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PROVINCIAL GOVERNMENT
REPUBLIC OF SOUTH AFRICA

DEPARTMENT OF
EDUCATION

GRADE 11

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ACCOUNTING PAPER 2

TASK 04: JUNE EXAM

TERM 2: 2025

QUESTION PAPER

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MARKS: 150

TIME: 2 HOURS

**This question paper consists of 11 pages,
a formula sheet and a 9-page answer book.**

INSTRUCTIONS AND INFORMATION

Read the following instructions carefully and follow them precisely.

1. Answer ALL questions.
2. A special ANSWER BOOK is provided in which to answer ALL questions.
3. Show ALL workings to earn part marks.
4. You may use a non-programmable calculator.
5. You may use a dark pencil or blue/black ink to answer questions.
6. Where applicable, show ALL calculations to ONE decimal point.
7. A Financial Indicator Formula Sheet is attached at the end of this question paper.
8. Write neatly and eligibly.
9. Use the information in the table below as a guide when answering the question paper. Try NOT to deviate from it.

QUESTION	TOPIC	MARKS	MINUTES
1	Bank Reconciliation	60	45
2	Creditor's Reconciliation	30	25
3	Fixed Assets	30	25
4	Interpretation of Financial Information	30	25
TOTAL		150	120

QUESTION 1: BANK RECONCILIATION

(60 marks; 45 minutes)

1.1 CONCEPTS

State whether the following statements are TRUE or FALSE. Write only TRUE or FALSE next to the question number (1.1.1 – 1.1.5) in the ANSWER BOOK.

- 1.1.1 A credit balance on the Bank Statement reflects a positive bank balance.
- 1.1.2 All payments made by EFT will not incur charges, and do not form part of bank charges.
- 1.1.3 Interest debited on the Bank Statement will be recorded in the Cash Receipts Journal (CRJ).
- 1.1.4 A Bank Reconciliation Statement should be prepared every two months.
- 1.1.5 An internal auditor will want to inspect the Bank Reconciliation Statement at the end of each month.

(5 x 1) (5)

1.2 INTERNAL CONTROL

- 1.2.1 Explain why it is important that a business prepares the Bank Reconciliation Statement. Provide TWO reasons. (4)
- 1.2.2 What does the abbreviation EFT stand for? (1)
- 1.2.3 List FOUR advantages of internet banking. (8)
- 1.2.4 The bookkeeper has been assigned the duty of processing and controlling all EFT's. Provide TWO reasons why the internal auditor should be concerned about this. (4)

HEITA TRADERS

The following information was taken from the books of Heita Traders. The business receives the bank statement on the 26th of every month.

REQUIRED:

- 1.3 Complete the Cash Journals for February 2025. (28)
- 1.4 Prepare the Bank Reconciliation Statement for February 2025. (10)

INFORMATION:

A. Extract from the Bank Reconciliation Statement on 31 January 2025:

Deposit not yet credited	3 900
Outstanding EFT's:	
No 377	5 250
No 400	8 750

Note:

- The outstanding deposit of R3 900 and EFT no 400 for R8 750 appeared on the bank statement for February 2025.
- EFT no 377 for R5 250 was issued to Kidz First Orphanage as a donation. It was found that this EFT did not go through as the account number was incorrect. EFT no 377 must therefore be cancelled.

A new EFT, no 469 for R7 000 was issued in favour of Kidz First Orphanage. This transaction has not been recorded in the books of Heita Traders. Kidz First Orphanage confirmed that they received EFT no 469.

B. Provisional totals from the Cash Journals on 28 February 2025:

- Cash Receipts Journal (CRJ), R61 990
- Cash Payments Journal (CPJ), R80 800



C. The following information on the February 2025 Bank Statement received from Best Bank did not appear in the February Cash Journals:

- EFT no 417 for R3 930. An investigation revealed that this EFT was issued in favour of a creditor, Eish Traders, in part payment of our account. This transaction was mistakenly recorded in the Cash payments journal as R2 390.
- A direct deposit of R3 000 was made by a debtor, P.Smitie, in part settlement of her account.
- A debit order for R2 275 in favour of Langtam Insurers to pay the personal insurance of the owner.
- A credit of R150 received from Best Bank as monthly interest on the fixed deposit.
- The bank statement showed the following charges:
 - Bank charges, R510.
 - Interest on debit balance, R170

