

GRADE

11

CAPS

3 in 1

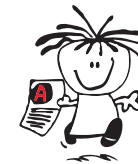
Accounting

Ann Botha

Accounting 3 in 1 **TEMPLATES** for

- Questions per topic
- Exam papers

This TEMPLATE BOOK
which accompanies the
Gr 11 Accounting eBook,
can be downloaded from our website
[www.theanswer.co.za/
forms-downloads/](http://www.theanswer.co.za/forms-downloads/)



THE
ANSWER
SERIES *Your Key to Exam Success*



CONTENTS

	Difficulty	Minutes	Page		Difficulty	Minutes	Page		Difficulty	Minutes	Page				
UNIT 1: Quick Revision of Basic Concepts									UNIT 8: Cost Accounting						
Q1	Match the concepts	*	20	1	Q34	Interpretation of current account	**	24	22	Q76	Match the concepts	*	10	51	
Q2	Multiple choice	*	15	2	Q35	Accounting equation	**	30	23	Q77	Match the concepts	*	10	51	
Q3	GAAP	*	7	3	Q36	Current a/c Note to Fin. Statements	**	21	24	Q78	Cost calculations	*	20	51	
Q4	Characteristic of ethical behaviour	**	15	3	Q37	Statement of Comprehensive Income	**	36	24	Q79	Cost calculations	**	26	52	
Q5	Ethics	**	10	4	Q38	Statement of Comp. Inc. + some Notes	**	50	25	Q80	Interpretation of cost calculations	**	18	53	
UNIT 2: Internal Control and Internal Audit					Q39	Statement of Comp. Inc. and Notes	***	55	26	Q81	Ledger accounts: only cost accounts	**	24	54	
Q6	The internal auditor	**	20	4	Q40	Statement of Fin. Position and Notes	***	45	27	Q82	Ledger accounts: only asset accounts	*	30	54	
UNIT 3: Reconciliations					Q41	Financial Statements	***	60	28	Q83	Ledger accounts	**	36	55	
Q7	Bank: Match the concepts	*	20	5	Q42	Interpretation of Question 41	**	30	29	Q84	Ledger accounts +	**	30	56	
Q8	A complete question	*	40	6	Q43	Ethics	**	7	30	UNIT 9: Budgeting					
Q9	A complete question	*	32	7	UNIT 6: Analysis and Interpretation of Financial Statements						Q85	Projected Income Statement	*	30	57
Q10	A complete question	**	35	8	Q44	Test yourself	*	10	31	Q86	Projected Income Statement	**	30	57	
Q11	Internal control	**	14	9	Q45	Choose the correct answer	*	10	31	Q87	Cash Budget	**	20	58	
Q12	Bank account and reconciliation	**	25	9	Q46	Analysis of Financial Statements	*	20	31	Q88	Cash Budget	*	25	59	
Q13	Analysis of transactions	**	23	10	Q47	Analysis of Financial Statements	*	20	32	Q89	Debtors' Collection Schedule	**	12	59	
Q14	Interpretation of reconciliation	**	11	11	Q48	Analysis of Financial Statements	**	20	34	Q90	Debtors' Collection Schedule	**	11	59	
Q15	Creditors: True or False	*	8	11	Q49	Analysis of Financial Statements	**	45	35	Q91	Creditors' Payment Schedule	**	10	60	
Q16	Reconcile the accounts	***	15	12	Q50	Analysis of Financial Statements	**	20	37	Q92	Creditors' Payment Schedule	**	10	60	
Q17	Reconciliation of account with statement received	***	8	12	Q51	Analysis of Financial Statements	***	20	38	Q93	Debtors' Collection Schedule +	**	20	60	
Q18	Reconciliation +	***	24	12	Q52	Analysis of Ledger accounts	***	20	39	Q94	Cash Budget and Debtors' Collection Schedule	**	26	61	
Q19	Reconcile the accounts	***	15	13	UNIT 7: Clubs (Non-profit Organisations)						Q95	Cash Budget +	**	33	61
UNIT 4: Tangible/Fixed Assets					Q53 - Q56	General questions	*	40		UNIT 10: Inventory Systems					
Q20	Quick test for concepts	*	15	14	Q57	Match the concepts	*	30	40	Q96	General questions	**	12	63	
Q21	GAAP principles applicable to tangible assets	**	12	14	Q58	Cash book and Bank Recon. Statement	*	30	41	Q97	Which business would use which system	*	12	63	
Q22	Subsidiary journals: disposal on first day of new year	*	16	14	Q59	Cash book and Bank Recon. Statement	**	30	42	Q98	Ledger accounts	**	15	64	
Q23	Subs. journals: disposal at end of year	*	20	15	Q60	Statement of Receipts and Payments	*	20	43	Q99	Ledger accounts	**	18	64	
Q24	General Ledger only	*	10	16	Q61	Statement of Receipts and Payments	**	21	43	Q100	Analysis of transactions	**	15	65	
Q25	Interpretation of ledger	**	12	16	Q62	Membership fees	*	22	44	Q101	Analysis of transactions	**	18	65	
Q26	Disposal of asset during the year	**	18	16	Q63	Subscriptions	*	15	44	Q102	Comparison of the two systems	**	12	66	
Q27	Asset register, calculation of profit/loss and carrying value	**	16	17	Q64	Membership fees	**	15	44	Q103	Comparison of the two systems	**	25	66	
Q28	General Ledger only	***	18	17	Q65	Membership fees	**	16	45	Q104	Purchases account, Cost of sales, +	**	18	66	
Q29	Asset register, Ledger and Tangible Asset Note	***	28	18	Q66	Refreshments	**	12	45	Q105	Calc. of purchases, Cost of sales, +	**	15	67	
Q30	Ledger and Tangible Asset Note	***	20	19	Q67	Souvenirs	*	8	45	Q106	Ethics and control	***	25	67	
UNIT 5: Partnerships					Q68	Membership fees and tracksuits	*	24	46	UNIT 11: Value Added Tax (VAT)					
Q31	Journal entries for year-end transactions	*	25	20	Q69	Ledger accounts	**	24	46	Q107	Match the concepts	*	10	69	
Q32	Current a/c and Appropriation a/c	*	18	20	Q70	Receipts and Payments vs Income and Expenditure	*	15	47	Q108	Recognition of VAT-able, Exempt and Zero-rated items	*	15	69	
Q33	Current a/c and Appropriation a/c	**	22	21	Q71	Receipts and Payments vs Income and Expenditure	**	13	47	Q109	VAT Calculations	*	30	70	
					Q72	Receipts and Payments vs Income and Expenditure	**	18	47	Q110	True or False?	**	15	70	
					Q73	Income and Expenditure account +	**	30	48	Q111	Proving who pays the VAT	**	18	71	
					Q74	Statement of Income and Expenditure + Notes	**	40	49	Q112	Is this behaviour ethical?	**	15	71	
					Q75	Statement of Financial Position	**	27	50	Q113	Practical questions on VAT	**	16	72	
										Q114	A variety of questions on VAT	**	20	72	
										EXAM PAPER 1		120	73		
										EXAM PAPER 2		120	79		

UNIT 1: QUICK REVISION OF BASIC CONCEPTS

QUESTION 1 – MATCH THE CONCEPTS (*)

(20 minutes)

A EXPLANATION		B CONCEPT	ANSWER
1.1	someone who owes the business money	A asset	
1.2	an amount of money invested in a financial institution for a certain period of time to earn interest	B cash and cash equivalents	
1.3	the desirable position of having one's assets exceed one's liabilities	C creditor	
1.4	money which has to be paid to someone else sooner or later	D current asset	
1.5	a non-current asset which has a physical appearance (can be touched) can be called this	E debtor	
1.6	cash or something which one can convert into cash	F drawings	
1.7	the ability to continue on an indefinite basis	G equity	
1.8	it is the main aim of any business to be this	H entity	
1.9	when a fixed deposit is going to mature in the next financial period, it is classified as this	I expense	
1.10	the money a business has earned whether received or not	J ethics	
1.11	the one and only person who invests capital in a business with the aim of making a profit	K financial asset	

1.12	goods, etc. taken for personal use of owner	L folio	
1.13	the value of the business	M GAAP	
1.14	a loan which is not repayable in the next financial period	N income	
1.15	someone to whom the business owes money	O inventory	
1.16	the cost of all things consumed in running a business or the decrease in asset values	P liability	
1.17	to be open and honest about something; disclosing all details	Q liquid	
1.18	something owned by the business which constantly changes in value	R material	
1.19	the physical goods that the business deals in	S non-current liability	
1.20	the moral principles which guide our behaviour	T profitable	
1.21	a page reference	U prudent	
1.22	the ability of a business to pay its debts as it has sufficient cash	V sole trader	
1.23	a set of accounting standards to guide accountants when writing up books and preparing financial statements	W solvent	
1.24	a business is called this because its transactions are treated separate to the owner's private transactions	X sustainable	
1.25	a conservative, wise approach used when assessing income and expenses	Y tangible asset	
1.26	an important or serious impact on the profitability of the business	Z transparent	



QUESTION 2 – MULTIPLE CHOICE (*) (15 minutes)

- 2.1 A 4, 5, 2, 3, 6, 1, 7
B 3, 2, 5, 1, 4, 7, 6
C 4, 5, 2, 1, 3, 7, 6
D 3, 4, 2, 1, 5, 6, 7

- 2.2 A original credit note
B duplicate credit note
C original debit note
D duplicate debit note

- 2.3 A original credit note
B duplicate credit note
C original debit note
D duplicate debit note

- 2.4 A original cash sale slip
B duplicate cash sale slip
C duplicate receipt
D original receipt

- 2.5 A cash invoice
B cheque counterfoil
C duplicate invoice
D duplicate cash slip

- 2.6 A debit the Trading stock account and credit the client's account with the selling price; **and** debit the Cost of sales account and credit Sales account with the cost price
B credit the Sales account and debit the client's account with the selling price; **and** debit the Cost of sales account and credit the Trading stock account with the cost price
C debit the Sales account and credit the client's account
D credit the Sales account and debit the client's account with the selling price; **and** debit the Cost of sales account and credit the Sales account with the cost price

2.7 Account debited Account credited

- A Cost of sales Sales
B Trading stock Cost of sales
C Sales Cost of sales
D Cost of sales Trading stock

