

# GAUTENG EAST DISTRICT

**NOVEMBER 2025  
EXAMINATION  
GRADE 11**

**ACCOUNTING  
PAPER 1  
ANSWER BOOK**

<b>SURNAME AND NAME</b>	
<b>SCHOOL</b>	
<b>DATE</b>	

<b>QUESTION</b>	<b>MARKS</b>	<b>Teacher marks</b>	<b>Moderator marks</b>
<b>1</b>	<b>50</b>		
<b>2</b>	<b>50</b>		
<b>3</b>	<b>50</b>		
<b>Total</b>	<b>150</b>		

**This answer book consists of 8 pages.**

**QUESTION 1: STATEMENT OF COMPREHENSIVE INCOME**

**1.1 STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 28 FEBRUARY 2025**

Sales		
Cost of sales		
<b>Gross profit</b>		
<b>Other operating income</b>		
Rent income		
<b>Gross operating income</b>		
<b>Operating expenses</b>		
Water and electricity		<b>17 700</b>
Bad debts		
Stationery		
<b>Operating profit</b>		
Interest income		
<b>Profit before interest expense</b>		
Interest expense		
<b>Net profit for the year</b>		

50
----

<b>TOTAL MARKS</b>
50

## QUESTION 2

2.1

<b>Calculate: The interest on capital of Partner Olifant</b>	

4

2.2

<b>CURRENT ACCOUNTS</b>	<b>Ramotso</b>	<b>Olifant</b>
<b>Interest on capital</b>	<b>134 400</b>	
<b>Bonuses</b>		
<b>Salaries</b>		<b>480 000</b>
<b>Primary distribution of profit</b>		
<b>Final distribution of profit</b>		
<b>Drawings for the year</b>	<b>(563 250)</b>	
<b>Retained income for the year</b>		
<b>Balance at the beginning of the year</b>		
<b>Balance at the end of the year</b>		

17

## 2.3 STATEMENT OF FINANCIAL POSITION ON 28 FEBRUARY 2025

<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
<b>Fixed assets</b> <small>balancing figure</small>		
<b>Financial assets</b>		
<b>CURRENT ASSETS</b>		
<b>Inventories</b>		
<b>Trade and other receivables</b> (204 600)		
<b>Cash and Cash equivalents</b>		
<b>TOTAL ASSETS</b>		
<b>EQUITY AND LIABILITIES</b>		
<b>OWNERS' EQUITY</b>		
<b>Capital</b>		2 800 000
<b>Current accounts</b>		
<b>NON-CURRENT LIABILITIES</b>		
<b>Mortgage loan</b>		
<b>CURRENT LIABILITIES</b>		
<b>Trade and other payables</b> (763 860)		
<b>TOTAL EQUITY AND LIABILITIES</b>		

29

TOTAL MARKS

50

**QUESTION 3:**

**3.1 CONCEPTS**

<b>3.1.1</b>	
<b>3.1.2</b>	
<b>3.1.3</b>	
<b>3.1.4</b>	

<b>4</b>

**3.2 Calculate the following financial indicators for the current year:**

**3.2.1**

<b>% operating expenses on turnover</b>	
<b>Workings</b>	<b>Answer</b>

<b>3</b>

**3.2.2**

<b>% mark-up</b>	
<b>Workings</b>	<b>Answer</b>

<b>3</b>

**3.2.3**

<b>% operating profit on sales</b>	
<b>Workings</b>	<b>Answer</b>

<b>3</b>

3.2.4

Current ratio	
Workings	Answer

3

3.2.5

Acid test ratio	
Workings	Answer

3

3.2.6

Debt: Equity ratio	
Workings	Answer

3

3.2.7

% return on average partner's equity	
Workings	Answer

5

3.3

**Comment on the profitability position of the business and state in which financial year was the business more profitable.  
Quote TWO financial indicators with figures in your explanation.**

6

3.4

**Explain how the business can improve its sales in future.**

2

3.5

**Briefly comment on the liquidity position of the business.  
Quote TWO financial indicators with figures in your explanation.**

6

3.6

**Provide a calculation to prove that other operating income amount in 2025 is the same as the amount in 2024.**

6

3.6

**The partners decided to decrease the loan during the current financial year. Explain how this decision has affected the risk of the business.  
Quote ONE relevant financial indicator with figures to support your answer.**

3

<b>TOTAL MARKS</b>
50