



**ACCOUNTING: PAPER I
ANSWER BOOKLET**

NAME: _____

INSTRUCTIONS

1. This answer booklet consists of 9 pages. Check that it is complete.
2. There is a clearly marked page for each answer. **Use the blank facing page on the left for rough work.**
3. Make sure your rough work is legible and comprehensible.
4. You may **not** use green or red ink. **You may use a soft, dark pencil.**

QUESTION	POSSIBLE MARKS	ACTUAL MARKS
1	19	
2	27	
3	59	
4	40	
5	40	
6	15	
TOTAL	200 MARKS	

QUESTION 1

(a) Reasons for Long

(b) Reason for Clinton

(c) Approach a lawyer

(d) In agreement

19 marks

QUESTION 2

**General Ledger of WC Enterprises
Balance Sheet Section
Current: Bush (B3)**

**Final Accounts Section
Appropriation (F3)**

27 marks

QUESTION 3

Part A
Ashton Suppliers
Notes to Financial Statements

4. Inventories

Trading Stock (199 000	

5. Trade and other receivables

Net Trade Debtors	
Trade Debtors (126 800	
Provision for Bad Debts (6 170	

6. Trade and other payables

Trade Creditors (67 800	
Bank Overdraft (21 500	
SARS – PAYE (9 200	
Pension Fund (4 300	
Medical Aid Fund (6 800	

[47]

QUESTION 3 (continued)

Part B.

1. Principle

2. Conflict with Matching Principle

[6]

53 marks

QUESTION 4

Part A

Tangible / Fixed Assets

	Vehicles	Equipment	Total
Carrying value			
Carrying value			

[35]

QUESTION 4 (continued)

Part B

Difference between an Asset and an Expense

[5]

40 marks

QUESTION 5

Cash Budget

1. Debtors Collection Schedule

		June	July
May	(46 900)	39 500	8 400
June			
July			

Cash Budget for 2 months ending 31st July 2007

Receipts	June	July
Cash Sales (30%)		
Debtors {note 1}		
Rent Income	3 000	
Total Receipts		
Payments		
Cash Purchases		
Creditors Payments	30 400	38 000
Salaries and Wages		
Rental of Premises		
Total Payments		
Surplus/ (Deficit) for month		
Balance brought forward	15 000	
Balance carried forward		

40 marks

QUESTION 6

NO	Account Debited	Account Credited	Amount	A	O	L
e.g.	Bad Debts	Debtors Control	500	-	+	0

15 marks