2.8 Account debited Account credited Amount

- A Stationery Limerick Ltd R36
B – Limerick Ltd R36
C Limerick Ltd – R36
D Limerick Ltd Creditors control R36

- 2.9 A the pre-adjustment Trial Balance
B the post-adjustment Trial Balance
C the post-closing Trial Balance
D none of the above

QUESTION 3 – GAAP (*)**(7 minutes)**

A EXPLANATION		B CONCEPT	ANSWER
3.1	This principle states that, when financial statements are prepared, the assumption is that the business will continue to trade for the foreseeable future.	A consistency	
3.2	An accountant is always careful to bring all possible losses into account even if they have not yet happened, but will not account for profits until they are realised (made).	B separate entity	
3.3	When deciding whether to classify something as an asset the financial impact of the entry must be considered, e.g. an external hard drive costing R350 may last for more than a year, but it would not be classified as a non-current asset.	C going concern	
3.4	It is important that the personal transactions of the partners are not treated as business transactions.	D historical cost	
3.5	The accounting must be done in the same way every year, e.g. the same rate of depreciation must be used, so that valid comparisons can be made.	E matching	
3.6	When calculating the net profit the accountant must ensure that the income and expenses cover the same financial period.	F materiality	
3.7	All assets will be recorded at the actual cost on the original date of purchase – not what they would cost now.	G prudence	

QUESTION 4 – CHARACTERISTICS OF**ETHICAL BEHAVIOUR (**)****(15 minutes)**

DESCRIPTION OF CHARACTERISTIC		ANSWER
4.1	Every business should have a code of ethics setting out in detail how all staff, from the owners to the cleaners, are expected to behave in all circumstances. The owners must take the lead in this respect. If they do not follow the rules, the staff will not.	
4.2	There must be a sincere commitment by all staff members to behave in such a way that the aims of the business are achieved. Effective controls must be in place to deal with circumstances when an employee's behaviour is not acceptable.	
4.3	Every person from the owners to the most junior staff members are responsible for their actions and must be able to explain them to the other people who are 'interested' in the business.	
4.4	The owner must discuss the decisions made and actions taken openly with the staff so that they understand what he/she wants. There must be no hidden agenda.	
4.5	All staff members, even those of the lowest ranks, have the right to be heard. Everyone has freedom of opinion, belief and religion, and freedom of speech and the freedom to associate with whoever he/she wishes. Management's actions must be free from bias and prejudice.	
4.6	This means that business must be conducted in such a way that it will continue to exist for a long time. Everyone, the owner, the staff, the public and the environment must benefit from its existence. As much importance is given to this aim these days as to profit motive.	
4.7	Management must accept the consequences of their actions and decisions. No unnecessary financial risks must be taken.	



UNIT 3: RECONCILIATIONS

BANK RECONCILIATION

QUESTION 7 – BANK: MATCH THE CONCEPTS (*) (20 minutes)

A STATEMENT		B ANSWER		CHOICE
1	A word used in Bank Reconciliations to indicate 'still waiting to happen'.	A	bank charges	
2	A credit balance according to the bank statement means the business has a balance at the bank.	B	Cash Payments Journal	
3	When the bank debits your account it means it has	C	Cash Receipts Journal	
4	When you receive this cheque you put it somewhere safe and make a note of the date in your diary.	D	credit	
5	The cost of using a current bank account is called on the Bank Statement.	E	debit	
6	When a business pays more money out of the bank than it has deposited, the account is in	F	debit order	
7	A cheque outstanding for more than six months is	G	dishonoured	
8	True / False? Interest in the debit column of the Bank Statement is called 'Interest on overdraft' in the books.	H	EFT	
9	If a cheque is dated for some time in the future, it is	I	false	
10	If the bank balance is classified as a Current Liability in the Balance Sheet, it has a balance.	J	favourable	

11	When you give your creditor a post-dated cheque it will appear in that month's Bank Reconciliation Statement as a debit / credit item	K	not signed	
12	R/D (refer to drawer) on a cheque means it has been	L	outstanding	
13	To cancel a cheque entered in last month's CPJ, you enter it in the	M	overdraft	
14	To cancel a cheque entered in this month's CPJ, you cross it out in the	N	paid money out	
15	If the business has online banking facilities, it can transfer money to creditors and employees in this way.	O	post-dated	
16	True / False? Interest in the credit column of the Bank Statement is entered in the books as 'Interest income'.	P	post-dated cheque	
17	This is the authority given to the bank to pay the same person the same amount of money every month.	Q	service fees	
18	Service fees, cash handling fees, deposit fees, etc. are examples of	R	stale	
19	This is one of the reasons for the dishonour of a cheque.	S	stop order	
20	This is the authority given to a third party to take the same or a varying amount of money out of one's bank account every month.	T	true	



QUESTION 10 – A COMPLETE QUESTION ()**

(35 minutes)

10.1 CASH RECEIPTS JOURNAL OF RAPTORS INC. – SEPTEMBER CRJ8

DOC	DAY	DETAILS	BANK	SUNDRIES	
				AMOUNT	DETAILS
	30	Total	b/f	91 230	

CASH PAYMENTS JOURNAL OF RAPTORS INC. – SEPTEMBER CPJ8

DOC	DAY	PAYEE	BANK	SUNDRIES	
				AMOUNT	DETAILS
	30	Total	b/f	61 050	

10.2

GENERAL LEDGER OF RAPTORS INC.

BANK

10.3

RAPTORS INC.

BANK RECONCILIATION STATEMENT ON 30 SEPTEMBER

	Debit	Credit



QUESTION 11 – INTERNAL CONTROL ()**

(14 minutes)

11.1 _____

(4)

11.2 _____

(6)

11.3 _____

(3)

11.4 _____

(4)

QUESTION 12 – BANK ACCOUNT AND RECONCILIATION ()**

(25 minutes)

12.1 **GENERAL LEDGER OF BUSHVELD TRADERS**

BANK			<i>(ignore dates)</i>		
<i>Balance</i>	<i>b/d</i>	8 765			

12.2 **BANK RECONCILIATION STATEMENT ON 31 MARCH**

	Debit	Credit

QUESTION 13 – ANALYSIS OF TRANSACTIONS ()**

(23 minutes)

No.	Name of accounts in General Ledger		Name of accounts in Subsidiary Ledger		Amount in the Bank account		Amount in Bank Reconciliation	
	Debit	Credit	Debit	Credit	Debit	Credit	Debit	Credit
e.g.	Bank	Debtors control		P Pony	500			
1.								
2.								
3.								
4.								
5.								
6.								
6.								
7.								
8.								
9.								
10.								
11.								
12.								

QUESTION 14 – INTERPRETATION OF RECONCILIATION ()**

(11 minutes)

14.1		TRUE	FALSE
A	An internal auditor will want to inspect the Bank Reconciliation Statement at the end of each month.		
B	A debit balance on the Bank Statement means that the balance is unfavourable.		
C	Service fees and interest on an overdraft will be recorded as Bank charges in the Cash Payments Journal.		
D	A post-dated cheque issued by Peacock Presents in December 2017, but dated 10 February 2018, will only be entered in the Cash Payments Journal in February 2013.		
E	According to the information given above, Peacock Presents has an unfavourable bank balance of R1 250 in its Ledger.		

14.2 _____

 _____ (4)

14.3 _____

 _____ (8)

14.4 _____

 _____ (4)



CREDITOR'S RECONCILIATIONS

QUESTION 15 – CREDITORS: TRUE OR FALSE (*)

(8 minutes)

	STATEMENT	TRUE	FALSE
15.1	An original invoice is the document received by a customer who has purchased goods on credit.		
15.2	A credit note is a document issued by a customer who returns goods to a supplier.		
15.3	A creditor is a non-current liability.		
15.4	A post-dated cheque issued to a creditor would not be entered in any journal until the date stated on the cheque.		
15.5	A copy of an invoice is kept by the person who sells the goods.		
15.6	A creditor will issue a receipt to a debtor who pays her account by electronic transfer.		
15.7	A debit note is received by a creditor explaining to him why the goods are being returned.		

QUESTION 16 – RECONCILE THE ACCOUNTS (*) (15 minutes)**

16.1	Balance according to Statement received from Spot Wholesalers	R44 510
	Balance should be	

16.2	Balance owing according to Creditors Ledger	R41 970



QUESTION 17 – RECONCILIATION OF ACCOUNT WITH STATEMENT RECEIVED (*) (8 minutes)**

	Creditors Ledger of Kidz Toys	Statement from Playthings
Balance	R4 980	R10 440
1.		
2.		
3.		
4.		
5.		
Balance		

QUESTION 18 – RECONCILIATION + (*) (24 minutes)**

18.1 **FELICITY'S FABULOUS FABRICS**

Date	Details	Fol	Debit	Credit	Balance
Oct 1	Balance	b/d			8 750
6	Invoice 4343 (Inv. 5279)	CJ		2 420	11 170
11	Cheque 1078	CPJ	8 750		2 420
12	Debit note 43 (C/N 380)	CAJ	242		2 178
22	Invoice 4349 (Inv. 5292)	CJ		7 410	9 588

18.2 CREDITOR'S RECONCILIATION STATEMENT ON 31 OCTOBER 2017

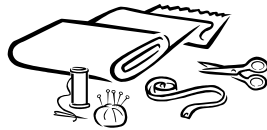
<i>Balance on Felicity's Fabulous Fabrics Statement</i>	21 810
<i>Amount owing</i>	

18.3 _____

 _____ (5)

18.4 _____

 _____ (6)



QUESTION 19 – RECONCILE THE ACCOUNTS (*) (15 minutes)**

19.1 *Balance according to ledger*

(4)

19.2 *Balance according to statement*

(8)

19.3 _____

 _____ (4)

19.4 _____
 _____ (4)

UNIT 4: TANGIBLE/FIXED ASSETS

QUESTION 20 – QUICK TEST FOR CONCEPTS (*) (15 minutes)

