

**GENERAL COMMENT**

The paper was very fair and acceptable.

Most learners were able to complete the question paper.

Too many candidates still do not show workings and calculations in brackets and did not obtain part marks.

Tipp-ex was seldom used.

Pencil totals were a rare occurrence.

Although the candidates' handwriting was not so neat, overwriting was minimal.

Candidates did not concentrate properly when writing in of amounts, they lost marks in making mistakes e.g. by not putting in a 0.

Brackets – candidates omit brackets.

Calculations – candidates do not know what to calculate.

**QUESTION 1.1 TRANSACTION ANALYSIS**

This question was answered reasonably and it varied between poor, good to brilliancy.

Especially the Abet-candidates fared badly in this question. The candidates were unable to :

Identify the correct journal

From the journal – identify the correct double entry in the general ledger

Distinguish between an expense or an income

**QUESTION 1.2 ACCOUNTING EQUATION**

Although this question seemed a walk in the park, with the accounts already identified, candidates fared poorly.

Allocating 3 signs made candidates lose marks

Candidates do not know their accounts.

**QUESTION 2.1**

This question was well attempted by the learners, however the following need to be addressed:

CRJ/CPJ – learners neglect to give totals of bank columns.

Learners do not include the given total when they calculate the final total of the bank columns.

Entries reflected in both journals.

Basics of deposits (cr) as well as cheques (dr) still not very clear in the answers.

Bank charges – confusion with interest receive included in Bank charges.

Bank account not being asked – confusion with calculating the Bank account balance for the Bank Reconciliation Statement.

Proper revision of grade 11 work very relevant for 2.2 too.

## **QUESTION 2.2**

Reconciliation items appear in the journals.

The understanding of the entries in previous Reconciliation Statement need to be emphasis

## **QUESTION 3.1 & 3.2 CLUBS LEDGER ACCOUNTS**

Dates – wrong dates written or dates omitted

Entries – candidates confused whether on Debit or Credit side

Calculations – candidates were not able to calculate the correct amounts for Bank;

Membership fees written off and Income & Expenditure

Candidates balanced the accounts instead of closing it off to Income & Expenditure or close off to Profit and Loss account

Untidiness is a big concern

## **QUESTION 3.3 INTERPRETATION**

Candidates should be encouraged to answer these type of questions in class, tests and internal examinations.

## **QUESTION 4 CASH BUDGET**

### **4.1 DEBTORS' COLLECTION**

Candidates had problems with the debtors' collection schedule. Though some got it right, they wrote it in the wrong columns.

Do not know how to transfer the amounts to the Cash Budget (where it should be written).

### **CASH BUDGET**

This question was reasonably well answered, although there were a few candidates in some centres who ignored the question. Learners knew reasonably well how to prepare Cash Budgets. Marks varied between brilliant, good and poor – mixed results.

However, the following need to be addressed:

Confusion between receipts and payments

Credit- and cash sales are mixed up

Ability to calculate monthly amounts by dividing yearly totals

Foreign items were not a problem, sporadic occurrence (discount allowed, - received)

Bank overdraft was not written between brackets

Inability to calculate the end bank balance from surpluses or deficits.

### **INTERPRETATION**

Most candidates answered this question reasonably well seeing the unexpectedness of it. They identified fairly well what to do with the matured deposit.

## **QUESTION 5.1 COMPANIES – INCOME STATEMENT**

This question was generally well attempted.

Debtors Allowance not taken into account when calculating Sales final figure

Ordinary Share Dividends given – candidates included this account in the Income Statement.

Bad debts : confusion whether to add or minus.  
Provision for bad debts adjustment :- income or expense/difficulty in the actual calculation.  
Depreciation :- Split up in the income statement. Not shown as a combination brackets :- not always indicated in the answer.  
Actual figures calculated properly but indicated wrongly in the final answer.  
The correct totals reflected in the adjustment on the answer sheet but not added properly.  
Confusion with interest income.  
Part-marks lost if calculations not shown. Only final answers appear on the answer sheet.  
Order of entries – gross profit → + income → - expenses → = operating profit → + interest income → - interest expense → = profit before tax → - taxation → = net profit for the year – should be emphasized.

## **QUESTION 5.2 NOTE TO FINANCIAL STATEMENT**

Very poorly answered.

## **QUESTION 6 PARTNERSHIP – BALANCE SHEET + NOTES**

### **BALANCE SHEET**

Candidates should be prepared to work on worksheets.  
Two columns were confusing.  
Calculations – wrong calculations were made.  
Basic principle – amounts in notes must correspond with those in balance sheet was not applied.

### **NOTES**

#### **FIXED ASSETS**

Very few candidates scored full marks.  
Movements seem to be a problem. Candidates could not determine these amounts  
Candidates do not understand the influence of asset disposal on cost- and carrying value at the end of financial year.  
Candidates tends to omit brackets for depreciation.

#### **TRADE AND OTHER RECEIVABLES**

Confusion between Accrued income and Receivables.  
Net trade debtors was omitted.

#### **CASH AND CASH EQUIVALENTS**

Maturing of fixed deposit during the following year was omitted.

#### **CURRENT ACCOUNTS**

Candidates do not know how to use the brackets. Favourable balance were between brackets  
Balances of capital accounts were included.  
Insert foreign items because of the space/lines provided.  
Balances at end of financial year could not be calculated correctly.