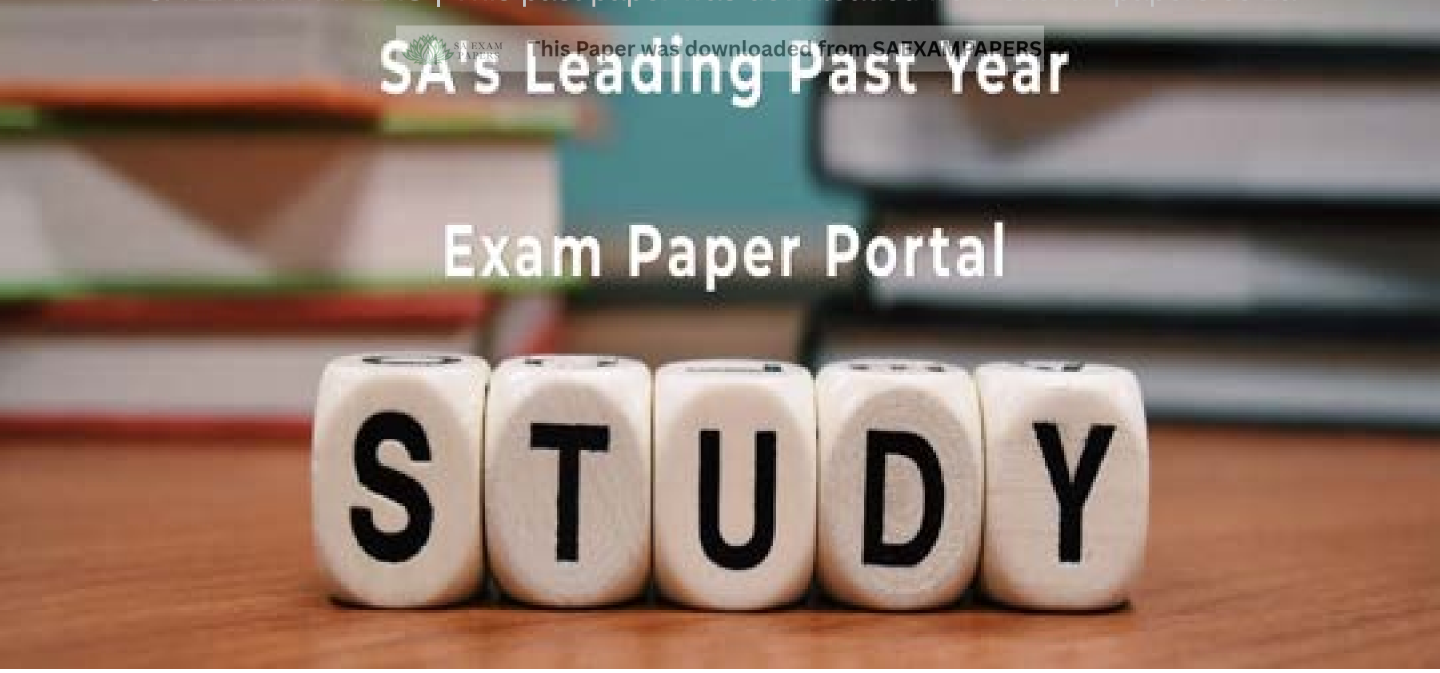
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GRADE 12 - EXAMINATION

ACCOUNTING - JUNE 2026

PAPER 2

MARKS: 150

MARKING PRINCIPLES:

