



Province of the
EASTERN CAPE
DEPARTMENT OF EDUCATION

ACCOUNTING
CONTROLLED TEST
GRADE 11
2024: TERM 3



MARKS: 100

TIME: 1 hour

This question paper consists of 6 pages, including
a formula sheet and a 5-page answer book.

Downloaded from Stanmorephysics.com

INSTRUCTIONS AND INFORMATION

Read the following instructions carefully and follow them precisely.

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

QUESTION 1: 55 marks; 35 minutes	
Topic:	This integrates:
Budgets	Managerial accounting Cash Budget Managing resources Internal control

QUESTION 2: 45 marks; 25 minutes	
Topic:	This integrates:
Inventory systems	Financial accounting Concepts and calculations Adjustments and general ledger Analysis of transactions Managing resources Internal control

QUESTION 1: BUDGETS**(55 marks; 35 minutes)**

- 1.1 From the list below, choose the words that best suit the description given. Only write the words next to the questions (1.1.1 – 1.1.5) in the ANSWER BOOK.

Cash Budget; Debtors collection schedule; Creditors payment schedule; Projected Income Statement; Proceeds from sale of asset; Discount allowed

- 1.1.1 Estimated future receipts from credit sales are calculated.
- 1.1.2 An item that appears in the Projected Income Statement but not in the Cash Budget.
- 1.1.3 Indication of whether there will be sufficient inflow of cash to be able to support expected payments.
- 1.1.4 Indication of future revenue and expenditure.
- 1.1.5 Expected future payments for credit purchases are calculated.

(5)

1.2 THUMAMINA TRADERS

The information relates to the budget period: 1 September – 31 October 2024

REQUIRED:

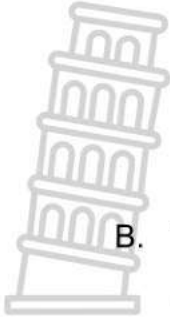
- 1.2.1 Prepare the Debtors Collection Schedule. (14)
- 1.2.2 Complete the Cash Budget for the two months ended 31 October 2024. (26)
- 1.2.3 Name TWO items from the Cash Budget in question 1.2.2 that will not appear in the projected income statement. (2)
- 1.2.4 Give TWO reasons why it is important to compare actual figures with budgeted figures. (4)
- 1.2.5 You have noticed that the actual motor vehicle expenses for August 2024 were R5 000 more than the budgeted amount. Suggest TWO possible explanations for this overspending. (4)

INFORMATION:**A. Sales**

	ACTUAL	PROJECTED
	R	R
June	98 000	
July	95 200	
August	89 600	
September		112 000
October		82 880

Downloaded from Stanmorephysics.com

- Cash sales comprise 25% of total sales.
- Although debtors are expected to pay within 30 days, payment trends show that:
 - 30% pay in the month of sales
 - 55% pay in the following month of sales
 - 12% pay two months after the month of sales
 - The balance is written off as bad debt after two months



B. Trading Stock

- The business uses a constant profit mark-up of 40% on cost.
 - A fixed base of stock is maintained.
 - 50% of all purchases are for cash.
 - Creditors allow credit of 60 days and a 5% discount if outstanding balances are settled after 30 days. The business always takes advantage of this discount.
- C. Sundry expenses amount to R8 600 per month and are expected to increase by 5% from 1 October 2024.
- D. Salaries and wages total R384 000 per annum. Employees are entitled to a 6% increase commencing in October 2024.
- E. Motor vehicle expenses is allocated R12 500 per month. This includes depreciation which amount to R2 500 per month.
- F. The business has a loan of R240 000 at VW Bank at an interest rate of 12% p.a. The monthly interest is paid on the 25th of every month. Take into account that R40 000 of the loan is due to be paid on 1 October 2024.
- G. An investment is due to mature on 1 September 2024. The business is expected to receive this amount, together with interest at 15% p.a. for the last two months, in September.
- H. The bank had a credit balance of R4 288 on 31 August 2024.