A EXPLANATION		B CONCEPT	ANSWER
1.	This means 'will not change in the next 12 months'.	A accumulated	
2.	This refers to the number of years an asset will be kept and used by a business.	B an asset	
3.	A synonym for 'tangible'.	C book value	
4.	This GAAP principle is the reason most assets are depreciated every year.	D carrying value	
5.	A synonym for 'cost price' when calculating depreciation.	E consistency	
6.	Assets are shown in the books at historic cost because of these principles.	F cost price	
7.	Something that can be touched	G depreciation	
8.	The word used for sale/trade-in/ donation of a fixed asset or the owner takes it for his/her own use.	H diminishing	
9.	Assets the firm has owned for more than one year.	I disposal	
10.	This is the value of an asset carried forward to the following year.	J fixed	
11.	Something the business owns and can sell for cash.	K GAAP	
12.	When an 'old' asset is sold to AB Motors and a new asset is bought from AB Motors at the same time, it is called this.	L life span	
13.	This means 'getting smaller'.	M 'new' asset	
14.	What an asset is worth according to the ledger.	N non-current	
15.	This is the original amount paid for the item.	O 'old' assets	
16.	The decrease in value of an asset because of normal wear and tear.	P prudence	
17.	This literally means 'getting bigger'/ the total of/all of	Q straight line	
18.	The same percentage must be written off as depreciation every year.	R tangible	
19.	An asset acquired during the financial period is called this.	S trade-in	

QUESTION 21 – GAAP PRINCIPLES APPLICABLE TO TANGIBLE ASSETS (**)

(12 minutes)

	DESCRIPTION	PRINCIPLE
21.1	Assets must always be shown in the books at the original price at which they were bought.	
21.2	Assets must be depreciated annually so that their actual value is shown in the books.	
21.3	The same method and rate of depreciation must be used every year.	
21.4	An asset which has been owned for 12 months must be depreciated for 12 months.	
21.5	The carrying value is an acceptable method of valuing the asset each year as the assumption is that the business will continue to trade in the next year.	
21.6	If the business buys a kettle costing R100 on the assumption that it will last for many years, it is not treated as an asset because the cost is too small/insignificant.	
21.7	If two laptops are bought and paid for by the firm, one for office use and one for the use of the owner's daughter, only the one for office use will be treated as an asset.	

QUESTION 22 – SUBSIDIARY JOURNALS:

disposal on first day of new year (*)

(16 minutes)

CASH RECEIPTS JOURNAL OF AQUARIUS & CO – JANUARY 2017

DOC	DAY	DETAILS	ANALYSIS OF RECEIPTS	BANK	SUNDRIES	
					AMOUNT	DETAILS
		S				



QUESTION 24 – GENERAL LEDGER ONLY (*)

(10 minutes)

GENERAL LEDGER OF ARIES AND SONS

+		VEHICLES		(A)	-	
2017				2017		
Jan 1	Balance	b/d	483 000	Dec 31		

+		ASSET DISPOSAL		(A)	-	
2017				2017		
Dec 31				Dec 31		

QUESTION 25 – INTERPRETATION OF LEDGER ()**

(12 minutes)

TAURUS TRADERS

25.1	On what date was the vehicle sold?	
25.2	How much did it originally cost?	
25.3	How much was the accumulated depreciation on the date of sale?	
25.4	What was the carrying value?	
25.5	Was it sold for cash or on credit?	
25.6	Was it sold at a profit or a loss?	
25.7	Vehicles are depreciated on cost price. What is the rate of depreciation?	
25.8	What was the carrying value of vehicles on 31 December 2017?	

QUESTION 26 – DISPOSAL OF ASSET

DURING THE YEAR ()**

(18 minutes)

GENERAL JOURNAL OF GEMINI BROS – 2017

		DEBIT	CREDIT
Sep 1	d		
	C		
	A		
	S		
	P/L		
Dec 31			



**QUESTION 27 – ASSET REGISTER, CALCULATION OF PROFIT/
LOSS AND CARRYING VALUE (**)** (16 minutes)

27.1 ASSET REGISTER OF LEO LIMITED

PAGE 10			
ASSET:	VEHICLE		
DESCRIPTION:	Toyota CA 462 789		
DATE BOUGHT:			
COST:			
DEPRECIATION:			
DATE SOLD:			
TO WHOM SOLD:			
SELLING PRICE:		PROFIT / LOSS:	
DATE	CALCULATION	DEPRECIATION FOR YEAR	ACCUMULATED DEPRECIATION TO DATE

27.2 CALCULATION OF PROFIT/LOSS ON SALE OF ASSET

27.3 CALCULATION OF CARRYING VALUE ON 28 FEBRUARY 2017

QUESTION 28 – GENERAL LEDGER ONLY (*)** (18 minutes)

**GENERAL LEDGER OF LIBRA TRADERS
VEHICLES**

2016 Oct 1			2017 Jul 1		

ASSET DISPOSAL

2017 Jul 1			2017 Jul 1		



ACCUMULATED DEPRECIATION ON VEHICLES

2017 <i>Jul 1</i>			2016 <i>Oct 1</i>		
			2017 <i>Jul 1</i>		

QUESTION 29 – ASSET REGISTER, LEDGER AND TANGIBLE ASSET NOTE (*) (28 minutes)**

29.1 **ASSET REGISTER OF SCORPIO DELIVERIES**

PAGE 8			
VEHICLE:			
DATE PURCHASED:			
COST:			
DEPRECIATION:			
DATE SOLD:			
SELLING PRICE:		PROFIT/LOSS:	
DATE	DEPRECIATION	ACCUMULATED DEPRECIATION	BOOK VALUE
28.02.2015	15 000	15 000	285 000
29.02.2016	57 000	72 000	228 000

29.2 **GENERAL LEDGER OF SCORPIO DELIVERIES**

ASSET DISPOSAL

29.3 **NOTE TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2017**

TANGIBLE ASSETS	Vehicles



29.4

(6)

QUESTION 30 – LEDGER AND TANGIBLE ASSET NOTE (*) (20 minutes)**

30.1 ASSET DISPOSAL

2016 May 31			2016 May 31		

ACCUMULATED DEPRECIATION ON EQUIPMENT

			2016 Mar 1	Balance	b/d	18 000

30.2

TANGIBLE ASSETS	Land & buildings	Equipment
Carrying value at beginning of year		
Cost		
Accumulated depreciation		
Movements		
Additions at cost		
Disposals at carrying value		
Depreciation		
Carrying value at end of year		
Cost		
Accumulated depreciation		

NOTES



UNIT 5: PARTNERSHIPS

QUESTION 31 – JOURNAL ENTRIES FOR YEAR-END TRANSACTIONS (*) (25 minutes)

31.1 _____



31.2 GENERAL JOURNAL OF ICECREAM DEALERS – 30 JUNE 2017

1.	Drawings: I Ice		
	Trading stock		
2.1	Salary: I Ice		
	Salary: C Cream		
	Current account: I Ice		
	Current account: C Cream		
2.2	Interest on capital		
	Current account: I Ice		
	Current account: C Cream		
2.3	Partner's bonus		
	Current account: C Cream		

2.4	Appropriation		
	Current account: I Ice		
	Current account: C Cream		
	Appropriation		
	Salary: I Ice		
	Salary: C Cream (closing transfer)		
	Appropriation		
	Interest on capital (closing transfer)		
	Appropriation		
	Partner's bonus (closing transfer)		
	Current account: I Ice		
	Current account: C Cream		
	Drawings: I Ice (closing transfer)		
	Drawings: Cream (closing transfer)		

QUESTION 32 – CURRENT ACCOUNT AND APPROPRIATION ACCOUNT (*) (18 minutes)

32.1 GENERAL LEDGER OF FANCYFREE FASHIONS APPROPRIATION

	Salary: F Fancy			Profit and loss	
	Salary: F Free				
	Interest on capital				
	Partner's bonus				
	Current a/c: F Fancy				
	Current a/c: F Free				

CURRENT ACCOUNT – F FREE

	<i>Drawings: F Free</i>			<i>Salary: F Free</i>	
				<i>Interest on capital</i>	
				<i>Partner's bonus</i>	
				<i>Appropriation</i>	

32.2 _____

(8)

QUESTION 33 – CURRENT ACCOUNT AND APPROPRIATION ACCOUNT ()** (22 minutes)

**GENERAL LEDGER OF SUNFLOWER SUPPLIERS
 CURRENT ACCOUNT: S SUN**

CURRENT ACCOUNT: F FLOWER

APPROPRIATION



**QUESTION 34 – INTERPRETATION OF
CURRENT ACCOUNT (**)**

(24 minutes)

34.1 _____

34.2 _____

34.3 _____

34.4 _____

34.5 _____

34.6 _____

34.7 _____

34.8 _____

34.9 _____

34.10 _____

34.11 _____

34.12 _____

34.13 _____

QUESTION 35 – ACCOUNTING EQUATION ()**

(30 minutes)

No.	General Ledger		Amount	A	OE	L
	Account debited	Account credited				
1.						
2.						
3.						
4.						
5.						
6.						
7.						
8.						

QUESTION 36 – CURRENT ACCOUNT NOTE TO FINANCIAL STATEMENTS ()**

(21 minutes)

36.1

NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 28 FEBRUARY 2017

CAPITAL	R Rein	D Deer	Total
<i>Balance at beginning of year</i>			
<i>Additional capital introduced</i>			
<i>Decrease in capital</i>			
<i>Balance at end of year</i>			
CURRENT ACCOUNTS	R Rein	D Deer	Total
<i>Net profit as per Statement of Comprehensive Income</i>			
<i>Partners' salaries</i>			
<i>Interest on capital</i>			
<i>Partner's bonus</i>			
<i>Primary distribution of profit</i>			
<i>Final distribution of profit</i>			
<i>Drawings for year</i>			
<i>Retained income for the year</i>			
<i>Balance at beginning of year</i>			
<i>Balance at end of year</i>			

36.2

(6)

QUESTION 37 – STATEMENT OF COMPREHENSIVE INCOME ()**

(36 minutes)

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 28 FEBRUARY 2017

<i>Sales</i> (974 520)	
<i>Cost of sales</i>	(487 000)
<i>Gross profit</i>	
<i>Other operating income</i>	
<i>Rent income</i> (27 560)	
<i>Provision for bad debts adjustment</i> (
<i>Gross operating income</i>	
<i>Operating expenses</i>	
<i>Bad debts</i> (1 356)	
<i>Packing material</i> (45 948)	
<i>Sundry operating expenses</i>	121 720
<i>Trading stock deficit</i> (
<i>Depreciation</i> (
<i>Operating income</i>	
<i>Interest income</i> (1 920)	
<i>Profit before interest expense</i>	
<i>Interest expense</i>	(14 400)
<i>Net profit for year</i>	

