

SA's Leading Past Year

Exam Paper Portal



You have Downloaded, yet Another Great
Resource to assist you with your Studies 😊

Thank You for Supporting SA Exam Papers

Your Leading Past Year Exam Paper Resource Portal

Visit us @ www.saexampapers.co.za



**SA EXAM
PAPERS**

CENTRE NUMBER

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

EXAMINATION NUMBER

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

NATIONAL SENIOR CERTIFICATE

ACCOUNTING

GRADE 12

FEBRUARY/MARCH 2015

SPECIAL ANSWER BOOK

QUESTION	MARKS	INITIAL	MOD.
1			
2			
3			
4			
5			
6			
TOTAL			

This answer book consists of 17 pages.

QUESTION 1**1.1 CONCEPTS**

1.1.1	
1.1.2	
1.1.3	
1.1.4	

4

1.2 BANK RECONCILIATION

1.2.1 Explain how this loss of R24 000 would be treated in the books.

Explain how Roy can prevent a loss of this nature in the future. Provide TWO points.

4

1.2.2 Calculate the correct Bank account balance on 31 October 2014.

6

1.2.3 Give a suitable reason for the entry from the Bank Reconciliation Statement of the amount incorrectly debited, R2 500.

2

- 1.2.4 The office assistant of Manto Traders takes money from the cash register to make payments for business expenses.**

Explain why this is bad accounting practice.

Provide ONE point of advice to Roy.

4

1.3 CREDITORS' RECONCILIATION

- 1.3.1 Calculate the correct balance for ML Suppliers in the Creditors' Ledger of Nkomazi Traders. Use R47 064 as your starting point.**

Balance as per Ledger Account	47 064

8

- 1.3.2 CREDITOR'S RECONCILIATION STATEMENT ON 30 SEPTEMBER 2014**

Balance as per Creditor's Statement	40 271

7

TOTAL MARKS
35

QUESTION 2

- 2.1 Calculate the value of the closing stock of 145 television sets on 28 February 2015 using the FIFO method.**

7

- 2.2 Calculate the cost of sales.**

6

Calculate the average mark-up % achieved for the year.

4

- 2.3 Provide a calculation to prove whether the information given by the cleaner is true or not.**

6

- 2.4 Jane is concerned that the final stock of 145 television sets is not appropriate for her business. Provide a calculation or figures to support her opinion and explain.

Calculation/Figures:

Explanation:

4

- 2.5 Comment on whether or not Jane's strategy of adjusting the selling prices has benefitted the business. Provide figures to support your answer.

4

- 2.6 Provide TWO points to assist Jane in improving internal control in her business.

4

TOTAL MARKS
35

QUESTION 3

3.1

Choose a description from COLUMN B that matches a term/concept in COLUMN A. Write only the letter (A–E) next to the question number (3.1.1–3.1.5).

3.1.1	
3.1.2	
3.1.3	
3.1.4	
3.1.5	

5

3.2.1 **ORDINARY SHARE CAPITAL**

Authorised: 1 000 000 ordinary shares

Issued:

7

RETAINED INCOME

Balance on 1 July 2013

Ordinary share dividends

Balance on 30 June 2014

10

TRADE AND OTHER RECEIVABLES

Net trade debtors

10

3.2.2 BARGAIN TRADERS LTD
BALANCE SHEET ON 30 JUNE 2014

ASSETS	
NON-CURRENT ASSETS	
Fixed/Tangible assets	
CURRENT ASSETS	
TOTAL ASSETS	
EQUITY AND LIABILITIES	
SHAREHOLDERS' EQUITY	
Ordinary share capital	
Retained income	
NON-CURRENT LIABILITIES	
Loan: Drake Bank	
CURRENT LIABILITIES	
Trade and other payables	
TOTAL EQUITY AND LIABILITIES	

3.2.3 Calculate the net asset value (NAV) per share on 30 June 2014.

3

3.2.4 Comment on the price offered for the shares that were repurchased. Quote relevant financial indicators (actual figures/ratios/percentages) to support your comment.

3

3.2.5 Calculate Kyle Mason's percentage shareholding after the proposed share buy-back on 31 August 2014.

3

As a shareholder, explain your concern regarding the proposed repurchase of shares.

Provide TWO questions you would ask the directors at the annual general meeting.

