basic education

Department:
Basic Education
REPUBLIC OF SOUTH AFRICA

NATIONAL SENIOR CERTIFICATE

GRADE 12

ACCOUNTING

NOVEMBER 2011

MARKS: 300

TIME: 3 hours

This question paper consists of 19 pages and an 18-page answer book.

INSTRUCTIONS AND INFORMATION

Read the following instructions carefully and follow them precisely.

1. Answer ALL the questions.
2. A special ANSWER BOOK is provided in which to answer ALL the questions.
3. Workings must be shown in order to achieve part-marks.
4. Non-programmable calculators may be used.
5. You may use dark pencil or blue/black ink to answer the questions.

6. Use the information in the table below as a guide when answering the question paper. Try NOT to deviate from it.

QUESTION 1: 30 marks; 15 minutes	
Topic of the question:	**Learning outcomes covered:**
Manufacturing	**LO1 Financial accounting** AS1 Manufacturing concepts **LO2 Managerial accounting** AS2 Production Cost Statement AS2 Unit costs and break-even point **LO3 Managing resources** AS6 Apply internal control and audit processes

QUESTION 2: 35 marks; 20 minutes	
Topic of the question:	**Learning outcomes covered:**
Bank Reconciliation and Creditors' Reconciliation	**LO1 Financial accounting** AS4 Reconciliation and interpretation **LO3 Managing resources** AS6 Apply internal control and audit processes

QUESTION 3: 80 marks; 50 minutes	
Topic of the question:	**Learning outcomes covered:**
Company Concepts, Income Statement, Asset Disposal and Audit Report	**LO1 Financial accounting** AS1 Concepts AS5 Financial statements AS6 Audit reports **LO3 Managing resources** AS3 Asset disposal AS5 Professional bodies

QUESTION 4: 80 marks; 50 minutes	
Topic of the question:	**Learning outcomes covered:**
Cash Flow Statement, Ratios and Interpretation	**LO1 Financial accounting** AS1 Concepts AS5 Final accounts, financial statements and analysis and interpretation of financial statements

QUESTION 5: 45 marks; 25 minutes	
Topic of the question:	**Learning outcomes covered:**
Budget and Debtors' Analysis	**LO1 Financial accounting** AS4 Debtors' age analysis **LO2 Managerial accounting** AS3 Analyse and interpret a Cash Budget **LO3 Managing resources** AS6 Apply internal control and audit processes

QUESTION 6: 30 marks; 20 minutes	
Topic of the question:	**Learning outcomes covered:**
Inventory Valuation	**LO1 Financial accounting** AS1 Concepts **LO3 Managing resources** AS4 Calculate and validate inventories AS6 Apply internal control and audit processes

QUESTION 1: MANUFACTURING (30 marks; 15 minutes)

1.1 COST CONCEPTS

REQUIRED:

For each item below, indicate the appropriate category. Choose your answers from the following options:

direct labour; indirect labour; direct materials; indirect materials

1.1.1 Cost of the raw material used in the production process (2)

1.1.2 Salary of the factory foreman (2)

1.1.3 The cleaning material used in the factory (2)

1.2 SLEEPWELL MANUFACTURERS

REQUIRED:

Complete the Production Cost Statement for the year ended 30 September 2011. Some of the details have been entered for you. You have to complete the missing details and figures. (10)

INFORMATION:

The information below was extracted from the financial records of Sleepwell Manufacturers on 30 September 2011, the end of the financial year.

	R
Finished goods (1 October 2010)	55 800
Work-in-process (1 October 2010)	45 000
Administration cost	75 000
Direct/Raw material cost	1 250 000
Direct labour cost	640 500
Factory overhead cost	728 000
Selling and distribution cost	306 000
Cost of production of finished goods	2 625 000
Sales	3 952 650
Cost of sales	?
Finished goods (30 September 2011)	45 700
Work-in-process (30 September 2011)	?

1.3 **PIES GALORE**

This business produced 15 500 pies for the year ended 30 June 2011.

REQUIRED:

1.3.1 Calculate the direct material cost per unit for 2011. (3)

1.3.2 Calculate the break-even point for the year ended 30 June 2011. (5)

1.3.3 Should the business be satisfied with the number of units that they are currently producing? Briefly explain. (3)

1.3.4 The direct-material cost per unit for 2010 amounted to R3,80. The owner (Cathy) feels that, in order to make more profit, she will have to cut her costs or increase her selling price. She considers the option to cut her costs by using fewer ingredients in the filling, but keeping the selling price the same.