1. Unless otherwise stated in the marking guidelines, penalties for foreign items are applied only if the candidate is not losing marks elsewhere in the question for that item (no penalty for misplaced item). No double penalty applied.
2. Penalties for placement or poor presentation (e.g. details) are applied only if the candidate is earning marks on the figures for that item.
3. Unless otherwise stated, give full marks for correct answer. If answer is incorrect, mark workings.
4. If a pre-adjustment figure is shown as a final figure, allocate the part-mark for the working for that figure (not the method mark for the answer). Note: if figures are stipulated in memo for components of workings, these do not carry the method mark for final answer as well.
5. Unless otherwise indicated, the positive or negative effect of any figure must be considered to award the mark. If no + or – sign or bracket is provided, assume that the figure is positive.
6. Where indicated, part-marks may be awarded to differentiate between differing qualities of answers from candidates.
7. If candidates provide more that the required number of responses, inspect all responses to give benefit to the candidate. Penalties may be applied for foreign entries if candidates earn full marks on a question (max -2 per Q).
8. This memorandum is not for public distribution; as certain items might imply incorrect treatment. The adjustments made are due to nuances in certain questions.
9. Where penalties are applied, the marks for that section of the question cannot be a final negative.
10. Where method marks are awarded for operation, marker must inspect reasonableness of answer.
11. Operation means 'check operation'. 'One part correct' means operation and one part correct. Note: check operation must be +, -, x, ÷, or per memo.
12. In calculations, do not award marks for workings if numerator & denominator are swapped – this also applies to ratios.
13. In awarding method marks, ensure that candidates do not get full marks for any item that is incorrect at least in part. Indicate with a ☒.
14. Be aware of candidates who provide valid alternatives beyond the marking guideline. Note that one comment could contain different aspects.
15. Codes: f = foreign item; p = placement/presentation.

This marking guideline consists of 10 pages.

QUESTION 1

1.1

1.1.1	Credit	✓
1.1.2	Debit	✓
1.1.3	Cash discount	✓

3

1.2.1

CASH RECEIPTS JOURNAL	
R389 504	
5 400	✓
394 904	☑

CASH PAYMENTS JOURNAL	
R287 000	
(8 800 – 8 000) 800	✓✓
30 000	✓
400	✓
20 000	✓
2 910	✓✓
341 110	☑

10

1.2.2 **Calculate the correct balance of the Bank account in the ledger on 31 May 2026.**

24 000 ✓ + 394 904 ☑ – 341 110 ☑ = 77 794 ☑

See 1.2.1

4

1.2.3 **Bank Reconciliation Statement on 31 May 2026**

Credit balance according to bank statement	**Balancing figure**	66 994 ☑
Credit deposit outstanding		16 000 ✓
Debit outstanding EFT 189	7 000 ✓	
Correct incorrect EFT 301		1 800 ✓
Debit balance according to bank account **see 1.2.2**	77 794 ☑	
For both totals ☑	84 794	84 794

6

1.2.4 **The owner is concerned about the following transactions and is uncertain what to do about this.**

False proof of payment – See D (ii):

TWO suggestions – 2 marks per suggestion ✓✓ ✓✓

Suggested answers:

- Do not rely on emailed proof of payment alone, verify on bank statement
- Only record receipts once it appears on the bank statement
- Use bank notifications / SMS alerts from the bank as an immediate confirmation of real deposits.
- Perform reconciliations to match deposits with debtor accounts regularly

4

TWO problems with outstanding deposits

Any TWO problems identified – 2 marks per suggestion ✓✓ ✓✓

Suggested answers:

- Deposit of R30 000 was never deposited (stolen)
- Delay in banking money (e.g. deposits from 15 April still outstanding); Cash is kept too long before being deposited that is a high risk of theft.
- Poor internal control over cash handling, no proper monitoring or accountability.
- Rolling of cash

4

TWO control measures:

Any TWO control measures – 2 marks per control measure ✓✓ ✓✓

Suggested answers:

- Deposit cash daily or as soon as possible to reduce the risk of theft.
- Segregation of duties: Different people must receive cash, record transactions, deposit money
- Use pre-numbered receipts and keep records to help track all cash received.
- Regular supervision and internal checks, owner/manager must review deposits frequently.
- Install security measures (e.g., cameras or safes) to protect physical cash.

