



education

Department:
Education
North West Provincial Government
REPUBLIC OF SOUTH AFRICA

PROVINCIAL ASSESSMENT

GRADE 11

ACCOUNTING P1

NOVEMBER 2024

MARKING GUIDELINES

MARKS: 150

MARKING PRINCIPLES:

1. Unless otherwise stated in the marking guideline, penalties for foreign items are applied only if the candidate is not losing marks elsewhere in the question for that item (no penalty for misplaced item). No double penalty applied.
2. Penalties for placement or poor presentation (e.g. details) are applied only if the candidate is earning marks on the figures for that item.
3. Full marks for correct answer. If answer incorrect, mark the workings provided.
4. If a pre-adjustment figure is shown as a final figure, allocate the part-mark for the working for that figure (not the method mark for the answer). Note: if figures are stipulated in memo for components of workings, these do not carry the method mark for final answer as well.
5. Unless otherwise indicated, the positive or negative effect of any figure must be considered to award the mark. If no + or – sign or bracket is provided, assume that the figure is positive.
6. Where indicated, part-marks may be awarded to differentiate between differing qualities of answers from candidates.
7. Where penalties are applied, the marks for that section of the question cannot be a final negative.
8. Operation means 'check operation'. 'One part correct' means operation and one part correct. Note: check operation must be +, -, x, ÷, or per memo.
9. 'One part correct' means 'operation and one part correct'. Where method marks are awarded for one part correct, the marker must inspect the reasonableness of the answer and at least one part must be correct before awarding the mark. If a figure has earned a method-mark, this will be regarded as 'one part correct'.
10. In calculations, do not award marks for workings if numerator and denominator are swapped – this also applies to ratios.
11. In awarding method marks, ensure that candidates do not get full marks for any item that is incorrect at least in part. Indicate with a .
12. Be aware of candidates who provide valid alternatives beyond the marking guideline.
13. Codes: f = foreign item; p = placement/presentation.

This marking guideline consists of 8 pages.

QUESTION 1

1.1

1.1.1	C✓
1.1.2	E✓
1.1.3	D✓
1.1.4	B✓
1.1.5	A✓

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1.2.1 **Calculation of depreciation:**

VEHICLES		
Sold	Remaining(old)	New
$(100\ 000 - 36\ 000)$ $= 64\ 000 \checkmark \times 20\% \checkmark \times 6/12 \checkmark$ $= 6\ 400 \checkmark$	$(300\ 000 - 100\ 000)$ $= 200\ 000 \checkmark$ $(76\ 000 - 36\ 000)$ $= 40\ 000 \checkmark$ $200\ 000 - 40\ 000$ $= 160\ 000$ (two marks) $\times 20\% \checkmark$ $= 32\ 000 \checkmark$	$150\ 000 \times 20\% \times 6/12$ $= 15\ 000 \checkmark \checkmark$
<p>Total depreciation for current year: $6\ 400 + 32\ 000 + 15\ 000 = 53\ 400 \checkmark \checkmark$ Four marks four marks two marks</p>		

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EQUIPMENT	
Old	New
$80\ 000 \times 10\% = 8\ 000 \checkmark$	$12\ 000 \times 10\% \times 3/12 = 300 \checkmark$
<p>Total depreciation for current year: $8\ 000 + 300 = 8\ 300 \checkmark$</p>	

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1.2.2

Tangible Assets	Land and Buildings	Vehicles	Equipment
Carrying value	400 000	224 000	60 000
Cost price	400 000	300 000	80 000
Accumulated Depreciation		(76 000)	(20 000)
Movements			
Addition at Cost Price	150 000✓	150 000✓	12 000✓
Asset disposal at carrying value (100 000✓ – 42 400✓)		(57 600) ✓	
Depreciation		53 400✓ (See 1.2.1)	(8 300) ✓ (See 1.2.1)
Carrying value	550 000	263 000 ✓	63 700 ✓
Cost price	550 000 ✓	350 000 ✓	92 000 ✓
Accumulated Depreciation		(87 000) ✓	(28 300) ✓

