



# NATIONAL SENIOR CERTIFICATE

## GRADE 11

**NOVEMBER 2024**

### ACCOUNTING P2 MARKING GUIDELINE

**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. Full marks for correct answer. If answer incorrect, mark the workings provided.
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 marking guideline 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 than 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. Where penalties are applied, the marks for that section of the question cannot be a final negative.
9. Where method marks are awarded for operation, the marker must inspect the reasonableness of the answer.
10. Operation means 'Check operation'. 'One part correct' means operation and one part correct. **Note:** check operation must be +, -, x, ÷ as per candidate's calculation (if valid) or per the marking guideline.
11. In calculations, do not award marks for workings if numerator and denominator are swapped – this also applies to ratios.
12. 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 ☒.
13. Be aware of candidates who provide valid alternatives beyond the marking guideline. Note that one comment could contain different aspects.
14. Codes: f = foreign item; p = placement/presentation.

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This marking guideline consists of 11 pages.

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## QUESTION 1

## 1.1.1 CREDITORS

	CREDITOR'S LEDGER OF MULLER TRADERS	STATEMENT OF KOUGA TRADERS
<b>Provisional balances</b>	29 174 ✓	29 554 ✓
	- 10 000 ✓✓	- 640 ✓
	- 1 260 ✓✓	- 10 000 ✓
		- 1 000 ✓
<b>Balances after changes</b>	17 914	✓ <input checked="" type="checkbox"/> * 17 914

11

\* One part correct, must include opening balances &amp; totals the same amounts

## 1.1.2 Name TWO tasks of the creditors' clerk to maintain or improve the internal control of creditors.

Any TWO possible answers: ✓ ✓

- Make sure creditors are paid on time to prevent interest on overdue accounts.
- Returns of purchases should be properly authorised and negotiated with the creditors/suppliers.
- Payment should be supported by the correct/reconciled monthly statements.
- Invoices should be compared with the goods delivered to ensure all items were received in good condition.
- Goods received should be compared with the orders placed to ensure the goods received are according to order.

2

## 1.1.3 Prior to granting credit, documentation such as identification and proof of address is mandatory. Identify a specific document that Kouga Traders may accept from new debtors as valid proof of residency.

Any ONE possible answer: ✓

- Utility bill (electricity or municipality)
- Bank or credit card statement
- Rental agreement or lease
- Document issued by municipality / ward councilor

1

## 1.2.1 BANK RECONCILIATION

No.	Details of contra account	Bank Account		Bank Reconciliation Statement		No entry (show with x)
		Dr	Cr	Dr	Cr	
(i)	Loan: Tempo Bank ✓		6 600 ✓			
(ii)				2 400 ✓		
(iii)	Trading Stock ✓		18 ✓✓			
(iv)					52 000 ✓	
(v)	Bank Charges ✓		359 ✓			
(vi)						X ✓
(vii)	Rent income/ Loss of cash ✓		15 000 ✓			
(viii)	Creditors Control ✓	20 000 ✓✓ <b>OR</b> (10 000 one mark + 10 000 one mark)				

15

## 1.2.2

**Explain TWO problems you have identified from the transactions, which show a lack of control of cash. Quote figures. Give advice on how EACH problem can be avoided in future.**

PROBLEMS ✓ ✓ FIGURES ✓ ✓	ADVICE ✓ ✓
Large outstanding deposit (R52 000) was received on 17 September 2024 and not yet shown on the bank statement as deposited (13 days) Possible rolling of cash Bank error (deposit credited to another bank customer)	<ul style="list-style-type: none"> <li>• Ensure that deposits are done on a regular basis to avoid mismanagement</li> <li>• Arrange with the bank to send a notification (via SMS or email) to the owner to confirm deposits are made</li> <li>• Encourage customers to make direct /internet/online deposits (EFTs)</li> </ul>
R15 000 were stolen on the way to the bank to make the deposit  Poor internal control measures  Deposits being done by only one person  No protection for person going to the bank / Lack of security	<ul style="list-style-type: none"> <li>• Rotate duties and times of banking to avoid creating a pattern</li> <li>• Provide security to the person going to the bank – at least two people should go</li> <li>• Use a cash transit business to transport cash to the bank</li> <li>• Carro could be guilty of theft – especially because she did not inform the owner(s) at the time of the theft.</li> <li>• Encourage the tenant to make EFTs/ internet payments</li> </ul>

