MPUMALANGA EDUCATION DEPARTMENT

GRADE 12 ACCOUNTING

SEPTEMBER 2009

NAME OF LEARNER: ______________________

CLASS: _________________

ANSWER BOOK

QUESTION	MAX	FINAL MARKS
1		
2		
3		
4		
5		
6		
	300	

This answer book consists of 18 pages

QUESTION: 1

1.1 INVENTORY

1.1.1 COST OF SALES FOR MAY 2008

Opening stock	200 X 150	30 000
COST OF SALES		

11

1.1.2 GROSS PROFIT FOR MAY 2008

3

1.1.3 VALUE OF TRADING STOCK ON 31 MAY 2008

4

1.1.4.1 THE EFFECT ON THE FINANCIAL STATEMENTS

4

1.1.4.2 THE REASON FOR THE DIFFERENCES

8

1.1.4.3 ADVISE ON WHETHER TO CHANGE

5

1.2 PROBLEM SOLVING

1.2.1 AREAS OF CONCERN

6

1.2.2 TWO CONTROL MEASURES TO IMPROVE THE SITUATION

4

TOTAL MARKS	45

QUESTION 2

2.1 BANK RECONCILIATION

2.1.1 CASH RECEIPTS JOURNAL OF LIBANGENI TRADERS- AUGUST 2009

CRJ1

Date	Details	Bank	Sundry Account		
			Amount	Fol	Details

(10)

2.1.1 CASH PAYMENTS JOURNAL OF LIBANGENI TRADERS- AUGUST 2009.

CPJ1

Date	Details	Bank	Sundry Account		
			Amount	Fol	Details

(20)

2.1.2 GENERAL LEDGER OF LIBANGENI TRADERS

BANK							

(6)

2.1.3 BANK RECONCILIATION STATEMENT OF LIBANGENI TRADERS AUGUST 2009

	DEBIT	CREDIT

(10)

2.2 INTERNAL CONTROL (9 MARKS)

2.2.1	•
	•
	•

(3)

2.2.2	
	•
	•
	•

(6)

TOTAL MARKS	
	55

QUESTION 3 **(35 MARKS)**

MANUFACTURING

Production Cost Satement for the year ended 30 June 2009

Direct Material Cost	**270 000**
Direct Labour Cost	
Prime Cost	
Factory overhead cost	
Total manufacturing costs	
Work-in-process on 1 July 2008	
	600 000
Work-in-process on 30 June 2009	
Cost of production	

(14)

3.2.1.	**Unit cost of production** **(3)**
3.2.2.	**Direct Material Cost per unit** **(3)**
3.2.3.	**Direct Labour Cost per unit** **(3)**
3.2.4.	**Factory overhead cost per unit** **(3)**
3.3	**Break-even point:** **How this is calculated:** **(5)**

3.4 Trading Statement for the year ended 30 June 2009

Sales	
Cost of finished goods	
Gross Profit	

(4)

TOTAL MARKS	
	35

QUESTION 4 **(27 MARKS)**

4.1 PROJECTED INCOME STATEMENT

4.1.1 Salaries and wages - what is the percentage increase?

(2)

4.1.2 Salaries and wages - Would employees and the trade union be happy with the salary increase?

(2)

4.1.3 Bad debts - why are there no bad debts in June?

(2)

4.1.4 Depreciation - why has depreciation increased in June?

(2)

4.1.5 Sundry operating expenses - by what percentage is it increasing each month?

(2)

4.1.6 Interest income - why is interest income increasing each month yet the origional investment amount has not changed?

(2)

4.2

4.2.1 Mark-up percentage

(3)

4.2.2 A brief explanation on whether the mark-up percentage should be increased or not?

(4)

4.2.3 A brief explanation on whether he should keep the investment or rather cash it in to repay or reduce the amount of the loan.

(4)

4.2.4 Lease agreement (rent income) - the lease agreement expires in August 20.9. Provide a short explanation on whether the lease agreement should be renewed. Tom also needs to know whether the rent amount should be increased. He has not increased the rent in past two years

(4)

TOTAL MARKS	27

QUESTION 5 **[113 MARKS]**

5.1 BALANCE HEET **(26 Marks)**

Laeveld Bouhandelaars Limited
Balance Sheet as at 28 February 2009

ASSETS	
Non-current assets	
Tangible assets	
Financial assets	
Current assets	625 800
TOTAL ASSETS	2 000 000
EQUITY AND LIABILITIES	
Capital and reserves	1 467 920
Accumulated profits	167 920
Non-current liabilities	
Current liabilities	
Short term potion of loan	20 000
Bank overdraft	
TOTAL EQUITY AND LIABILITIES	2 000 000

5.2 AUDITING **(19 marks)**

5.2.1	**In your opinion, should shareholders be satisfied with this audit report or not.**	**(3)**
5.2.2	**Why auditors stipulate page numbers in the audit report**	**(2)**

5.2.3	List three examples of what they might examine in this regard	(6)
5.2.4	What could be the consequences for Okuhle & Associates if they did not do their job carefully?	(6)
5.2.5	What does SAICA stand for ?	(2)

5.3 CASH FLOW STATEMENT WITH NOTES (21Marks)

5.3.1 Artherseat Ltd/ Artherseat Beperk

Cash Flow Statement for the year ended 28 February 2009

Kontantvloeistaat vir die jaar geeindig 28 Februarie 2009

CASH FLOW FROM OPERATING ACTIVITIES KONTANTVLOEI UIT BEDRYFSEKTIWITEITE		
CASH FLOWS FROM INVESTING ACTIVITIES KONTANTVLOEI UIT BELEGGINGSAKTIWITEITE		
CASH FLOWS FROM FINANCING ACTIVITIES KONTANTVLOEI UIT FINANSIERINGSAKTIWITEITE		
NET CHANGE IN CASH & CASH EQUIVALENTS NETTO VERANDERING IN KONTANT & KONTANTEKWIVALENTE		
CASH & CASH EQUIVALENT : BEGINNING OF YEAR KONTANT EN KONTANTEKWIVALENTE AAN BEGIN VAN JAAR		
CASH AND CASH EQUIVALENTS AT END OF YEAR KONTANT EN KONTANTEKWIVALENTE AAN EINDE VAN JAAR		

(21)

Notes to the cash flow statement/ Natos by die kontantvloeistaat/

1.Reconciliation between profit before tax and cash generated by operations / Rekonsiliasie van wins voor belasting met kontant deur bedrywighede voorgebring	

(14)

2. Dividends paid/ Dividende betaal	

(7)

3. Taxation paid/Inkomstebelasting betaal	

(6)

4.Non-current assets bought/Nie-bedryfsbates gekoop	
Land and buildings/Grond en geboue	

(4)

Calculation/Berekening	

5.3.2 IMPORTANT DIRECTORS DECISIONS (4 marks)

1.	
2.	

5.3.3 CALCULATION OF LIQUIDITY

(12)

TOTAL MARKS	
	113

QUESTION 6 **(25 MARKS)**

VAT

6.1	

(3)

6.2 GENERAL LEDGER OF ERMELO STORES

VAT CONTROL ACCOUNT

2009 Aug.	31					2009 Aug.	31				
						2009 Sept.	1				

(18)

6.3	**To solve the problem for this month:**
	To solve the problem in future:

(4)

TOTAL MARKS	
	25