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REPUBLIC OF SOUTH AFRICA

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CLASS NO

NATIONAL CERTIFICATE

ACCOUNTING P2

SEPTEMBER 2024

SPECIAL ANSWER BOOK

| QUESTION | MARKS | INITIAL | MOD. |
|--------------|-------|---------|------|
| 1 | | | |
| 2 | | | |
| 3 | | | |
| 4 | | | |
| TOTAL | | | |

This answer book consists of 9 pages.



1.1.4 Explain the problem relating to deposits. Quote evidence.

Explain TWO strategies to prevent this in future.

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| 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) | |

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1.2.2 Calculate the total of the credit notes including VAT.

| WORKINGS | ANSWER |
|----------|--------|
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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.

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| TOTAL MARKS |
| |
| 40 |

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 ABRIDGED 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 |
|-----------------|---------------|
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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.

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| TOTAL MARKS |
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QUESTION 3

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

| WORKINGS | ANSWER |
|----------|--------|
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3.1.2 Calculate the following for the year ended 29 February 2024:

| WORKINGS | ANSWER |
|------------------------|--------|
| Cost of sales | |
| Gross profit | |
| Rate of stock turnover | |

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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 |
|----------|--------|
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| 7 |

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

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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.

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

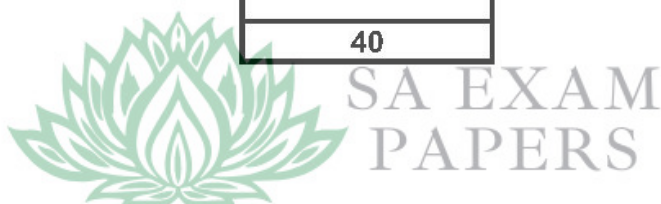
Too much stock:

Too little stock:

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| TOTAL MARKS |
| |
| 40 |



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.

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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

4.5 Explain why the directors should be concerned about the overspending in advertisement. Quote figures.

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4.6 Explain how the economic decline impacted the average amount that customers spent in December 2024. Quote figures.

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| TOTAL MARKS |
| |
| 30 |