen during a burglary in February 2024. The insurance company has agreed to pay out an amount of R16 000 in March 2024.

E. A physical stock count on 28 February 2024 showed the following:

Trading stock on hand	R1 519 800
Consumable stores	R 1 340

F. A further R12 600 is still owed for Water en Electricity.

G. Advertising is part of Sundry expenses. An amount of R12 000 is paid for the period 1 January 2024 to 31 March 2024.

H. Rent income was received for 13 months till 31 March 2024. On 1 January 2024 the rental amount was reduced by 8%

I. Outstanding interest on fixed deposit must be taken into account. A further fixed deposit of R60 000 was invested on 1 Augustus 2023. It was properly recorded. Interest on fixed deposit is not capitalised.

J. Depreciation for the year ending on 28 February 2024 amounted to R194 574.

[73]

QUESTION 3: STATEMENT OF FINANCIAL POSITION (45 marks; 36 minutes)

3.1 PN TRADERS

The following information was taken from the books of PN Traders, with partners B. Patel and R. Naidoo. The financial year ends on 28 February 2024.

REQUIRED:

3.1.1 Complete the following notes to the Statement of Financial Position (Balance Sheet) on the financial year ended on 28 February 2024:

- Capital (8)
- Current accounts (12)
- Trade and other payables (11)

Note: Show all short term liabilities except bank overdraft and the current portion of the loan (short term loan) in this note.

3.1.2 Complete the Equity and Liability section of the Statement of Financial Position (Balance Sheet) on 28 February 2024. (14)

Downloaded from Stanmorephysics.com

INFORMATION:

A. Balances extracted from the General Ledger on 28 February 2024:

		R	
Capital: B. Patel	(26/2/2024)	540 000	
Capital: R. Naidoo	(28/2/2024)	270 000	
Current account: B. Patel	(1/3/2023)	20 250	Cr
Current account: R. Naidoo	(1/3/2023)	51 840	Dr
Drawings: B. Patel		64 800	
Drawings: R. Naidoo		86 400	
Loan: Malini Bank		405 000	
Creditorcontrol		57 690	
SARS: PAYE		10 935	
Bank		14 940	Cr
Accrued expenses		11 430	
Income received in advance		4 140	
Accrued income		15 300	
Prepaid expenses		14 670	

Stanmorephysics.com

B. Changes on Capital contributions:

The following transaction were recorded:

- On 1 November 2023 partner B. Patel deposited R225 000 into the bank account of the business to increase his capital contribution.
- On 1 December 2023 partner R. Naidoo withdrew R135 000 cash.

The following transactions were not recorded:

- On 28 February 2024 B Patel withdrew R45 000 cash per EFO from the business's bank account.

C. Provisions according to the partnership agreement:

Interest on capital:

- B. Patel is entitled to 12% p.a. according to his capital.
- R. Naidoo is entitled to an amount of R44 550.

Salaries:

- Naidoo is entitled to R129 600 per annum.
- Patel's monthly salary is R1 800 less than Naidoo's.

Bonus:

- Patel is entitled to a yearly bonus of R13 500.

Remaining profit:

- The remaining profit of R14 400 must be divided in the ratio 3:2 between Patel and Naidoo.

Downloaded from Stanmorephysics.com

D. The loan from Malini Bank was received on 1 May 2022. It is payable in equal monthly instalments over a period of 6 years. Interest is not capitalised and all payments (including the current financial year) are paid up to date.

E. Detail of an employee omitted from the Salary Journal of February 2024:

Gross Salary	Deductions				Employers Contribution		Nett salary
	Pension-fund	UIF	SARS: PAYE	Total	Pension-fund	UIF	
R10 800	?	R108	?	R3 420	R1 296	R108	R7 380

- The company contributes R1,50 for every R1 to the Pensionfund and on a Rand-for-Rand basis to the UIF.

[45]

QUESTION 4: ACCOUNTING EQUATION

(10 marks; 8 minutes)

Hansel and Gretel are partners in Mmata Traders.

REQUIRED:

Analyse the transactions according to the example provided. Show an increase with a +, a decrease with a - and no entries with a 0.