D. The following information appeared in the February 2025 Cash Journals but did not appear on the Bank Statement for February 2025:

- A deposit of R11 100 on 28 February 2025
- The following EFT's that were issued:
 - No 546 (dated 28 February 2025) for R7 250
 - No 552 (dated 28 February 2025) for R12 500

E. Additional information:

- EFT no 101 for R9 750 appeared on the bank statement. After an investigation, it was discovered that the EFT belongs to King Traders. The bank will rectify the error.
- The owner withdrew R4 000 from an ATM to pay wages on 28 February 2025 but did not inform the bookkeeper.
- Debit balance of the bank statement on 28 February 2025 amounted to R30 650.

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QUESTION 2: CREDITORS RECONCILIATION

(30 marks; 25 minutes)

KOI STORES

Koi Stores purchases goods on credit from Beta Traders.

REQUIRED:

- 2.1 Simon, the bookkeeper, believes that preparing a Creditors' Reconciliation Statement is unnecessary since creditors already provide monthly statements. How would you respond to him? Provide TWO points. (4)
- 2.2 Complete the table to adjust and reflect the balance changes during the creditors' reconciliation process. Specify the amount with a + for an increase or a – for a decrease. The first entry (Information B (i)) has already been completed as an example. (16)
- 2.3 **Refer to information B (ii):**
As the internal auditor of Koi Stores, you have detected that only R50 000 of these goods were entered into the stock records by the storeroom manager. The remaining goods were taken for private use by Totsilina, an employee in charge of creditors.
- 2.3.1 What action should be taken against Totsilina?
Explain TWO points. (4)
- 2.3.2 What actions should the business take to stop a similar incident from happening again? Describe THREE key points. (6)

INFORMATION:

A The following balances are provided:

The account balance of Beta Traders in the creditors' Ledger of Koi Stores on 28 February 2025	112 820	Credit
On the statement received from Beta Traders on 22 February 2025.	182 150	Debit

B The following errors and omissions were discovered during an investigation:

- i. **Entry already completed as an example:**
A payment by Koi Stores of R9 000 was omitted from the Creditors' Ledger and the statement.
- ii. An invoice for goods bought for R87 500 was reflected on the statement from Beta Traders but was not recorded by Koi Stores.
- iii. A credit note for R5 250 received from Beta Traders for goods returned was incorrectly recorded as an invoice by Koi Stores.
- iv. A debit note for R2 100 issued to Mollie Shop was incorrectly recorded in the account of Beta Traders by Koi Stores.
- v. The statement includes an interest charge of R630 on the outstanding account. Beta Traders admitted to making a mistake and assured that the entry would be corrected in the March 2025 statement.
- vi. Koi Stores had correctly recorded a discount of R1 400 for early payment of their account. This has not been reflected in the statement from Beta Traders.
- vii. An invoice for R28 000 received from Beta Traders was recorded correctly by Koi Stores. The statement of account reflects it as R20 800.
- viii. Goods purchased from Beta Traders on 28 February 2025 for R4 600 were recorded by Koi Stores. The statement from Beta Traders is dated 22 February 2025.

QUESTION 3: FIXED ASSETS

(30 marks; 25 minutes)

3.1 CONCEPTS

Choose a description in COLUMN B that matches a concept in COLUMN A. Write only the letter (A – E) next to the question number (3.1.1-3.1.5) in the ANSWER BOOK.

COLUMN A		COLUMN B	
3.1.1	An item the business owes that can be sold for cash.	A	Trade-in
3.1.2	When an older asset is sold to a dealer, a new asset is bought simultaneously.	B	Straight line method
3.1.3	The same amount of depreciation is written off every year.	C	Cost price
3.1.4	Cost price – Accumulated Depreciation	D	Asset
3.1.5	The original value of an item.	E	Carrying value
		F	Diminishing balance method

(5 x 1) (5)

3.2 EAGLE STORES

The following information relates to Eagle Stores for the year ended 28 February 2025.

