



PROVINCIAL EXAMINATION

NOVEMBER 2023

GRADE 10

ACCOUNTING
(PAPER 2)

TIME: 2 hours

MARKS: 150

10 pages, a formula sheet and a 9 page answer book.

INSTRUCTIONS AND INFORMATION

1. Answer ALL the questions.
2. A special ANSWER BOOK is provided in which to answer ALL the questions.
3. Show ALL workings to earn part-marks.
4. Where applicable, round off all calculations to the nearest rand. All other calculations are to be rounded to ONE decimal place.
5. Read the instructions of each question carefully and follow them precisely.
7. Non-programmable calculators may be used.
8. All answers must be written in black or blue ink.
9. A FORMULA SHEET is attached at the end of this question paper.
10. Use the information in the table below as a guide when answering the question paper. Try NOT to deviate from it.

QUESTION	TOPICS	MARKS	TIME
1	Concepts and Creditors' Reconciliation	42	34 minutes
2	Budgeting	34	26 minutes
3	Inventory, Problem Solving and Ethics	46	38 minutes
4	Cost Accounting	28	22 minutes
Total		150	120 minutes

QUESTION 1: CONCEPTS AND CREDITORS' RECONCILIATION

(42 marks; 34 minutes)

1.1 CONCEPTS

Indicate whether the following statements are TRUE or FALSE. Write only true or false in your ANSWER BOOK.

- 1.1.1 Payments made to creditors are recorded on the debit side of their account.
- 1.1.2 A receipt is issued by a creditor when goods are purchased on credit.
- 1.1.3 Trade creditors are classified as current assets in the records of a business. (3)

1.2 CREDITORS' RECONCILIATION

METH STORES

The information provided below was extracted from the records of Meth Stores for August 2023. The business maintains a mark-up of 25% on cost.

REQUIRED:

- 1.2.1 Prepare the Creditors' Control Account in the General Ledger for August 2023. (17)
- 1.2.2 Prepare the corrected Creditors' List on 31 August 2023. (16)
- 1.2.3 Sammy Sithole works for Meth Stores. He is responsible for the following: ordering goods, receiving goods delivered by suppliers and for payment to the suppliers for goods delivered. The owner of Meth Stores is concerned that sales figures are not improving but goods (trading stock) are replaced frequently.

Provide THREE internal control measures that should be implemented by Meth Stores. (6)

NOTE: Show all your calculations in brackets.

INFORMATION:

- A.** Creditors Control balance on 31 July 2023, R33 500.

B. TOTALS OF THE SUBSIDIARY JOURNALS ON 31 AUGUST 2023

Creditors' Journal	
Trading stock	24 000
Sundry accounts	2 100
Creditors' control	26 100

Debtors' Journal	
Sales	36 000
Cost of sales	28 800

Creditors' Allowances Journal	
Trading stock	2 000
Sundry accounts	200
Creditors control	2 200

Debtors' Allowances Journal	
Debtors' allowances	1 000
Cost of sales	800

Cash Payments Journal	
Bank	66 895
Trading stock	23 000
Creditors control	25 550
Discount received	550
Sundry accounts	18 345

General Journal			
Debtors' Control		Creditors' Control	
Dr	Cr	Dr	Cr
780	850	950	800

C. Creditors' List on 31 August 2023

Creditors	Amount
AB Dealers	R14 350
BB Traders	7 400
Otto Furnishers	9 300
Crox Stationers	2 300
	33 350

ERRORS AND ADDITIONAL INFORMATION:

- (i) An invoice for goods purchased from AB Dealers was erroneously posted to the account of BB Traders, R1 200.
- (ii) Payment of R600 by EFT was made to Crox Stationers for goods previously bought on credit. The transaction was recorded in the Cash Payments Journal but was not posted to the account of Crox Stationers in the Creditors Ledger.
- (iii) The Creditors' Control column in the Creditors' Journal was undercast by R300.
- (iv) No entry has been made for merchandise returned to BB Traders, R770.
- (v) An electronic transfer of R540 was made to the account of Otto Furnishers. It was correctly recorded in the Cash Payments Journal but posted to the account of Otto Furnishers in the Creditors Ledger as R450.
- (vi) A credit note for R330 received from AB Dealers for goods returned was entered correctly in the Creditors' Allowances Journal but was posted to the incorrect side of AB Dealers' account in the Creditors' Ledger.