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TOTAL MARKS

35

QUESTION 2

2.1

2.1.1	Partnership Agreement✓
2.1.2	Silent partner✓
2.1.3	Unlimited Liability ✓
2.1.4	Owner's equity ✓
2.1.5	Ethical principles ✓

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2.2.1 SAFARI STORES: STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 29 FEBRUARY 2024

Sales (1 032 000 - 32 000✓)	1 000 000	✓
Cost of sales	(427 000)	✓
GROSS PROFIT	573 000	☑
OTHER OPERATING INCOME	111 300	☑
Rent income (54 000 + 4 500✓✓)	58 500	☑
Commission income (1 000 000 x 5%)	50 000	☑✓
Bad Debts recoverable	2 500	✓
Provision for bad debts adjustment	300	✓
GROSS OPERATING INCOME	684 300	☑
OPERATING EXPENSES	(516 250)	☑
Bad debts	5 000	
Salaries and wages (350 000 + 30 000✓✓)	380 000	☑
Insurance (30 000 - 2000✓)	28 000	✓
Packaging material (4200 + 500✓ - 300✓)	4 400	☑
Bank charges (1 800 + 250)	2 050	✓
Sundry expenses (32 300 + 5000 ✓)	37 300	☑
Stationery (5 500 - 500)	5 000	✓
Donations (1 100 + 900)	2 000	✓
Depreciation	40 600	✓
Trading Stock deficit (820 000 - 815 000)	5 000	✓✓
UIF contribution (1 500 + 500)	2 000	✓
Medical Aid contribution (2 300 + 2 600)	4 900	✓
OPERATING PROFIT	168 050	
Interest income (balancing figure)	17 450	☑
PROFIT BEFORE INTEREST EXPENSE	185 500	
Interest expense	(5 500)	✓✓
NET PROFIT FOR THE YEAR	180 000	

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TOTAL MARKS

40

QUESTION 3

3.1.1	CAPITAL	DAVID	JOE
	Balance at the beginning of year	<input checked="" type="checkbox"/> 350 000	<input checked="" type="checkbox"/> 450 000
	Contribution of capital during the year	<input checked="" type="checkbox"/> 250 000	
	Withdrawal of capital during the year	<input checked="" type="checkbox"/> (50 000)	<input checked="" type="checkbox"/> (150 000)
	Balance at the end of year	<input checked="" type="checkbox"/> <input checked="" type="checkbox"/> 550 000	<input checked="" type="checkbox"/> 300 000

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3.1.2	CURRENT ACCOUNT	DAVID	JOE
	Profit per Statement of Comprehensive Income	196 600	199 900
	Partners' salaries	<input checked="" type="checkbox"/> <input checked="" type="checkbox"/> 120 000	144 000
	Interest on capital	<input checked="" type="checkbox"/> <input checked="" type="checkbox"/> 52 000	49 500
	Partners' bonuses	15 000	
	Primary distribution of profit	<input checked="" type="checkbox"/> 187 000	193 500
	Final distribution of profit	<input checked="" type="checkbox"/> 9 600	<input checked="" type="checkbox"/> 6 400
	Drawings during the year	(72 000)	(96 000)
	Retained income for the year	<input checked="" type="checkbox"/> 124 600	103 900
	Retained income at beginning of year	<input checked="" type="checkbox"/> 22 500	<input checked="" type="checkbox"/> (57 600)
	Retained income at end of year	<input checked="" type="checkbox"/> 147 100	<input checked="" type="checkbox"/> 46 300