NOTE TO FINANCIAL STATEMENT FOR THE YEAR ENDED 28 FEBRUARY 2017

CURRENT ACCOUNTS	Gugumede	Letuli	Total

QUESTION 38 – STATEMENT OF COMPREHENSIVE INCOME + SOME NOTES ()** (50 minutes)

**S SUPER AND M MANN
SUPERMAN TRADERS
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2017**

	NOTE	
<i>Sales</i>		937 080
<i>Cost of sales</i>		(468 540)
<i>Gross profit</i>		468 540
<i>Other operating income</i>		
<i>Operating income</i>		
<i>Interest income</i>	1	
<i>Profit before interest expense</i>		
<i>Interest expense</i>	2	
<i>Net profit for year</i>		

**S SUPER AND M MANN
SUPERMAN TRADERS**

NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 30 JUNE 2017

1.	INTEREST INCOME	
	<i>on fixed deposit</i>	
	<i>on current account</i>	
	<i>on overdue debtors</i>	
2.	INTEREST EXPENSE	
	<i>on loan from</i>	

CURRENT ACCOUNTS	Super	Mann	Total



**QUESTION 40 – STATEMENT OF FINANCIAL POSITION
AND NOTES (***) (45 minutes)**

**FASTFORWARD TRADERS
NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 28 FEBRUARY 2017**

TANGIBLE ASSETS	Vehicles	Equipment	Total
<i>Carrying value at beginning of year</i>			
<i>Cost</i>			
<i>Accumulated depreciation</i>			
<i>Movements</i>			
<i>Additions at cost</i>			
<i>Disposals at carrying value</i>			
<i>Depreciation for the year</i>			
<i>Carrying value at end of year</i>			
<i>Cost</i>			
<i>Accumulated depreciation</i>			
TRADE AND OTHER RECEIVABLES			
CASH AND CASH EQUIVALENTS			

CAPITAL ACCOUNTS	V Fast	G Forward	Total
CURRENT ACCOUNTS	V Fast	G Forward	Total
TRADE AND OTHER PAYABLES			

**B BLITZ AND V VINNIG
BLITZVINNIG DISTRIBUTORS
NOTES TO FINANCIAL STATEMENTS
FOR YEAR ENDED 28 FEBRUARY 2017**

CURRENT ACCOUNTS	B Blitz	V Vinnig	Total

TRADE AND OTHER PAYABLES	

**QUESTION 42 – INTERPRETATION OF
QUESTION 41 (**)** **(30 minutes)**

42.1 _____

 _____ (6)

42.2 _____

 _____ (3)

42.3 _____

 _____ (4)

42.4 _____

 _____ (4)

42.5 Adjustment no. 4: _____
 Adjustment no. 4: _____ (4)

42.6 _____

 _____ (4)

42.7 _____

 _____ (4)

UNIT 6: ANALYSIS AND INTERPRETATION OF FINANCIAL STATEMENTS

QUESTION 44 – TEST YOURSELF (*)

(10 minutes)

	FORMULA
SOLVENCY	
1. solvency ratio	
PROFITABILITY	
2. gross profit on cost of sales	
3. gross profit on sales	
4. net profit on sales	
5. operating expenses on sales	
6. operating profit on sales	
LIQUIDITY	
7. current ratio	
8. acid test ratio	
9. stock turnover rate	
10. stock holding period (in days)	
11. average debtors' collection period	
12. average creditors' payment period	
GEARING	
13. debt-equity ratio	
RETURN ON EQUITY	
14. return on partners' equity	
15. partner's earnings	

QUESTION 45 – CHOOSE THE CORRECT ANSWER (*)

(10 minutes)

FORMULA		A	B	C
1.	solvency	0,85 : 1	1 : 1	10 : 1
2.	gross profit on sales	25%	50%	75%
3.	net profit on sales	15%	30%	45%
4.	operating expenses on sales	40%	60%	80%
5.	operating profit on sales	40%	30%	20%
6.	current ratio	3 : 1	2 : 1	1 : 1
7.	acid test ratio	2 : 1	1,5 : 1	1 : 1
8.	stock turnover rate	6 times p.a.	12 times p.a.	18 times p.a.
9.	stock holding period	30 days	60 days	90 days
10.	average debtors' collection period	30 days	60 days	90 days
11.	average creditors' payment period	30 days	60 days	90 days
12.	debt-equity ratio	0,25 : 1	0,5 : 1	1 : 1
13.	return on partners' equity	10%	20%	30%

QUESTION 46 – ANALYSIS OF

FINANCIAL STATEMENTS (*)

(20 minutes)

46.1 _____

(7)

46.2

46.3

46.4

46.5

46.6

QUESTION 47 – ANALYSIS OF FINANCIAL STATEMENTS (*)

(20 minutes)

(7) 47.1 Formula: $\frac{\text{gross profit} \times 100}{\text{cost of sales}} = \dots \times \dots$

Reason mark-up% not achieved:

(6)

(8) 47.2 Formula: $\frac{\text{gross profit} \times 100}{\text{cost of sales}} = \dots \times \dots$

Explanation:

(6)

(4) 47.3 Formula: $\frac{\text{operating expenses} \times 100}{\text{sales}} = \dots \times \dots$

Explanation:

(6)

(6) 47.4 Formula: $\frac{\text{net profit} \times 100}{\text{sales}} = \dots \times \dots$

Explanation:

(6)

47.5 Formula: *average inventory* × 12
cost of sales
 = $\frac{1}{2}(\dots + \dots) \times 12$
 = ×
 =

(6)

47.6 Formula:
 2016 =
 =
 2017 =
 =

Comment:

47.7 Formula:
 2016 =
 =
 2017 =
 =

Comment:

47.8 Formula:
 =
 =
 =

(6)

47.9 Formula: ×
 = ×
 =

(6)

47.10 Yes/No because

(7)

47.11 Formula: ×
 =
 =

(6)

47.12 Formula: ×
 =
 =

(6)

47.13

(6)

**QUESTION 48 – ANALYSIS OF
FINANCIAL STATEMENTS (**)** **(20 minutes)**

48.1 _____

(5)

48.2 _____

(5)

48.3 _____

(5)

48.4 _____

(5)

48.5 _____

(4)

48.6 _____

(2)

48.7 _____

(4)

48.8 _____

(8)

48.9 _____

(6)

48.10 _____

(8)

48.11 _____

(8)

48.12 _____

(6)

48.13 _____

(6)

48.14 _____

(6)

**QUESTION 49 – ANALYSIS OF
FINANCIAL STATEMENTS (**)** **(45 minutes)**

49.1 _____

(4)

49.2 _____

(2)

49.3	
49.4	
49.5	
49.6	
49.7	

(4)

(6)

(6)

(4)

(4)

49.8	
49.9	
49.10	
49.11	
49.12	

(6)

(4)

(7)

(2)

(3)

49.13 _____

49.14 _____

49.15 _____

49.16 _____

49.17 _____

(4)
 (2)
 (6)
 (6)
 (6)
 (6)

QUESTION 50 – ANALYSIS OF FINANCIAL STATEMENTS ()** **(20 minutes)**

50.1 _____ (4)

50.2 _____ (4)

50.3 _____ (10)

50.4 _____ (4)

50.5 _____ (6)

50.6 _____

50.7 _____

50.8 _____

50.9 _____

50.10 _____

(6)

(4)

(4)

(4)

(6)

50.11 _____

(7)

**QUESTION 51 - ANALYSIS OF
FINANCIAL STATEMENTS (***) (20 minutes)**

51.1 _____

51.2 _____

51.3 _____

51.4 _____

(7)

(4)

(6)

(4)

51.5 _____ (2)

51.6 _____ (6)

QUESTION 52 – ANALYSIS OF LEDGER ACCOUNTS (*) (20 minutes)**

52.1 _____ (2)

52.2 _____ (4)

52.3 _____ (3)

52.4 _____ (3)

52.5 _____ (5)

52.6 _____ (5)

52.7 _____ (5)

NOTES



UNIT 7: CLUBS (Non-profit Organisations)

QUESTION 53 (*) – Name FOUR ways a club can earn extra income.

1. _____
2. _____
3. _____
4. _____

QUESTION 54 (*) – Name a club you know which is only active over weekends.

QUESTION 55 (*) – Name a club/society which only meets once a month.

QUESTION 56 (*) – Name an organisation you know that calls itself a 'club', but is not a club because its aim is to make a profit.

QUESTION 57 – MATCH THE CONCEPTS (*) (30 minutes)

	A CONCEPT		B EXPLANATION	ANSWER
1	accumulated funds	A	to provide this to members is the reason for the club's existence	
2	affiliation fees	B	the people elected by the members to run the club	
3	bequest / legacy	C	a book used to record all money received and paid by the club	

4	capital fund	D	the person who looks after the administration e.g. minutes of meetings, correspondence, etc.	
5	capitalised	E	this shows all money earned and the cost of running the club to calculate the surplus or deficit made for the year	
6	cash book	F	the person who looks after the finances, i.e. collects the money and pays the bills	
7	committee	G	the money earned by the club	
8	constitution	H	the cost of running the club	
9	deficit	I	an annual payment to be able to continue using the facilities of the club	
10	entrance fee	J	all cash received for anything at all	
11	expense	K	all cash paid out for anything at all	
12	honorarium	L	the rules and regulations on how the club will operate	
13	income	M	once off payment to join the club	
14	membership fee	N	money left to the club in the will of a member who has died	
15	payment	O	a summary of the cash book	
16	receipt	P	this is when cash received is added directly to the accumulated / capital fund and not shown as income is called.	
17	secretary	Q	when the income is greater than the expenses, the club has made this	
18	service	R	when the expenses are greater than the income, the club has made this	
19	statement of income and expenditure	S	each year the surplus is transferred to this account which shows whether the club is financially sound	
20	statement of receipts and payments	T	an amount 'given' to the secretary and the treasurer to say thank you for all the work they do instead of a salary	
21	subscriptions	U	a payment made annually to the provincial or national organisation enabling the club to take part in tournaments and the league	
22	surplus	V	can be used instead of accumulated funds	
23	treasurer	W	can be used instead of membership fees	

QUESTION 58 – CASH BOOK AND BANK RECONCILIATION STATEMENT (*)