QUESTION 2: BUDGETING

(34 marks; 26 minutes)

2.1 Gauteng High School for Boys

The rugby team of Gauteng High School for Boys is planning a tour (trip) to Port Elizabeth. The tour is planned for the July 2024 school holidays.

2.1.1 Calculate the total expected cost of the tour for all the players (for a three day tour). (27)

2.1.2 Calculate the cost of the tour per player. (3)

2.1.3 How can the contributions expected from each player be reduced? Provide TWO methods that can be used to raise funds for the team, excluding the sources of funds mentioned in the given information. (4)

INFORMATION:

A. There are 15 players, 8 reserves in a team and 2 coaches. It is stated in the school policy that the cost of the 2 coaches must be covered by the players.

B. The school was able to secure a sponsorship of R18 200 from Planet Rugby Sports.

C. A donation of R7 700 was received from a rugby player who plays for the national team.

D. The following are the costs/expenses for the tour:

Uniform/Kit: A quotation was received from Cassim Outfitters for new uniforms and a sweater which amounts to R800 per player. The coaches will also receive sweaters that will cost R250 each.

Accommodation: The team will sleep in two of the Port Elizabeth dormitories for the duration of the tour, at a cost of R980 per dormitory, per day.

Transport: Bus hire is R18 000 plus R3,50 per km. The return distance to and from Port Elizabeth is 2 164 km.



Meals: The team will be supplied with supper at a cost of R46 per person and breakfast at R18 per person. Lunch costs will be covered by the players.

Entrance fee: On the third day the team and coaches will visit the Kruger National Park. The entrance fee is R150 per person. A 20% discount is granted for group bookings exceeding 20 people.

QUESTION 3: INVENTORY, PROBLEM SOLVING AND ETHICS

(46 marks; 38 minutes)

3.1 INVENTORY

KULA TRADERS

The information below relates to Kula Traders for January 2023.

REQUIRED:

Refer to the Trading Stock Account in the General Ledger and answer the following questions:

- 3.1.1 What is the contra account for **A**? (1)
- 3.1.2 Where do we record the closing trading stock in the financial statements? (2)
- 3.1.3 What transaction gave rise to **B**? (2)
- 3.1.4 What is the contra account indicated by **C**? (1)
- 3.1.5 Give a reason for entry **D**. (2)
- 3.1.6 Calculate the missing amount for **E**. (2)
- 3.1.7 What is the contra account indicated by **F**? (1)
- 3.1.8 Calculate **G**, goods were sold on credit for R27 000, a mark-up of 25% was added. (3)
- 3.1.9 What is the folio reference for **H**? (1)
- 3.1.10 Give THREE possible reasons for item **I**. (6)
- 3.1.11 Calculate the missing amount for **J**. (3)

INFORMATION:

GENERAL LEDGER OF KULA TRADERS

Dr		TRADING STOCK ACCOUNT						Cr	
2023 Jan	1	Balance	b/d	54 780	2023 Jan	31	(F)	CAJ	5 700
	31	(A)	CPJ	7 008			Cost of sales	DJ	(G)
		Creditors' control (B)	CJ	36 192			Cost of sales	H	22 800
		(C)	DAJ	2 370			(I)	GJ	900
		Petty cash (D)	PCJ	(E)			Balance	c/d	(J)
				102 000					102 000
2023 Feb	1	Balance	b/d	?					

3.2 PROBLEM SOLVING

INFORMATION

Thuli Mabuza owns four bakeries around Gauteng. They sell a variety of baked products to customers and retailers. The information below is extracted from two of her branches. She is concerned about targeted profits that were not achieved for more than 6 months.

REQUIRED:

Use information A and B provided to respond to the following questions.

