GAUTENG PROVINCE
EDUCATION
REPUBLIC OF SOUTH AFRICA

GAUTENG DEPARTMENT OF EDUCATION

PROVINCIAL EXAMINATION

JUNE 2019

GRADE 11

ACCOUNTING

MARKING GUIDELINES

8 pages

QUESTION 1

QUESTION 1.1

Multiple choice	
1.1.1	C✓
1.1.2	A✓
1.1.3	C✓
1.1.4	D✓
1.1.5	D✓

5

QUESTION 1.2

A	Vehicles✓	**(1)**
B	See E 109 500 ✓– 52 500☑ = 57 000 57 000 x 100/15✓ = 380 000☑	**(4)**
C	Salary: Landman ✓	**(1)**
D	858 000 ✓– 839 000✓ – 12 000✓ = 7000	**(3)**
E	350 000 x 15/100 = 52 500 ✓✓	**(2)**
F	¾ ✓x 514 000 ✓= 385 500	**(2)**
G	351 000 – 27 000 = 324 000✓✓ **OR** 27 000 x 12	**(2)**
H	Bonus: Nkosi✓	**(1)**
I	Current Account: Nkosi✓	**(1)**
J	Profit and loss✓	**(1)**
K	See G 7/4 ✓x 514 000 ✓= 899 500 + 324 000☑ + 420 000 ✓+ 27 000☑ + 109 500✓ = 1 780 000☑	**(7)**

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TOTAL
30

QUESTION 2

QUESTION 2.1

2.1.1	C✓	
2.1.2	E✓	
2.1.3	F✓	
2.1.4	G✓	
2.1.5	A✓	**5**

QUESTION 2.2

INCOME STATEMENT FOR YEAR ENDED

Sales (**9 690 000** - 140 000✓)	2	✓9 550 000
Cost of sales		**(6 800 000)**
Gross profit		2 750 000
Other operating income		219 950
Rent income (**143 750** + (110/100 * 12 500) (**143 750** + 13 750✓)	2	✓157 500
Commission income		**48 250**
Bad Debts recovered (**4 300** + 2 800✓)	2	✓7 100
Discount Received		**7 100**
Gross operating income		2 969 950
Operating expenses	1	☑ (1 599 675)
Stationery	1	✓62 700
Bank charges (**96 400** + 4 100✓)	2	✓100 500
Advertising (**45 000** – 13 500✓)	2	✓31 500
Bad Debts (**16 000** + 6 000✓)	2	✓22 000
Sundry Expenses **Balancing amount**	2	☑☑35 000
Discount allowed (**4 500** – 300✓)	2	✓4 200
Salaries and wages (**960 000** + 5 000✓)	2	✓965 000
Pension contribution (**80 000** + 700✓)	2	☑80 700
Medical aid contributions		**53 400**
Consumables (**32 100** – 2 200✓ – 3 400✓)	3	☑26 500
Municipal charges		**70 000**
Telephone		**92 000**
Depreciation		**45 000**
Loss due to fire (2 200✓ + (25/100✓ x 24 500✓)	4	☑8 325
Trading stock deficit	1	✓2 400
Provision for bad debts adjustment	1	✓450
Operating profit		1 370 275
Interest income		**8 750**
Profit before interest expense		1 379 025
Interest Expense (66 000✓✓ + 1 570✓)	4	☑ (67 570)
Net profit for the year		**1 311 455**

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TOTAL
40

QUESTION 3

QUESTION 3.1

3.1.1	Trade and other receivables ✓	
3.1.2	Inventories ✓	
3.1.3	Cash and cash equivalents ✓	
3.1.4	Trade and other payables ✓	
3.1.5	Current account ✓	**5**

QUESTION 3.2

3.2.1 TRADE AND OTHER RECEIVABLES		
Net trade debtors	✓73 800	
Trade debtors	✓75 000	
Provision for bad debts	✓ (1 200)	
Accrued Income	✓10 490	
Prepaid expenses	✓2 100	**6**
	☑86 390	

3.2.2 CURRENT ACCOUNTS	GOLD	BROWN
Profit per Income Statement	☑237 200	☑162 800
Partners' salaries	✓132 000	✓108 000
Partners' bonuses	✓12 000	
Interest on capital	✓50 000	See below ☑26 000
Primary distribution of profits	☑194 000	☑134 000
Final distribution of profits	☑43 200	☑28 800
Drawings during the year	✓✓(12 000)	12 000 + 4 600 ☑ (14 600)
Retained income for the year	☑225 200	☑148 200
Retained income at beginning of year	✓33 600	✓ (15 400)
Retained income at end of year	☑258 200	☑132 800

20 + 4

CALCULATION: INTEREST ON CAPITAL	
GOLD	**BROWN**
500 000 x 10/100 = 50 000	300 000✓ – 80 000✓ = 220 000 220 000 x 10/100 x 6/12 = 11 000 ☑ 300 000 x 10/100 x 6/12 = 15 000 ☑ 11 000 + 15 000 = 26 000

3.2.3 TRADE AND OTHER PAYABLES	
Trade creditors	✓65 000
Accrued Expenses	✓3 100
Income received in advance	✓8 250
Creditors for salaries	✓45 000
SARS: PAYE	✓22 500
	☑143 850

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BALANCE SHEET / STATEMENT OF FINANCIAL POSITION ON

ASSETS	Note	
Non-current assets *#missing figure*	1	☑1 530 000
Fixed/Tangible assets *#missing figure*	2	☑☑1 380 000
Financial assets:		
Fixed deposit (225 000 ✓– 75 000✓)	3	☑150 000
Current assets	1	☑312 560
Inventory (146 900✓ – 4 600✓ + 3 870✓)	4	☑146 170
Trade and other receivables *See 3.2.1*	1	☑86 390
Cash and cash equivalents (3 500✓ + 1 500✓ + 75 000✓)	4	☑80 000
Total assets *See total equity and liabilities*	1	☑1 842 560
EQUITY AND LIABILITIES		
Capital and reserves / Owners' equity	1	☑1 191 000
Capitals (500 000✓ + 300 000✓)	3	☑800 000
Current accounts (258 200☑ + 132 800☑) *see 3.2.2*	2	391 000
Non-current liabilities		420 000
Loan (480 000✓ – 60 000✓)	3	☑420 000
Current liabilities	1	☑231 560
Trade and other payables *See 3.2.3*	1	☑143 850
Short term loan *if the same as the amount subtracted from loan*	1	☑60 000
Bank overdraft	1	☑27 710
Total equity and liabilities	1	☑1 842 560

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3.3	Calculate the % return on **GOLD's** equity	
	See 3.2.2 ***or*** *132 000 + 12 000 + 50 000* *See 3.2.2* $= \frac{194\,000\ ☑ + 43\,200\ ☑}{\frac{(500\,000 ✓ + 500\,000 ✓ + 33\,600 ✓ + 258\,200 ☑)}{2 ✓}} \times 100$ *See 3.2.2* $= \frac{237\,200}{1\,291\,800} \times 100$ = 18,36%☑	**8**

TOTAL
80