QUESTION 2: INVENTORY SYSTEMS**(45 marks; 25 minutes)**

2.1 Indicate whether the following statements are TRUE or FALSE. Only write 'True' or 'False' next to the question numbers (2.1.1 – 2.1.4) in the ANSWER BOOK.

- 2.1.1 Carriage on purchases increases the value of trading stock when using the periodic inventory system.
- 2.1.2 Cost of sales is calculated at the end of a certain period in the perpetual inventory system.
- 2.1.3 Periodic inventory system is mainly used when large volumes of low cost items is sold.
- 2.1.4 The perpetual inventory system is costly to administer.

(4)

2.2 CASTERIC TRADERS

Casteric Traders is a retail business which uses the periodic inventory system. The financial year end is 28 February 2024

REQUIRED:

2.2.1 Calculate:

- Purchases (4)
- Cost of sales (6)

2.2.2 Prepare the Trading account in the general ledger.

(9)

INFORMATION:

A. Extract from the Pre-adjustment Trial Balance on 28 February 2024:

	Debit	Credit
	R	R
Trading stock (1 March 2023)	90 000	
Sales		420 000
Purchases	276 000	
Carriage on purchases	21 000	
Debtors' allowances	30 000	

B. Adjustments and additional information not yet taken into account:

- An invoice for stock purchased on credit from MG Stores, R3 900.
- Carriage on purchases owed to G CEE Couriers, R900.
- A debtor returned goods to the value of R13 500 (cost price R9 000) which she said she did not order. These goods were returned to stock before the stocktaking took place.
- Goods returned to suppliers before stocktaking on 27 February 2024, R15 000.
- Caster took merchandise for personal use before the stocktaking at cost price, R1 500.
- The physical stock count on 28 February 2024 revealed trading stock of R108 000 on hand.

2.3 CALEDON TRADERS

Caledon Traders uses the perpetual inventory system to record their stock.

REQUIRED:

2.3.1 Fill in the appropriate details labelled A – D in the trading stock account. (7)

2.3.2 The owner of Caledon Traders suspects that stock is being stolen in his shop, either by employees or customers.

Provide ONE internal control measure that he could put in place to prevent this in future. (2)

INFORMATION:

A. Credit sales for August 2024 amounted to R20 215. Goods are marked up by 30% on cost.

B. It was discovered that office files and receipt books for R520 was posted, in error, to the trading stock account. A general journal entry was made and the error corrected.

C. Trading Stock

2024					2024				
Aug	1	Balance	b/d	12 450	Aug	31	Creditors	CAJ	D
	31	Bank	CPJ	23 470			Cost of sales	DJ	C
		Creditors	CJ	17 770			Cost of sales	CRJ	9 110
		Cost of sales	A	560			B	GJ	520
							Balance	c/d	28 330
				54 250					54 250
Sep	1	Balance	b/d	28 330					

2.4 Use the periodic inventory system to analyse the following transactions:

2.4.1 Cash sale of merchandise according to the cash register tape, R28 350.

2.4.2 Bought merchandise on credit from TJ Traders, R2 280 less 5% trade discount.

2.4.3 Received an invoice for R380 from CCR Transport for delivery cost on goods purchased from TJ Traders.

(13)

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		
$\frac{\text{Average debtors}}{\text{Credit sales}} \times \frac{365}{1}$	$\frac{\text{Average creditors}}{\text{Credit purchases}} \times \frac{365}{1}$	
$\frac{\text{Average inventories}}{\text{Cost of sales}} \times \frac{365}{1} \text{ or } \frac{12}{1}$	$\frac{\text{Cost of sales}}{\text{Average inventories}}$	
Non-current liabilities : Owner's equity	Total assets : Total liabilities	



Province of the
EASTERN CAPE
DEPARTMENT OF EDUCATION

ACCOUNTING ANSWER BOOK

CONTROLLED TEST

GRADE 11

2024: TERM 3

Stanmorephysics.com

NAME	
SCHOOL	

QUESTION	TOTAL	MARKS	MOD.
1	55		
2	45		
TOTAL	100		



This answer book consists of 5 pages.