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QUESTION 1:  
TOTAL MARKS

35

**QUESTION 2****2.1.1 Calculate:**

<b>(i) Total Purchases</b>	
<b>CALCULATIONS</b>	<b>ANSWER</b>
715 000 ✓ + 174 000 ✓ – 3 200 ✓ – 900 ✓	884 900 (total counts no mark)
<b>(ii) Total Sales</b>	
<b>CALCULATIONS</b>	<b>ANSWER</b>
900 650 ✓ + 1 140 000 ✓ – 46 200 ✓ – 2 000 ✓	1 992 450 (total counts no mark)

8

**2.1.2**

<b>TRADING ACCOUNT</b>			
<b>Dr</b>			<b>Cr</b>
<b>DETAILS</b>	<b>AMOUNT</b>	<b>DETAILS</b>	<b>AMOUNT</b>
Opening Stock	400 200 ✓	Sales	1 992 450 ✓ (see 2.1.1)
Purchases	884 900 ✓ (see 2.1.1)	Closing stock	265 000 ✓
Custom duties	46 100 ✓		
Carriage on purchases	170 000 ✓		
Profit and Loss	756 250 ✓		
	2 257 450		2 257 450

Foreign items – 1 max 1 e.g. Carriage on sales

7

**2.1.3**

**Carlton is concerned about the high transport costs he has to pay on stock purchases (refer to carriage on purchases). Give Carlton advice on how he can solve this problem.**

*Any ONE possible answer: ✓✓*

- Sourcing stock from local suppliers to reduce transportation distances and costs.
- Negotiate with transport companies or logistics providers for bulk shipping discounts.
- Explore alternative modes of transport, such as rail or sea freight.
- Consolidate multiple stock purchases into fewer shipments whenever possible.
- Better inventory management – plan deliveries more efficient and avoid last-minute, costly deliveries.
- Negotiate better rates with transporters.

2

## 2.2 Manufacturing Concepts

2.2.1	Factory overheads ✓
2.2.2	Packing material ✓
2.2.3	Advertising ✓

3

## 2.3.1

FACTORY OVERHEADS	WORKINGS	AMOUNT
Indirect material	10 870 ✓ + 30 400 ✓ – 7 200 ✓	34 070 ✓✓*
Indirect labour		66 000 ✓
Water and Electricity	28 700 x 70%	20 090 ✓✓*
Rent expense	66 900 x $\frac{2\,800}{3\,500}$ OR $\frac{4}{5}$	53 520 ✓✓*
Insurance	10 600 x 2	21 200 ✓✓*
Depreciation		11 400 ✓
Sundry expenses		12 420 ✓
<b>TOTAL</b>		<b>218 700 ✓✓*</b>

14

\*One part correct

## 2.3.2

Dr Work-in-Progress Cr			
DETAILS	AMOUNT	DETAILS	AMOUNT
Balance b/d	32 440 ✓	Finished goods	683 420 ✓✓ Balancing figure
Direct labour	228 080 ✓	Balance c/o	20 400 ✓
Direct material	224 600 ✓✓		
Factory overheads	218 700 ✓ (see 2.3.1)		
	703 820		703 820
Balance b/d	20 400		

8

## 2.4 BT RUGBY BALLS

2.4.1	<b>Calculate the break-even point for the year ended 29 February 2024.</b>	
	<b>CALCULATION</b>	<b>ANSWER</b>
	$  \begin{array}{r}  [76,60 \times 4\,700] \\  360\,020 \checkmark \\  260 \checkmark - 178,50 \checkmark \\  81,50 \text{ (2 marks)}  \end{array}  $	4 417 <input checked="" type="checkbox"/> units Accept 4 418 (one part correct)