4

1.3 CREDITORS RECONCILIATION

	CREDITORS LEDGER	STATEMENT
Balances:	**147 820**	**145 060**
(i)	+ 1 800 ✓✓	
(ii)	- 40 950 ✓	
(iii)		+30 000 ✓
(iv)		- 5 400 ✓
(v)	(-8 100✓ -8 100✓) -16 200 ✓✓	
(vi)		-77 190 ✓
	92 470 ☑ One part correct	92 470 ☑ One part correct

10

TOTAL MARKS
45

QUESTION 2

2.1

2.1.1	B (First-in-first-out method)	✓
2.1.2	D (Specific identification method)	✓
2.1.3	A (Cost price method)	✓
2.1.4	C (Diminished balance method)	✓

4

2.2 ENHLE TRADERS

2.2.1

Calculate: Value of the closing stock	
Workings	**Answer**
140 ✓ x R11,80 ✓ = R1 652 ☑ 9 ✓ x R12,00 ✓= R108 ☑	R1 760 ☑ One part correct

7

Calculate: Cost of sales	
Workings	**Answer**
R228 ✓✓ 4 800 ✓+ 3 932 ✓– (19 ✓x R12,00✓) – R1 760 ☑ = **See previous answer**	R6 744 ☑✓ One part correct

7

Calculate: Gross profit	
Workings	**Answer**
(560 x R20) = 11 200 ✓– 6 744 ☑= **See previous answer**	R4 456 ☑ One part correct

3

2.2.2

The owner thinks that some of the stock went missing. Proof this statement with a calculation.
730 ✓ (400 + 330) ✓ – 19 ✓ – 560 ✓ – 149 ✓ = 2 missing ☑ One part correct

5

2.3 JHC STORES

2.3.1

Calculate the value of the closing stock using the weighted average method.	
Workings	**Answer**
[2 984 + 15 340 – 831] ✓ ✓ / [60 + 275 - 15] ✓ ✓ = R54,67 x 42 ✓	= R2 295,96 OR R2 296☑ One part correct

6

2.3.2

Give TWO points of advice to improve the internal control over stock.

2 marks per advice, part marks can be awarded for vague / unclear answers

Suggested answers: ✓✓ ✓✓

- Different employees should be responsible for ordering, receiving, and recording stock.
- Conduct frequent physical stock counts and compare with inventory records and investigate immediately.
- Proper record-keeping systems by maintaining accurate inventory records (e.g., stock cards or computerised systems), / Ensures stock levels are updated and monitored continuously.
- Secure storage of stock by keeping stock in a locked storeroom with limited access.
- Use pre-numbered invoices, delivery notes, and goods received notes to ensure that all stock movements are recorded.
- All stock purchases and issues must be authorised by a responsible person / Prevents unauthorised transactions.
- Monitoring stock levels / Set minimum and maximum stock levels / Helps prevent overstocking or stock shortages.
- Independent checks / internal audit / Regular independent reviews of stock records and procedures / Improves accountability and control.

4

2.4 SOCK-IT OUTDOOR SALES

2.4.1 Identify ONE different problem in respect to the manner in which each product is managed.

PROBLEM	PRACTICAL ADVICE
One mark for problem identified ✓ **One mark for figures ✓**	**One mark for advice ✓**
Nipe: • Returns of 102 units high compared to others • Purchases (3 230 units) are close to sales (3 900 units), but stock still high	• Source a supplier with better quality • Reduce order quantities • Improve stock planning / demand forecasting
Walket: • Stock is moving too slowly / overstocking / inefficient stock management; Period on hand: 50 days (highest)/2 720 units on hand • Sales: 2 100 units vs Purchases: 4 500 units; Buying far more than selling	• Reduce purchases • Improve marketing to increase sales • Monitor stock turnover regularly
Pace-to-Pace: • Cash deposited is far too low compared to expected sales (Sales: 1 950 units × R560 = R1 092 000 (expected) vs Cash stolen : R106 500	• Investigate immediately for theft or errors • Strengthen internal control over cash receipts • Ensure daily reconciliation of sales and deposits • Advise costumers to pay per card or EFT

9

TOTAL MARKS

45

QUESTION 3

3.1 JUMBO WHOLESALERS

3.1.1 Production Cost Statement for the year ended 28 February 2026.

Direct material costs [13 000 ✓+ (60 000 – 5 000) ✓+1 000 ✓– 15 000 ✓]	54 000 ☑
Direct labour cost (36 300 x $\frac{100}{66}$)	55 000 ✓☑
Prime cost	109 000 ☑
Factory overheads see 3.1.2	65 600 ☑
Total manufacturing costs	174 600 ☑
Work-in-progress at beginning of year	**9 000**
	183 600
Work-in-progress at end of year	**(7 000)**
Cost of production of finished goods	176 600 ☑