- 3.2.1 Calculate the number of cakes sold at Diepkloof Square Bakery. (2)
- 3.2.2 Diepkloof Square Bakery has a high number of cakes that are not collected. Suggest TWO strategies that can be implemented by the business to improve collection of cakes by customers. (Refer to information A and B.) (4)
- 3.2.3 Suggest TWO methods that can be used by the business to promote sales. (4)
- 3.2.4 Refer to information A. Identify a problem at Naledi Mall Bakery and provide TWO solutions to the problem. Use figures to support the identified problem. (6)

INFORMATION:

A.

Information on wedding and birthday cakes for September 2023		
	Diepkloof Square Bakery	Naledi Mall Bakery
Targeted number of sales	340	340
Number of orders placed by customers	280	290
Number of cakes sold	?	254
Number of cakes missing	0	34
Number of cakes on hand/not collected by customers	8	2
Number of employees	3 bakers	3 bakers
	3 shop assistants	3 shop assistants

- B.
- A deposit of 10% is paid before orders can be processed.
 - The minimum price for birthday cakes is R500 and for wedding cakes R1 800.

3.3 ETHICS

Egoli Clothing Store

Egoli Clothing Store is owned by Nelly Masinya. She sells clothes, handbags and shoes. The store is next to the Mall of East. Goods are sold for cash and on credit to loyal customers who qualify to buy on credit. Goods are bought in Italy (abroad). Nelly has been informed by her suppliers that a new branch will be opening in Witbank (Mpumalanga).

Nelly will pay less for goods and transportation costs. She is not prepared to adjust the selling price of her goods. She feels that this is an opportunity to make more profit.

REQUIRED

3.3.1 What advice would you offer her? Provide THREE points.

(6)

QUESTION 4: COST ACCOUNTING

(28 marks; 22 minutes)

4.1 CONCEPTS

Match the concepts in COLUMN A with appropriate item or explanation provided in COLUMN B. Write only the letter next to the question numbers (4.1.1 to 4.1.5) in the ANSWER BOOK.

INFORMATION:

COLUMN A	COLUMN B
4.1.1 Direct material cost	A Manager in the factory
4.1.2 Direct labour cost	B Advertising
4.1.3 Factory overhead cost	C Office rent
4.1.4 Sales and distribution cost	D Wood for the tables and chairs
4.1.5 Administration cost	E Machine operators

(5)

4.2 THELMA MANUFACTURES

Thelma Manufacturers design handbags and sell them at a mark-up of 40% on cost. With the current loadshedding implementation, production costs have increased, and sales figures have decreased.

REQUIRED:

Calculate the following costs, showing all calculations.

- 4.2.1 Calculate the direct material cost. (9)
- 4.2.2 Calculate the direct labour cost. (3)
- 4.2.3 Calculate the total direct cost. (2)
- 4.2.4 Calculate the factory overhead cost. (2)
- 4.2.5 Calculate the total cost of production. (2)
- 4.2.6 Calculate the production cost per handbag. (2)
- 4.2.7 Calculate the selling price per handbag. (3)

INFORMATION:

The following costs are taken from records of Thelma Manufacturers for the month of September 2023.

COSTS AND EXPENSES		
Per handbag		
	Quantity	Price per item
Zips	2	R5 per zip
Fabric	1,5 metres	R25 per metre
Sewing cotton	10 metres	R2 per metre
Beads	4 packets	R9 per packet
Labour Cost		
Labour (factory)	3 hours	R36 per hour
Factory Expenses		Amount
Rent		R4 000
Electricity		R700
Insurance		R590
Cleaning material		R350

- 100 units were produced and sold

GRADE 10 ACCOUNTING FINANCIAL INDICATORS FORMULA SHEET

$\frac{\text{Gross profit}}{\text{Sales}} \times \frac{100}{1}$	$\frac{\text{Gross profit}}{\text{Cost of sales}} \times \frac{100}{1}$	$\frac{\text{Net profit}}{\text{Sales}} \times \frac{100}{1}$
$\frac{\text{Operating expenses}}{\text{Sales}} \times \frac{100}{1}$	$\frac{\text{Operating profit}}{\text{Sales}} \times \frac{100}{1}$	
Current Assets: Current Liabilities	Current Assets – Inventories: Current Liabilities	
(Trade and other receivables + Cash and cash equivalents): Current liabilities		
$\frac{\text{Net profit}}{\text{Owner's equity}} \times \frac{100}{1}$	Total assets: Total liabilities	



