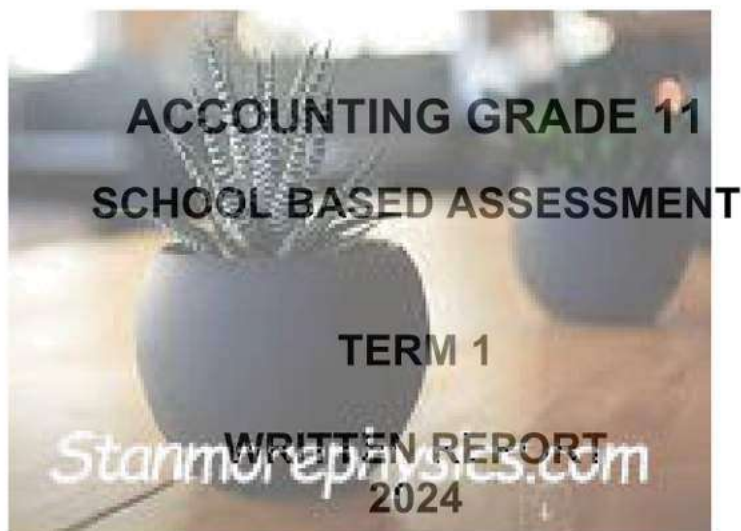




**GAUTENG PROVINCE**

EDUCATION  
REPUBLIC OF SOUTH AFRICA



QUESTION	TOPIC	MARKS	TIME ALLOCATED
1	Bank reconciliation	33	40 minutes
2	Creditors reconciliation	17	20 minutes
	<b>Total</b>	<b>50</b>	<b>60 minutes</b>

**NOTE:**

- The written report should be administered in class and under the supervision of the educator.
- Learners should not refer to the notes during the administration process.

**This question paper consists of 5 pages.**

## QUESTION 1: BANK RECONCILIATION AND INTERNAL CONTROL

(33 marks; 40 minutes)

### LOFTUS TRADERS

Joseph Brink lives in Pretoria next to the stadium where all sports codes are taking place. He is the owner of Loftus Traders, he sells sportswear and sports decorated umbrellas.

His accountant, Jane, got hospitalized before the end of December 2023, she suffered from stroke. Jane had already prepared the records for December, but they had not been reconciled.

You have recently graduated as an internal auditor, your uncle Joseph Brink has requested you to reconcile the records for December 2024.

### REQUIRED:

Use the information provided to prepare a report that will be submitted to Joseph Brink.

The report should include the following:

- 1.1 Updated Cash Receipts Journal and Cash Payment Journal for December 2023. (15)
- 1.2 Bank account for December 2023. (4)
- 1.3 Bank reconciliation Statement for December 2023. (8)
- 1.4 Through your assistance it was discovered that an EFT payment of R5 400 was made to Malherbe Aircons, that was payment for installation of aircons in the offices. The goods and services paid for were not delivered.  
A decision was taken to involve the legal experts (lawyers) to trace Malherbe Aircons to refund the business. It was discovered that the business was owned by the relative of Jane and it shut down in November 2023.
  - 1.4.1 As an internal auditor you do not agree to the use of services provided by Malherbe Aircons. Explain why you disagree in **ONE** point. (2)
  - 1.4.2 In your report discuss the correct procedure that must be followed by a business.
    - Before goods and services are ordered from suppliers. (4)
    - Before payments are made to suppliers for provision of goods and services

### INFORMATION:

#### A. Extract from the Bank Reconciliation Statement for 30 November 2023

Outstanding EFT no. 600 (28 November 2023)	R2 680
Favourable balance as per Bank account	14 940

### NOTE:

- Outstanding EFT no. 600 appeared on the December 2023 Bank Statement.

**B. Provisional totals from cash journals**

- Cash receipts Journal- **R120 000**
- Cash payments journal- **R95 910**

**C. The following information appearing in December 2023 Bank Statement from Pam Bank did not appear in the cash Journals for December 2023.**

- A direct deposit from debtor J Duma for R2 190, to settle his account of R2 500.
- Pam Bank credited Loftus Traders with an additional interest of R1 000. This amount was supposed to be interest due to the owner's personal account.
- Cash deposit fee - R210, Cash handling fees - R1 035
- Received an EFT of R5 400 from Malherbe Aircons for a refund to the business.
- EFT amounting to R1 930 is a payment from T Helberg, a debtor, who was previously declared insolvent.
- Pam Bank credited Loftus Traders with R720 interest on current account.
- R2 400 was deducted through a stop order, the payment was made to WW Finance, it is an instalment for the trailer.
- A debit order of R1 680 to Gecko Insurers for the business insurance.
- Bank Statement balance on 31 December 2023: R?

**D. The following entries were not reflected in the Bank Statement for December 2023 but appeared in the cash journals**

- Additional capital contribution by the owner on 29 December 2023, R30 000.
- Cash deposit for sales on 30 December 2023, R15 300.
- EFT no. 967 for R10 500 to PR Suppliers, for stationery purchased.
- EFT no. 970 for R 27 690 to KM Stores, for equipment purchased.