Should she carry on with her plan? Give ONE valid reason for your decision. (3)

INFORMATION:

The following information was extracted from the books:

	TOTAL	**PER UNIT**
Sales	R224 750	R14,50
Total variable cost	R131 750	R8,50
Total fixed cost	R89 900	R5,80
Direct-material cost	R79 050	?

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QUESTION 2: RECONCILIATIONS (35 marks; 20 minutes)

2.1 BANK RECONCILIATION

You are provided with information relating to Ace Traders for September 2011.

REQUIRED:

2.1.1 Indicate whether the following statements are TRUE or FALSE:

(a) An internal auditor will want to inspect the Bank Reconciliation Statement at the end of each month. (2)

(b) A debit balance on the Bank Statement reflects an unfavourable balance. (2)

(c) Service fees and interest on an overdraft will be recorded as Bank Charges in the Cash Payments Journal. (2)

(d) A post-dated cheque issued by Ace Traders in September 2011, but dated February 2012, will only be entered in the Cash Payments Journal of Ace Traders in February 2012. (2)

2.1.2 Calculate the correct bank balance of Ace Traders on 30 September 2011, using figures that should be entered in the Cash Journals. Show ALL workings. (5)

2.1.3 Use the information below to prepare the Bank Reconciliation Statement of Ace Traders on 30 September 2011. (7)

2.1.4 Refer to the outstanding deposit of R43 000, dated 11 September 2011. Why should the internal auditor be concerned? State TWO points. (4)

INFORMATION ON 30 SEPTEMBER 2011:

- **Balances prior to doing the bank reconciliation:**

Balance of the Bank Account in the Ledger on 30 September 2011	R60 000	Favourable
Balance per Bank Statement on 30 September 2011	R17 600	Favourable
Difference	R42 400	

- **Individual differences noticed between the books of Ace Traders and the Bank Statement for September 2011:**

	DETAILS	AMOUNT
1.	Cheque No. 657, dated 2 March 2011, still not reflected in Bank Statement	R2 000
2.	Deposit, dated 11 September 2011, not reflected in Bank Statement	R43 000
3.	Dishonoured cheque, originally received from a debtor on 15 September 2011, reflected in Bank Statement but not in Journals	R9 500
4.	Cheque No. 931, dated 18 September 2011, not reflected in Bank Statement	R4 800
5.	Cheque No. 936, dated 30 October 2011, not reflected in Bank Statement	R10 200
6.	Deposit, dated 28 September 2011, not reflected in Bank Statement	R5 700
7.	Bank charges in Bank Statement, but not in Journals	R1 200

2.2 CREDITORS' RECONCILIATION

A statement received from a creditor, Kairo Suppliers, on 28 February 2011, reflects that Ace Traders owes them R11 390. According to Ace Traders, the amount outstanding is only R7 910.

REQUIRED:

Use the table in the ANSWER BOOK to indicate the differences that were discovered when comparing the account in the Creditors' Ledger with the statement received from Kairo Suppliers.

Write only the amounts in the appropriate column and a plus (+) or minus (-) sign to indicate an increase or decrease in the balance. Calculate the correct balance/total at the end. (11)

INFORMATION:

On investigation, it was found that:

1. A cheque for R3 000 issued by Ace Traders has not yet been recorded in the statement received from Kairo Suppliers.

2. The cheque in settlement of the January account was not received by Kairo Suppliers within 7 days; therefore the discount of R500 recorded by Ace Traders in the Creditors' Ledger must be cancelled.

3. Returns recorded as R810 in the Creditors' Ledger of Ace Traders were recorded as R900 in the statement received from Kairo Suppliers. Ace Traders had miscalculated the cost of goods returned.

4. An invoice received from Kairo Suppliers was correctly recorded as R7 700 by Ace Traders. However, in the statement received from Kairo Suppliers it was incorrectly recorded as R770.

5. An invoice for R3 500 received from Kairo Suppliers was incorrectly recorded as a credit note by Ace Traders.

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QUESTION 3: CONCEPTS, INCOME STATEMENT, ASSET DISPOSAL AND AUDIT REPORT (80 marks; 50 minutes)

3.1 MATCHING ITEMS – GAAP CONCEPTS

REQUIRED:

Choose an example from COLUMN B that matches the concept relating to companies in COLUMN A. Write only the letter (A–E) next to the question number (3.1.1–3.1.5) in the ANSWER BOOK.