(30 minutes)

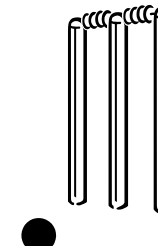
58.1 & 58.2

CASH BOOK OF CLAREMONT CRICKET CLUB – DECEMBER 2017

Dr									PAYMENTS							Cr
RECEIPTS																
Doc	Day	Details	Analysis of receipts	Bank	Subscriptions	Refreshments	Sundries		Doc	Day	Payee	Bank	Refreshments	Wages	Sundries	
							Amount	Details							Amount	Details
	1	Balance b/d		7 050			7 050		48	1	Cash	1 515	1 515			
84	7	Sundry members	1 800			1 650	150	Raffle tickets	49		Local Council	2 500			2 500	Rent
85		M Boucher	750	2 550	250		500	Donation income	50		Pick n Pay	1 125	1 125			
86	14	Sundry members	1 250			1 250			51	6	Cash	1 700	1 550	150		
87		J Rhodes	550	1 800	250		300	Raffle tickets	52		Checkers	835	835			
88	21	Sundry members	1 075			1 075			53	10	Cash	485		150	335	Stationery
89									54	14						

58.3 **BANK RECONCILIATION STATEMENT ON 31 DECEMBER 2017**

	Debit	Credit
<i>Credit Balance according to Bank Statement</i>		4 850



59.1

CASH BOOK OF TZANEEN TENNIS CLUB – OCTOBER

Dr									Cr							
RECEIPTS									PAYMENTS							
Doc	Day	Details	Analysis of receipts	Bank	Member-ship fees	Refresh-ments	Sundries		Doc	Day	Payee	Bank	Refresh-ments	Wages	Sundries	
							Amount	Details							Amount	Details
	1	Balance	b/d	10 250			10 250		48	1		1 450				
	3			16 350					49	3		1 135				
	7			900					50	5		1 700				
	8			1 500					51	6		8 680				
	12			8 075												

59.2 **BANK RECONCILIATION STATEMENT ON 31 OCTOBER**

	Debit	Credit



**QUESTION 60 – STATEMENT OF RECEIPTS
AND PAYMENTS (*)**

(20 minutes)

**KIMBERLEY KARATE CLUB
STATEMENT OF RECEIPTS AND PAYMENTS
FOR YEAR ENDED 31 DECEMBER 2016**

RECEIPTS	↗		1
Entrance fees	↑		
Membership fees: 2015	↑		
2016 (always show these separately)	↑		
2017	↑		
Refreshment sales	↑		
Bequest	↑		
Interest on savings account	↑		
PAYMENTS	↘	()	2
Honorarium to secretary	↑		
Bank charges	↑		
Refreshments purchased	↑		
Rent and electricity	↑		
Repairs to equipment	↑		
Affiliation fees	↑		
Stationery	↑		
Wages	↑		
Equipment	↑		
Cash surplus (deficit) for year (1 – 2 = 3)			3
Balances at beginning of year (add balances)	↗		4
Bank	↑	19 500	↘
Savings	↑	5 350	↘
Cash float (or Petty cash)	↑	150	
Balances at end of year (3 + 4 = 5) and (6 + 7 + 8 = 5)	↗		5
Bank (5 - [6 + 7]) (this balance will always be missing)	↑		8
Savings (opening balance + transfer [13] + interest [14])	↑		7
Cash float (or Petty cash)	↑	150	6

**QUESTION 61 – STATEMENT OF RECEIPTS
AND PAYMENTS (**)**

(21 minutes)

**POLOKWANE POLO CLUB
STATEMENT OF RECEIPTS AND PAYMENTS
FOR YEAR ENDED 31 DECEMBER 2017**

RECEIPTS			

QUESTION 62 – MEMBERSHIP FEES (*)

(22 minutes)

GENERAL LEDGER OF GRABOUW GO CART CLUB

MEMBERSHIP FEES

2016 Jan 1	<i>Income accrued</i>		2016 Jan 1	<i>Income received in advance</i>	
Dec 31	<i>Income received in advance</i>		Dec 31	<i>Bank (2015)</i>	
	<i>Income and expenditure</i>			<i>Bank (2016)</i>	
				<i>Bank (2017)</i>	
				<i>Membership fees written off</i>	
				<i>Income accrued</i>	
2017 Jan 1	<i>Income accrued</i>		2017 Jan 1	<i>Income received in advance</i>	

62.1 _____

62.2 _____

QUESTION 63 – SUBSCRIPTIONS (*)

(15 minutes)

GENERAL LEDGER

SUBSCRIPTIONS (G/I) +

2017 Jan 1	-	1	2017 Jan 1	+	1

QUESTION 64 – MEMBERSHIP FEES ()**

(15 minutes)

GENERAL LEDGER

MEMBERSHIP FEES

QUESTION 65 – MEMBERSHIP FEES ()**

(16 minutes)

WELLINGTON WALKING CLUB

65.1 **CALCULATION OF MEMBERSHIP FEES EARNED IN 2017**

65.2 **GENERAL LEDGER OF WELLINGTON WALKING CLUB
MEMBERSHIP FEES**



QUESTION 66 – REFRESHMENTS ()**

(12 minutes)

GENERAL LEDGER OF WYNBERG WRESTLING CLUB

REFRESHMENTS

QUESTION 67 – SOUVENIRS (*)

(8 minutes)

- 67.1 _____

 _____ (6)
- 67.2 _____

 _____ (4)
- 67.3 _____

 _____ (4)

**QUESTION 68 – MEMBERSHIP FEES
AND TRACKSUITS (*)**

(24 minutes)

68.1 **GENERAL LEDGER OF ATHLONE ATHLETICS CLUB
MEMBERSHIP FEES**

+ TRACKSUITS (A) -

68.2 _____

(6)

QUESTION 69 – LEDGER ACCOUNTS ()**

(24 minutes)

**GENERAL LEDGER OF SKUKUSA SKYDIVING CLUB
MEMBERSHIP FEES**

2017 <i>Jan</i>				2017 <i>Jan</i>			

HONORARIUM

2017 <i>Jan</i>				2017 <i>Jan</i>			
<i>Dec</i>				<i>Dec</i>			

TRACKSUITS

2017 <i>Jan</i>				2017 <i>Dec</i>			
<i>Dec</i>							

**QUESTION 70 – RECEIPTS AND PAYMENTS VS
INCOME AND EXPENDITURE (*) (15 minutes)**

DURBANVILLE DARTS CLUB

No.	Receipt	Payment	Income	Expenditure
1.				
2.				
3.				
4.				
5.				
6.				
7.				
8.				

**QUESTION 71 – RECEIPTS AND PAYMENTS VS
INCOME AND EXPENDITURE (***) (13 minutes)**

BETHLEHEM BIRD WATCHING CLUB

No.	Receipt	Payment	Income	Expenditure

**QUESTION 72 – RECEIPTS AND PAYMENTS VS
INCOME AND EXPENDITURE (***) (18 minutes)**

ROBERTSON ROWING CLUB

No.	Receipt	Payment	Income	Expenditure
e.g.		1 500		3 500
1.				
2.				
3.				
4.				
5.				
6.				
7.				
8.				
9.				

**THE FOLLOWING QUESTIONS ARE FOR
IEB LEARNERS ONLY**

QUESTION 73 – INCOME AND EXPENDITURE

ACCOUNT + ()**

(30 minutes)

GENERAL LEDGER OF BLOEMFONTEIN BASEBALL CLUB

MEMBERSHIP FEES

REFRESHMENTS

ASSET DISPOSAL

INCOME AND EXPENDITURE



QUESTION 74 – STATEMENT OF INCOME AND EXPENDITURE + NOTES ()** **(40 minutes)**

74.1 **YZERFONTEIN YACHTING CLUB**
STATEMENT OF INCOME AND EXPENDITURE
FOR YEAR ENDED 31 DECEMBER 2017

INCOME	
EXPENDITURE	
<i>Surplus from general activities</i>	
<i>Interest income</i>	
<i>Surplus before interest expense</i>	
<i>Interest expense</i>	-
<i>Net surplus for year</i>	

74.2 **YZERFONTEIN YACHTING CLUB**
NOTES: FINANCIAL STATEMENTS FOR YEAR ENDED 31 DECEMBER 2017

1. FIXED/TANGIBLE ASSETS	Equipment
2. RECEIVABLES	
3. ACCUMULATED FUNDS	
<i>Balance at end of previous year</i>	60 000
<i>Net surplus for year</i>	
<i>Entrance fees</i>	
<i>Balance at end of current year</i>	
4. PAYABLES	

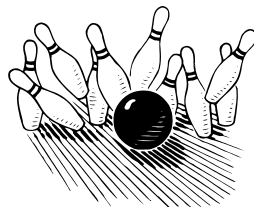
**QUESTION 75 – STATEMENT OF FINANCIAL POSITION /
BALANCE SHEET (**)** (27 minutes)

NOTES



TYGERBERG TENPIN BOWLING CLUB
STATEMENT OF FINANCIAL POSITION ON 31 DECEMBER 2017

ASSETS	
<i>Non-current assets</i>	
<i>Fixed/Tangible assets</i>	
Financial assets: Fixed deposit: Boland Bank	
<i>Current assets</i>	
Inventories	
Receivables	
Cash and cash equivalents	
TOTAL ASSETS	
FUNDS AND LIABILITIES	
Accumulated fund (balancing figure)	
<i>Non-current liabilities</i>	
Loan: Boland Bank	
<i>Current liabilities</i>	
Short-term portion of loan	
Payables	
TOTAL FUNDS AND LIABILITIES	



UNIT 8: COST ACCOUNTING

QUESTION 76 – MATCH THE CONCEPTS (*)

(10 minutes)

A EXPLANATION		B CONCEPT	ANSWER
1	the raw material actually needed to make the product	A fixed costs	
2	the amount paid to the factory manager, cleaners and other support staff in the factory	B variable costs	
3	prime cost + manufacturing overheads	C direct costs	
4	the cost of producing one unit (product)	D indirect costs	
5	the depreciation written off machinery would be considered to be this	E direct materials	
6	this refers to the products not finished in one financial period - they will be completed in the next period	F indirect materials	
7	these costs do not change even if the quantities produced by the factory increase or decrease	G direct labour	
8	if you were sitting under a tree making kites, these would be the only costs of production	H indirect labour	
9	these costs increase if the factory produces more products and decrease if less is produced	I overhead cost	
10	the amount paid to the workers who actually make the product	J prime cost	
11	the cost of the materials used to clean the factory and maintain the machines, etc.	K unit cost	
12	the expenses incurred to run a factory, but none of them are directly involved with making the product	L total manufacturing cost	
13	direct materials + direct labour	M work-in-progress	



