



# NATIONAL SENIOR CERTIFICATE

**GRADE 11**

**NOVEMBER 2025**

## ACCOUNTING P1 MARKING GUIDELINE

**MARKS: 150**

### MARKING PRINCIPLES:

1. Unless otherwise stated in the marking guideline, penalties for foreign items are applied only if the candidate is not losing marks elsewhere in the question for that item (no penalty for misplaced item). No double penalty applied.
2. Penalties for placement or poor presentation (e.g., details) are applied only if the candidate is earning marks on the figures for that item.
3. Unless otherwise stated, give full marks for correct answer. If answer incorrect, mark workings.
4. If a pre-adjustment figure is shown as a final figure, allocate the part-mark as a working mark for that figure (not the method mark for the answer). **Note:** if figures are stipulated in marking guideline components of workings, these do not carry the method mark for final answer as well.
5. Unless otherwise indicated, the positive or negative effect of any figure must be considered to award the mark. If no + or – sign or bracket is provided, assume that the figure is positive.
6. Where indicated, part-marks may be awarded to differentiate between differing qualities of answers from candidates.
7. If candidates provide more than the required number of responses, inspect all responses to give benefit to the candidate. Penalties may be applied for foreign entries if candidates earn full marks on a question (max -2 per Q).
8. Where penalties are applied, the final marks for that section of the question cannot be a negative total.
9. Where method marks are awarded for operation, marker must inspect the reasonableness of the answer.
10. Operation means 'check operation'. 'One part correct' means operation and one part correct. **Note:** check operation must be +, -, x, ÷, as per candidate's calculation (if valid) or per marking guideline.
11. In calculations: do not award marks for workings if numerator & denominator are swapped. This also applies to ratios.
12. In awarding method marks, ensure that candidates do not get full marks for any item that is incorrect at least in part. Indicate with a ☒.
13. Be aware of candidates who provide valid alternatives beyond the marking guideline. Note that one comment could contain different aspects.
14. Codes: f = foreign item; p = placement/presentation.

---

This marking guideline consists of 8 pages.

---

## QUESTION 1

## 1.1 CONCEPTS

1.1.1	Generally Accepted Accounting Practice (GAAP) ✓
1.1.2	Depreciation ✓
1.1.3	Scrap value / residual value ✓
1.1.4	Matching ✓

4

## 1.2.1 Calculate the profit or loss on sale of the vehicle.

WORKINGS	ANSWER
$126\,000 \times 20\% \times \frac{8}{12} = 16\,800$ ✓ <input checked="" type="checkbox"/> CV = $126\,000 - 16\,800 = 109\,200$ P/L = $98\,000$ ✓ – $109\,200$ <input checked="" type="checkbox"/>	$(11\,200)$ <input checked="" type="checkbox"/> One part correct May not be in brackets

5

## 1.2.2 Calculate total depreciation on vehicles for the year ended 30 June 2025.

WORKINGS	ANSWER
Sold = $16\,800$ <input checked="" type="checkbox"/> see 1.2.1  Old = $(580\,000 - 210\,000 - 126\,000) \times 20\% = 48\,800$ ✓ <input checked="" type="checkbox"/> <b>OR</b> $(580\,000 - 220\,000) - (210\,000 - 94\,000) \times 20\%$  New = $180\,000 \times 20\% \times \frac{4}{12} = 12\,000$ ✓ <input checked="" type="checkbox"/>	$77\,600$ <input checked="" type="checkbox"/> one part correct

6



## QUESTION 2

## OSLO TRADERS

## 2.1 TRADE AND OTHER RECEIVABLES NOTE

Trade debtors (226 000 + 3 800 ✓ + 2 800 ✓)	232 600 <input checked="" type="checkbox"/>
Provision for bad debts	(7 000) ✓
Net Trade debtors	225 600
Accrued income (insurance claim) (18 000 x 80%)	14 400 <input checked="" type="checkbox"/>
	240 000 <input checked="" type="checkbox"/>

7

## 2.2 CURRENT ACCOUNT NOTE ON 28 FEBRUARY 2025.

OSLO TRADERS	Osna	Long
Partner's salaries	360 000	373 500 ✓✓
Bonus	30 000 ✓	34 500 ✓
Interest on capital	45 000 ✓✓	60 000
Primary distribution	435 000 <input checked="" type="checkbox"/>	468 000 <input checked="" type="checkbox"/>
Secondary distribution	77 220 ✓✓	85 800
Net profit as per SOCI	512 220 <input checked="" type="checkbox"/>	553 800 <input checked="" type="checkbox"/>
Drawings	(159 200)	(96 200) ✓✓
Retained earnings	353 020 <input checked="" type="checkbox"/>	457 600 <input checked="" type="checkbox"/>
Balance at the beginning of the year	34 800	(28 900)
Balance at the end of the year	387 820 <input checked="" type="checkbox"/>	428 700 <input checked="" type="checkbox"/>