COLUMN A		COLUMN B	
3.1.1	Materiality	A	The tenant has paid R39 000, which includes rent for one month of the following year. Only R36 000 is recorded in the Income Statement.
3.1.2	Prudence	B	Although the cost prices of the stock items are fluctuating, the stock is recorded at cost, assuming that it will be sold some time in the future.
3.1.3	Matching	C	The directors' fees must be reflected separately from salaries and wages.
3.1.4	Going-concern concept	D	Even though the market value of land and buildings is R2 m, it is recorded at the original purchase price of R1 200 000.
3.1.5	Historical-cost concept	E	Money lost due to theft of stock is written off, even though there is a possibility that it may be recovered in future.

(5 x 2) (10)

3.2 You are provided with the Pre-adjustment Trial Balance of Aneesa Limited for the year ended 30 June 2011.

REQUIRED:

3.2.1 Prepare the Asset Disposal Account to record the sale of vehicles. See information G and H under Adjustments below. (9)

3.2.2 Complete the Income Statement for the year ended 30 June 2011. The notes to the financial statements are NOT required. Show workings in brackets. (47)

3.2.3 The chief executive officer (CEO) is planning a holiday for himself and his family. He wants the company to pay for his holiday and to deduct the amount from the fees due to him the next year. This will reduce the amount he will need to pay for income tax. He says he will meet business associates on his holiday. Briefly explain what you would say to the CEO. (3)

INFORMATION:

1. **ANEESA LTD**
PRE-ADJUSTMENT TRIAL BALANCE AS AT 30 JUNE 2011

	DEBIT	CREDIT
Balance Sheet Accounts Section	**R**	**R**
Ordinary share capital		2 820 000
Retained income		684 460
Mortgage loan: Joy Bank		804 500
Land and buildings	2 097 000	
Vehicles	814 000	
Equipment	616 000	
Accumulated depreciation on vehicles		294 800
Accumulated depreciation on equipment		341 000
Trading stock	955 000	
Consumable stores on hand	15 000	
Bank	313 100	
Petty cash	3 300	
Debtors' control	396 000	
Creditors' control		487 300
SARS (Income tax)	261 800	
Provision for bad debts		18 000
Fixed deposit: Broad Bank (8% p.a.)	495 000	
Nominal Accounts Section		
Sales		10 500 000
Debtors' allowances	145 200	
Cost of sales	7 487 000	
Rent income		176 880
Interest income (on fixed deposit)		26 630
Bad debts recovered		2 300
Directors' fees	840 000	
Audit fees	73 800	
Salaries and wages	660 000	
Packing material	23 100	
Marketing expenses	480 000	
Sundry expenses	63 770	
Bad debts	12 000	
Ordinary share dividends	404 800	
	16 155 870	16 155 870

2. **ADJUSTMENTS:**

A. A physical stock-taking on 30 June 2011 revealed the following inventories on hand:

- Trading stock R902 150
- Packing material R4 260

B. Directors' fees of R22 500 are outstanding at the end of the financial period.

C. Make provision for outstanding interest on a fixed deposit. This investment has been in existence for the entire year. Interest is not capitalised.

D. A debtor who owes us R32 000 has been declared insolvent. His estate paid 40 cents in every rand and this has been correctly recorded. The remaining balance must be written off as irrecoverable.

E. Provision for bad debts must be adjusted to 5% of debtors.

F. The rent increased by R1 320 on 1 April 2011. The tenant has paid rent until the end of July 2011.

G. A vehicle was sold on credit for R90 000 on 31 December 2010. The fixed-asset register revealed the following regarding this vehicle:

	R
Cost price	235 000
Accumulated depreciation on 1 July 2010	105 750

This transaction has not yet been recorded by the bookkeeper.

H. Make provision for depreciation as follows:

- Vehicles at 15% p.a. on cost price
- Equipment at 10% p.a. on the diminishing balance method.

NOTE: New equipment to the value of R48 000 was purchased on 1 September 2010. This has been correctly recorded.

