GRADE 11 ACCOUNTING PAPER 1 ANSWER SHEET NOVEMBER 2024

NAME…….

QUESTION	TOPIC	Marks	Marks Scored	Moderated mark
1	**INCOME STATEMENT**	**45**		
2	**BALANCE SHEET & NOTES**	**62**		
3	**ANALYSIS & INTERPRETATION**	**43**		
	TOTAL	**150**		

QUESTION 1

1.1 **Give ONE word/term for each of the descriptions by choosing a word/term from the list. Write only the word/term next to the question number (1.1.1–1.1.4).**

1.1.1	
1.1.2	
1.1.3	
1.1.4	

1.2 CONGOLE LTD.

1.2.1 INCOME STATEMENT FOR THE YEAR ENDED 28 FEB 2022

Sales	
Cost of sales	
Gross profit	
Other income	
Gross operating profit	
Operating expenses	
Sundry expenses	**177 730**
Bad debts	**12 100**
Depreciation	
Operating profit	
Interest income	**27 000**
Profit before interest expense	
Interest Expense	
Net profit for the year	

Question 2

2.1 ROYAL TRADERS
NOTES TO THE FINANCIAL STATEMENTS

Fixed assets	**Vehicles**	**Equipment**
Carrying value at the start of the year		230 400
Cost price at beginning of the year	1 392 000	384 000
Accumulated depreciation	(679 260)	
Movements		
Additions		
Disposals		
Depreciation		
Carrying value at the end of the year		
Cost price at end of the year		
Accumulated depreciation		

2.2

CURRENT ACCOUNTS	B Prins	K King	Total
Profit as per Income Statement			1 617 000
Salaries	550 000	440 000	xxxxxxxxx
Interest on Capital	210 000	147 000	xxxxxxxxx
Bonus	62 000	46 000	xxxxxxxxx
Primary distribution of profits			
Final share of profits			162 000
Drawings			xxxxxxxxx
Retained Income for the year			xxxxxxxxx
Balance at the beginning of the year			xxxxxxxxx
Balance at the end of the year			

2.3 ROYAL TRADERS
BALANCE SHEET ON 28 FEBRUARY 2024

ASSETS		
Non-current assets		
Fixed Assets		
Financial Assets		
Current assets		
Inventories		
Trade and other receivables		
Cash and cash equivalents		
TOTAL ASSETS		
EQUITY AND LIABILITIES		
Owners equity		
Capital		
Current accounts		
Current liabilities		
Trade and other payables		
TOTAL EQUITY AND LIABILITIES		

Question 3.1
Write down the letter representing the correct answer

3.1.1	
3.1.2	
3.1.3	
1.1.4	
1.1.5	

Question 3.2

3.2.1 **(a) Calculate operating expenses on turnover.**

(b) Calculate the acid test ratio.

(c) Calculate the % return on average owners' equity.

(d) Calculate stock turnover rate.

3.2.2	**Comment on the liquidity position for 2024. Quote TWO relevant financial indicators (actual ratios or figures) to support your answer.**

3.2.3	**The owners are not satisfied with the rate at which the stock is being sold. Explain why they feel this way by quoting a relevant financial indicator and actual figures, ratios or % to support your explanation.**

3.2.4	**Discuss TWO reasons why a business should not have too much stock.**
3.2.5	**Will the owners of this business be satisfied with the return on equity? Explain by quoting a financial indicator to support your opinion.**