



GAUTENG PROVINCE

EDUCATION
REPUBLIC OF SOUTH AFRICA

2021

**ACCOUNTING
GRADE 11**

CONTROL TEST ONE
Stanmorephysics.com
DURATION: 1.5 HOURS
13 APRIL 2021

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INSTRUCTIONS AND INFORMATION

1. You are provided with a question paper and answer sheet
2. This question paper comprises of TWO Compulsory questions.
3. Make use of the time allocation given.
4. Non- programmable calculators may be used.
5. A BLUE/BLACK PEN may be used
6. Show workings to earn part-marks

QUESTION	TOPIC	MARKS	TIME ALLOCATED
1	Bank Reconciliation and Internal Control	50	45
2	Tangible Assets and Internal Control	50	45
TOTAL		100	90 minutes

This question paper consists of 5 pages

QUESTION 1 : CONCEPTS, BANK RECONCILIATION AND INTERNAL CONTROL**(50 marks; 45 minutes)****1.1 CONCEPTS**

Indicate whether the following statements are TRUE or FALSE.
Write only 'true' or 'false' next to the question number (1.1.1–1.1.5) in the ANSWER BOOK.

- 1.1.1 A debit balance on the Bank account reflects an unfavourable bank balance. (1)
- 1.1.2 Interest on bank overdraft is an operating expense. (1)
- 1.1.3 Bank overdraft is a facility whereby the business can use more money than they have in their current banking account. (1)
- 1.1.4 A debit order is permission that is granted to a third party to automatically receive monthly payments from the current account of a business. (1)
- 1.1.5 A debtor can pay his/her outstanding debt by EFT and send proof of payment to the business. (1)

1.2 Bank Reconciliation**Jozie Traders**

The information provided was extracted from the records of Jozie Traders for the month ended on 31 March 2021.

REQUIRED:

Compare the Bank Statement with the Cash Receipts and the Cash Payments Journals and complete the following for March 2021:

- 1.2.1 The Cash receipts Journal (07)
- 1.2.2 The Cash Payments Journal (13)
- 1.2.3 The Bank Account in the General Ledger (06)
- 1.2.4 The Bank Reconciliation Statement. (07)

INFORMATION A:

Cash Receipts Journal of Jozie Traders for March 2021							
Doc no	Day	Details	Fol	Bank	Sundry Accounts		
					Amount	Details	
CRT1	10	C Mbele		3 500	3 500	Debtors control	
R12	17	F Martin		8 800	8 800	Debtors control	
CRT2	31	Sales		?			
				27 800			

INFORMATION B:

Cash Payments Journal of Jozie Traders for March 2021						
Doc no	Day	Details	Fol	Bank	Sundry Accounts	
					Amount	Details
EFT 01	19	Mint Stores		4 000	4 000	Equipment
EFT 02	20	RNA		3 350	3 350	Stationery
EFT 03	26	Easy		3 600	3 600	Creditors control
EFT 04	31	Motors		4 300	4 300	Repairs
EFT 05	31	Star Agency		2 000	2 000	Advertising
				17 250	17 250	

INFORMATION C:

Extract from the Bank Statement from BF Bank				
Date	Description	Debit	Credit	Balance
01 Mar	Opening Balance			12 000
10 Mar	Deposit: C Mbele		3 500	15 500
15 Mar	Debit order: San Insurers	?		12 100
17 Mar	Deposit: F Martin		8 800	20 900
19 Mar	EFT (Mint Stores)	4 000		16 900
20 Mar	EFT (RNA)	3 350		13 550
21 Mar	Deposit (tenant: Derek)		4 500	18 050
25 Mar	Debit order: Telkom	2 200		15 850
26 Mar	EFT (Easy Wholesalers)	3 600		12 250
29 Mar	Cash deposit fee	185		12 065
31 Mar	Service fee	266		11 799
31 Mar	Internet banking fee	230		11 569
31 Mar	Interest received		?	12 009

ADDITIONAL INFORMATION

- (i) The bank account in the General Ledger had a **FAVOURABLE** balance of R12 000 on 01 March 2021.
- (ii) 30% of the debit order paid to San Insurers was for the owners personal insurance.

