



GAUTENG PROVINCE
EDUCATION
REPUBLIC OF SOUTH AFRICA

**GAUTENG DEPARTMENT OF EDUCATION
PROVINCIAL EXAMINATION
NOVEMBER 2019
GRADE 11**

**ACCOUNTING
PAPER 2
ANSWER BOOK**

NAME: _____

QUESTION	MAX MARKS	MARKS AWARDED	MODERATOR
1	40		
2	42		
3	52		
4	16		
TOTAL	150		

9 pages

QUESTION 1: CONCEPTS AND MANUFACTURING ACCOUNTS

1.1

CONCEPTS	
1.1.1	
1.1.2	
1.1.3	
1.1.4	
1.1.5	

5

1.2. **LEDGER ACCOUNT AND COSTS CALCULATIONS**

1.2.1 GENERAL LEDGER OF WISHY-WASHY MANUFACTURERS										
DR		RAW MATERIALS STOCK						B1	CR	
2018										
March	1	Balance	b/d							

8

1.2.2 COST CALCULATIONS	
Direct labour cost	
Factory overheads costs	

13

1.3 UNIT CALCULATIONS**1.3.1 Calculate the direct material cost per unit.**

2

1.3.2 Calculate the break-even point.

4

1.3.3 Should the business be satisfied with the number of units manufactured during 2019? Explain by quoting relevant information.

4

1.3.4 The direct materials cost per unit was R152 in 2018. Explain TWO reasons for the difference in the cost over the two financial years.

4

TOTAL MARKS

40

QUESTION 2: RECONCILIATIONS, INTERNAL CONTROL AND ETHICS

2.1. BANK RECONCILIATION

2.1.1 Provide TWO reasons why preparing a monthly Bank Reconciliation Statement is important for the business.

4

2.1.2 BANK RECONCILIATION STATEMENT ON 31 AUGUST 2019

	Debit	Credit

10

2.1.3 Refer to 26 July 2019 in INFORMATION A.

Indicate how the bookkeeper will record this entry.

Provide TWO suggestions that the business can do to prevent a situation like the one experience on 26 July 2019 in the future.

2.2 CREDITORS' RECONCILIATION

	CREDITORS' LEDGER	CREDITORS' STATEMENT
Balance	16 555	10 055
A		
B		
C		
D		
E		
F		
G		
Corrected Balance		

2.3 INTERNAL CONTROL AND ETHICS

2.3.1 Which THREE actions should be taken regarding the debit order for R3 400?

6

2.3.2 What are the implications of recording “Drawings” as “Donations”? Explain in ONE point.

2

2.3.3 Provide THREE suggestions to management for the effective control of cash.

6

TOTAL MARKS

42

QUESTION 3: BUDGETS, ETHICS AND FINANCIAL INDICATORS

3.1.1 DEBTORS' COLLECTION SCHEDULE			
Credit Sales		November	December
September	144 000	14 400	
October	149 760		
November	161 280		96 786
December	187 200		46 800

7

3.1.2 CASH BUDGET FOR TWO MONTHS ENDING DECEMBER 2018

RECEIPTS	November	December
Cash sales	241 920	
?		
?		
Rent income	5000	
TOTAL RECEIPTS		
PAYMENTS		
Cash purchases of trading stock		78 000
Payments to creditors	138 320	
Loan repayment		
Interest on loan	3 000	
Salary including bonus (store manager)	20 000	
Sales assistants' salaries	60 000	
Drawings	30 000	
?		
?		145 866
TOTAL PAYMENTS		
Cash surplus (shortfall)		
Balance at the beginning of the month	138 400	
Balance at the end of the month		

29

3.1.3 Refer to transaction J, and explain why the employees should not be satisfied with the increase of 4% in their salaries.

2

3.2 FINANCIAL INDICATORS

3.2.1 Calculate the following indicators for year ended 28 February 2019.

Average creditors' payment period	(4)
Stock-Holding period	(4)

3.2.2 Compare the financial indicators for 2018 and 2019 February and respond to the following questions.

Comment on the stock turnover rate and the stock holding period. (Quote figures.)	(2)
Explain why Nkosi Traders should be concerned about the two indicators and provide ONE point of advice to Nkosi Traders.	(4)

TOTAL MARKS
52

QUESTION 4: VAT AND TANGIBLE ASSETS**4.1 VAT**

4.1.1 and 4.1.2				
Including VAT (R)	Excluding VAT (R)	VAT Amount (R)	VAT Input	VAT Output
	500 000	75 000		75 000
287 500	250 000			
		1 830		
	6 400	960		
	9 800			
5 405				
TOTALS				

10

4.1.3 Calculate the amount payable to / receivable from SARS.

2

4.2.1 Explain the TWO measures that you will put in place to prevent employees from using business assets for personal reasons?

4

TOTAL MARKS

16