I. The loan statement received from Joy Bank on 30 June 2011 reflected the following:

	R
Balance at the beginning of the financial year	1 125 000
Repayments during the year	458 000
Interest capitalised	?
Balance at the end of the financial year	804 500

J. Income tax for the year, R150 285.

3.3 **AUDIT REPORT**

You are provided with an extract from the audit report of the independent auditors of Aneesa Limited.

REQUIRED:

Answer the following questions, based on the extract from the audit report below.

3.3.1 Briefly explain the role of an independent auditor. (2)

3.3.2 Did Aneesa Limited receive a qualified or an unqualified audit report? Briefly explain your choice. (3)

3.3.3 On further investigation, it was discovered that the marketing expense in the Income Statement included R120 000 for a holiday for the CEO and his family. This covered their accommodation in luxury hotels and business class air tickets.

The CEO told the bookkeeper to debit marketing expenses with the R120 000 and he asked the independent auditor to ignore this as it had been recorded in the financial statements.

- The independent auditor feels that he will not be doing his job properly if he agrees to the CEO's request. Briefly explain why he feels this way. (2)
- State TWO possible consequences for the auditor if he agrees to this request. (4)

EXTRACT FROM THE REPORT OF THE INDEPENDENT AUDITORS

We have audited the annual financial statements of Aneesa Limited, set out on pages 22 to 43 for the year ended 30 June 2011. These financial statements are the responsibility of the company's directors. Our responsibility is to express an opinion on these financial statements based on our audit.

The audit was conducted in accordance with International Standards on Auditing which require that we perform the audit to obtain reasonable assurance that the financial statements are free of misstatement.

Audit opinion

In our opinion, the financial statements fairly represent the financial position of the company at 30 June 2011, except for the marketing expense in the Income Statement which could not be verified, as no documentation existed for this expenditure.

Hablutzel & Randall
Chartered Accountants (SA) **15 August 2011**

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QUESTION 4: CASH FLOW STATEMENT, RATIOS AND INTERPRETATION
(80 marks; 50 minutes)

You are provided with information relating to Zipho Limited, a public company. The financial year ends on 28 February 2011.

REQUIRED:

4.1 Indicate where each of the following items would be placed in the Balance Sheet by choosing the answer from the list below. Write only the answer next to the question number (4.1.1–4.1.4) in the ANSWER BOOK.

non-current assets; current assets; non-current liabilities; current liabilities

4.1.1 Current portion of a loan (2)

4.1.2 Fixed deposits (maturing in two years' time) (2)

4.1.3 Trade and other receivables (2)

4.1.4 Bank overdraft (2)

4.2 Prepare the Retained Income note to the Balance Sheet on 28 February 2011. (8)

4.3 Complete the note for the reconciliation between net profit before tax and cash generated from operations for the year ended 28 February 2011. (11)

4.4 Complete the Cash Flow Statement for the year ended 28 February 2011. Some of the figures have been entered in the ANSWER BOOK. (23)

4.5 Calculate the following for 2011:

4.5.1 Earnings per share (3)

4.5.2 Net asset value per share (4)

4.5.3 Debt-equity ratio (3)

4.6 The directors are generally happy with the improvement in the liquidity from 2010 to 2011. Quote THREE relevant financial indicators for both years (actual ratios or figures) to support their opinion. (6)

4.7 Comment on the price at which the new shares were issued on 1 March 2010. Will the directors and the shareholders be satisfied with this? Explain, quoting relevant figures from the question. (5)

4.8 The directors have taken significant decisions during the year which have obviously affected the cash balances. List THREE of these by quoting figures from the Cash Flow Statement in each case. State why each of these decisions will have an important effect on the future results of the company. (9)

INFORMATION:

1. **Extract from Income Statement for the year ended 28 February 2011**

Depreciation	R203 000
Interest on loan (16% p.a.)	86 400
Net profit before tax	1 020 350
Income tax	306 105
Net profit after tax	714 245

2. **Figures from the Balance Sheet and Notes on 28 February 2011**

	2011	**2010**
Ordinary shareholders' equity	?	2 572 500
Ordinary share capital	1 800 000	1 233 000
Share premium	1 313 400	916 500
Retained income	?	423 000
Fixed/Tangible assets	2 790 000	3 824 500
Loan (18% p.a.)	500 000	850 000
Inventories	381 000	408 000
Cash and cash equivalents	1 155 000	3 000
Trade and other receivables	1 640 000	1 198 500
Trade debtors	1 640 000	1 150 000
SARS (Income tax)	-	48 500
Trade and other payables	1 803 355	2 011 500
Trade creditors	1 534 355	1 030 000
Accrued expenses (Telephone)	8 000	8 700
SARS (Income tax)	69 000	-
Shareholders for dividends	192 000	57 700
Bank overdraft	-	915 100