1.3 INTERNAL CONTROL

B. Ngubane is the owner of Car Dealers. A new bookkeeper, Trevor, has recently been appointed following the unexpected disappearance of the previous bookkeeper.

1.3.1 Explain to Trevor why it is important that he prepares the Bank Reconciliation Statement at the end of each month. Provide **THREE** points. (6)

1.3.2 Provide **THREE** advantages of internet banking. (6)

50



QUESTION 2 : TANGIBLE ASSETS AND INTERNAL CONTROL**(50 marks; 45 minutes)****2.1 TANGIBLE ASSETS****Atlholang Traders**

The following information relates to Atlholang Traders. The financial year ended on 30 June 2020.

REQUIRED:

Prepare the following:

- 2.1.1 Calculate depreciation on vehicles for the current year (10)
- 2.1.2 Asset Disposal Account (9)
- 2.1.3 Tangible Asset Note (25)

INFORMATION**A Balances:**

Tangible Assets	30 June 2020	30 June 2019
Land and buildings	9 180 000	9 900 000
Vehicles	810 000	729 000
Equipment	500 000	500 000
Accumulated depreciation on vehicles	?	414 000
Accumulated depreciation on equipment	?	460 000

B Vehicles and Depreciation

- A vehicle, bought on 31 September 2018, was sold for cash, R78 800 on 01 January 2020. The cost price of the vehicle was R109 000.
- A new vehicle was bought on 01 January 2020.
- Depreciation on vehicles is calculated at 20% using the diminishing balance.
- Depreciation on equipment is calculated at 10% using the Cost price method.

2.2 INTERNAL CONTROL AND GAAP

- 2.2.1 One of the drivers employed by the business, Mr Thambo, owns business. He does not have a delivery van, he is using the delivery van of his employer to transport the goods bought from his suppliers.

Provide the control measures that should be implemented by the internal auditor to avoid mismanagement of movable tangible assets. State TWO points. (4)

- 2.2.2 The value of the Land and buildings has appreciated. Explain why the Land and buildings are not recorded at market price in the Financial Statements of the business, provide ONE point. (2)

50**TOTAL MARKS: 100**



ACCOUNTING GRADE 11

CONTROL TEST

ANSWER BOOK

13 APRIL 2021



NAME OF LEARNER :

NAME OF SCHOOL :

QUESTION	TOPIC	MARKS	MARKS OBTAINED	MODERATED MARK
1	Bank Reconciliation and Internal Control	50		
2	Tangible Assets and Internal Control	50		
TOTAL		100		

This answer book consists of 6 pages

QUESTION 1: CONCEPTS , BANK RECONCILIATION AND INTERNAL CONTROL

1.1 CONCEPTS

1.1.1		
1.1.2		
1.1.3		
1.1.4		
1.1.5		5

1.2.1 CASH RECEIPTS JOURNAL

Cash Receipts Journal of Jozie Traders for March 2021						
Doc no	Day	Details	Fol	Bank	Sundry Accounts	
					Amount	Details
	31	Total	b/d	27 800		

07

1.2.2 CASH PAYMENTS JOURNAL

Cash Payments Journal of Jozie Traders for March 2021						
Doc no	Day	Details	Fol	Bank	Sundry Accounts	
					Amount	Details
	31	Total	b/d	17 250		

13

1.2.3 BANK ACCOUNT

GENERAL LEDGER OF JOZIE TRADERS										
BALANCE SHEET ACCOUNTS SECTION										
DR					BANK					CR

06

1.2.4.BANK RECONCILIATION STATEMENT ON 31 MARCH 2021		
	DEBIT	CREDIT



07

1.3. INTERNAL CONTROL

1.3.1 Explain to Trevor why it is important that he prepares the Bank Reconciliation Statement at the end of each month. Provide THREE points			
	<table border="1"> <tr><td></td></tr> <tr><td>6</td></tr> </table>		6
6			

1.3.2 Provide THREE advantages of internet banking.			
	<table border="1"> <tr><td></td></tr> <tr><td>6</td></tr> </table>		6
6			

