



Province of the
EASTERN CAPE
EDUCATION

Name:

**NATIONAL
SENIOR CERTIFICATE**

GRADE 11

NOVEMBER 2019

**ACCOUNTING P2
ANSWER BOOK**

QUESTION	MAXIMUM MARKS	MARKS OBTAINED	MODERATED MARKS
1	35		
2	45		
3	50		
4	20		
	150		



This answer book consists of 11 pages.

QUESTION 1: BANK RECONCILIATION AND CREDITORS RECONCILIATION

1.1.1 List **TWO** reasons for preparing the Bank Reconciliation Statement as an internal control process.

2

1.1.2 State the adjustment that would be made to the figures on the financial statements on 30 June 2019, end of financial year in respect of the post-dated cheques issued. Refer to the Bank Reconciliation Statement for June 2019. Include actual figures in your answer.

4

1.1.3

ITEM	CRJ	CPJ	NO ENTRY
Item 1			X
Item 2			
Item 3			
Item 4			
Item 5			
Item 6			
Item 7			
Item 8			
Item 9			

9

1.2.1	Why should the balance of the Creditors' Control account correspond with the total of the Creditors' List?

2

1.2.2	Calculate the correct balances of the Creditors' Control account and the Creditors' List.		
		Creditors' Control	Creditors' List
	(a) Incorrect balance/total	49 560	36 410
	(b)		
	(c)		
	(d)		
	(e)		
	Balance/Total		

8

35

QUESTION 2: MANUFACTURING

2.1	Match the description from COLUMN B to the concept in COLUMN A. Write only the letter (A–E) next to the question number (2.1.1–2.1.4) in the ANSWER BOOK.															
	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="text-align: center; padding: 2px;">2.1.1</td><td style="width: 50px;"></td></tr> <tr><td style="text-align: center; padding: 2px;">2.1.2</td><td></td></tr> <tr><td style="text-align: center; padding: 2px;">2.1.3</td><td></td></tr> <tr><td style="text-align: center; padding: 2px;">2.1.4</td><td></td></tr> </table>	2.1.1		2.1.2		2.1.3		2.1.4								
2.1.1																
2.1.2																
2.1.3																
2.1.4																
2.2	Calculate the Direct material cost															
	Calculate the correct Factory Overhead Cost.															
	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 70%; padding: 2px;">FACTORY OVERHEAD COST:</td> <td style="width: 30%;"></td> </tr> <tr> <td style="padding: 2px;">Incorrect Factory Overhead Cost</td> <td style="text-align: right; padding: 2px;">350 000</td> </tr> <tr><td style="padding: 2px;"> </td><td></td></tr> <tr><td style="padding: 2px;"> </td><td></td></tr> <tr><td style="padding: 2px;"> </td><td></td></tr> <tr><td style="padding: 2px;"> </td><td></td></tr> <tr> <td style="padding: 2px;">Factory Overhead Cost for the Year</td> <td></td> </tr> </table>		FACTORY OVERHEAD COST:		Incorrect Factory Overhead Cost	350 000									Factory Overhead Cost for the Year	
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Incorrect Factory Overhead Cost	350 000															
Factory Overhead Cost for the Year																

4

4

8

QUESTION 3: CASH BUDGETS AND FIXED ASSETS

3.1.1	Explain why a business needs to prepare a Cash Budget every year.		2
3.1.2	Calculate the expected receipts from debtors for November 2019.		5
3.1.3	Calculate the figures indicated by A–E in the Cash Budget.		
	A		
	B		
	C		
	D		
	E		5
3.1.4	The rent income increased by 8% from 1 November 2019. Calculate the rent income figure for November 2019.		3
3.1.5	In your opinion, is EmmaLee’s capital contribution in November 2019 sufficient to support this business venture? Provide ONE reason with figures to support your answer.		3

3.1.6	Calculate the percentage increase granted to the employees from 1 November 2019. In your opinion, will the employees be satisfied with this increase? Briefly explain.		
	<table border="1"><tr><td> </td></tr><tr><td style="text-align: center;">5</td></tr></table>		5
5			

3.1.7	As the internal auditor you discovered that the actual motor vehicle expenses for October 2019 were R5 420. Name TWO points that you would include in your internal auditors' report to EmmaLee.		
	<table border="1"><tr><td> </td></tr><tr><td style="text-align: center;">4</td></tr></table>		4
4			

3.1.8	Calculate the interest payable to Eastbank in December 2019. Calculate the monthly repayments of the capital portion of the loan to Eastbank.		
	<table border="1"><tr><td> </td></tr><tr><td style="text-align: center;">7</td></tr></table>		7
7			

3.2.1

ASSET DISPOSAL

2018 Dec	31			2018 Dec	31		

6

3.2.2 Note to the Balance Sheet on 28 February 2019

FIXED ASSETS	Land and buildings	Vehicles	Equipment
Carrying value beginning of year		330 000	435 000
Cost		900 000	615 000
Accumulated depreciation	0	(570 000)	
Movements			
Additions at cost	230 000		300 000
Disposal at carrying value	0	(72 000)	0
Depreciation	0	(64 000)	
Carrying value end of year	1 580 000	500 000	
Cost	1 580 000	1 076 000	
Accumulated depreciation	0		(270 000)

10

50

QUESTION 4: FINANCIAL INDICATORS IN WORKING CAPITAL

4.1.1	Gross profit percentage on cost of sales (mark-up %)
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4.1.2	Average stock turnover rate
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4.1.3	Debtors Collection Period
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6

4.2	Comment on the profitability of the business for this financial year. Give TWO reasons why they may not have achieved their intended mark-up of 50%.
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4.3	The bookkeeper is satisfied that the business' liquidity has improved and there is money to manage their short term commitments. Mention TWO indicators, with figures, that prove this.
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4

20

TOTAL: 150

