education
MPUMALANGA PROVINCE
REPUBLIC OF SOUTH AFRICA

NAME OF SCHOOL

NAME OF CANDIDATE

CLASS NO

NATIONAL CERTICATE

ACCOUNTING P2

SEPTEMBER 2024

SPECIAL ANSWER BOOK

QUESTION	MARKS	INITIAL	MOD.
1			
2			
3			
4			
TOTAL			

This answer book consists of 9 pages.

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QUESTION 1

1.1 BANK RECONCILIATION

1.1.1

CASH RECEIPTS JOURNAL	CASH PAYMENTS JOURNAL
108 000	36 800

10

1.1.2

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

4

1.1.3

BANK RECONCILIATION STATEMENT ON 31 JULY 2024		
	DEBIT	CREDIT

8

1.1.4 **Explain the problem relating to deposits. Quote evidence.**

Explain TWO strategies to prevent this in future.

6

1.2.1 **Calculate the VAT amounts indicated by (i) to (iii) on the table below.**

Details		VAT Amount
Total sales		R61 800
	(i)	
	(ii)	
	(iii)	

6

1.2.2 **Calculate the total of the credit notes including VAT.**

WORKINGS	ANSWER

2

1.2.3 **Hamas Traders is experiencing cash flow problems. Warren, the owner, requested the Accountant that he should decrease the amount of sales such that the VAT input exceeds the VAT output in order to enable the business to claim a refund from SARS.**

Explain what you would say to Warren. Provide TWO points.

4

TOTAL MARKS
40

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QUESTION 2:

2.1 PRINGLE TRADERS

2.1.1 PRODUCTION COST STATEMENT FOR THE YEAR ENDED 30 JUNE 2024.

Prime cost		
	NIL	
Cost of production of finished goods		**20**

2.1.2 ABRIGDED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2024

Sales		
Cost of sales	**(930 000)**	
Gross profit		
Other expenses		
Administration cost		
Selling and distribution costs		
Net profit for the year		**12**

2.2.1 **Alex, the owner, was unable to achieve the targeted net profit of R150 000 for the year ended 2024.**

Calculate how many jackets should have been produced in order to achieve the targeted profit.

WORKINGS	ANSWER	
		5

2.2.2	**Despite the fact that there was a decrease in the fixed costs per unit, the owner is still not satisfied with his control over the fixed costs.** **Explain and provide calculation(s) to support his opinion.**	**3**

TOTAL MARKS
40

QUESTION 3

3.1.1 Calculate the value of the closing stock according to the FIFO method on 29 February 2024.

WORKINGS	ANSWER

5

3.1.2 Calculate the following for the year ended 29 February 2024:

	WORKINGS	ANSWER
Cost of sales		

6

Gross profit

3

Rate of stock turnover

4

3.1.3 The owner considers changing the stock valuation method to the weighted average method.

Calculate the value of the closing stock on 29 February 2024 by using the weighted-average method.

WORKINGS	ANSWER

7

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3.2.1 **Profitability**

Explain which product is contributing the most to the profitability of the business? Quotes figures or show calculations.

Choice of product:

Explanation with figures/ evidence

3

3.2.2 **Digital pens:**

Provide ONE point on how effectively have the business controlled the stock of digital pens during the financial year? Quotes figures or show calculations.

5

3.2.3 **Smart pens:**

Calculate how long it will take the business to sell the closing stock of the smart pens. Show calculations.

WORKINGS	**ANSWER**

3

State ONE problem associated with too much stock on hand, and ONE with too little stock on hand.

Too much stock:

Too little stock:

4

TOTAL MARKS
40

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QUESTION 4

4.1 Complete the Debtors' Collection Schedule for October to December 2024

Month	Credit sales	October	November	December	
August	R204 750	R16 380	-		
September	250 250	125 125	R20 020		
October	357 500	134 420	178 750		
November	409 500		153 972		
December	500 500				
Cash from debtors		278 369	355 992		7

4.2 Calculate the figures in the Cash Budget indicated by (i) to (iv).

Workings	Answer	
(i) Cash sales		
(ii) Increase in Loan: Action Bank		
(iii) Salaries of November 2024		9

4.3 Calculate the additional space (in square metres) the business will rent from 1 December 2024.

	4

4.4 The directors are unsure about purchasing or continue renting the property. Explain ONE point in favour of purchasing a property and ONE point against this proposal.

IN FAVOUR OF PURCHASING THE PROPERTY		
AGAINST PURCHASING THE PROPERTY		4

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4.5	**Explain why the directors should be concerned about the overspending in advertisement. Quote figures.**	3
4.6	**Explain how the economic decline impacted the average amount that customers spent in December 2024. Quote figures.**	3

TOTAL MARKS
30

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