TOTAL MARKS
50

QUESTION 2: TANGIBLE ASSETS AND INTERNAL CONTROL

2.1 TANGIBLE ASSETS

2.1.1 Calculations - Depreciation on vehicles		
Asset Sold	Old asset	New asset



10

2.1.2 ASSET DISPOSAL ACCOUNT									

9

2.1.3 TANGIBLE ASSETS NOTE			
	Land and Buildings	Vehicle	Equipment
Carrying value (1 July 2019)	9 900 000		
Cost	9 900 000		
Accumulated depreciation	0		
Movements			
Additions at cost			
Disposals at carrying value			
Depreciation			
Carrying value (30 June 2020)			
Cost			
Accumulated depreciation			

25

2.2 INTERNAL CONTROL AND GAAP

2.2.1 Provide the control measures that should be implemented by the internal auditor to avoid mismanagement of movable tangible assets. State TWO points.			
	<table border="1"> <tr> <td></td> </tr> <tr> <td>4</td> </tr> </table>		4
4			
2.2.2 Explain why the Land and buildings are not recorded at market price in the Financial Statements of the business, provide ONE point.			
	<table border="1"> <tr> <td></td> </tr> <tr> <td>2</td> </tr> </table>		2
2			

TOTAL MARKS
50



ACCOUNTING GRADE 11

CONTROLLED TEST ONE

MARKING GUIDELINES

13 APRIL 2021

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These marking guidelines consists of 6 pages.

QUESTION 1: CONCEPTS, BANK RECONCILIATION AND INTERNAL CONTROL

1.1 CONCEPTS

1.1.1	False	✓	
1.1.2	False	✓	
1.1.3	True	✓	
1.1.4	True	✓	
1.1.5	True	✓	5

1.2.1 CASH RECEIPTS JOURNAL

Cash Receipts Journal of Jozie Traders for March 2021						
Doc no	Day	Details	Fol	Bank	Sundry Accounts	
					Amount	Details
	31	Total	b/d	27 800		
B/S		Derek		* ✓ 4 500	4 500	Rent Income ✓
B/S		BF Bank ✓		✓✓ 440	440	Interest on current account ✓
<i>Check if total b/d is added</i>				☑ 32 740		

*Amount and correct details

07

1.2.2 CASH PAYMENTS JOURNAL

Cash Payments Journal of Jozie Traders for March 2021						
Doc no	Day	Details	Fol	Bank	Sundry Accounts	
					Amount	Details
	31	Total	b/d	17 250		
B/S		San Insurers		*#✓✓ 3 400	\$☑ 2 380	Insurance ✓
					#☑1 020	Drawings ✓
B/S		Telkom		*✓ 2 200	2 200	Telephone ✓
B/S		BF Bank ✓		✓✓ 681	681	Bank Charges ✓
		<i>Check if total b/d is added</i>		☑ 23 531		

*Amount and correct details
 *# Allocate one mark for the correct figure if details are incorrect
 \$ Any figure (Bank) x 70%
 # Any figure (Bank) x 30%

13

1.2.3 BANK ACCOUNT

GENERAL LEDGER OF JOZIE TRADERS									
BALANCE SHEET ACCOUNTS SECTION									
DR		BANK						CR	
2021 Mar	01	Balance	b/d	✓ 12 000	2021 Mar	31	Total Payments ✓	CPJ	☑ 23 531
	31	Total Receipts ✓	CRJ	☑ 32 740			Balance	c/d	21 209
				44 740					44 740
2021 Apr	01	Balance	b/d	☑ 21 209					

06

1.2.4. BANK RECONCILIATION STATEMENT ON 31 MARCH 2021		
	DEBIT	CREDIT
Cr Balance as per bank statement		✓ 12 009
Cr Outstanding deposit		✓✓ 15 500
Dr outstanding EFT		
No. 04	✓ 4 300	
No. 05	✓ 2 000	
Dr Balance as per bank account	☑ 21 209	
1 mark for both totals	☑ 27 509	27 509

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07

1.3. INTERNAL CONTROL

1.3.1 Explain to Trevor why it is important that he prepares the Bank Reconciliation Statement at the end of each month. Provide THREE points			
<p>Three valid reasons ✓✓ ✓✓ ✓✓</p> <ul style="list-style-type: none"> Improves internal control by minimizing fraud or error because records are checked against an external source. Improves internal control by identifying outstanding EFTs and deposits. To compare the books of the business with that of the bank in order to detect errors and dishonesty at an early stage. <p>Expected responses for 1 mark Internal control purposes, to reconcile the bank account</p>	<table border="1"> <tr> <td></td> </tr> <tr> <td>6</td> </tr> </table>		6
6			