QUESTION 1

1.1.1	
1.1.2	
1.1.3	
1.1.4	
1.1.5	

5

1.2.1 Debtors' Collection Schedule

	Credit sales	September	October
July		8 568	
August		36 960	
September			
October			

14

1.2.2 CASH BUDGET

	September	October
CASH RECEIPTS		
Cash sales	28 000	
Fixed Deposit	80 000	
TOTAL RECEIPTS		
Cash purchases	40 000	
Payments to creditors	30 400	
Sundry expenses	8 600	
TOTAL PAYMENTS		
Cash surplus / deficit		
Bank (opening balance)		
Bank (closing balance)		

26

1.2.3 Name TWO items from the cash budget in question 1.2.2 that will not appear in the projected income statement.

2

1.2.4 Give TWO reasons why it is important to compare actual figures with budgeted figures.

4

1.2.5 You have noticed that the actual motor vehicle expense for August 2024 was R5 000 more than the budgeted amount. Suggest TWO possible explanations for this overspending.

4

TOTAL MARKS
55

2.3.2 The owner suspects that stock is being stolen. Provide ONE internal control measure that he could put in place to prevent this in future.

2

2.4 ANALYSIS OF TRANSACTIONS

NO	GENERAL LEDGER		EFFECT ON		
	Account debited	Account credited	Assets	Owner's equity	Liabilities
e.g.	Stationery	Bank	- 4 500	- 4 500	0
2.4.1					
2.4.2					
2.4.3					

13

TOTAL MARKS
45



Province of the
EASTERN CAPE
DEPARTMENT OF EDUCATION

ACCOUNTING MARKING GUIDELINE
CONTROLLED TEST
GRADE 11
TERM 3
2024

Stanmorephysics.com

This marking guideline consists of 5 pages.

1.2.3	Name TWO items from the cash budget in question 1.2.2 that will not appear in the projected income statement.
	Any TWO relevant items ✓ ✓
	Cash from debtors / fixed deposit / payments to creditors / instalment on loan

2
2

1.2.4	Give TWO reasons why it is important to compare actual figures with budgeted figures.
	Any TWO valid reasons ✓✓ ✓✓
	<ul style="list-style-type: none">• To assess whether forecasts are realistic• To improve future forecasts• To identify and investigate deviations• For effective cash and profit control• To determine the effectiveness of current controls

4
4

1.2.5	You have noticed that the actual motor vehicle expense for August 2024 was R5 000 more than the budgeted amount. Suggest TWO possible explanations for this overspending.
	Any TWO valid explanations ✓✓ ✓✓
	<ul style="list-style-type: none">• Unexpected increase in fuel prices• Emergency repairs• Abuse of vehicles by personnel• Unforeseen increase in sales to be delivered

4
4

TOTAL MARKS
55
55

2.3.2 The owner suspects that stock is being stolen. Provide ONE internal control measure that he could put in place to prevent this in future.

Any ONE control measure ✓✓

- Involuntary physical search of people
- Regular physical inventory recordings
- Rotation / division of duties
- Install CCTV cameras

2

2

2.4 ANALYSIS OF TRANSACTIONS

NO	GENERAL LEDGER		EFFECT ON		
	Account debited	Account credited	Assets	Owner's equity	Liabilities
e.g.	Stationery	Bank	- 4 500	- 4 500	0
2.4.1	Bank ✓	Sales ✓	+28 350 ✓	+28 350 ✓	
2.4.2	Purchases ✓	Creditors control ✓		-2 166 ✓✓	+2 166 <input checked="" type="checkbox"/> Same as OE
2.4.3	Carriage on purchases ✓	Creditors control ✓		- 380 ✓	+ 380 ✓

13

13

TOTAL MARKS
45
45