Example: Pay the rent per EFT, R7 080.

No	Assets	Equity	Liabilities
Example	– 7 080	– 7 080	0

Transactions:

4.1. Partner Zizo withdrew R2 400 cash from the company for his own use.

4.2 Buy stationery on credit, R14 800.

4.3 Provide interest on capital for partner Zizo, this amounts to R30 880 for the year.

GRAND TOTAL: 150

Downloaded from Stanmorephysics.com

GRADE 11 ACCOUNTING FINANCIAL INDICATOR FORMULA SHEET		
$\frac{\text{Gross profit}}{\text{Sales}} \times \frac{100}{1}$	$\frac{\text{Gross profit}}{\text{Cost of sales}} \times \frac{100}{1}$	$\frac{\text{Net profit}}{\text{Sales}} \times \frac{100}{1}$
$\frac{\text{Operating expenses}}{\text{Sales}} \times \frac{100}{1}$	$\frac{\text{Operating profit}}{\text{Sales}} \times \frac{100}{1}$	
$\frac{\text{Total earnings by partner}}{\text{Partner's average equity}} \times \frac{100}{1}$	$\frac{\text{Net profit}}{\text{Average owners 'equity}} \times \frac{100}{1}$	
Current assets : Current liabilities	(Current assets – Inventories) : Current liabilities	
(Trade and other receivables + Cash and cash equivalents) : Current liabilities		
$\frac{\text{Average debtors}}{\text{Credit sales}} \times \frac{365}{1}$	$\frac{\text{Average creditors}}{\text{Credit purchases}} \times \frac{365}{1}$	
$\frac{\text{Average inventories}}{\text{Cost of sales}} \times \frac{365 \text{ or } 12}{1}$	$\frac{\text{Cost of sales}}{\text{Average inventories}}$	
Non-current liabilities: Owners' equity	Total assets: Total liabilities	

Stanmorephysics.com

Downloaded from Stanmorephysics.com

SEDIBENG EAST DISTRICT

GRADE 11

ACCOUNTING P1

JUNE 2024 – ANSWERBOOK

Stanmorephysics.com

NAME AND SURNAME: _____

QUESTION	TOPIC	MARKS	LEARNER MARK	MOD MARK
1	Concepts & General Ledger accounts	22		
2	Statement of Comprehensive Income & notes	73		
3	Statement of Financial Position & notes	45		
4	Accounting Equation	10		
TOTAL		**150**		

This answer book consists out of 9 pages.

Downloaded from Stanmorephysics.com

QUESTION 1 CONCEPTS & GENERAL LEDGER ACCOUNTS

1.1 CONCEPTS

1.1.1	
1.1.2	
1.1.3	
1.1.4	
1.1.5	

5

1.2 GENERAL LEDGER ACCOUNTS

FINAL ACCOUNT SECTION

Dr		APPROPRIATION ACCOUNT					F3		Cr
Feb	28				Feb	28			

17

Downloaded from Stanmorephysics.com

Calculation of Interest on Capital

22

Downloaded from Stanmorephysics.com

QUESTION 2 STATEMENT OF COMPREHENSIVE INCOME

BONGINKOSI DEALERS **STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDING 28 FEBRUARY 2024**		
	Note	
Gross Profit		
Other Operating Income		
Gross Operating Income		
Operating Expenses		
Operating Profit		
	1	
Profit before Interest expense		
	2	
Net profit for the year		

51

Downloaded from Stanmorephysics.com

2.2 NOTES TO THE BALANCESHEET

2.2.1 TRADING STOCK	

4

2.2.2 TRADE AND OTHER RECEIVABLES	

14

2.3 Identify TWO possible reasons why the Rent Income decreased with 8% on 1 January 2024.

4

73

Downloaded from Stanmorephysics.com

QUESTION 3 STATEMENT OF FINANCIAL POSITION

PN TRADERS
NOTES TO THE STATEMENT OF FINANCIAL POSITION (BALANCE SHEET) ON 28 FEBRUARY 2024:

3.1.1

CAPITAL	B. PATEL	R. NAIDOO
Balance at the beginning of the year		
Balance at the end of the year		