REQUIRED:

- 3.2.1 Draw up the Asset Disposal account to record the sale of the equipment. (5)
- 3.2.2 Prepare the fixed asset note to the financial statements of Eagle Stores on 28 February 2025. (20)

INFORMATION:



A Extract from the Trial Balance on 1 March 2024:

	RAND
Land and Buildings	790 000
Vehicles	322 000
Equipment	124 000
Accumulated depreciation on Vehicles	74 000
Accumulated depreciation on Equipment	38 400

B Transactions concerning fixed assets for the financial year ended 28 February 2025:

Date	Transaction
01 April 2024	Maintenance on land and buildings was performed at a cost of R55 000. It was paid in cash.
01 May 2024	Purchased the adjacent land for R120 000 cash.
01 June 2024	Purchased a new vehicle on credit from Crane Motors for R112 000.
01 January 2025	Equipment with a cost of R24 000 and a carrying value of R15 000 (1 March 2024) was sold for R12 000 cash.

C Depreciation Adjustment at year-end:

Equipment:	20% per year on cost price
Vehicles:	10% per year on the diminishing balance

QUESTION 4: INTERPRETATION OF FINANCIAL INFORMATION

(30 marks; 25 minutes)

T & J TRADERS

You are provided with the financial information relating to T&J Traders for the year ending 28 February 2025. The partners are Tom and Jerry.

REQUIRED:

4.1 Calculate the following financial indicators on 28 February 2025:

NOTE: Show ALL calculations to ONE decimal point.

4.1.1 % Gross Profit on Sales (3)

4.1.2 Stock Turnover Rate (5)

4.1.3 Average Creditors Payment Period (5)

4.2 Comment on the percentage of gross profit on sales. Provide ONE reason for the change. Quote figures. (4)

4.3 All creditors' agreements state that accounts should be fully paid within 90 days of purchase to avoid interest charges.

The bookkeeper of T&J Traders feels that the business controlled their creditors very well. Explain why you do not agree with the bookkeeper. Quote figures. (4)

INFORMATION:

A	2025	2024
Sales	4 350 000	4 320 000
Cost of sales	2 900 000	2 400 000
Gross profit	1 450 000	1 920 000
Operating expenses	1 000 500	950 400
Credit purchases	3 480 000	3 456 000
Creditors control	470 000	530 000

B Financial indicators for two consecutive years:

	2025	2024
Mark-up percentage	50%	80%
Gross Profit on Sales	?	44,4%
% Operating expenses on sales	23%	22%
Average Creditors payment period	?	52,8 days

4.4 BOPAPE COMPUTERS

Bopape Computers sells one brand of laptop. The owner, George Bopape, has three shops/branches in Giyani, Polokwane, and Tzaneen.

George has provided you with the figures from each of the three branches for the financial period ending 28 February 2025.

REQUIRED:

Identify ONE problem with EACH branch and quote the figures of the identified problem. In each case, offer George advice on how to solve the problem. (9)

INFORMATION:

	GIYANI	POLOKWANE	TZANEEN
Number of laptops	400	375	660
Number of laptops sold	220	310	120
Closing stock	180	50	540
Selling price per laptop	R3 600	R3 600	R3 600
Total amount deposited	R772 000	R1 116 000	R432 000
Advertising per year	R30 000	R30 000	R60 000
Manager's monthly salary	R24 000	R18 000	18 000

30

TOTAL: 150 MARKS

GRADE 11 ACCOUNTING FINANCIAL INDICATOR FORMULA SHEET

$\frac{\text{Gross profit}}{\text{Sales}} \times \frac{100}{1}$	$\frac{\text{Gross profit}}{\text{Cost of sales}} \times \frac{100}{1}$	$\frac{\text{Net profit}}{\text{Sales}} \times \frac{100}{1}$
$\frac{\text{Operating expenses}}{\text{Sales}} \times \frac{100}{1}$	$\frac{\text{Operating profit}}{\text{Sales}} \times \frac{100}{1}$	
$\frac{\text{Total earnings by partner}}{\text{Partner's average equity}} \times \frac{100}{1}$	$\frac{\text{Net profit}}{\text{Average owners' equity}} \times \frac{100}{1}$	
Current assets : Current liabilities	(Current assets – Inventories) : Current liabilities	
(Trade and other receivables + Cash and cash equivalents) : Current liabilities		
$\frac{\text{Average debtors}}{\text{Credit sales}} \times \frac{365}{1}$	$\frac{\text{Average creditors}}{\text{Credit purchases}} \times \frac{365}{1}$	
$\frac{\text{Average inventories}}{\text{Cost of sales}} \times \frac{365}{1} \text{ or } \frac{12}{1}$	$\frac{\text{Cost of sales}}{\text{Average inventories}}$	
Non-current liabilities: Owners' equity	Total assets: Total liabilities	