GAUTENG PROVINCE

EDUCATION
REPUBLIC OF SOUTH AFRICA

PROVINCIAL EXAMINATION

NOVEMBER 2023

GRADE 10

ACCOUNTING
(PAPER 2)

Stanmorephysics.com
ANSWER BOOK

NAME OF SCHOOL: _____

NAME OF LEARNER: _____

QUESTION	TOTAL MARKS	MARK OBTAINED	MODERATED MARK
1	42		
2	34		
3	46		
4	28		
TOTAL	150		

QUESTION 1: CONCEPTS AND CREDITORS' RECONCILIATION

1.1 CONCEPTS

1.1.1	
1.1.2	
1.1.3	

3

1.2 CREDITORS' RECONCILIATION

1.2.1

GENERAL LEDGER OF METH STORES									
CREDITORS' CONTROL ACCOUNT									
2023 Aug	31					2023 Aug	1	Balance	b/d

17

1.2.2

CREDITORS' LIST OF METH STORES ON 31 AUGUST 2023	
Creditor	Amount
AB Dealers	
BB Traders	
Otto Furnishers	
Crox Stationers	

16



1.2.3

Provide THREE internal control measures that should be implemented by Meth Stores.

--

6

TOTAL
42

QUESTION 2: BUDGETING

2.1 2.1.1 Calculate the total expected cost of the tour for all the players (for a three-day tour).

Receipts		
Total receipts		
Payments/Costs		
Item	Calculation	Answer
Uniform/Kit		
Accommodation		
Transport		
Meals		
Entrance Fees		
Total payments/costs		
Total expected cost of the tour for all players		

27

2.1.2 Calculate the cost of the tour per player.

--

3

2.1.3 How can the contributions expected from each player be reduced? Provide TWO methods that can be used to raise funds for the team, excluding the sources of funds mentioned in the given information.

--

4

TOTAL
34



QUESTION 3: INVENTORY PROBLEM SOLVING AND ETHICS

3.1 INVENTORY

3.1.1 What is the contra account for A?

--

1

3.1.2 Where do we record the closing trading stock in the financial statements?

--

2

3.1.3 What transaction gave rise to B?

--

2

3.1.4 What is the contra account indicated by C?

--

1

3.1.5 Give a reason for entry D.

--

2

3.1.6 Calculate the missing amount for E.

--

2

3.1.7 What is the contra account indicated by F?

1

3.1.8 Calculate G, goods were sold on credit for R27 000, a mark-up of 25% was added.

3

3.1.9 What is the folio reference for H?

1

3.1.10 Give THREE possible reasons for item I.

6

3.1.11 Calculate the missing amount for J.

3

3.2 PROBLEM SOLVING

3.2.1 Calculate the number of cakes sold at the Diepkloof Square Bakery.

2

3.2.2 Diepkloof Square Bakery has a high number of cakes that are not collected. Suggest TWO strategies that can be implemented by the business to improve collection of cakes by customers. (Refer to information A and B.)



--

4

3.2.3 Suggest TWO methods that can be used by the business to promote sales.

--

4

3.2.4 Refer to information A. Identify a problem at Naledi Mall Bakery and provide TWO solutions to the problem. Use figures to support the problem identified.

