



Province of the  
**EASTERN CAPE**  
EDUCATION

Name:

**NATIONAL  
SENIOR CERTIFICATE**

**GRADE 12**

**JUNE 2021**

**ACCOUNTING P2  
ANSWER BOOK  
(EXEMPLAR)**

| QUESTION | MAX MARKS | MARKS OBTAINED | MODERATED MARKS |
|----------|-----------|----------------|-----------------|
| 1        | 32        |                |                 |
| 2        | 58        |                |                 |
| 3        | 42        |                |                 |
| 4        | 18        |                |                 |
|          | 150       |                |                 |

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This answer book consists of 10 pages.

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**QUESTION 1****1.1 True or False**

|       |  |
|-------|--|
| 1.1.1 |  |
| 1.1.2 |  |

|   |
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|   |
| 2 |

**1.2 CREDITORS' RECONCILIATION****1.2.1**

|                                  | <b>Creditors' control</b> | <b>Creditors' list</b> |
|----------------------------------|---------------------------|------------------------|
| <b>Preliminary balance/total</b> | <b>R589 010</b>           | <b>R585 050</b>        |
| <b>A</b>                         |                           |                        |
| <b>B</b>                         |                           |                        |
| <b>C</b>                         |                           |                        |
| <b>D</b>                         |                           |                        |
| <b>E</b>                         |                           |                        |
| <b>F</b>                         |                           |                        |
| <b>G</b>                         |                           |                        |
| <b>H</b>                         |                           |                        |
| <b>Correct balance/total</b>     |                           |                        |

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| 16 |

1.3 DEBTOR'S ANALYSIS

1.3.1 Give TWO reasons why preparing a Debtors' Age Analysis is a useful tool in managing debtors.

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1.3.2 Calculate the debtors' collection period for 2020 and comment on your findings. Keep in mind that the debtors' collection period for 2019 was calculated at 45 days. Provide figures in your comments. Discuss TWO points of advice which you can offer the credit manager.

Calculation:

Comment:

Advice:

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| 10 |

|                            |    |  |
|----------------------------|----|--|
| QUESTION 1:<br>TOTAL MARKS | 32 |  |
|----------------------------|----|--|

**QUESTION 2****2.1 MATCHING CONCEPTS**

|       |  |  |
|-------|--|--|
| 2.1.1 |  |  |
| 2.1.2 |  |  |
| 2.1.3 |  |  |
| 2.1.4 |  |  |

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**2.2 INVENTORY****2.2.1 Calculate the value of closing stock for rugby jerseys.**

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**2.2.2 Calculate the cost of sales for rugby jerseys.**

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**2.2.3 Calculate the mark-up percentage on rugby jerseys.**

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**2.2.4 How many months will it take to sell the rugby jerseys on hand on 31 May 2020?**

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2.2.5 Calculate the value of closing stock for rugby balls.

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2.2.6 Calculate the number of rugby balls missing on 31 May 2020.

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2.3 **FIXED ASSETS**

2.3.1 Calculate the cost of the additional garage that was built.

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2.3.2 Calculate the balance of the Accumulated Depreciation on Equipment account on 30 April 2020. (You do not need to show the account.)

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**QUESTION 3: MANUFACTURING AND COST ACCOUNTING**

**3.1 True or False**

|       |  |
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| 3.1.1 |  |
| 3.1.2 |  |

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**3.2 PRODUCTION COST STATEMENT**

**3.2.1 Note for Factory overhead costs**

|                                 |  |
|---------------------------------|--|
| <b>Indirect material (8 400</b> |  |
|                                 |  |
|                                 |  |
|                                 |  |
|                                 |  |
|                                 |  |
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**3.2.2 Production cost statement on 29 February 2020.**

|   |                |
|---|----------------|
| <b>Direct labour (1 072 400</b>             |                |
| <b>Direct material (115 800</b>             |                |
| <b>Prime cost</b>                           |                |
|   |                |
| <b>Total manufacturing costs</b>            |                |
| <b>Work-in-process (1 March 2019)</b>       | <b>218 400</b> |
|   |                |
|   |                |
| <b>Cost of production of finished goods</b> |                |

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**3.3 COST ACCOUNTING**

3.3.1 Calculate the break-even point for 2020.

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3.3.2 Calculate the units produced during 2020. (All products were sold.)

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3.3.3 Should Mickey, the owner, be concerned about the level of production for Nail Art? Give TWO reasons, with supporting figures, to motivate your answer.

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| <b>QUESTION 3:<br/>TOTAL MARKS</b> |
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| 42 |
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**QUESTION 4**

**4.1 CONCEPTS**

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| 4.1.1 |  |   |
| 4.1.2 |  |   |
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4.2.1 **What kind of audit report did Knights Sports Ltd receive for the financial year ended 31 May 2020? Give ONE reason for your answer.**

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4.2.2 **Why does the Companies Act in South Africa require public companies to be audited?**

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4.2.3 **The directors feel that the audit fees charged by the external auditors are excessive. Explain how better internal control will have a positive effect on fees charged by the external auditors.**

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4.3 INTERNAL CONTROL

4.3.1 To which GAAP principle was the internal auditor referring to when he expressed his concern about this matter?

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4.3.2 Give TWO consequences for the company should the CEO ignore the internal auditors' advice.

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4.3.3 At the annual general meeting (AGM), the directors suggested that the company should sponsor a childcare facility in the local community. Give TWO reasons why companies would get involved in these kinds of activities.

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| QUESTION 4:<br>TOTAL MARKS | 18 |  |
|----------------------------|----|--|

TOTAL: 150