QUESTION 77 – MATCH THE CONCEPTS (*)

(10 minutes)

PEOPLE	WORK DONE	DIRECT COSTS	INDIRECT COSTS	FIXED COSTS	VARIABLE COSTS	SELLING COST	ADMIN COST
	they make the toys						
	he cleans the factory						
	he looks after the stock						
	he is the foreman						
× 2	office assistants						
	'shop' assistants						
	CEO managing director						

QUESTION 78 – COST CALCULATIONS (*)

(20 minutes)

	formula ↙	substitute figures ↙	answer ↓
78.1	direct material cost.....	1 440 000	
	number of units produced	6 000	R..... per unit
78.2			
78.3			

78.4

78.5

78.6

78.7

1. contribution = selling price per unit [78.6] – variable cost per unit [78.3]	
= R.....	- R = R
2. fixed costs = R..... (use total of all fixed costs)	
contribution	(answer for contribution in 1)
=	UNITS

multiply units by R..... direct material cost per unit [78.1]

multiply units by R..... direct labour cost per unit [78.2]

add on fixed cost total

SUB-TOTAL

multiply units by R..... selling price per unit [78.6] (.....)

AND THE ANSWER SHOULD BE 0

78.8

(4)

78.9

(6)

QUESTION 79 – COST CALCULATIONS ()** **(26 minutes)**

79.1

(4)

79.2

(4)

79.3

(4)

79.4

(4)

79.4

(4)

79.5 _____

 _____ (4)

79.6 _____

 _____ (4)

79.7 _____

 _____ (4)

79.8 _____

 _____ (4)

79.9 _____

 _____ (4)

QUESTION 80 – INTERPRETATION OF COST CALCULATIONS ()** **(18 minutes)**

80.1 _____

 _____ (4)

80.2 _____

 _____ (4)

80.3 _____

 _____ (4)

80.4

		IS THIS A WAY TO REDUCE PRODUCTION COSTS?			WOULD IT BE ETHICAL?	
		YES	NO		YES	NO
1.	find a cheaper source of raw materials					
2.	use a cheaper quality of raw materials					
3.	import cheap raw materials from overseas					
4.	stop paying the workers for overtime worked					
5.	pay the workers performance bonuses to ensure that they become more productive					
6.	move to cheaper premises					
7.	control the use of electricity and water					
8.	reduce advertising costs					

(4)

QUESTION 81 – LEDGER ACCOUNTS:
only cost accounts (**)

(24 minutes)

GENERAL LEDGER OF THE CANDLE FACTORY
INDIRECT MATERIALS COST

2017 Jan 1			2017 Dec 31		
Dec 31					

SALARIES AND WAGES

2017 Dec 31	Total	b/f	300 000	2017 Dec 31	

RENT EXPENSE

2017 Dec 31	Total	b/f	250 000	2017 Dec 31	

FACTORY OVERHEAD COST

2017 Dec 31			2017 Dec 31		

QUESTION 82 – LEDGER ACCOUNTS:
only asset accounts (*)

(30 minutes)

GENERAL LEDGER OF FLUFFY TOY MANUFACTURERS
RAW MATERIALS STOCK

Balance	b/d	35 410		

WORK-IN-PROGRESS STOCK

Balance	b/d	22 800		

FINISHED GOODS STOCK

Balance	b/d	26 000		

CONSUMABLE STORES STOCK

<i>Balance</i>	<i>b/d</i>	12 800		

(4)

QUESTION 83 – LEDGER ACCOUNTS ()**

(36 minutes)

GENERAL LEDGER OF TRENDY T-SHIRT CO.

RAW MATERIALS STOCK

<i>Balance</i>	<i>b/d</i>	33 000		

WORK-IN-PROGRESS STOCK

<i>Balance</i>	<i>b/d</i>	59 200		

FINISHED GOODS STOCK

<i>Balance</i>	<i>b/d</i>	145 000		

SALES

COST OF SALES

--	--	--	--	--



**GENERAL LEDGER OF POSH LEATHER LUGGAGE
RAW MATERIALS STOCK**

<i>Balance</i>	<i>b/d</i>	76 543		

WORK-IN-PROGRESS STOCK

<i>Balance</i>	<i>b/d</i>	14 142		

FINISHED GOODS STOCK

<i>Balance</i>	<i>b/d</i>	67 500		

84.1 _____

(8)

84.2 _____

(3)

84.3 _____

(3)



UNIT 9: BUDGETING

QUESTION 85 – PROJECTED INCOME STATEMENT (*) (30 minutes)

SOUTHERN SUN SUPPLIERS

PROJECTED INCOME STATEMENT FOR JANUARY TO MARCH

	JANUARY	FEBRUARY	MARCH
<i>Sales</i>	94 500		
<i>Cost of sales</i>	(47 250)		
<i>Gross profit</i>	47 250		
<i>Other operating income</i>	3 840		
<i>Commission income</i>	3 840		
<i>Gross operating income</i>	51 090		
<i>Operating expenses</i>			
<i>Advertising</i>		2 750	
<i>Delivery expenses</i>			2 829
<i>Depreciation</i>			
<i>Rates, water and electricity</i>	4 920		
<i>Salaries</i>			
<i>Sundry operating expenses</i>		5 450	
<i>Wages</i>	4 050		
<i>Operating profit</i>			
<i>Interest income</i>			375
<i>Profit before interest expense</i>			
<i>Interest expense</i>			
<i>Net profit for the period</i>			



QUESTION 86 – PROJECTED INCOME STATEMENT (**) (30 minutes)

NORTH STAR TRADERS

PROJECTED INCOME STATEMENT FOR SEPTEMBER AND OCTOBER

	SEPTEMBER	OCTOBER
<i>Sales</i>		
<i>Cost of sales</i>		
<i>Gross profit</i>		
<i>Other operating income</i>		
<i>Rent income</i>		
<i>Gross operating income</i>		
<i>Operating expenses</i>		
<i>Bad debts</i>		
<i>Bank charges</i>		
<i>Consumables</i>		
<i>Depreciation</i>	7 000	7 000
<i>Rates, water and refuse removal</i>		
<i>Repairs and maintenance</i>	8 500	8 500
<i>Salaries and wages</i>		
<i>Sundry operating expenses</i>	18 583	19 231
<i>Operating profit</i>		
<i>Interest income</i>	275	330
<i>Profit before interest expense</i>		
<i>Interest expense</i>		
<i>Net profit for the period</i>		



QUESTION 87 – CASH BUDGET ()**

(20 minutes)

87.1 CASH BUDGET FOR THE THREE MONTHS ENDED 31 MARCH

	JANUARY	FEBRUARY	MARCH
RECEIPTS			
Capital	500 000	0	0
Cash sales	120 000	180 000	360 000
Receipts from debtors	0	24 000	66 000
Loan: Comet Bank	0	0	500 000
Total receipts	620 000	204 000	926 000
PAYMENTS			
Equipment	140 000	0	0
Vehicles	0	250 000	0
Purchase of trading stock	112 500	168 750	337 500
Sundry operating expenses	125 000	125 000	125 000
Drawings	100 000	100 000	100 000
Total payments	477 500	643 750	562 500
Cash Surplus/(Shortfall)	*	*	*
Bank at beginning of month	*	*	*
Bank at end of month	*	*	*

87.2.1 _____

 _____ (4)

87.2.2 _____ (4)

87.2.3 _____ (2)

87.2.4 _____

 _____ (6)

87.2.5 _____
 _____ (2)

87.2.6 _____

 _____ (4)

87.2.7 _____

 _____ (6)

QUESTION 88 – CASH BUDGET (*)

(25 minutes)

**SOUTHERN SUN TRADERS
CASH BUDGET FOR JANUARY TO MARCH**

	JANUARY	FEBRUARY	MARCH
CASH RECEIPTS			
<i>Cash sales</i>			
<i>Commission income</i>	3 840		
<i>Interest income</i>			
TOTAL RECEIPTS 1 ⇨			
CASH PAYMENTS			
<i>Payments to creditors</i>	50 000		
<i>Advertising</i>	5 750		
<i>Delivery expenses</i>	3 620		
<i>Rates, water and electricity</i>			
<i>Salaries</i>			
<i>Sundry operating expenses</i>	3 500	7 580	
<i>Wages</i>			
<i>Interest on loan</i>			
TOTAL PAYMENTS 2 ⇨			
CASH SURPLUS (SHORTFALL) 1 - 2			
BANK opening balance ↓	15 000		
BANK closing balance 3	↗	↗	



QUESTION 89 – DEBTORS' COLLECTION SCHEDULE ()**

(12 minutes)

DEBTORS' COLLECTION SCHEDULE

	Credit Sales	January	February	March	April	May	June
January							
February							
March							
April							
May							
June							

QUESTION 90 – DEBTORS' COLLECTION SCHEDULE ()**

(11 minutes)

DEBTORS' COLLECTION SCHEDULE

	Credit Sales	August	September	October	November
July					
August					
September					
October					

(7)

(2)

**QUESTION 91 – CREDITORS' PAYMENT
SCHEDULE (**)**

(10 minutes)

CREDITORS PAYMENTS SCHEDULE

	Cost of sales	Credit purchases	January	February	March
January					
February					
March					

**QUESTION 92 – CREDITORS' PAYMENT
SCHEDULE (**)**

(10 minutes)

CREDITORS' PAYMENTS SCHEDULE

	Cost of sales	Drawings	Credit purchases	July	August	September
July						
August						
September						



**QUESTION 93 – DEBTORS' COLLECTION
SCHEDULE + (**)**

(20 minutes)

93.1 DEBTORS' COLLECTION SCHEDULE: 1 MAY TO 31 JULY

(19)

	Credit sales	May	June	July
March				
April				
May				
June				
July				

93.2

(4)

93.3

(6)

93.4

(4)

QUESTION 94 – CASH BUDGET AND DEBTORS' COLLECTION SCHEDULE ()**

(26 minutes)

