
 Province of the

 EASTERN CAPE

 EDUCATION

**ACCOUNTING FINAL ACCOUNTS TEST 2 - MEMORANDUM FOR MARKING**

**QUESTION 1**

**1.1 GAAP principles**

|  |  |
| --- | --- |
| (a) | Historical Cost  |
| (b) | Matching Concept  |
| (c) | Materiality Concept  |
| (d) | Business Entity  |

**[4]**

**1.2 GENERAL LEDGER OF AMABELE TRADERS ON 28 FEBRUARY 2018**

**TRADING ACCOUNT**

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 2018Feb  | 28 | Cost of Sales(500 000 + 3 000 ) |  | 503 000 | 2018Feb | 28 | Sales ( 875 000 - 12600 + 5000 ) |  | 867 400 |
|  |  | Profit and Loss |  | 364 400  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |
|  |  |  |  | **867 400** |  |  |  |  | **867 400** |

 **[11]**

**1.3 PROFIT AND LOSS ACCOUNT**

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 2018Feb  | 28 | Salaries and Wages (96 750 - 14 400 ) |  | 82 350 | 2018Feb | 28 | Trading Account  |  | 364 400 |
|  |  | Discount Allowed |  | 800 |  |  | Fee Income( 8 400 + 4 000 ) |  | 12 400 |
|  |  | Insurance (9 800 - 1 620 ) |  | 8 180 |  |  | Rent Income(41 100 - 3 300 ) |  | 37 800 |
|  |  | Bank Charges  |  | 1 210 |  |  | Discount Received |  | 880 |
|  |  | Bad Debts (5 200 + 720 ) |  | 5 920 |  |  | Stock Surplus (16300 - 3000 -15 500 ) |  | 2 200 |
|  |  | Telephone ( 12 560 + 450 ) |  | 13 010 |  |  | Interest on fixed deposit |  | 2 200 |
|  |  | Water and electricity |  | 14 200 |  |  |  |  |  |
|  |  | Stationery (10 800 - 460 ) |  | 10 340 |  |  |  |  |  |
|  |  | Interest on loan( 13 500 + 4 500 ) |  | 18 000 |  |  |  |  |  |
|  |  | Sundry Expenses |  | 5 400 |  |  |  |  |  |
|  |  | Depreciation  |  | 17 600 |  |  |  |  |  |
|  |  | Capital Account  |  | 242 870 |  |  |  |  |  |
|  |  |  |  | **419 880** |  |  |  |  | **419 880** |

**[50]**