Problem and figures	Solutions

6

3.3 ETHICS

3.3.1 What advice would you offer her? Provide THREE points.

--

6

TOTAL
46

QUESTION 4: COST ACCOUNTING

4.1 CONCEPTS

4.1.1	
4.1.2	
4.1.3	
4.1.4	
4.1.5	

5

4.2 Calculate the following costs and show all calculations.

4.2.1 Calculate the direct material cost.

	Quantity	Price per item	Calculation	Answer
Zips	2			
Material		R25		
Sewing cotton				
Beads				

9

4.2.2 Calculate the direct labour cost.

--

3

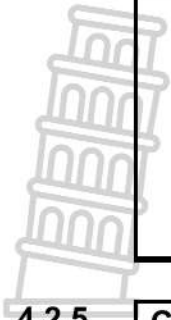
4.2.3 Calculate the total direct cost.

--

2

4.2.4

Calculate the factory overhead cost.



2

4.2.5

Calculate the total cost of production.

2

4.2.6

Calculate the production cost per handbag.

2

4.2.7

Calculate the selling price per handbag.

3

TOTAL
28

TOTAL: 150



MARKING PRINCIPLES:

1. 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 items). No double-penalty is 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 the answer is 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).
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. Where penalties are applied, the marks for that section of the question cannot be a final negative.
8. Operation means 'check operation'. 'One part correct' means operation and one part correct. Note: check operation must be +, -, x, ÷ as per the candidate's calculation (if valid) or per memo.
9. Where method marks are awarded for operation, the marker must inspect the reasonableness of the answer and at least one part must be correct before awarding the mark.
10. In awarding method marks, ensure that candidates do not get full marks for any item that is incorrect at least in part.
11. Be aware of candidates who provide valid alternatives beyond the marking guidelines.
12. Codes: F = foreign item; P = placement/presentation.

QUESTION 1: CONCEPTS AND CREDITORS' RECONCILIATION

1.1 CONCEPTS

1.1.1	True	✓
1.1.2	False	✓
1.1.3	False	✓

3

1.2 CREDITORS' RECONCILIATION

1.2.1

GENERAL LEDGER OF METH STORES									
CREDITORS' CONTROL ACCOUNT									
2023 Aug	31	Bank and discount received✓	CPJ	✓25 550	2023 Aug	1	Balance	b/d	✓33 500
		Total returns✓	CAJ	☑ 2 970		31	Total purchases✓	CJ	☑ 26 400
		(2 200✓ + 770✓)					(26 100✓ + 300✓)		
		*Sundry debits✓		✓950			*Sundry credits✓		✓800
		Balance	c/d	☑ 31 230					
				60 700					60 700
					2023 Sept	1	Balance	b/d	☑ 31 230

*Accept journal debits/credits

17

1.2.2

CREDITORS' LIST OF METH STORES ON 31 AUGUST 2023	
Creditor	Amount
AB Dealers (14 350 ✓ + 1 200 ✓ – 330 ✓ – 330 ✓)	☑14 890
BB Traders (7 400 ✓ – 1 200 ✓ – 770 ✓)	☑ 5 430
Otto Furnishers (9 300 ✓ – 90 ✓✓)	☑ 9 210
Crox Stationers (2 300 – 600)	✓ ✓1 700
	☑ 31 230

☑ One part correct

16

1.2.3



Provide **THREE** internal control measures that should be implemented by Meth Stores.

Any three acceptable answers ✓✓ ✓✓ ✓✓ one mark for partially correct response

- All purchases of goods must be authorised by senior personnel.
- Goods received must be checked against the purchase order, invoice, and delivery note.
- Placement of orders, receiving of goods from suppliers and payment to suppliers should not be handled by one person.
(Allocate one mark for division of duties.)
- Detailed inventory records should be maintained for any movement of stock.
- Access to stock should be limited and supervised.
- Regular physical stocktaking must be undertaken.

6

TOTAL
42

QUESTION 2: BUDGETING

2.1 2.1.1 Calculate the total expected cost of the tour for all the players (for a three-day tour).