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**ACCOUNTING PAPER 2
TASK 04: JUNE EXAM
TERM 2: 2025
ANSWER BOOK**

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SCHOOL: _____

NAME: _____

QUESTION	MAXIMUM MARKS	MARKS OBTAINED	SCHOOL MODERATOR	DISTRICT MODERATOR
1	60			
2	30			
3	30			
4	30			
TOTAL	150			

MARKS: 150 MARKS

TIME: 2 HOURS

This answer book consists of 9 pages.

QUESTION 1**1.1 CONCEPTS**

1.1.1	
1.1.2	
1.1.3	
1.1.4	
1.1.5	

5

1.2 INTERNAL CONTROL

1.2.1 Explain why it is important that a business prepares the Bank Reconciliation Statement. Provide TWO reasons.



4

1.2.2 What does the abbreviation EFT stand for?

1

1.2.3 List FOUR advantages of internet banking.

1	
2	
3	
4	



8

- 1.2.4 The bookkeeper has been assigned the duty of processing and controlling all EFT's. Provide TWO reasons why the internal auditor should be concerned about this.


 4

HEITA TRADERS

1.3 CASH RECEIPTS JOURNAL OF HEITA TRADERS FOR FEBRUARY 2025

Doc	Day	Details	Fol	Bank	Sundry accounts		
					Amount	Fol	Details
	28	Total		61 990	61 990		

10

18

10

Please turn over

QUESTION 2

- 2.1 Simon, the bookkeeper, believes that preparing a Creditors' Reconciliation Statement is unnecessary since creditors already provide monthly statements. How would you respond to him? Provide TWO points.

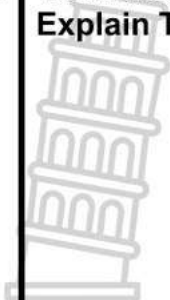
4

- 2.2 Complete the table to adjust and reflect the balance changes during the creditors' reconciliation process. Specify the amount with a + for an increase or a – for a decrease. The first entry (Information B (i)) has already been completed as an example.

No.	Creditors' Ledger of Koi Stores	Statement of account received from Beta Traders
Balance	112 820	182 150
i.	– 9 000	– 9 000
ii.		
iii.		
iv.		
v.		
vi.		
vii.		
viii.		

16

- 2.3.1 What action should be taken against Totsilina?
Explain TWO points.



4

- 2.3.2 What actions should the business take to stop a similar incident from happening again? Describe THREE key points.

6

TOTAL MARKS

30

QUESTION 3**3.1 CONCEPTS**

3.1.1	
3.1.2	
3.1.3	
3.1.4	
3.1.5	

5

3.2 EAGLE STORES**3.2.1****ASSET DISPOSAL**

5

3.2.2 FIXED ASSET NOTE ON 28 FEBRUARY 2025

	Land and buildings	Vehicles	Equipment
Cost			
Accumulated Depreciation			
Carrying value beginning of year	790 000	248 000	85 600
Movement (<i>not required</i>)			
Additions at cost			
Disposal at carrying value			
Depreciation for the year			
Carrying value at the end of year			
Cost			
Accumulated Depreciation			

20

TOTAL MARKS**30**

% Gross

2 Stock Tu

100

1. **Introduction**

1. **Introduction**

1. **Introduction**

10

110


Average

1. **Introduction**

1. **Introduction**

1. **Introduction**

4.4 Identify ONE problem with EACH branch and quote the figures of the identified problem. In each case, offer George advice on how to solve the problem.