DEBTORS' COLLECTION SCHEDULE

	CREDIT SALES	DECEMBER	JANUARY	FEBRUARY
October	52 800	5 280	–	–
November	121 000	66 550		
December	167 400	47 709		
January	52 800			
February	66 600			
		119 539		

CASH BUDGET FOR THREE MONTHS ENDED 28 FEBRUARY

	DECEMBER	JANUARY	FEBRUARY
RECEIPTS			
Cash sales	83 700	26 400	33 300
Receipts from debtors	119 539		
TOTAL RECEIPTS			
PAYMENTS			
Cash purchases of stock	33 480	10 560	13 320
Payments to creditors			
Interest on loan	1 350		
TOTAL PAYMENTS			
Cash Surplus/ Shortfall (Deficit)			
Bank balance at beginning of month	200 709		
Bank balance at end of month			

QUESTION 95 – CASH BUDGET + ()**

(33 minutes)

**RELIABLE RAINWEAR FACTORY
CASH BUDGET FOR THE QUARTER ENDED 30 JUNE**

	APRIL	MAY	JUNE
RECEIPTS			
<i>Cash sales</i>	960 000	912 000	729 600
TOTAL RECEIPTS			
CASH PAYMENTS			
<i>Cash purchases of materials</i>	288 000		
<i>Payments to creditors</i>	291 400		
<i>Wages - factory workers</i>	60 000		
<i>Sales and administrative salaries</i>	15 000		
<i>Salary of foreman</i>	10 000		
<i>Salary of accountant</i>	20 000		
<i>Fixed costs</i>	82 000		
TOTAL PAYMENTS			
CASH SURPLUS (SHORTFALL)			
Bank balance at beginning of month	272 220		
Bank balance at end of month			



95.1 *Yes, the workers should strike because*

No, the workers should not strike because

(10)



95.2

(6)

95.3

(6)

95.4

(3)

UNIT 10: INVENTORY SYSTEMS

QUESTION 96 – GENERAL QUESTIONS (**)

(12 minutes)

96.1 _____

(3)

96.2 _____

(4)

96.3 _____

(2)

96.4 _____

(4)

96.5 _____

(2)

96.6 _____

(4)

QUESTION 97 – WHICH BUSINESS WOULD USE WHICH SYSTEM (*)

(12 minutes)

	BUSINESS	PERIODIC	PERPETUAL
1	Very large businesses selling many items e.g. Checkers, Woolworths, Pick n Pay, Clicks, etc.		
2	The corner café		
3	An exclusive dress shop – only one shop with very expensive stock		
4	A sweet shop where the customer can buy 6 liquorice sticks, 4 beehives, 3 candy sticks, etc.		
5	A very large hardware shop e.g. Builders Warehouse, Build-it		
6	A furniture shop		
7	A shop selling homemade cup cakes, muffins, etc. baked by different people		
8	Spaza shop		
9	A one man hardware shop where the customer can buy 4 bolts, 6 nails and 5 screws		
10	A chemist with a couple of branches		
11	A nursery selling local plants		
12	A music store		

QUESTION 98 – LEDGER ACCOUNTS ()**

(15 minutes)

GENERAL LEDGER OF SAILOR STORES

		PURCHASES			
		(E)			
Dec 1	Balance	b/d	232 500	Dec 31	
	31				

		CREDITORS ALLOWANCES			
		(E-)			
Dec 31				Dec 1	Total
					b/f
					45 560

		CARRIAGE ON PURCHASES			
		(E)			
Dec 1	Total	b/f	31 750	Dec 31	

		CUSTOMS DUTY			
		(E)			
Dec 1	Total	b/f	85 270	Dec 31	

		TRADING			
		(G/I)			
Dec 31	Opening stock	24 000	Dec 31	Sales	826 620
	Purchases			Closing stock	
	Carriage on				
	purchases				
	Customs duty				
	Profit and loss				

QUESTION 99 – LEDGER ACCOUNTS ()**

(18 minutes)

GENERAL LEDGER OF TRAWLER TRADERS

Balance sheet accounts section

		TRADING STOCK			
2017	Jan 1	Balance	b/d	60 200	2017

Nominal accounts section

		OPENING STOCK			
2017			2017		

		PURCHASES			

CREDITORS ALLOWANCES

CARRIAGE ON PURCHASES

CLOSING STOCK

--	--	--	--

Final accounts section

TRADING

(4)



QUESTION 100 – ANALYSIS OF TRANSACTIONS ()** (15 minutes)

No.	Source document	Subsidiary journal	General Ledger		R
			Account debited	Account credited	
e.g.	original invoice	CJ	Purchases	Creditors control	R100
1.					
2.					
3.					
4.					
5.					
6.					

QUESTION 101 – ANALYSIS OF TRANSACTIONS ()** (18 minutes)

No.	General ledger		Debtors ledger		Creditors ledger		R
	Account debited	Account credited	DR	CR	DR	CR	
e.g.	Creditors control	Bank			Q Quay		400
1.							
2.							
3.							
4.							
5.							

(6)

QUESTION 102 – COMPARISON OF THE TWO SYSTEMS ()**

(12 minutes)

No.	Transaction	Periodic stock system		Perpetual stock system	
		General ledger		General ledger	
		Account debited	Account credited	Account debited	Account credited
e.g.	Stock bought on credit	Purchases	Creditors control	Trading stock	Creditors control
1.	<i>Paid carriage on this stock</i>				
2.	<i>Cash sales of stock</i>				
3.	<i>The owner took stock for own use</i>				
4.	<i>Damaged stock returned to supplier</i>				

QUESTION 103 – COMPARISON OF THE TWO SYSTEMS ()**

(25 minutes)

A – PERIODIC STOCK

No.	Account debited	Account credited	Amount
1.			
2.			
3.			
4.			
5.			
6.			
7.			
8.			

B – PERPETUAL STOCK

No.	Account debited	Account credited	Amount

QUESTION 104 – PURCHASES ACCOUNT, COST OF SALES, + ()**

(18 minutes)

104.1 **GENERAL LEDGER OF NAUTICAL T-SHIRTS PURCHASES**

2017 Dec 31		2017 Dec 31		

104.2

(8)

104.3

(6)

104.4

(6)

**QUESTION 105 – CALCULATION OF PURCHASES,
COST OF SALES, + (**)** **(15 minutes)**

105.1

(6)

105.2

(8)

105.3

(6)

105.4

(4)

QUESTION 106 – ETHICS AND CONTROL (*)** **(25 minutes)**

106.1 >

(4)

>

(4)

UNIT 11: VALUE ADDED TAX (VAT)

QUESTION 107 – MATCH THE CONCEPTS (*)

(10 minutes)

A	EXPLANATION	B	CONCEPT	ANSWER
1	a person / business selling goods or services to the public and registered with SARS	A	the consumer	
2	financial services, transport of people by road or rail are known as this	B	0%	
3	VAT is usually calculated on this basis	C	14%	
4	when a supplier buys goods and services for his business he has to pay VAT on these items coming in to the business. He deducts this VAT from the amount which he pays to SARS	D	VAT vendor	
5	when a business sells goods to the consumer he adds 14% VAT on to the price and then sends this amount to SARS	E	invoice basis	
6	standard rate of VAT	F	receipt basis	
7	the tax collected by the seller of a product or service from the customer and paid over to SARS	G	input VAT	
8	a business can apply to have VAT calculated on this basis	H	output VAT	
9	lentils, petrol, fresh fruit and canned pilchards are taxed at this rate	I	value added tax	
10	the person who ultimately pays the VAT	J	exempt items	

QUESTION 108 – RECOGNITION OF VAT-ABLE, EXEMPT AND ZERO-RATED ITEMS (*)

(15 minutes)

		VAT CAN BE CLAIMED	VAT CANNOT BE CLAIMED	EXEMPT	ZERO-RATED
1	dinner for staff at restaurant after successful year				
2	petrol and diesel				
3	annual fire insurance premium				
4	bank charges on cheques				
5	rates on property				
6	box of chocolates for valued customer who is in hospital				
7	brown bread and milk for staff lunches				
8	flowers for the office reception area				
9	stationery for the office use				
10	interest on overdraft				
11	kettle for staff use in the office				
12	life insurance for Zukie, the owner's wife, paid by business				
13	double cab bakkie for delivery of goods				
14	new laptop for accountant				

QUESTION 109 – VAT CALCULATIONS (*)

(30 minutes)

109.1

NO.	TOTAL RETAILER PAID TO SUPPLIER	INPUT VAT	RETAILER'S ACTUAL COST PRICE	% MARK-UP	RETAILER'S SELLING PRICE	OUT-PUT VAT	RETAILER RECEIVES FROM CUSTOMER
1.	4 560				4 400		
2.		420				504	
3.			6 400				9 120
4.	1 368			33⅓%			
5.			8 000		11 200		
6.				50%		210	
7.	13 680						22 800
8.			6 000			1 680	
9.		1 400			25 000		
10.				200%			17 100

109.2

the manufacturer?	retailer?	consumer?
-------------------	-----------	-----------



QUESTION 110 – TRUE OR FALSE? ()**

(15 minutes)

NO.	STATEMENT	TRUE	FALSE
1.	VAT is payable to SARS on the 25 th day of the month.		
2.	A business with a turnover of less than R30 million p.a. does not have to register as a VAT vendor.		
3.	A business which is not registered as a VAT vendor may not claim input VAT from SARS.		
4.	VAT is a form of direct taxation.		
5.	A business with a turnover of R10 million can register as either a receipts-based or an invoice based vendor.		
6.	All businesses selling stock to the public must add on 14% for VAT.		
7.	A business must keep its VAT records for 10 years.		
8.	VAT provides the government with money to provide the citizens of the country with hospitals, schools, roads, etc.		
9.	A different rate of VAT is charged on the sale of vehicles and the sale of 'stock for resale'.		
10.	A business may claim VAT on stock bought even though it did not receive an invoice from the supplier.		