3. **Ordinary shares**

Details of shares authorised:
750 000 shares of R3,00 each

Details of shares issued:
411 000 ordinary shares on 1 March 2010
189 000 ordinary shares issued at 510 cents on 1 March 2010
600 000 ordinary shares on 28 February 2011

The market price of the shares on the JSE was 670 cents on 1 March 2010. It increased by 20 cents during the financial year.

4. **Dividends**
- An interim dividend of 66 cents per share was paid on 30 September 2010.
- The directors recommended a final dividend of 32 cents per share on 28 February 2011.

5. **Fixed assets**
- Land and buildings were sold for R1 250 000.
- Equipment was purchased for cash.
- No other tangible/fixed assets were bought or sold.

6. **Financial indicators**

The following financial indicators were calculated for the past two years:

	2011	**2010**
Solvency	2,6 : 1	1,9 : 1
Debtors' collection period	28 days	32 days
Creditors' payment period	20 days	43 days
Stock turnover rate	6 times	8 times
Current ratio	1,8 : 1	0,8 : 1
Acid-test ratio	1,5 : 1	0,6 : 1
Debt-equity ratio	?	0,3 : 1
% return on average shareholders' equity	23%	19%
% return on total capital employed	27%	12%
Net asset value per share	?	603 cents
Dividends per share	98 cents	112 cents
Earnings per share	?	206 cents

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QUESTION 5: BUDGET AND DEBTORS' ANALYSIS (45 marks; 25 minutes)

You are provided with the Cash Budget and related information of Lekazi Furnishers for the three months ended 31 December 2011. The business is owned by Alfred Celtic.

REQUIRED:

5.1 Prepare a Debtors' Collection Schedule for November 2011. (8)

5.2 Calculate the figures indicated by A–E in the Cash Budget. (11)

5.3
- Calculate the debtors' average collection period (in days) for the financial year ended 31 October 2011.
  NOTE: The actual balance in the Debtors' Control Account was R79 500 at the beginning of the financial year and R83 500 at the end of the financial year.
- Explain whether Alfred should be satisfied with this collection period. Give ONE reason for your opinion. (8)

5.4 Refer to the Debtors' Age Analysis. Alfred feels that he has problems in controlling debtors. Give TWO different reasons why he feels this way. Briefly explain. In each case, identify the problem debtor(s). (6)

5.5 Calculate the percentage increase in salaries and wages in December 2011. One of the employees, Mona Lott, is not happy with this increase. State TWO points in response to her complaint. (4)

5.6 On 31 October 2011 you identified the figures below. Explain what you would say to Alfred about each of the following items at the end of October, and give ONE point of advice in each case:

	OCTOBER 2011	
	BUDGETED	**ACTUAL**
Advertising	R1 000	R1 000
Sundry expenses	R2 600	R1 900
Telephone	R900	R3 800
Rent income	R7 500	R1 150

(8)

INFORMATION:

1. **Credit terms and credit limits:**
   It is Alfred's policy to grant debtors credit limits of R15 000 each. They are expected to settle their accounts within 30 days from the date on the statement.

2. **Sales and cost of sales**
   - Total sales for the past financial year, R960 000.
   - 75% of sales are on credit, the rest are for cash.
   - The total sales for October to December were as follows:
     October R81 000; November R78 000; December R75 000.
   - The business uses a mark-up of 50% on cost at all times.
   - Stock is replaced on a monthly basis.
   - 50% of all purchases are for cash, the rest are on credit.
   - Creditors are paid in the month after the purchases in order to receive 5% discount.

3. **Debtors' collection:**
Debtors are expected to pay as follows:
- 25% of debtors settle their accounts in the month of the sale (current).
- 40% settle in the month following the sales transaction month (30 days).
- 30% settle in the second month (60 days).
- 5% are written off.

4.

DEBTORS' AGE ANALYSIS ON 31 OCTOBER 2011

NOTE:
- Business policy sets credit limits at R15 000 per account.
- The credit terms are 30 days.