1.3.2 Provide THREE advantages of internet banking.			
<p>Any three valid points ✓✓ ✓✓ ✓✓</p> <ul style="list-style-type: none"> Do not have to stand in queues to pay accounts Don't have to walk around with cash Maintain your own internet banking limits Payments can be made immediately and send proof of payment to a beneficiary 	<table border="1"> <tr> <td></td> </tr> <tr> <td>6</td> </tr> </table>		6
6			

TOTAL MARKS
50

QUESTION 2: TANGIBLE ASSETS AND INTERNAL CONTROL

2.1 TANGIBLE ASSETS

2.1.1 Calculations - Depreciation on vehicles		
Asset Sold	Old asset	New asset
Year One $109\ 000 \times 20/100 \times 9/12$ $= 16\ 350$ <input checked="" type="checkbox"/> ✓	$729\ 000 - 109\ 000 = 620\ 000$ $414\ 000 - 16\ 350 = (397\ 650)$ <u>222 350</u>	$190\ 000 \times 20/100 \times 6/12$ $= 19\ 000$ <input checked="" type="checkbox"/> ✓
Year two $(109\ 000 - 16\ 350) \times 20/100 \times 6/12$ 92 650 $= 9\ 265$ <input checked="" type="checkbox"/> ✓	$222\ 350 \times 20/100 = 44\ 470$ <input checked="" type="checkbox"/> ✓✓ <input checked="" type="checkbox"/>	
<input checked="" type="checkbox"/> One part correct		

10

2.1.2 ASSET DISPOSAL ACCOUNT									
2020	01	Vehicle✓	GJ	✓109 000	2020	01	Accumulated Depreciation: vehicles✓ (16 350 + 9 265)	GJ	25 615 <input checked="" type="checkbox"/> ✓
Jan					Jan		Bank✓	CRJ	✓78 800
							Loss on sale of an asset✓	GJ	<input checked="" type="checkbox"/> 4 585
				109 000					109 000

9

2.1.3 TANGIBLE ASSETS NOTE			
	Land and Buildings	Vehicle	Equipment
Carrying value (1 July 2019)	9 900 000	✓315 000	✓40 000
Cost	9 900 000	✓729 000	✓500 000
Accumulated depreciation	0	✓(414 000)	✓(460 000)
Movements			
Additions at cost <i>vehicle (109 000 + 810 000 - 729 000)</i>	0	☑✓190 000	0
Disposals at carrying value <i>Vehicle (109 000 - 25 615)</i>	✓✓(720 000)	☑✓(83 385)	0
Depreciation <i>Vehicles (9 265 + 44 470 + 19 000) see 2.1.1</i>	0	☑✓(72 735)	✓✓39 999
Carrying value (30 June 2020)	☑9 180 000	☑348 880	✓1
Cost	✓9 180 000	✓810 000	✓500 000
Accumulated depreciation <i>(414 000 + 72 735 - 25 615)</i>	0	☑✓(461 120)	☑499 999

25

2.2 INTERNAL CONTROL AND GAAP

2.2.1 Provide the control measures that should be implemented by the internal auditor to avoid mismanagement of movable tangible assets. State TWO points.	
<i>Accept any two valid points ✓✓ ✓✓ Allocate one mark for partially correct answer</i> <ul style="list-style-type: none"> An internal auditor must ensure that proper records and documentation relating to fixed assets are in place. All fixed assets should be recorded separately in a Fixed Asset Register. Regular stock taking of assets and comparing them against the asset register Signing in and out of assets to track where they are and who used them. The movement of assets must be recorded in a logbook 	<div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto;"></div> <div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; text-align: center;">4</div>
2.2.2 Explain why the Land and buildings are not recorded at market price in the Financial Statements of the business, provide ONE point.	
<i>Accept any valid point ✓✓ Allocate one mark for partially correct answer</i> <ul style="list-style-type: none"> Tangible assets must be recorded at a cost price (Historical concept) 	<div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto;"></div> <div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; text-align: center;">2</div>

TOTAL MARKS

50