8

CURRENT ACCOUNTS	B. PATEL	R. NAIDOO
Salaries		129 600
Interest on capital		44 550
Bonus	13 500	
Primary distribution		174 150
Final distribution		
Net profit fot the year		
Drawings during the year	(64 800)	(86 400)
Retained Income for the year		93 510
Balance at the beginning of the year	20 250	
Balance at the end of the year		

12

OR

Downloaded from Stanmorephysics.com

CURRENT ACCOUNTS	B. PATEL	R. NAIDOO
Net profit for the year		
Salaries		129 600
Interest on capital		44 550
Bonus	13 500	
Primary distribution		174 150
Final distribution		
Drawings during the year	(64 800)	(86 400)
Retained income for the year		93 510
Balance at the beginning of the year	20 250	
Balance at the end of the year		

Stanmorephysics.com

12

TRADE AND OTHER PAYABLES

Trade creditors	57 690
SARS: PAYE	

11

Downloaded from Stanmorephysics.com

3.1.2 JM TRADERS
EQUITY AND LIABILITY SECTION OF THE STATMENT OF FINANCIAL POSITION (BALANCE SHEET) ON 28 FEBRUARY 2024

OWNERS EQUITY		
NON-CURRENT LIABILITIES		
CURRENT LIABILITIES		
TOTAL EQUITY AND LIABILITIES		

14

45

QUESTION 4 ACCOUNTING EQUATION

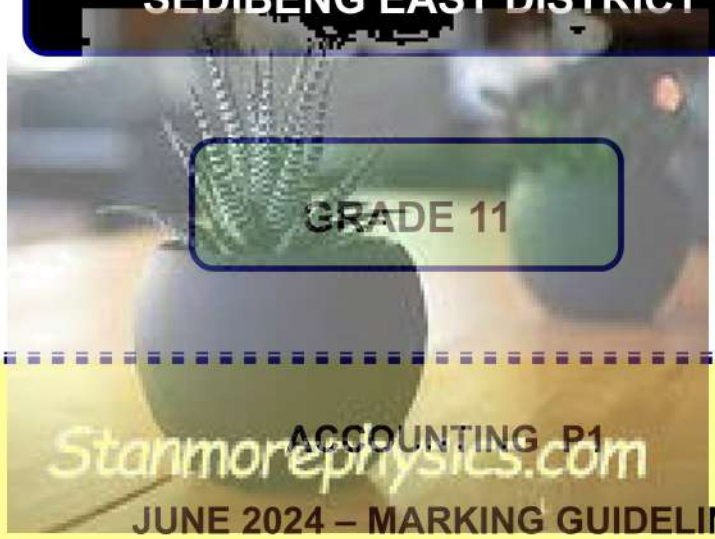
No.	Assets	Equity	Liabilities
4.1.			
4.2			
4.3			

10

TOTAL: 150

Downloaded from Stanmorephysics.com

SEDIBENG EAST DISTRICT



GRADE 11

ACCOUNTING P1

Stanmorephysics.com

JUNE 2024 – MARKING GUIDELINE

MARKS: 150

MARKING PRINCIPLES

1. Penalties for foreign items are applied only if the candidate is not losing marks elsewhere in the question for that item (no foreign item penalty for misplaced item). No double penalty applied.
2. Penalties for placement or poor presentation (e.g. details) are applied only if the candidate is earning marks on the figures for that item.
3. Full marks for correct answer. If the answer is incorrect, mark the workings provided.
4. If a pre-adjustment figure is shown as a final figure, allocate the part-mark for the working for that figure (not the method mark for the answer).
5. Unless otherwise indicated, the positive or negative effect of any figure must be considered to award the mark. If no + or – sign or bracket is provided, assume that the figure is positive.
6. Where indicated, part-marks may be awarded to differentiate between differing qualities of answers from candidates.
7. This memorandum is not for public distribution, as certain items might imply incorrect treatment. The adjustments made are due to nuances in certain questions
8. Where penalties are applied, the marks for that section of the question cannot be a final negative.
9. Where method marks are awarded for operation, the marker must inspect the reasonableness of the answer before awarding the mark.
10. 'Operation' means 'Check operation'. 'One part correct' means 'Operation & one part correct'.
    Note: Check operation means must be +, –, x or ÷ as per memo.
11. In awarding method marks, ensure that candidates do not get full marks for any item that is incorrect at least in part. In such cases, do not award the method mark. Indicate by way of ☒
12. Be aware that some candidates provide valid alternatives beyond the memorandum.
13 Codes: f = foreign item; p = placement/presentation.