Name	Total	Current month	30 days	60 days	60 days+
A Botha	15 000	15 000			
D Scott	29 000	10 000	5 000	2 000	12 000
P Raj	8 500			8 500	
C Ntuli	16 400	11 200	5 200		
N Mpo	14 600	5 800	5 300	3 500	
	83 500	42 000	15 500	14 000	12 000

LEKAZI FURNISHERS
CASH BUDGET FOR THE THREE MONTHS ENDED 31 DECEMBER 2011

	2011 OCTOBER	2011 NOVEMBER	2011 DECEMBER
RECEIPTS	**137 715**	**84 825**	**81 940**
Cash sales	**C**	19 500	18 750
Collection from debtors	59 965	?	55 690
Rent income	?	?	?
Mortgage loan from XYZ Bank	?		
PAYMENTS	**81 300**	**110 350**	**105 160**
Purchase of stock for cash	**D**	26 000	25 000
Payment to creditors	26 600	**E**	24 700
Repayment of loan		5 000	5 000
Interest on loan		750	750
Bank charges	1 200	1 350	?
Salaries and wages	22 000	22 000	23 760
Telephone	900	900	900
Advertising	1 000	1 000	1 000
Sundry expenses	2 600	2 700	2 800
Drawings	?	?	?
Surplus (Deficit) for the month	56 415	(25 525)	(23 220)
Cash at the beginning of the month	8 300	64 715	**A**
Cash at the end of the month	64 715	39 190	**B**

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QUESTION 6: INVENTORY VALUATION (30 marks; 20 minutes)

6.1 INVENTORY VALUATION

Speedy Traders sells one type of bicycle to major retail stores around South Africa. They make use of the FIFO method for stock valuation and use the periodic inventory system. The business is owned by Steve Martin.

REQUIRED:

6.1.1 What do the letters *FIFO* stand for? (2)

6.1.2 Calculate the value per bicycle on hand on 1 July 2010. (2)

6.1.3 Calculate the value of the closing stock on 30 June 2011 according to the FIFO method. (4)

6.1.4 Calculate the gross profit on 30 June 2011. (6)

6.1.5 The owner and the accountant disagree on the method of stock valuation. Steve, the owner, wants to continue using the FIFO method, because he says it is easier to calculate. Bongi, the accountant, wants to use the weighted-average method, because she says the profit will be lower, and therefore the income tax will be lower.

As internal auditor, what would you say to Steve and Bongi? State TWO points. (4)

INFORMATION:

The information below appeared in the records of Speedy Traders for the year ended 30 June 2011. The business used a fixed selling price of R6 750 per bicycle.

INFORMATION ON STOCK	NUMBER OF BICYCLES	VALUE PER BICYCLE	TOTAL VALUE
Bicycles on hand on 1 July 2010	60	?	R240 000
Bicycles bought during the year	630		R2 606 000
September 2010	250	R3 800	R950 000
January 2011	200	R4 500	R900 000
May 2011	180	R4 200	R756 000
Bicycles returned from January purchases	5	R4 500	R22 500
Bicycles sold during the year	450	R6 750	R3 037 500
Bicycles on hand on 30 June 2011	235	?	?

6.2 PROBLEM-SOLVING

Quick Bikes sells one brand of scooters. The owner, Doctor Zulu, has three branches operating in Riverside, Valley View and Mountain Rise. The three branches are managed by Robby, Vusi and Melanie, respectively.

Doctor Zulu has obtained the annual figures from the three branches for the financial period ending 28 February 2011.

REQUIRED:

Identify ONE problem in relation to each branch, quoting figures to support the problem. In each case, offer Doctor Zulu advice on how to solve the problem. (12)

INFORMATION:

	RIVERSIDE (ROBBY)	**VALLEY VIEW (VUSI)**	**MOUNTAIN RISE (MELANIE)**
Number of scooters available for sale	470	300	190
Number of scooters sold during the year	380	75	190
Physical count on 28 February 2011	72	225	Nil
Cost price per scooter	R7 500	R7 500	R7 500
Selling price per scooter	R11 500	R11 500	R11 500
Advertising per year	R15 000	R40 000	R60 000
Salary of manager	R30 000 per month	R30 000 per month	R30 000 per month

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TOTAL: 300