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3.1.3	Trade creditors	62 750
	Accrued expenses	<input checked="" type="checkbox"/> 12 700
	Income received in advance	<input checked="" type="checkbox"/> 4 600
	Creditors for salaries	<input checked="" type="checkbox"/> 8 200
	SARS: PAYE (13 500 <input checked="" type="checkbox"/> + 2 720 <input checked="" type="checkbox"/>) one part correct	<input checked="" type="checkbox"/> 16 220
	UIF (120 + 120)	<input checked="" type="checkbox"/> <input checked="" type="checkbox"/> 240
	Pension fund (1440 + 960 <input checked="" type="checkbox"/> [1440 x 100/150])	<input checked="" type="checkbox"/> 2 400
		<input checked="" type="checkbox"/> 107 110

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3.2

STATEMENT OF FINANCIAL POSITION AS ON 30 JUNE 2024

EQUITY AND LIABILITIES		
Owner's Equity		<input checked="" type="checkbox"/> 1 043 400
Capital (550 000 + 300 000)	(see 3.1.1)	<input checked="" type="checkbox"/> 850 000
Current account (147 100 + 46 300)	(see 3.1.2)	<input checked="" type="checkbox"/> 193 400
Non-current liabilities		342 000
Loan: RG Bank (402 500✓+ 47 500✓– 108 000✓)		<input checked="" type="checkbox"/> 342 000
Current liabilities	(calculation)	<input checked="" type="checkbox"/> 281 710
Trade and other payables	(see 3.1.3)	<input checked="" type="checkbox"/> 107 110
Bank overdraft (16 600 +50 000✓)	(calculation)	<input checked="" type="checkbox"/> 66 600
Current portion of loan	(see NCL above)	<input checked="" type="checkbox"/> 108 000
TOTAL EQUITY and LIABILITIES	(calculation)	<input checked="" type="checkbox"/> 1 667 110

-1 Foreign Items / -1 Format Max -2

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TOTAL MARKS

45

QUESTION 4

4.1 Calculate the operating ratio for 2024.

$$\begin{array}{l} 169\,000\checkmark : 65\,000\checkmark \\ 2,6 : 1\checkmark \end{array}$$

One part correct

3

4.2 The fire test ratio for 2024 is 1.4:1. Calculate the missing cash and cash equivalents and inventory amounts.

$$\begin{array}{l} 65\,000 \times 1.4 = R91\,000\checkmark \\ \text{Cash and cash equivalents: } 91\,000 - 72\,000 = R19\,000\checkmark\checkmark \\ \text{Stock: } 169\,000 - 91\,000 = R78\,000\checkmark\checkmark \end{array}$$

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4.3 Calculate the average period for which sufficient stock is available available for 2024.

$$\frac{\frac{1}{2}(78\,000 + 110\,000)}{423\,000} \times 12$$

$$\frac{94\,000\checkmark \times 12}{423\,000\checkmark}$$

$$= 2,7 \text{ months} / 81 \text{ days}\checkmark$$

One part correct

3

4.4 Calculate the average creditor payment term for 2024

$$\frac{\frac{1}{2}(65\,000 + 52\,000)}{423\,000 \times 90\%} \times 12$$

$$\frac{58\,500\checkmark \times 12}{380\,700\checkmark\checkmark}$$

$$= 1,8 \text{ months} / 56 \text{ days}\checkmark$$

One part correct

4

**4.5 Comment on the liquidity position of the business.
Quote THREE financial indicators and figures to support your answer.**

Financial indicator✓✓✓ figures✓✓✓

Current ratio improved from 3,4 : 1 to 2,6 : 1

The period of stock on hand increased from (57 days) to 1.9 months
to (81 days) 2,7 months.

The creditors were paid faster than last year 56,1 days instead of 63 days
(1,8 months versus 2,1 months).

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4.6 Calculate the debt equity ratio in 2024.

500 000✓ : 1 044 000✓
0,5 : 1☑

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**4.7 Is the company solvent? Calculate the solvency ratio
To support your answer.**

Yes✓ – the owner's equity is positive OR
Assets exceed liabilities✓

(1 200 000 + 240 000 + 169 000) : (500 000 + 65 000)
1 609 000✓ : 565 000✓
2,8 : 1✓☑

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TOTAL MARKS

30

TOTAL: 150