Receipts		
Sponsorship		✓ 18 200
Donation		✓ 7 700
Total receipts		✓ 25 900
Payments/Costs		
Item	Calculation	Answer
Uniform/Kit	$(23 \times 800) \checkmark \checkmark + (2 \times 250) \checkmark$	<input checked="" type="checkbox"/> 18 900
Accommodation	$980 \checkmark \times 2 \checkmark \times 3 \checkmark$	<input checked="" type="checkbox"/> 5 880
Transport	$18\,000 \checkmark + (3,50 \checkmark \times 2\,164 \checkmark)$	<input checked="" type="checkbox"/> 25 574
Meals	$(46 \checkmark + 18 \checkmark) \times 25 \checkmark \times 3 \checkmark$	<input checked="" type="checkbox"/> 4 800
Entrance fees	$150 \checkmark \times 25 \checkmark \times 80/100 \checkmark$ OR 120×25 2 marks 1 mark	<input checked="" type="checkbox"/> 3 000
Total payments/costs		<input checked="" type="checkbox"/> 58 154
Total expected cost of the tour for all players		32 254
58 154 – 25 900 (see payments and receipts)		<input checked="" type="checkbox"/> <input checked="" type="checkbox"/>

27

2.1.2 Calculate the cost of the tour per player.

$32\,254 \checkmark \div 23 \checkmark = 1\,402,35 \checkmark$ one part correct

3

2.1.3 How can the contributions expected from each player be reduced? Provide TWO methods that can be used to raise funds for the team, excluding the sources of funds mentioned in the given information.

Any two valid points ✓✓ ✓✓
<ul style="list-style-type: none"> Request a donation from the <u>school governing body (SGB)</u> Sell refreshments on the school premises Sell raffle tickets

4

TOTAL
34

QUESTION 3: INVENTORY PROBLEM SOLVING AND ETHICS

3.1 INVENTORY

3.1.1	<p>What is the contra account for A?</p> <p>Bank ✓</p>	1
3.1.2	<p>Where do we record the closing trading stock in the financial statements?</p> <p>In the statement of financial position or balance sheet ✓ under current assets ✓</p>	2
3.1.3	<p>What transaction gave rise to B?</p> <p>Goods bought on credit (on account). ✓✓</p>	2
3.1.4	<p>What is the contra account indicated by C?</p> <p>Cost of sales ✓</p>	1
3.1.5	<p>Give a reason for entry D.</p> <p>Paid out of petty cash for the delivery of goods. ✓✓</p>	2
3.1.6	<p>Calculate the missing amount for E.</p> <p>$102\ 000 - 54\ 780 - 7\ 008 - 36\ 192 - 2\ 370 = 1\ 650$ ✓✓</p>	2
3.1.7	<p>What is the contra account indicated by F?</p> <p>Creditors' control ✓</p>	1
3.1.8	<p>Calculate G, goods were sold on credit for R27 000, a mark-up of 25% was added.</p> <p>$27\ 000 \checkmark \times 100/125 \checkmark = 21\ 600$ <input checked="" type="checkbox"/> one part correct</p>	3
3.1.9	<p>What is the folio reference for H?</p> <p>CRJ ✓</p>	1
3.1.10	<p>Give THREE possible reasons for item I.</p> <p>Any THREE (Any other acceptable answer) ✓✓✓✓✓✓</p> <ul style="list-style-type: none"> • The owner took goods for personal use or <u>drawings</u>. • Goods stock were <u>donated</u>. • Correction of error. 	6

3.1.11	Calculate the missing amount for J.	
	$102\ 000 - 5\ 700 - 21\ 600 - 22\ 800 - 900 = 51\ 000$ ✓✓ ✓ Check 3.1.8	two parts correct

3

3.2 PROBLEM SOLVING

3.2.1	Calculate the number of cakes sold at Diepkloof Square Bakery.	
	$280 - 8 = 272$ ✓ ✓ one part correct	

2

3.2.2 Diepkloof Square Bakery has a high number of cakes that are not collected. Suggest TWO strategies that can be implemented by the business to improve the collection of cakes by customers. (Refer to information A and B.)

Any two valid strategies ✓✓ ✓✓

- Increase the deposit (accept any reasonable percentage above 10%.)
- OR
- A deposit charged must be sufficient to cover the costs of baking.
- Call customers and remind them to collect their orders.