This marking guideline consists of 9 pages

Downloaded from Stanmorephysics.com

QUESTION 1 CONCEPTS & LEDGER ACCOUNTS

1.1 CONCEPTS

1.1.1	Going Concern ✓
1.1.2	Prudence ✓
1.1.3	Business Entity ✓
1.1.4	Materiality ✓
1.1.5	Historical cost ✓

5

1.2 GENERAL LEDGER

FINAL ACCOUNT SECTION

Dr		APPROPRIATION ACCOUNT					F3	Cr
Feb	29	Salary: Leclerc		120 000✓✓	Feb	29	Profit and Loss ✓	540 000✓
		Salary: Verstappen		138 000✓✓				
		Interest on capital (76 500✓✓✓ + 84 000)✓✓		160 500☑				
		Current account: Leclerc		72 900✓☑				
		Current account: Verstappen		48 600✓☑				
				540 000			☑ Both totals	540 000

17

Downloaded from Stanmorephysics.com

Calculation for interest on capital:

Leclerc: 550 000 x 12% x 9/12 = 49 500
900 000 x 12% x 3/12 = 27 000
76 500

Verstappen: 700 000 x 12% = 84 000

22

Downloaded from Stanmorephysics.com

QUESTION 2 STATEMENT OF COMPREHENSIVE INCOME

BONGINKOSI STORES **STATEMENT OF COMPREHENSIVE INCOME (INCOMESTATEMENT) FOR THE YEAR ENDING 29 FEBRUARY 2024**		
	Nota	
Sales (9 472 000✓ – 70 000✓ – 1 680✓)	*	9 400 320✓☑
Cost of Sales (6 715 700✓ – 1 200✓)	*	(6 714 500)☑
Gross Profit	#	2 685 820✓
Other Income	#	148 530☑
Bad debt recovered		3 850✓
Rent income (153 120✓ – 11 040✓✓)		142 080✓
Tradingstock surplus (1 534 000✓ + 1 200✓ – 18 000✓ – 1 519 800✓)		2 600✓☑
Gross Operating Income	#	2 834 350☑
Other Expenses		(1 434 024)☑
Salaries and employers contribution		926 637✓
Consumables (13 600✓ – 1 340✓)		12 260☑
Sundry expense (123 400✓ – 4 000✓)		119 400☑
Bad debt (12 100✓ + 1 260✓✓)		13 360☑
Water and electricity (150 330✓ + 12 600✓)		162 930☑
Provision for bad debt adjustment		2 863✓✓
Loss due to fire (18 000 – 16 000)		2 000✓✓
Depreciation		194 574✓
Operating profit	#	1 400 326☑
Interest Income (27 000✓ + 9 300✓ + 15 075✓✓)	**1**	51 375☑
Profit before interest expense	#	1 451 701☑
Interest expense	**2**	(30 030)✓
Nett profit for the year	#	1 421 671☑

☑ one part correct
 # operation

51

Downloaded from Stanmorephysics.com

2.2 NOTES TOT THE BALANCE SHEET

2.2.1 INVENTORY	
Trading stock	1 519 800✓✓
Consumable stores on hand	1 340✓
Operation, One part correct	**1 521 140✓**

4

2.2.2 TRADE AND OTHER RECEIVABLES	
Trade debtors (280 200✓ – 1 680✓ – 1 260✓)	277 260☑
Provision for bad debt (11 000✓ + 2 863✓)	(13 863)☑
Nett Trade debtors Operation	263 397☑
Accrued Income (16 000✓✓ + 15 075✓)	31 075✓
Prepaid expenses	4 000✓
Operation, one part correct	**298 472☑**

14

Downloaded from Stanmorephysics.com

2.3 Identify TWO possible reasons why the rental income decreased by 8% on 1 January 2024.

Valid explanation ✓✓ ✓✓

- The size of the premises being rented has reduced.
- The tenant cannot afford the high rent and rent has been renegotiated.
- The building is not well maintained so the reduction in the rental amount will stop the current tenant from looking for another site.