6

TOTAL MARKS
75

QUESTION 4

4.1 What is the main purpose of a Cash Flow Statement?

2

4.2 Calculate the missing amounts (indicated by a, b, c and d) in the Fixed/Tangible Asset Note for the year ended 31 October 2014.

	Workings	Amount
a		
b		
c		
d		

9

4.3 **CLASSICO LIMITED**
CASH FLOW STATEMENT FOR THE YEAR ENDED 31 OCTOBER 2014

CASH FLOW FROM OPERATING ACTIVITIES	
Cash generated from operations	1 985 500
Interest paid	(175 500)
Taxation paid	
Dividends paid	
CASH FLOW FROM INVESTING ACTIVITIES	
CASH FLOW FROM FINANCING ACTIVITIES	
NET CHANGE IN CASH AND CASH EQUIVALENTS	
CASH AND CASH EQUIVALENTS AT BEGINNING	
CASH AND CASH EQUIVALENTS AT END	

24

4.4

Decisions by directors	Reason to support John's opinion	Reason to support directors' decision (other than improving cash flow)
Issued more shares		
Sold fixed assets		

8

4.5

Calculate the acid-test ratio.

4

Calculate the earnings per share.

3

Calculate the return on average shareholders' equity.

5

Calculate the debt-equity ratio.

3

4.6

The directors are proposing that the business operations be expanded in the new financial year. One of the directors suggested that they finance the expansions by taking a loan of R1 000 000, instead of issuing new shares to the public. Quote and explain TWO financial indicators to support his opinion.

6

4.7

4.7.1

Calculate the amount of dividends Bongani would earn for the financial year ending 31 October 2014.

3

4.7.2

Should Bongani be satisfied with the dividend policy of Classico Limited? Quote and explain relevant financial indicators to support your answer.

4

- 4.7.3** Quote and explain **ONE** relevant financial indicator, other than dividends, to discourage Bongani from selling his shares. Your answer must include the actual figure/ratio/percentage.

4

TOTAL MARKS
75

QUESTION 5**5.1 PRINCESS BIN FACTORY****5.1.1 PRODUCTION COST STATEMENT FOR THE YEAR ENDED
28 FEBRUARY 2015**

Prime cost	
Total manufacturing cost	
Cost of production of finished goods	

16

**5.1.2 INCOME STATEMENT FOR THE YEAR ENDED
28 FEBRUARY 2015**

Gross profit	
Operating expenses	
Net profit for the year	

13

5.2 ROB'S PENCILS

- 5.2.1** Comment on the fixed cost per unit. Note that fixed costs increased from R236 800 in 2013 to R238 000 in 2014.

2

- 5.2.2** Calculate the break-even point for the year ended 30 June 2014.

4

Do you consider the level of production to be satisfactory or not? Quote and explain figures to support your opinion.

4

- 5.2.3** Identify ONE problem regarding the variable costs. Quote appropriate figures to support your answer.

Provide TWO suggestions that Rob can use to address the problem identified.

6

TOTAL MARKS
45

QUESTION 6

- 6.1 Explain the importance of comparing budgeted figures with actual figures achieved for the same period.**

2

- 6.2 Calculate the missing amounts (indicated by a, b and c) in the Debtors' Collection Schedule for the budgeted period March to May 2015.**

a	
b	
c	

4

- 6.3 Calculate the following:**

- 6.3.1 Calculate the budgeted total sales for March 2015.**

2

- 6.3.2 Calculate the amount budgeted for payments to creditors during May 2015.**

4

- 6.3.3 Calculate the budgeted salaries of the shop assistants for April 2015.**

3

- 6.3.4 Calculate the % increase in the salary of the manager expected in May 2015.**

3

- 6.3.5 Calculate the amount of the additional loan expected to be acquired on 1 April 2015.**

3

- 6.4 An official of the local municipality has offered to recommend Brakpan Stationers to supply stationery to the value of R500 000. However, he will only do this if Vukile pays him R20 000 in cash.**

Give Vukile advice in this regard. State TWO points.

4

- 6.5 Identify THREE over-payments in April. Provide figures to support your answer. Provide a valid reason for each over-payment to support Vukile's decisions.**

	Over-payment with figures	Valid reason
1		
2		
3		

6

Explain how this difference of opinion with his wife can be avoided in future.

2

State TWO other strategies that Vukile and his wife could consider in future to improve the results of the business.

2

TOTAL MARKS
35

TOTAL: 300