4

3.2.3 Suggest TWO methods that can be used by the business to promote sales.

Any two valid answers ✓✓ ✓✓

- Use flyers or catalogues to advertise the cakes.
- Use social media such as WhatsApp, Facebook etc. to advertise goods
- Create a website to advertise goods.

4

3.2.4 Refer to information A. Identify a problem at Naledi Mall Bakery and provide TWO solutions to a problem. Use figures to support the problem identified.

Problem ✓ and figure(s) ✓ any two valid solutions ✓✓ ✓✓

Problem and figures	Solutions
Theft/34 cakes are missing	Cakes that are not collected must be kept in a lockable glass cabinet.
	Do regular physical counts of cakes.

6

3.3 ETHICS

3.3.1 **What advice would you offer her? Provide THREE points.**

Any three valid points ✓✓ ✓✓ ✓✓

- This is unethical conduct.
- The business will lose customers and its good reputation.
- It will create a negative impression of the business when this is discovered by customers.

6

TOTAL
46

QUESTION 4: COST ACCOUNTING

4.1 CONCEPTS

4.1.1	D	✓
4.1.2	E	✓
4.1.3	A	✓
4.1.4	B	✓
4.1.5	C	✓

5

4.2 Calculate the following costs and show all the calculations.

4.2.1 Calculate the direct material cost.

	Quantity	Price per item	Calculation	Answer
Zips	2	R5	R10 x 100	R1 000 ✓✓
Material	1,5	R25	R37,50 x 100	R3 750 ✓✓
Cotton	10	R2	R20 x 100	R2 000 ✓✓
Beads	4	R9 per packet	R36 x 100	R3 600 ✓✓
		one part correct		R10 350 ✓

9

4.2.2	Calculate the direct labour cost. $(3 \times R36) \checkmark \times 100 \checkmark = R10\,800 \checkmark$ one part correct	<div style="border: 1px solid black; width: 40px; height: 20px; margin: 0 auto;"></div> <div style="border: 1px solid black; width: 40px; height: 20px; margin: 0 auto; text-align: center;">3</div>
4.2.3	Calculate the total direct cost. $10\,350 + 10\,800 = R21\,150 \checkmark \checkmark \#$ see 4.2.1 and 4.2.2	<div style="border: 1px solid black; width: 40px; height: 20px; margin: 0 auto;"></div> <div style="border: 1px solid black; width: 40px; height: 20px; margin: 0 auto; text-align: center;">2</div>
4.2.4	Calculate the factory overhead cost. $700 + 4\,000 + 590 + 350 = 5\,640 \checkmark \checkmark$ one part correct	<div style="border: 1px solid black; width: 40px; height: 20px; margin: 0 auto;"></div> <div style="border: 1px solid black; width: 40px; height: 20px; margin: 0 auto; text-align: center;">2</div>
4.2.5	Calculate the total cost of production. $21\,150 + 5\,640 = R26\,790 \checkmark \checkmark \#$ see 4.2.3 and 4.2.4	<div style="border: 1px solid black; width: 40px; height: 20px; margin: 0 auto;"></div> <div style="border: 1px solid black; width: 40px; height: 20px; margin: 0 auto; text-align: center;">2</div>
4.2.6	Calculate the production cost per handbag. $26\,790 \checkmark / 100 = R267,90$ OR $R268 \checkmark$ one part correct see 4.2.5	<div style="border: 1px solid black; width: 40px; height: 20px; margin: 0 auto;"></div> <div style="border: 1px solid black; width: 40px; height: 20px; margin: 0 auto; text-align: center;">2</div>
4.2.7	Calculate the selling price per handbag. $267.9 \checkmark \times 140/100 \checkmark = R375,06$ OR $R375.20 \checkmark$ one part correct	<div style="border: 1px solid black; width: 40px; height: 20px; margin: 0 auto;"></div> <div style="border: 1px solid black; width: 40px; height: 20px; margin: 0 auto; text-align: center;">3</div>

$\checkmark \checkmark \#$ One method mark for one correctly transferred amount
 Two method marks for two correctly transferred and added marks

TOTAL
28

TOTAL: 150