4

2.4.2	<b>Should Bevan be satisfied with the level of production of rugby balls in the 2024 financial year? Explain briefly quoting appropriate figures.</b>	
	Explanation <input checked="" type="checkbox"/> Figure <input checked="" type="checkbox"/>  Yes – produce and sold 283/282 units more than break-even point • Made profit on 283/282 units  No – production is ONLY 283 units above break-even point – small profit	

2

2.4.3	<b>Briefly explain what is meant by “economies of scale” with specific reference to fixed costs.</b>	
	As more units are produced, the fixed cost per unit will decrease. <input checked="" type="checkbox"/> <input checked="" type="checkbox"/>	

2

QUESTION 2: TOTAL MARKS
----------------------------

50

## QUESTION 3

## 3.1.1 Name any TWO items that would not appear in a Cash Budget.

Any TWO possible answers: ✓ ✓

Bad debts

Discount Allowed

Drawings of stock

Discount received

2

## 3.1.2 Calculate the percentage of goods sold on credit during September 2024.

CALCULATION	ANSWER
$\frac{60\,400}{77\,000} \times 100$	78,4 ✓ (one part correct, X 100 not one part correct)

3

## 3.1.3 DEBTORS' COLLECTION SCHEDULE

Month in 2024	Credit Sales	Calculations	October
August	R90 200	$90\,200 \times \frac{15}{100}$	13 530 ✓
September	R60 400	$60\,400 \times \frac{30}{100}$	18 120 ✓
October	$[60\,400 \times \frac{90}{100}]$ 54 360 ✓	$54\,360 \times 0,95 \times 0,5$	25 821 ✓✓
CASH FROM DEBTORS			57 471 ✓

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## 3.1.4 CASH BUDGET

CASH RECEIPTS	OCTOBER
Cash from debtors	57 471 ✓
Cash Sales	12 600 ✓
Interest on fixed deposit (14 100/3)	4 700 ✓
Rent income ( $\frac{48\,000}{12} \times \frac{90}{100}$ ) OR (4 000 one mark – 400 one mark)	3 600 ✓*
Capital contribution	50 000 ✓
	128 371 ✓
CASH PAYMENTS	
Cash paid to creditors ( $16\,600 + 60\,400 \times \frac{100}{140}$ )	55 000 ✓✓*
Maintenance of buildings	3 000 ✓
Drawings	7 000 ✓
Water & electricity (2 400 + 2 640)	5 040 ✓✓*
	70 040 ✓
Cash surplus / deficit for the month	58 331 ✓
Bank (Opening balance)	(24 800) ✓
Bank (Closing balance) (calculation Surplus for the month – Opening balance)	33 531 ✓

18

\* One part correct

3.1.5

**Compare the actual figures of September 2024 against the budgeted amounts. Advise the owner on possible reasons for the differences and what he could do to improve the situation during October 2024. No figures required.**

	<b>REASONS</b> ✓ ✓ ✓ (no figures required)	<b>ADVICE</b> ✓ ✓ ✓
<b>RENT INCOME</b>	<ul style="list-style-type: none"> <li>poor collection policy</li> <li>over budgeted;</li> </ul>	<ul style="list-style-type: none"> <li>investigate reasons.</li> <li>adjust budget or implement rules for the tenant</li> </ul>
<b>DRAWINGS</b>	<ul style="list-style-type: none"> <li>taking advantage of being the owner</li> </ul>	<ul style="list-style-type: none"> <li>need to stick to budget</li> <li>arrangement to exercise good cash management</li> </ul>
<b>MAINTENANCE OF BUILDINGS</b>	<ul style="list-style-type: none"> <li>under budgeted</li> <li>possibly the extra money spent in February will reduce the expense in the future</li> </ul>	<ul style="list-style-type: none"> <li>investigate and budget appropriately in the future</li> </ul>

6

**QUESTION 3:  
TOTAL MARKS**

35



## QUESTION 4

## 4.1 VAT

4.1.1

**What does the abbreviation VAT stand for?**

Value Added Tax ✓

1

4.1.2

**Why does government classify certain items as zero-rated for VAT? Name TWO zero-rated items.****REASON:**

✓✓

To alleviate the tax burden on essential goods and services that are considered necessary for basic living standards, particularly for low-income households.