11

3.1.2 Calculate the correct factory overheads on 28 February 2026.

Workings

Indirect Material	5 000	✓
Rent (10 500 + 3 500)	14 000	✓ ☑
Water and electricity	9 000	✓
Indirect labour (28 000 – 24 000)	4 000	✓ ☑
Insurance (22 000 + 6 600)	28 600	✓ ☑
Depreciation	5 000	✓

Accept alternative presentations

Answer

65 600

No mark awarded – mark is awarded in PCS

9

3.1.3 ABRIDGED STATEMENT OF COMPREHENSIVE INCOME (INCOME STATEMENT) FOR THE YEAR ENDED 28 FEBRUARY 2026

Sales (350 000 – 5 000)	✓ 345 000
Cost of sales (10 000 ✓+ 176 600 ☑ see 3.1.1 – 13 000✓)	☑173 600
Gross profit	171 400
Other expenses	(74 900)
Selling and distribution costs (15 400 ✓+ 3 000 ✓+ 5 000☑)	☑ 23 400
Administration cost [24 000 ✓+ (16 000 + 4 500) ✓+ 7 000✓]	☑ 51 500
Net profit for the year	☑ 96 500

14

3.2 PETER PENS

3.2.1 Comment on the fixed cost per unit.

Trend (increase/decrease) ✓ ; Valid explanation ✓

Suggested answers
Fixed cost per unit decreased from R3,40 to R3,20
This indicates better utilisation of capacity / spreading fixed costs over more units/ economies of scale.

2

3.2.2 The level of production is satisfactory. Quote and explain figures to support your opinion.

Quoted figure ✓; Comparison with BEP ✓; Interpretation ✓

Expected answer:

- Production increased from 160 000 to 172 000 units
- Production is above break-even point (172 000 > 153 315)
- Therefore, the business is making a profit / operating efficiently

Alternative valid points:

- Margin of safety exists: 172 000 – 153 315 = 18 685 units
- Indicates lower risk / sustainable operations

3

3.2.3 Peter is concerned about the management of the variable costs. One Problem with figures.

Any ONE with figures ✓ + interpretation earns full marks ✓

Expected answer (any ONE):

- Variable cost per unit increased significantly from R9,00 to R13,15
- This is a large increase of R4,15 per unit
- Indicates poor cost control / inefficiency / rising input costs

OR component-specific answers:

- Direct material: increase from R4,00 to R5,00
- Direct labour: increase from R3,40 to R5,50
- Selling & distribution: increase from R1,60 to R2,65

2

Give TWO solutions to this problem.

Expected answer (Suggestions must be linked to the problem identified) ✓✓ ✓✓

- Negotiate better prices with suppliers / bulk buying
- Improve labour efficiency / training / supervision
- Reduce wastage of materials
- Control selling & distribution costs (e.g. transport planning)
- Implement strict budgeting and monitoring of variable costs
- Suggestion must be linked to the problem identified

4

TOTAL MARKS
45

QUESTION 4

CHEETAH LIMITED

4.1

Use the given information to calculate the accumulated depreciation on the vehicle that was traded in	
Workings	**Answer:**
25 000 ✓+ 95 000 ✓ + 76 000 ✓ + 30 400 ✓✓ =	226 400 ☑ One part correct

6

4.2

Give two reasons for the disposal of assets.

- The asset reached the end of its lifespan/ No longer useful in the company
- Not economical to repair.
- Too costly to maintain
- Acquiring a new model

Any valid answer ✓✓ ✓✓

4

4.3 **GENERAL LEDGER CHEETAH LIMITED**
ASSET DISPOSAL ACCOUNT

2025 Aug	31	Vehicles	GJ	500 000✓	2025 Aug	31	Accumulated Depreciation On Vehicles See 4.1	GJ	226 400☑
		Profit on sale of asset	GJ	*16 400✓☑			Creditors control		290 000✓
				516 400					516 400

*500 000 – 290 000 = 210 000
226 400 – 210 000 = 16 400

5

TOTAL MARKS
15