



Province of the
EASTERN CAPE
EDUCATION



Name:

**NATIONAL
SENIOR CERTIFICATE**

GRADE 11

NOVEMBER 2023

**ACCOUNTING P1
ANSWER BOOK**

QUESTION	MAX. MARKS	MARKS OBTAINED	MODERATED MARKS
1	20		
2	45		
3	50		
4	35		
	150		



This answer book consists of 8 pages.

QUESTION 1

1.1

No.	A	O	L
e.g.	+	0	+
1.1.1			
1.1.2			
1.1.3			
1.1.4			

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1.2 **SANDI BROTHERS**

WORKINGS	ANSWER
(i) Cost price of buildings on 1 March 2023	
(ii) Carrying value of the vehicle sold	
(iii) Total depreciation on equipment	

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TOTAL MARKS**20**

QUESTION 2**2.1**

2.1.1	
2.1.2	
2.1.3	
2.1.4	

4

2.2 Statement of Comprehensive Income for the year ended 28 February 2023

Sales	
Cost of sales	
Gross profit	
Other income	
Discount received	11 280
Gross operating income	
Operating expenses	
Discount allowed	3 360
Depreciation	298 350
Sundry expenses	
Operating profit	566 400
Profit before interest expense	
Net profit for the year	478 900

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TOTAL MARKS

45

QUESTION 3

3.1 Calculate: The interest on capital of Partner Hockey

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3.2	CURRENT ACCOUNTS	HOCKEY	TENNIS
	Salaries	480 000	
	Bonuses		
	Interest on capital		134 400
	Primary distribution of profit		
	Final distribution of profit		
	Drawings for the year		(563 250)
	Retained income for the year		
	Balance at the beginning of the year		
	Balance at the end of the year		

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3.3 STATEMENT OF FINANCIAL POSITION ON 28 FEBRUARY 2023

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	2 800 000
Current accounts	
NON-CURRENT LIABILITIES	
Mortgage loan	
CURRENT LIABILITIES	
Trade and other payables	
TOTAL EQUITY AND LIABILITIES	

29

TOTAL MARKS

50

QUESTION 4

4.1 Calculate the following financial indicators on 28 February 2023.

% Operating expenses on sales		
WORKINGS	ANSWER	
		<div></div> <div>2</div>
Acid-test ratio		
WORKINGS	ANSWER	
		<div></div> <div>4</div>
Debt-equity ratio		
WORKINGS	ANSWER	
		<div></div> <div>3</div>
% Return on average partners' (owners') equity		
WORKINGS	ANSWER	
		<div></div> <div>5</div>

- 4.2 Explain whether the business is managing its expenses effectively. Identify TWO financial indicators (with figures) to support your explanation.

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- 4.3 Partner Yozo is concerned about the liquidity position. Explain whether he is justified or not. Quote TWO financial indicators, with figures.

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- 4.4 The partners have increased the monthly instalments on the loan. Explain the effect of this on the financial risk of the business. Quote ONE financial indicator with figures to support your explanation.

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- 4.5 Explain whether the partners should be happy with the % return earned by their investment in this partnership. Quote ONE financial indicator, with figures.

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TOTAL MARKS

35

TOTAL: 150