Stanmorephysics.com

4

73

QUESTION 3 STATEMENT OF FINANCIAL POSITION

PN TRADERS
NOTES TO THE STATEMENT OF FINANCIAL POSITION (BALANCE SHEET) ON 28 FEBRUARY 2023:

3.1.1

CAPITAL	B. PATEL	Z. NAIDOO
Balance at the beginning of the year Balancing figure	315 000☑	405 000☑
Additional capital	225 000✓	
Drawings of capital	(45 000)✓	(135 000)✓
Balance at the end of the year	495 000✓✓	270 000✓

8

Downloaded from Stanmorephysics.com

CURRENT ACCOUNTS	B. PATEL	Z. NAIDOO
Salaries	108 000✓✓	**129 600**
Interest on capital	46 800✓☑*	**44 550**
Bonus	**13 500**	
Primary distribution	168 300*☑	**174 150**
Final distribution	8 640✓	5 760✓
Netto profit for the year	176 940*☑	179 910*☑
Drawings during the year	**(64 800)**	**(86 400)**
Retained income for the year	112 140	**93 510**
Balance at the beginning of the year	**20 250**	(51 840)✓
Balance at the end of the year	132 390*☑	41 670*☑

*☑ operation one part correct

12

OR

CURRENT ACCOUNTS	B. PATEL	Z. NAIDOO
Nett profit for the year	176 940*☑	179 910*☑
Salaries	108 000✓✓	**129 600**
Interest on capital	46 800✓☑*	**44 550**
Bonus	**13 500**	
Primary distribution	168 300*☑	**174 150**
Final distribution	8 640✓	5 760✓
Drawings during the year	**(64 800)**	**(86 400)**
Retained income for the year	112 140	**93 510**
Balance at the beginnig of the year	**20 250**	(51 840)✓
Balance at the end of the year	132 390*☑	41 670*☑

*☑ operation one part correct

12

Downloaded from Stanmorephysics.com

TRADE AND OTHER PAYABLES		
Trade creditors	**57 690**	
SARS: PAYE (10 935✓ + 2 448✓) (1296 x 1/1.50 = 864. Therefor 3420 – 108 – 864)	13 383	☑
Accrued expenses	11 430	✓
Income received in advance	4 140	✓
UIF (108 +108)	216	✓☑
Pensionfund (1 296 + 864)	2 160	✓☑
Creditors for salaries	7 380	✓
*☑ operation one part correct	96 399	*☑

Foreign items -1 mark max -2 (15 300/14 670) accrued income/ Prepaid expenses

11

3.1.2 JM TRADERS
EQUITY AND LIABILITY SECTION OF THE STATMENT OF FINANCIAL POSITION (BALANCE SHEET) ON 28 FEBRUARY 2023

PARTNERS EQUITY	operation	939 060	☑
Capital	see 3.1.1	765 000	☑
Current accounts	see 3.1.3	174 060	☑
NON CURRENT LIABILITIES		307 800	
Loan: Malini Bank (405 000✓– 97 200 ✓✓)	one part correct 4	307 800	☑*
CURRENT LIABILITIES	operation, one part correct	253 539	☑
Trade and other payables	see 3.1.1	96 399	☑
Bank overdraft (14 940✓ + 45 000✓)		59 940	☑*
Short term loan	see loan	97 200	☑
TOTAL EQUITY AND LIABILITIES	operation, one part correct 7	1 500 399	☑

14

45

Downloaded from Stanmorephysics.com

QUESTION 4 ACCOUNTING EQUATION

Nr.	Assets	Owners' equity	Liabilities
4.1.	- 2 400✓	- 2 400✓	0✓
4.2	0✓	- 14 800✓	+ 14 800✓
4.3	0✓	+ 30 880 ✓ – 30 880 ✓ **OF** 0	0✓

10

TOTAAL: 150