

**CENTRE NUMBER**

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**EXAMINATION NUMBER**

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**NATIONAL SENIOR CERTIFICATE**

**ACCOUNTING**

**GRADE 12**

**FEBRUARY/MARCH 2012**

***SPECIAL ANSWER BOOK***

<b>QUESTION</b>	<b>MARKS</b>	<b>INITIAL</b>	<b>MOD.</b>
1			
2			
3			
4			
5			
6			
<b>TOTAL</b>			

**This answer book consists of 16 pages.**

**QUESTION 1**

- 1.1 Complete the statements by writing down the missing words or figures. (For QUESTIONS 1.1.3 and 1.1.4 choose from the words given in brackets.)

1.1.1	
1.1.2	
1.1.3	
1.1.4	
1.1.5	
1.1.6	

14

- 1.2.1 Calculate the value of the closing inventory according to the FIFO method on 31 December 2011.

6

- 1.2.2 Calculate cost of sales.

Calculate gross profit.

9

**1.2.3 Use the figures calculated above to calculate the mark-up % on cost achieved.**

5

**1.2.4 Refer to the mark-up % calculated above. Comment on whether this mark-up % has been beneficial to Mzansi Traders in 2011. Note that in the previous financial year the gross profit was R400 000 and the mark-up % was 75%.**

6

<b>TOTAL MARKS</b>
40

**QUESTION 2**

2.1

Choose the correct answer and write only the letter (A–D) next to the question number (2.1.1–2.1.4).

2.1.1	
2.1.2	
2.1.3	
2.1.4	

8

2.2

Calculate the value of direct labour cost that would appear in the Production Cost Statement for the year ended 28 February 2011.

5

2.3.1

Calculate the total production cost of finished goods.

5

2.3.2

Calculate the unit cost of production (per tracksuit).

3

2.4.1

Calculate the number of metres of raw material fabric that appear to be wasted during the production process.

6

**2.4.2** There has been no theft in this business. Give **TWO** examples of how the wastage could have occurred and in each case, advise Miriam on how to solve the problem.

	EXAMPLES	ADVICE
1.		
2.		

8

**2.5.1** Refer to Information D. Calculate the break-even point for the 2011 financial year.

6

**2.5.2** The break-even point for 2010 was 2 250 units. Should Miriam be satisfied or dissatisfied with the break-even point for 2011 calculated above? Explain.

4

TOTAL MARKS
45

**QUESTION 3**

3.1 Indicate whether the statements are TRUE or FALSE:

3.1.1	
3.1.2	
3.1.3	
3.1.4	

8

3.2.1 See next page.

**3.2.2 NOTES TO FINANCIAL STATEMENTS**

<b>FIXED ASSETS</b>	<b>Vehicles</b>	<b>Equipment</b>
<b>Carrying value – beginning of year</b>		
<b>Cost price</b>		
<b>Accumulated depreciation</b>	<b>(468 000)</b>	<b>(105 000)</b>
<b>Movements</b>		
<b>Additions</b>		
<b>Disposals (31 December 2011)</b>		
<b>Depreciation</b>		
<b>Carrying value – end of year</b>		
<b>Cost price</b>		
<b>Accumulated depreciation</b>		

16

**3.2.1 PRIME LTD  
INCOME STATEMENT FOR THE YEAR ENDED 28 FEBRUARY 2012**

<b>Sales</b>	
<b>Cost of sales</b>	
<b>Gross profit</b>	
<b>Other operating income</b>	
<b>Rent income</b>	
<b>Gross operating income</b>	
<b>Operating expenses</b>	
<b>Directors' fees</b>	
<b>Audit fees</b>	
<b>Salaries and wages</b>	
<b>Consumable stores</b>	
<b>Bank charges</b>	
<b>Sundry expenses</b>	
<b>Bad debts</b>	
<b>Operating profit before interest</b>	
<b>Profit before tax</b>	
<b>Net profit after tax</b>	

3.2.2 See previous page.

3.3.1 Explain what the role of the independent auditor is.

2

3.3.2 Name TWO persons other than the shareholders who would be interested in the audit report and give a reason for their interest.

6

3.3.3 Explain why it is important for an independent auditor to belong to a professional body like SAICA.

2

TOTAL MARKS
80



**QUESTION 4**

**4.1 APPROPRIATION ACCOUNT**

2011 Dec.	31			2011 Dec.	31		

13

**4.2 Calculate only the missing figures indicated by (a) to (e) in the Cash Flow Statement of Ambrosio Ltd on 31 December 2011.**

(a)	
(b)	
(c)	
(d)	
(e)	

15

**4.3.1 Calculate the % operating expenses on sales on 31 December 2011.**

--

3

**4.3.2 Calculate the solvency ratio on 31 December 2011.**

4

**4.3.3 Calculate the debt-equity ratio on 31 December 2011.**

3

**4.4 Comment on the operating efficiency of the company for the year ended 31 December 2011. Quote TWO financial indicators (actual ratios or percentages) relating to the Income Statement to support your comments.**

6

**4.5** Would the shareholders be happy with the returns, earnings and dividends for the year ended 31 December 2011? Explain. Quote **THREE** financial indicators (actual ratios or percentages) or figures to support your comments.

**Opinion:**

**Explanation:**

**Quoting of financial indicators or figures:**

12

**4.6** The CEO feels that it would be a good idea to increase the loans next year. Quote **TWO** financial indicators (actual ratios or percentages) to support his opinion.

4

<b>TOTAL MARKS</b>
60

**QUESTION 5**

5.1.1 Calculate the figures indicated by A–E in the Cash Budget.

A	
B	
C	
D	
E	

5

5.1.2 Calculate the entertainment expenses for January 2012.

3

5.1.3 Calculate the % increase in the rent income for January 2012.

3

5.1.4 Calculate the expected receipts from debtors for January 2012.

6

5.1.5 Calculate the expected payments for the purchase of stock for February 2012.

5



5.2

Apart from the differences in sales, identify ONE problem in relation to each branch. Quote figures to support the problem identified. In each case, offer Philip advice on how to solve the problem.

BRANCH	COMMENTS AND FIGURES	ADVICE
Alfred		
Temba		
Katy		

12

TOTAL MARKS
45

**QUESTION 6**

6.1 Explain why the Debtors' Control Account should correspond with the Debtors' List.

2

6.2 Explain TWO processes the bookkeeper should follow if he/she discovers a difference between the Debtors' Control Account and the Debtors' List from the Debtors' Ledger.

4

6.3.1 Calculate the correct closing balance of the Debtors' Control Account on 31 March 2011.

5

6.3.2 Calculate the correct amounts owing by the following debtors of Crystal Traders:

	WORKINGS	ANSWER
R Jansen	R41 200	
S Wonder	R23 000	
P Collins	R7 900	

12

6.4.1 Is Crystal Traders controlling their debtors effectively? Explain, quoting figures to support your answer.

3

6.4.2 Explain TWO measures a business can introduce to improve the collection of funds from debtors.

4

TOTAL MARKS
30

TOTAL: 300