QUESTION 111 – PROVING WHO PAYS THE VAT ()** (18 minutes)

- 111.1 _____
- 111.2 _____
- 111.3 _____
- 111.4 _____
- 111.5 _____
- 111.6 _____
- 111.7 _____
- 111.8 _____
- 111.9 _____
- 111.10 _____
- 111.11 _____
- 111.12 _____
- 111.13 _____

QUESTION 112 – IS THIS BEHAVIOUR ETHICAL? ()** (15 minutes)

NO.	EXAMPLE	YES	NO
112.1	The owner has told the accountant to claim input VAT on all the items the business has just bought from Hi Fi Stores, i.e. a new printer for the office, a new cell phone for the salesperson and a new kettle and sandwich toaster for the use of the staff at lunch time.		
112.2	On Saturday mornings the shop is very busy. The cash received from customers is put in a cash box at the desk. The owner helps by taking money from the customers and, when they do not need change, he puts the cash in his pocket.		
112.3	The business understates its turnover on the VAT form so that it will not pay so much to SARS.		
112.4	A shopkeeper, who is not a registered VAT vendor, has not programmed his till to recognise zero-rated items.		
112.5	A supplier has offered to sell goods to the business at a really very special cash price with no VAT charged as the transaction is then quick and simple.		
112.6	The owner has bought a new single cab vehicle to use as a delivery van for the business. He has told the accountant to be sure to claim the VAT back on this van.		
112.7	A local convenience store, which sells everything from fruit to tinned peas, has set up its till to charge VAT on all items.		
112.8	The owner has instructed the accountant not to include the sales for the last week of the month on the VAT 201 form which declares all input and output VAT for the month.		
112.9	The owner buys new tyres for his wife's car from Tuff Tyres, a creditor, and enters this in the Creditors Journal as 'Motor expenses'.		
112.10	The owner has told the accountant not to pay the creditors yet as VAT must be paid to SARS by the 25 th of the month.		

QUESTION 113 – PRACTICAL QUESTIONS ON VAT ()** (16 minutes)

- 113.1 _____ (3)

- 113.2 _____ (2)

- 113.3 _____ (2)

- 113.4 _____ (2)

- 113.5 _____ (4)

- 113.6 _____ (5)

- 113.7 _____ (4)



QUESTION 114 – A VARIETY OF QUESTIONS ON VAT ()** (20 minutes)

- 114.1 _____ (3)

- 114.2 (i) _____ (ii) _____ (iii) _____ (6)
- 114.3 _____ (4)
- 114.4 _____ (2)
- 114.5 _____ (4)

- 114.6 _____ (2)
- 114.7 _____ (5)

- 114.8 _____ (4)
- 114.9 _____ (4)

EXAM QUESTIONS

3 HOURS

300 MARKS

QUESTION 1 (23 mins) – ASSET DISPOSAL

(38 MARKS)

GENERAL LEDGER OF HAPPY TRADERS EQUIPMENT (8)

2017 Jan 1	Balance	b/d	128 000		

ACCUMULATED DEPRECIATION ON EQUIPMENT (20)

			2017 Jan 1	Balance	b/d	44 640

ASSET DISPOSAL (10)

QUESTION 2 (31 mins) – COST ACCOUNTING

(52 MARKS)

2.1 GENERAL LEDGER OF FOXTROT & CO.

WORK-IN-PROGRESS STOCK (10)

2017 Jan 1	Balance	b/d	133 600	2017 Dec 31	
Dec 31					

RAW MATERIALS STOCK (12)

2017 Jan 1	Balance	b/d	115 000	2017 Dec 31	
Dec 31					

FINISHED GOODS STOCK (8)

2017 Jan 1	Balance	b/d	27 000	2017 Dec 31	
Dec 31					

FACTORY OVERHEAD COST (12)

2017 Dec 31				2017 Dec 31	

2.2.1 _____

 _____ (6)

2.2.2 _____

 _____ (4)

QUESTION 3 (16 mins) – DEBTORS' COLLECTION SCHEDULE + (26 MARKS)

3.1 **DEBTORS' COLLECTION SCHEDULE (14)**

Month	Credit sales	December 2017	January 2018	February 2018	Discount allowed	Bad debts
October 2017	R42 000	*	–	–	–	*
November	54 000	*	3 780	–	–	1 620
December	*	28 500	37 500	*	*	2 250
January 2018	45 000	–	*	22 500	900	–
February	39 000	–	–	14 820	780	–

3.2.1 _____

 _____ (4)

3.2.2 _____

 _____ (4)

3.2.3 _____

 _____ (4)

QUESTION 4 (40 mins) – NON-PROFIT ORGANISATIONS AND PERIODIC STOCK SYSTEMS (66 MARKS)

4.1 **GENERAL LEDGER OF THE FRIENDS SOCIAL CLUB (24)**

MEMBERSHIP FEES

2017 <i>Jan 1</i>			2017 <i>Jan 1</i>		
<i>Dec 31</i>					

4.2 _____

 _____ (4)

4.3 _____

4.4 _____

4.5 _____

4.6 _____

4.7 _____

4.8 _____

4.9 _____

(4)
(1)
(2)
(2)
(2)
(4)
(4)

4.10 _____

4.11 _____

4.12 _____

4.13 _____

(4)
(5)
(4)
(4)
(6)

QUESTION 5 (42 mins) – PARTNERSHIPS: (70 MARKS)
INTERPRETATION OF FINANCIAL STATEMENT

5.1 _____

_____ (4)

5.2 _____

_____ (5)

5.3 _____

_____ (4)

5.4 _____

_____ (2)

5.5.1 _____

_____ (5)

5.5.2 _____

_____ (3)

5.5.3 _____

_____ (4)

5.5.4 _____

_____ (5)

5.5.5 _____

_____ (3)



5.6.1

NO.	FINANCIAL INDICATOR	CONNIE IS BETTER	BONNIE IS BETTER	BOTH ARE GOOD
1.	Gross profit on cost of sales			
2.	Gross profit % on sales		✓	
3.	Operating expenses on sales			
4.	Net profit % of sales			
5.	Return on average equity			
6.	Degree of solvency			
7.	Current ratio			
8.	Acid test ratio			
9.	Rate of stock turnover			
10.	Stock holding period			
11.	Average debtors' collection period			
12.	Average creditors' payment period			✓
13.	Debt : equity ratio			

(13)

5.6.2

(2)

5.6.3

(4)

5.6.4

(6)

5.6.5

(4)

5.6.6

(6)

QUESTION 6 (14 mins) – VAT, INTERNAL CONTROL AND ETHICS (24 MARKS)

6.1

(4)

6.2

(3)



6.3.1 _____

6.3.2 _____

6.4 _____

(6)

(2)

(9)

QUESTION 7 (14 mins) – BANK RECONCILIATION STATEMENTS (24 MARKS)

7.1 _____ (4)

7.2 _____ (4)

7.3	Debit	Credit

(10)

7.4 _____ (6)

QUESTION 81 (18 mins) – CLUBS

(30 MARKS)

NO.	RECEIPT	PAYMENT	INCOME	EXPENSE
e.g.		32 500		30 000
1.				
2.				
3.1				
3.2				
3.3				
4.				
5.				
6.1				
6.2				
6.3				
7.				

QUESTION 9 (18 mins) – RECONCILIATIONS AND INTERNAL CONTROL

(30 MARKS)

9.1

(3)

9.2

(4)

9.3

(4)

9.4

(3)

9.5

(3)

9.6

(4)

9.7

(4)

9.8

(5)

QUESTION 10 (19 mins) – PERIODIC STOCK SYSTEM (32 MARKS)

10.1 _____

10.2 _____

10.3 _____

10.4 _____

10.5 _____

(5)

(7)

(6)

(4)

(4)

10.6

(6)

QUESTION 11 (54 mins) – PARTNERSHIPS (89 MARKS)

11.1 P PALM AND T TREE (44)
Palm Tree Traders

NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 28 FEBRUARY 2017

CAPITAL	P PALM	T TREE	TOTAL
CURRENT ACCOUNTS	P PALM	T TREE	TOTAL

11.2

**P PALM AND T TREE
PALM TREE TRADERS
BALANCE SHEET ON 28 FEBRUARY 2017**

(20)

EQUITY AND LIABILITIES	
OWNERS' EQUITY	

11.3.1 _____

(5)

11.3.2 _____

(4)

11.3.3 ▶ _____

(4)

▶ _____

(12)

QUESTION 12 (27 mins) – COST ACCOUNTING

(45 MARKS)

- 12.1 _____ (2)
- 12.2 _____ (4)
- 12.3 _____ (2)
- 12.4 _____ (2)
- 12.5 _____ (2)
- 12.6 _____ (2)
- 12.7 _____ (4)
- 12.8 _____ (2)
- 12.9 _____ (4)
- 12.10 _____ (2)
- 12.11 _____ (2)
- 12.12 _____ (4)
- 12.13 _____ (3)

- 12.14 _____ (4)
- 12.15 _____ (6)

QUESTION 13 (30 mins) – CASH BUDGET + (50 MARKS)

13.1 **CYCLONE TRADERS** (26)
CASH BUDGET FOR MARCH AND APRIL 2018

	MARCH	APRIL
<i>TOTAL RECEIPTS</i>	107 790	163 220
<i>CASH PAYMENTS</i>		
<i>Cash purchases</i>		
<i>Payments to creditors</i>		
<i>Advertising</i>		
<i>Salaries</i>		
<i>TOTAL PAYMENTS</i>		
<i>Cash surplus (deficit)</i>		
<i>Bank - opening balance</i>	134 571	
<i>Bank - closing balance</i>		

13.2.1 _____

13.2.2 _____

13.2.3 _____

13.2.4 _____

13.2.5 _____

(4)
 (2)
 (8)
 (6)
 (4)

QUESTION 14 (14 mins) – ANALYSIS AND INTERPRETATION OF FINANCIAL STATEMENTS (24 MARKS)

14.1 _____

 _____ (6)

14.2 _____

 _____ (4)

14.3 _____

 _____ (6)

14.4 _____

 _____ (8)



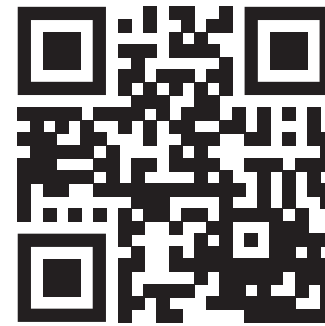


THE
ANSWER
SERIES *Your Key to Exam Success*

Stand a chance to

WIN an **Apple iPad**

by scanning the QR code below.



www.theanswer.co.za/win

Terms and conditions apply