

**Monyetla Project – Accounting Gr 11**

**Lesson 2: Asset disposal and Fixed assets**

**QUESTION 1: TOP CAT CATERING (50 marks, 40 minutes)**

1.1

<b>FIXED ASSET REGISTER OF TOP CAT CATERING</b>			
Asset: Vehicle no 2		Reg no: RZS 423 GP	
Date purchased: 1 September 2011		Date sold: 30 September 2014	
Cost price: R120 000		Selling price: ?	
Depreciation: 20% per annum on cost			
Date	Depreciation	Accumulated depreciation	Carrying value
31/12/2011			
31/12/2012			
31/12/2013			

[13]

1.2

**GENERAL LEDGER OF TOP CAT CATERING**

Vehicles


[8]

Accumulated depreciation on vehicles


[12]

## Asset Disposal


[10]

## 1.3 NOTES TO THE FINANCIAL STATEMENTS

<b>Tangible Assets</b>	<b>Vehicles</b>
Carrying value beginning of the year	
Cost	210 000
Accumulated depreciation	(128 000)
Movements	
Addition at cost	
Disposal at carrying value	
Depreciation for the year	
Carrying value end of the year	131 751
Cost	
Accumulated depreciation	

[7]

TOTAL MARKS		50
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## Lesson 2: Asset disposal and Fixed assets

**QUESTION 2: JL TRADERS****(18 marks, 15 minutes)****NOTE: PROPERTY, PLANT AND EQUIPMENT**

	<b>Vehicles</b>	<b>Equipment</b>
<b>Carrying value beginning of year</b>		
Cost		
Accumulated depreciation		
<b>Movements</b>		
Addition at cost		
Disposal at carrying value		
Depreciation		
<b>Carrying value end of year</b>		
Cost		
Accumulated depreciation		

**Calculations:**

TOTAL MARKS		<b>18</b>
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**Lesson 2: Asset disposal and Fixed assets****QUESTION 3: MINDEW LIMITED****(21 marks, 17 minutes)**

3.1

	<b>WORKINGS</b>	<b>ANSWER</b>
(i)		
(ii)		
(iii)		
(iv)		
(v)		

17

3.2	Explain how the internal auditor should check that fixed assets were not stolen.	2
3.3	As an external auditor, what advice would you give? Provide ONE point.	2

TOTAL MARKS		21
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**Lesson 2: Asset disposal and Fixed assets**

<b>QUESTION 4: BONAQUA TRADERS</b>	<b>(35 marks, 28 minutes)</b>
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4.1

**GENERAL LEDGER OF BONAQUA TRADERS**

Asset disposal


[10]

**4.2 NOTE: FIXED ASSETS**

	Vehicles	Equipment
<b>Carrying value beginning of year</b>		
Cost		
Accumulated depreciation		
<b>Movements</b>		
Addition at cost		
Disposal at carrying value		
Depreciation		
<b>Carrying value end of year</b>		
Cost		
Accumulated depreciation		

25

TOTAL MARKS		35
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