GAUTENG PROVINCE
EDUCATION
REPUBLIC OF SOUTH AFRICA

PREPARATORY EXAMINATION

2024

10712

ACCOUNTING

PAPER 2

ANSWER BOOK

11 pages

NAME OF SCHOOL: _____

NAME OF LEARNER: _____

QUESTION	TOPIC	MARKS	LEARNER'S MARKS
1	Reconciliations	40	
2	Cost Accounting	35	
3	Stock Valuation and VAT	40	
4	Budgets	35	
TOTAL		**150**	

P.T.O.

QUESTION 1

1.1 BANK RECONCILIATION

1.1.1

CASH RECEIPTS JOURNAL	CASH PAYMENTS JOURNAL	
Amount	Amount	
R158 100	R94 790	
		8

Bank Account balance in the General Ledger on 31 August 2024		
WORKINGS	ANSWER	
		4

1.1.2 Choose only ONE template below to answer this question.

TWO-COLUMN METHOD

BANK RECONCILIATION STATEMENT ON 31 AUGUST 2024			
	DEBIT	CREDIT	
			6

OR

ONE-COLUMN METHOD

BANK RECONCILIATION STATEMENT ON 31 AUGUST 2024		
		6

1.1.3 Provide ONE reason why the Internal Auditor should be concerned about the control of cash. Provide a solution to his concerns.

Reason	Solution

2

1.1.4 Provide ONE benefit of receiving payments from customers using EFT. Provide a reason for the benefit.

Benefits	Reason

2

1.2 DEBTORS' RECONCILIATION

1.2.1

CORRECTION TO THE DEBTORS' CONTROL ACCOUNT		
Provisional balance	14 500	
(i)		
(ii)		
(iii)		
(iv)		
(v)		
		4

1.2.2

DEBTORS' LIST		
A. Kunene		
T. Naidoo		
X. Zulu		
M. Smit		
		10

1.2.3 Explain why the balance on the Debtors' Control Account in the General Ledger should be the same as the total of the Debtors' List.

	2

1.2.4 Provide TWO internal control measures that the business can use to improve the collection of money from debtors, except the charging of interest.

	2

TOTAL MARKS
40

QUESTION 2

2.1 HLUBI MANUFACTURERS

2.1.1 Calculate direct labour cost.

WORKINGS	ANSWER

7

Calculate factory overhead costs for the year.

Incorrect total	884 160

5

2.1.2 Calculate the total cost of production.

WORKINGS	ANSWER

5

2.1.3 Provide TWO reasons why the factory workers choose to work overtime without any concern.

4

2.2 MUG 'n SIP MANUFACTURERS

2.2.1 The owner wants to redeploy some of the production staff to other departments. Provide TWO suggestions why it is not a good decision. Quote figures and trends.

4

2.2.2 The manager is concerned that factory overheads have increased the fixed cost. Explain why he should not be concerned. Provide TWO points. Quote figures and trends.

4

2.2.3 Identify ONE cost-related concern by the auditor and provide a corresponding solution for EACH concern. Quote figures and trends.

Identify the problem	Solution

4

2.2.4 Calculate the % increase in the selling price of the coffee mugs.

WORKINGS	ANSWER

2

TOTAL MARKS
35

QUESTION 3

3.1 CONCEPTS

3.1.1		
3.1.2		
3.1.3		3

3.2.1 Calculate the value of the closing stock on 29 February 2024. Use the weighted-average method.

WORKINGS	ANSWER	
		7

3.2.2 Calculate how long (in days) it will take to sell the closing stock.

WORKINGS	ANSWER	
		3

3.2.3 The owner suspects that bars of face soap are being stolen. Provide a calculation to confirm his suspicions.

WORKINGS	ANSWER	
		4

3.2.4 The owner is thinking of employing another security guard at a monthly salary of R6 200 to help control the stock of face soap. Explain why this is NOT a good idea. Provide ONE point with figures.

	3

3.3 **Provide ONE distinct problem (with figures) relating to EACH branch, with a corresponding solution for EACH problem.**

	Problem	Solution
Sedibeng		
Tshwane		
Mogale City		

9

3.4.1 Calculate the amount of VAT payable to SARS for the VAT period ended 31 July 2024.

WORKINGS	ANSWER

9

3.4.2 Ali insists that the laptop must be recorded as part of Baya Trader's equipment, and R1 680 must be recorded as a VAT input in the business' books.

Explain what you would say to Ali. Provide ONE point.

2

TOTAL MARKS
40

QUESTION 4

4.1 Differentiate between Cash Budget and Projected Income Statement.

2

4.2 DEBTORS' COLLECTION SCHEDULE

MONTHS	CREDIT SALES	MARCH	APRIL
JANUARY	1 791 000	358 200	
FEBRUARY	2 077 560		
MARCH	2 520 000	598 500	
APRIL			
CASH FROM DEBTORS			

7

4.3 Calculate the previous salaries of each employee before the new employee was hired.

WORKINGS	ANSWER

3

4.4 Calculate the missing amount denoted by (i) to (iii) in the Cash Budget.

WORKINGS	ANSWER
(i)	
(ii)	
(iii)	

10

4.5 Billy has a new competitor that started operating in January 2024. He is concerned about the declining number of customers.

Comment on sales and provide evidence (with figures or calculation) to justify Billy's concern.

4

Explain how the business can expand its reach to customers in other provinces without opening new branches. Give ONE point with reason.

EXPLANATION	REASON

2

4.6 Billy is concerned that delivery expenses are not well controlled. Provide ONE reason to explain his concern. Quote figures.

3

Billy feels that it is important to use a fleet company to deliver goods sold. Provide TWO benefits of using an external delivery company.

4

TOTAL MARKS
35

TOTAL: 150

END

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