

STICKER

CENTRE NUMBER

--	--	--	--	--	--	--	--

EXAMINATION NUMBER

--	--	--	--	--	--	--	--	--	--	--	--

NATIONAL SENIOR CERTIFICATE

ACCOUNTING P2

GRADE 12

NOVEMBER 2020(2)

SPECIAL ANSWER BOOK

QUESTION	MARKS	INITIAL	MOD.
1			
2			
3			
4			
TOTAL			

This answer book consists of 10 pages.

QUESTION 1**1.1 VAT****1.1.1**

	Workings	Answer
(a)		
(b)		
(c)		
(d)		

9

1.1.2**Comment on this practice and give Amahle advice.**

Comment	Advice

3

1.2 CREDITORS' RECONCILIATION

1.2.1

	Creditors' Ledger Account of Thembeke Suppliers in the Books of Ekasi Traders	Statement of Account from Thembeke Suppliers
Balance	117 200	157 400
(a)		
(b)		
(c)		
(d)		
(e)		
(f)		

9

1.2.2

What should the owner say to Bradley regarding this incident? Explain TWO points.

4

TOTAL MARKS
25

QUESTION 2

2.1 PERFECT FIT MANUFACTURERS

**2.1.1 PRODUCTION COST STATEMENT
FOR THE YEAR ENDED 28 FEBRUARY 2021**

Direct material cost	
Prime cost	2 550 000
Factory overhead cost	
Total manufacturing cost	
Work-in-progress (end)	
Total cost of production	

14

2.1.2 Calculate: Gross profit earned on sale of shirts.

Calculate: Gross profit earned on sale of shirts.	
Workings	Answer
Calculate: Mark-up % achieved on shirts	
Workings	Answer

5

2

2.2 LEATHER MANUFACTURERS**PURSES:**

2.2.1 Calculate the break-even point for purses for the year ended 28 February 2021.

Workings	Answer

4

2.2.2 Comment on the level of production achieved and the break-even point for purses for 2021. Quote figures.

--	--

4

2.2.3 Apart from inflation and wage increases, give TWO other possible reasons for the increase in the direct labour cost per unit for purses.

--	--

4

2.2.4 Give TWO reasons for the decrease in the direct material cost per unit for purses.

--	--

2

JACKETS:

2.2.5

Explain why the direct material cost per unit for jackets would probably increase if raw material were imported. State TWO points.

2

Provide figures to prove that Tello was correct about the effect this decision would have on the cost of the jackets.

2

2.2.6

Calculate the % increase in the selling price of the jackets.	
Workings	Answer

3

2.2.7

Explain the impact of the increase in the selling price of jackets on the sales and profit. Quote figures or calculations.

4

2.2.8

Tello wants to increase profits on jackets by an additional R250 000 in the next financial year. Assuming the cost structure remains the same, calculate the total number of additional units he must produce to achieve this target.	
Workings	Answer

4

TOTAL MARKS
50

QUESTION 3**3.1 DEBTORS' COLLECTION SCHEDULE FOR MARCH TO MAY 2021**

MONTHS	CREDIT SALES R	MARCH R	APRIL R	MAY R
January	204 750	16 380		
February	250 250	125 125	20 020	
March	364 000	136 864	182 000	
April	409 500		153 972	
May				
		278 369	335 992	

9

3.2 AMOUNTS FOR CASH BUDGET

Workings		Amount
(a)	Cash sales for April	
(b)	Increase in loan from Janet Bloom	
(c)	Salaries for April 2021	
(d)	Rent expense for March 2021	

14

- 3.3 Explain the decisions that the directors took regarding the budgeted and actual expenditure for advertising in May 2021. Quote figures or calculations.**

4

The directors ask you for a report on the effect that the advertising decisions have actually had on customers and sales in May 2021.

Provide TWO points that you would include in your report. Quote figures or calculations.

4

Explain how the decline in the national economy has affected the average amount that customers spent in May 2021. Quote figures.

3

Comment on whether the consumable stores have been well controlled or not. Quote figures or calculations.

3

3.4

Calculate the reduction in the area rented (in square metres).	
Workings	Answer

4

TOTAL MARKS
40

QUESTION 4

4.1

4.1.1	
4.1.2	
4.1.3	
4.1.4	

4

4.2 LOTUS ACCESSORIES

4.2.1

Calculate: Value of closing stock for gas lamps (using FIFO)	
Workings	Answer

6

Calculate: Stockholding period in days for gas lamps (using closing stock)	
Workings	Answer

6

4.2.2

Alex suspects that the stock of gas lamps are not well controlled. Calculate the number of gas lamps missing.	
Workings	Answer

4

4.2.3

What should Alex say to his brother when dealing with this matter? Provide TWO points.	

4

4.2.4 Calculate the closing stock value for gas stoves on 30 April 2021 (using the specific identification method).

Workings	Answer

5

4.2.5 Alex thinks he should stop selling gas stoves as they are causing a liquidity problem and the profit is low. Provide figures to support his opinion.

--	--

2

Explain TWO points to convince him NOT to discontinue trading in gas stoves.

--	--

4

TOTAL MARKS
35

TOTAL: 150