## QUESTION 2: RECONCILIATION AND INTERNAL CONTROL

(17 marks; 20 minutes)

## SONDELA TRADERS

Sondela Traders is owned by Sondela, he has a team that is responsible for finances, the head of the team is Mendy, an internal auditor. Willy is an accountant, and he is responsible for preparing the financial records of the business.

Sondela has requested Mendy and Willy to prepare a report on their new supplier "Chitheka Wholesalers". The business activities that have been sampled for reporting are reflected in the January statement received from the creditor. The last transaction reflected took place on 29 January 2024.

**REQUIRED:**

A template that must be used to compile a report is attached in the answer book. A report compiled by an accountant and auditor will address the following:

- 2.1 Reconciliation of the Creditor's Ledger Account of Chitheka Wholesalers in the books of Sondela Traders and the statement account for January 2024 received from the Chitheka Wholesalers. (9)
- 2.2 As an internal auditor you recommended that payments should be made via EFT to the business's suppliers. (4)
- Give **TWO** reasons to support your suggestion. (4)
- Give **TWO** internal control procedures to ensure control over this system. (4)

**INFORMATION:****A. Creditors Ledger of Sondela Traders****Chitheka Wholesalers (CL3)**

DATE	DETAILS	FOL	DEBIT	CREDIT	BALANCE
January 1	Account rendered				36 900
05	Invoice no.125			4 860	
07	Debit note 970			2 400	
13	EFT 302		35 060		
	Discount received		1 700		
22	Invoice no.150			18 978	
25	Invoice no.170			12 600	
30	Invoice no.185			8 700	47 678

**B. Statement received from Chitheka Wholesalers**

Chitheka Wholesalers  
44 Cockatoo Road  
Nigel  
1496

Acc no 30267993  
29 January 2024

DEBTOR SONDELA TRADERS

DATE	TRANSACTIONS	DEBIT	CREDIT	BALANCE
January 01	Opening Balance			36 900
05	Invoice no.125	6 660		
07	Credit notes 970		2 400	
13	EFT 302		35 060	
20	Invoice no.1350	9 600		
22	Invoice no.150	18 978		
25	Invoice no.170	12 600		
29	Interest on overdue account	240		47 518

**ADDITIONAL INFORMATION**

- (i) Invoice no.125 on 5 January 2024 was incorrectly recorded as R 4 860 in the creditor's ledger of Sondela Traders.
- (ii) Sondela Traders qualified for a discount on the payment made on 13 January 2024 as per agreement. Chitheka Wholesalers forgot to deduct it and apologized indicating it will be brought into consideration on the next statement.
- (iii) Invoice no. 1350 for R 9 600 on the statement received was an error made by Chitheka Wholesalers. This invoice was not issued to Sondela Traders
- (iv) Credit note no.970 was recorded incorrectly by Sondela Traders.
- (v) Invoice no.185 does not appear on the statement as it was issued after the statement date.

17

**TOTAL MARKS: 50**



**GAUTENG PROVINCE**

EDUCATION

REPUBLIC OF SOUTH AFRICA

**ACCOUNTING GRADE 11**  
**SCHOOL BASED ASSESSMENT**

**TERM 1: 2024**

**WRITTEN REPORT**

NAME OF LEARNER	
SCHOOL	
DATE	

QUESTION	TOPIC	MARKS	LEARNER'S MARKS	MODERATED MARKS
1	Bank Reconciliation	33		
2	Creditors Reconciliation	17		
	<b>TOTAL</b>	<b>50</b>		

This answer book consists of 4 pages.

QUESTION 1: BANK RECONCILIATION AND INTERNAL CONTROL

1.1

CASH RECEIPTS JOURNAL OF LOFTUS TRADERS -DECEMBER 2023					
DOC	DATE	DETAILS	BANK	SUNDRY	DETAILS
	31	Total b/d	120 000		

8

CASH PAYMENTS JOURNAL OF LOFTUS TRADERS -DECEMBER 2023					
Doc	DATE	DETAILS	BANK	SUNDRY	DETAILS
	31	Total b/d	95 910		

7

1.2

BANK ACCOUNT						

4

1.3

BANK RECONCILIATION STATEMENT OF LOFTUS TRADERS- DECEMBER 2023		
	Debit	Credit

8

1.4.1

As an internal auditor you do not agree to the use of services provided by Malherbe Aircons. Explain why you disagree in ONE point.

2

1.4.2

In your report discuss the correct procedure that must be followed by a business.

Before goods and services are ordered from suppliers.

