GRADE 11 ACCOUNTING ANSWER BOOK

NAME……

Question	Marks	Mark scored	Moderated mark
1	48		
2	30		
3	36		
4	36		
Total	150		

QUESTION 1: BANK RECONCILIATION STATEMENT, INTERNAL CONTROL AND CREDITORS RECONCILIATION

1.1. CONCEPTS

Indicate whether the following information relating to Bank Reconciliation statements are TRUE or FALSE.

1.1.1	
1.1.2	
1.1.3	
1.1.4	
1.1.5	

5

1.2 BANK RECONCILIATION STATEMENT AND INTERNAL CONTROL

1.2.1 Identify the items and the amounts that must be entered in the Cash Receipts Journal (CRJ) and the Cash Payments Journal (CPJ) for August 2023. List only the item number and the amount. Do NOT give totals for each journal.

Cash Receipts Journal (CRJ)	
Item number	**Amount**

Cash Payments Journal (CPJ)	
Item number	**Amount**

7

1.2.2. BANK RECONCILIATION STATEMENT ON 31 AUGUST 2023

	Debit	Credit

11

1.2.3 **It is clear that the business is not controlling its cash properly.What specific problems will the internal auditor include in his report? Explain TWO of these problems, providing figures to support your explanation, and give a possible solution for each. Dismissal of employees is not an option at this stage.**

	Explanation (with figures)	Possible solution	
Problem 1			
Problem 2			**6**

Question 1.3

Creditors Reconciliation

No	**Creditors Ledger Account balance**	**Statement balance**
Balance	**87 320**	**95 400**
1		
2		
3		
4		
5		
6		
7		
Total		

QUESTION 2 CASH BUDGET

2.1 **Calculate the credit sales for November 2022 and complete the Debtors' Collection Schedule for December 2022.**

MONTH	CREDIT SALES	CALCULATION	DECEMBER
September	R62 400		
October	R67 200		
November			
December	R78 000		
		TOTAL	

7

2.2 **Calculate the missing amounts indicated by (i)-(v) on the Cash Budget.**

NO.	CALCULATION	ANSWER
(i)		
(ii)		
(iii)		
(iv)		
(v)		

12

2.3 **Luke decided to offer special discounts to customers during November. Customers were reminded through daily advertisements on the local radio station about this offer.**

In your opinion, did the special offer benefit the business? Provide figures to support your answer.

5

2.4 **Refer to information C and E.**

2.4.1 **Calculate the percentage increase in rent income.**

	ANSWER

3

2.4.2 **The workers are not satisfied with the percentage salary increase they will receive from 1 December 2022. They approach you for advice. Do you think they should accept the increase or not. Motivate your answer with appropriate figures and calculations.**

3

QUESTION 3 VAT AND INVENTORY VALUATION

3.1. HIGHWAY STOP AND REST

3.1.1	**Calculate the amount of VAT Amount that Francis will either pay to or receive from SARS.** **Amount receivable from SARS/payable to SARS**

11

QUESTION 3: MANUFACTURING

TIANA'S UMBRELLAS

3.1 Calculate direct labour cost

5

3.2 FACTORY OVERHEAD COST

Sundry factory expense	**30 975**

19

3.3

GENERAL LEDGER OF TIANAS UMBRELAS

DR **WORK –IN- PROCESS ACCOUNT** **CR**

12

QUESTION 4 VAT AND INVENTORY VALUATION

4.1 VAT

HIGHWAY STOP AND REST

3.1.1	**Calculate the amount of VAT Amount that Francis will either pay to or receive from SARS.** **Amount receivable from SARS/payable to SARS**

11

4.2 PERIODIC STOCK SYSTEM

4.1 Calculate the purchases amount to be transferred/posted to the trading account.

	6

4.2 DR TRADING ACCOUNT F1 CR

	19