**Any TWO zero rated items:** ✓ ✓

• Brown bread. • Maize meal. • Samp. • Mealie rice. • Dried mealies. • Dried beans. • Lentils. • Pilchards/sardines in tins. • Milk powder. • Dairy powder blends • Rice. • Vegetables. • Fruit. • Vegetable oil. • Milk. • Cultured milk. • Brown wheat-meal. • Eggs. • Edible legumes and pulses of leguminous plants • Illuminating paraffin

4

4.1.3

**Briefly explain to Mia what is meant by Output VAT and Input VAT.****Output VAT**

Is collected from customers on goods sold and services rendered. Pay collected VAT to SARS ✓

**Input VAT**

Is paid to suppliers on goods bought. Claim paid VAT back from SARS. ✓

2

4.1.4

**Calculate the VAT paid on the new shop equipment bought.****CALCULATION****ANSWER**

R8 500 ✓ x 15% ✓

1 275 ✓

3

4.1.5

**Consider the goods purchased from suppliers during October 2024.****CALCULATION****ANSWER****VAT on these goods:**62 974 ✓ x  $\frac{15}{115}$  ✓

8 214 ✓\*

**The cost of all goods purchased, excluding VAT.**

(62 974 ✓ – 8 214 ✓<sub>VAT</sub>) + 12 800 ✓  
54 760 (2 marks)

67 560 ✓\*

7

\* One part correct

## 4.2 Problem Solving and Ethics

4.2.1

Identify ONE problem in relation to each branch, quoting figures to support the problem. In each case, offer Kyle Rob advice on how to solve the problem.

	<b>PROBLEM</b> ✓ ✓ ✓ <b>FIGURES</b> ✓ ✓ ✓	<b>ADVICE</b> ✓ ✓ ✓
<b>QONCE</b>	<ul style="list-style-type: none"> <li>• Sales revenue (R1 000 000 vs R900 000)</li> <li>• R100 000 less than expected sales revenue</li> <li>• Possibility of theft / roll-over of cash</li> </ul>	<ul style="list-style-type: none"> <li>• Thorough investigation to determine reason for shortfall</li> <li>• Possibility of theft – open criminal case</li> </ul>
<b>CAMDEBOO</b>	<ul style="list-style-type: none"> <li>• Number of bikes sold only 200/ 50% of what Qonce sold / 200 less than Qonce/ 52,6% of what Humansdorp sold /180 less than Humansdorp</li> <li>• Manager's salary the highest (R22 000) but lowest sales</li> </ul>	<ul style="list-style-type: none"> <li>• Better advertising</li> <li>• Change manager's salary from a fixed salary to commission based.</li> </ul>
<b>HUMANSDORP</b>	<ul style="list-style-type: none"> <li>• Leave taken by manager – 34 days</li> <li>• Comparing to other managers too many days of leave</li> <li>• 32 bikes returned by customers / 8,4% of bikes sold were returned</li> </ul>	<ul style="list-style-type: none"> <li>• Better control over leave</li> <li>• Review Leave Policies</li> <li>• Unpaid leave if more than the days allowed</li> <li>• Conduct a thorough assessment of the bikes returned by customers to identify any recurring issues or quality concerns.</li> <li>• Gather feedback from customers to understand the reasons for returning the bikes.</li> <li>• Provide additional training to staff members responsible for bike inspections and customer service to prevent further returns.</li> </ul>

4.2.2 **What is a whistle-blower?***Any correct explanation ✓✓*

A whistleblower is someone who reports workplace conditions that he or she believes to be unsafe or illegal. / often an employee, revealing information about an activity within an organisation that is deemed illegal, immoral, illicit, unsafe or fraudulent.

2

4.2.3 **In your opinion, what are the ethical characteristics of a whistle-blower? Name TWO characteristics.***Name any two acceptable characteristics ✓ ✓*

Integrity  
Honesty  
Objectivity  
Accountability  
Courage  
Altruism  
Empathy

2

QUESTION 4: TOTAL MARKS	30	
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TOTAL: 150