Before payments are made to suppliers for provision of goods and services

4

**TOTAL MARKS**

33

**QUESTION2: CREDITORS RECONCILIATION AND INTERNAL CONTROL**

**2.1 CREDITORS RECONCILIATION**

	Creditors ledger of Sondela Traders	Statement of Account
<b>Incorrect Balances</b>	<b>47 678</b>	<b>47 518</b>
(i)		
(ii)		
(iii)		
(iv)		
(v)		
(vi)		

<b>9</b>

**2.2**

**As an internal auditor you recommended that payments should be made via EFT to the business's suppliers.**

**Give TWO reasons to support your suggestion.**

**Give TWO internal control procedures to ensure control over this system.**

<b>8</b>

<b>TOTAL MARKS</b>
<b>17</b>

**TOTAL MARKS: 50**



**GAUTENG PROVINCE**

EDUCATION

REPUBLIC OF SOUTH AFRICA

**ACCOUNTING**

**GRADE 11 WRITTEN REPORT**

**TERM ONE: 2024**

**MARKING GUIDELINES**

Stanmorephysics.com		
QUESTION	TOPIC	MARKS
One	Bank Reconciliation	33
Two	Creditors Reconciliation	17
<b>TOTAL MARKS</b>		<b>50</b>

These marking guidelines consist of 4 pages.

## QUESTION 1: BANK RECONCILIATION

1.1

CASH RECEIPTS JOURNAL OF LOFTUS TRADERS - DECEMBER 2023					
DOC	DATE	DETAILS	BANK	SUNDRY	DETAILS
B/S	31	Total	120 000		
B/S		J Duma	✓ 2 190	2 190	Debtors control ✓
B/S		T Helberg	✓ 1 930	1 930	Bad debt recovered ✓
B/S		J Maboko	✓ 5 400	5 400	Creditors control ✓
B/S		Pam Bank	✓ 720	720	Interest on current account ✓
			130 240	10 240	

8

CASH PAYMENTS JOURNAL OF LOFTUS TRADERS - DECEMBER 2023					
Doc	DATE	DETAILS	BANK	SUNDRY	DETAILS
	1	Total b/d	95 910		
B/S	31	WW Finance	✓ 2 400	2 400	Creditors control ✓
B/S		Gecko Insurers	✓ 1 680	1 680	Insurance ✓
B/S		Pam Bank	✓ ✓ 1 245	1 245	Bank charges ✓
B/S			101 235	5 325	

7

1.2

BANK ACCOUNT					
1 Dec 2023	Balance b/d	✓ 14 940	31 Dec 2023	Total payments	101 235
31	Total receipts	130 240		Balance c/d	43 945
		145 180			145 180
1 Jan 2024	Balance b/d	43 945			

4

1.3

<b>BANK RECONCILIATION STATEMENT OF LOFTUS TRADERS ON 31 DECEMBER 2023</b>		
	<b>Debit</b>	<b>Credit</b>
Balance as per Bank statement		✓ 37 885
Outstanding EFT deposit		✓ 30 000
Outstanding cash deposit		✓ 15 300
Dr amount wrongly credited	✓ 1000	
Outstanding EFT		
No. 967	✓ 10 500	
No. 970	✓ 27 690	
Balance as per bank account	✓ 43 945	
One mark for both totals	✓ 83 185	83 185

8

1.4.1.

**As an internal auditor you do not agree to the use of services provided by Malherbe Aircons. Explain why you disagree in ONE point.**

**Any one valid point ✓✓ one mark for partially correct point**

- It is conflict of interest, Jane is related to the owner of Malherbe Aircons.

2

1.4.2.

**In your report discuss the correct procedure that must be followed by a business.**

**Allocate ✓✓ for each point allocate one mark for each partially correct answer**

**Before goods and services are ordered from suppliers.**

- At least three quotes should be obtained and screened before the correct supplier is chosen.
- All the services or goods purchased must be authorized by senior personnel.

**Before payments are made to suppliers for provision of goods and services.**

- The business should not make full payment before services are provided by the supplier.

4

**TOTAL MARKS**

**33**

**QUESTION 2: CREDITORS RECONCILIATION**

2.1

	Creditors ledger of Sondela Traders	Statement of Account
<b>Incorrect Balances</b>	<b>47 678</b>	<b>47 518</b>
(i)	✓✓ 1800	
(ii)		✓ (1700)
(iii)		✓ (9 600)
(iv)	✓✓ (4 800) or - 2 400 – 2 400	
(v)		✓ 8 700
(vi)	✓ 240	
One mark for both totals	✓ 44 918	44 918

9

2.2

**As an internal auditor you recommended that payments should be made via EFT to the business's suppliers.**

**Give TWO reasons to support your suggestion**

**Any two valid reasons** ✓✓ ✓✓

- It is quick and easier to monitor/efficient/convenient/safer/cash may not be lost/you can make a transaction anytime
- Less bank charges/makes claiming cash discounts easier/avoid interest on late payments.

**Give TWO internal control procedures to ensure control over this system.**

**Any two valid procedures** ✓✓ ✓✓

- Only authorised senior personnel must make internet payments.
- Security codes for users (unique codes)/change codes regularly.
- Notification from bank (sms/email) when payments are effected.
- Allocate one mark for division of duties

**Allocate one mark for partially correct response (reasons and procedures)**

8

**TOTAL MARKS**

**17**