18

 check operation

## 2.3 Statement of Financial Position on 28 February 2025

		R	
<b>Assets</b>			
<b>Non-current assets</b>			
Fixed assets (1 864 500 - 7 600 ✓ - 1 400 ✓)		1 855 500	✓*
<b>Financial assets: Fixed deposit</b>			
<b>Current assets</b>		665 200	✓*
<b>Inventories (296 400 + 1 200 ✓ - 18 000 ✓)</b>		279 600	✓*
Trade and other receivables <span style="float: right;">see 2.1</span>		240 000	✓
<b>Cash and cash equivalents (140 000 ✓ + 5 600 ✓)</b>		145 600	✓
<b>Total assets</b>			
<b>Equity and Liabilities</b>			
<b>Owners' Equity</b>		1 766 520	✓*
<b>Capital</b>		950 000	✓
Current accounts (387 820 + 428 700) <span style="float: right;">see 2.2</span>		816 520	✓
<b>Non-current liabilities</b>		614 200	
<b>Loan</b> (808 600 - 230 400 ✓ + 96 000 ✓ - 60 000 ✓)		614 200	✓*
<b>Current liabilities (665 200 see current assets ÷ 2.5)</b>		266 080	✓
<b>Trade and other payables</b> (119 800 + 3 800 ✓ + 6 900 ✓ + 7 750 ✓)		138 250	✓
Bank overdraft <span style="float: right;">balancing figure</span>		67 830	✓*
Current portion of loan		60 000	✓
<b>Total equity and liabilities</b>			

25

\*one part correct

50

## QUESTION 3

## 3.1 CONCEPTS

3.1.1	Return on equity ✓
3.1.2	Operating efficiency ✓
3.1.3	Gearing ✓
3.1.4	Solvency ✓

4

## 3.2 Calculate the following financial indicators for the year ended 31 December 2025. Show all calculations.

<b>3.2.1 Operating expenses on sales</b>	
<b>WORKINGS</b>	<b>ANSWER</b>
$\frac{334\,400 \checkmark}{1\,760\,000 \checkmark} \times 100$	19% <input checked="" type="checkbox"/> one part correct

3

<b>3.2.2 Acid-test ratio</b>	
<b>WORKINGS</b>	<b>ANSWER</b>
$236\,000 \checkmark + 165\,600 \checkmark : 596\,000 \checkmark$	0,67 : 1 / 0,7:1 <input checked="" type="checkbox"/> one part correct, must be x:1

4

<b>3.2.3 Stock-turnover rate</b>	
<b>WORKINGS</b>	<b>ANSWER</b>
$\frac{1\,760\,000 - 660\,000}{\frac{1\,100\,000 \checkmark \checkmark}{\frac{1}{2} \checkmark (304\,000 + 256\,000) \checkmark}}$	3,9 times <input checked="" type="checkbox"/> one part correct

5

## 3.3.1 Comment on whether the decision taken by the partners regarding the mark-up % achieved, benefitted the business or not. Quote figures.

One valid point relating to sales with figures ✓✓

It benefitted the business, sales increased from 1 410 000 to 1 760 000/ by 350 000/ by 24,8%

2

3.3.2

<b>Comment on the stock-holding period of the business and its average debtors' collection period.</b>	
Figures and trends ✓ ✓	
<ul style="list-style-type: none"> <li>• Stock-holding period increased from 68 days to 94 days.</li> <li>• Average debtors' collection period increased from 32 days to 45 days.</li> </ul>	
<b>Suggest ways in which these can be improved in future.</b>	
<b>Point 1</b>	Any one valid point relating to stock-holding period ✓ ✓ Advertise stock / Sales promotions / Reduce selling price or mark-up to increase sales / Purchase these products according to orders.
<b>Point 2</b>	Any one valid point relating to debtors' collection period ✓ ✓ Send reminders to debtors / charge interest for late payments / offer discount for early payments / Stop selling on account to debtors until they settle outstanding amounts.

6

3.3.3

<b>Partner Asmal is of the opinion that it was beneficial to the business to pay the loan during the year.</b>	
<b>Comment on how this decision has affected the risk of the business. Quote ONE financial indicator.</b>	
Financial indicator ✓ figures and trend ✓ effect on risk ✓	
Debt equity ratio decreased from 0,7:1 to 0,6 :1. Still in <u>high financial risk</u> .	
<b>Besides paying off the loan, what other avenues can partners explore that will impact positively on the financial risk of the business? State TWO points.</b>	
Any two valid points ✓ ✓ ✓ ✓	
<ul style="list-style-type: none"> <li>• Increase their capital contributions</li> <li>• Taking on a new partner/s</li> </ul>	

3

4

3.3.4

<b>Should partner Yamiz be satisfied with the returns he is getting from the partnership? Comment and quote one financial indicator.</b>	
Comment on return earned by Yamiz ✓ ✓ Comparison to interest on alternative investment ✓ ✓	
Return earned by Yamiz increased from 20,4% to 25%. Return earned by Yamiz (25%) is above interest on fixed deposit of 12,5% which indicates that investment in the business is better.	

4

## QUESTION 4

4.1

**Explain what is meant by the term 'Business Ethics'?**

Any one valid point ✓✓

Business ethics are sets of rules and conduct that provides a distinction between right and wrong behavior in the business environment.

2

4.2

**Which GAAP principle did Roman contravene when he took a laptop from the business, but did not record this transaction. Briefly explain this principle to support your answer.**

Identification of correct GAAP principle ✓

Explanation relating to the correct principle identified ✓

Business entity rule:

Business affairs should be kept or recorded separately from the financial affairs of the owners / When goods or cash are taken by the owner for personal use, these should be recorded as drawings in the books of the business.

2

4.3

**Explain what concerns should Jose have when he finds out about his partner's actions. State THREE points.**

Open-ended question:

Any THREE valid points ✓✓ ✓✓ ✓✓

Part marks for unclear/ incomplete answers

- Roman acted in an unethical manner for his personal gain/conflict of interest and should face disciplinary measures.
- Roman caused financial loss to the business for his selfish benefit/He should pay back the money he unlawfully benefited from, at the expense of the business.
- He did not follow business code of conduct and ethics/Criminal charges should be placed against him

6

10

TOTAL: 150