BRANCH	COMMENT WITH FIGURE	ADVICE
GIYANI		
POLOKWANE		
TZANEEN		

9

TOTAL MARKS
30

TOTAL: 150 MARKS


 DEPARTMENT OF
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GRADE 11
ACCOUNTING PAPER 2
TASK 04: JUNE EXAM TERM 2 OF 2025
ERRATUM QUESTION 4.1.2
NOTE QUESTION 4.1.2:

The figures for inventory to calculate the Stock Turnover Rate have been omitted from the question paper.

CORRECTION:

Mark Question 4.1.2 as 0 out of 5.

Adjust the marks for questions 4.1.1 and 4.1.3 according to the updated marking guidelines below:

QUESTION 4

Calculate the following financial indicators on 28 February 2025:

4.1.1 % Gross Profit on Sales

$$\frac{1\,450\,000 \checkmark \checkmark}{4\,350\,000 \checkmark \checkmark} \times 100$$

$$= 33,3\% \checkmark \quad \text{one part correct, } \times 100 \text{ does not count as one part correct, Accept } 33\%$$

5
4.1.2 Stock Turnover Rate
MARK AS 0/5
0
4.1.3 Average Creditors Payment Period

1 000 000 four marks/ 500 000 six marks

$$\frac{\frac{1}{2} \checkmark \checkmark (470\,000 \checkmark \checkmark + 530\,000 \checkmark \checkmark) \times 365}{3\,480\,000 \checkmark} \times 1$$

$$= 52,4 \text{ days } \checkmark \quad \text{one part correct, do not accept } 52 / 53 \text{ days}$$

8



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ACCOUNTING PAPER 2
TASK 04: JUNE EXAM TERM 2 OF 2025
MARKING GUIDELINES

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150 MARKS

MARKING PRINCIPLES:

1. Unless otherwise stated in the marking guideline, penalties for foreign items are applied only if the candidate is not losing marks elsewhere in the question for that 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 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). 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. This memorandum is not for public distribution as certain items might imply incorrect treatment. The adjustments made are due to nuances in certain questions.
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 and at least one part must be correct before awarding the mark.
10. Operation means 'check operation'. 'One part correct' means operation and one part correct. Note: check operation must be +, -, x, ÷, or per memo.
11. In calculations, do not award marks for workings if numerator & 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.
14. Codes: f = foreign item; p = placement/presentation.

These marking guidelines consist of 9 pages.

QUESTION 1**1.1 CONCEPTS**

1.1.1	True ✓	
1.1.2	False ✓	
1.1.3	False ✓	
1.1.4	False ✓	
1.1.5	True ✓	

5

1.2 INTERNAL CONTROL**1.2.1 Explain why it is important that a business prepares the Bank Reconciliation Statement. Provide TWO reasons.**

Good explanation = ✓✓ Partial explanation = ✓

Expected responses for 2 marks:

- Improves internal control by minimizing fraud or error because records are checked against an external source.
- Improves internal controls by identifying outstanding EFTs and outstanding deposits.
- To compare the books of the business with that of the bank in order to detect errors and dishonesty at an early stage.

Expected responses for 1 mark:

- Internal control purposes
- To reconcile the Bank Account

Any other valid points

4

1.2.2 What does the abbreviation EFT stand for?

Electronic Funds Transfer ✓ 100% correct for one mark

1

1.2.3 List FOUR advantages of internet banking.

- Do not have to stand in queues to pay accounts/not restricted to business hours/time-saving. ✓✓
- Do not have to walk around with cash, hence less theft/safer. ✓✓
- Maintain your own internet banking limits. ✓✓
- Payments can be made immediately/Receipts are quickly available/account is updated immediately. ✓✓
- Send proof of payment to a beneficiary immediately.
- Convenient or easy to use.
- Cheaper bank charges.

Any other valid points

8

1.2.4 The bookkeeper has been assigned the duty of processing and controlling all EFT's. Provide TWO reasons why the internal auditor should be concerned about this.

Part-marks for unclear answer.

- Too many related job functions/No division of duties (no checks and balances) ✓✓
- There is a possibility of fraud. ✓✓
- The bookkeeper may be negligent in performing his/her duties.
- Lack of supervision can result in abuse.
- Payments are not made on time if the bookkeeper is absent; there may not be any continuity.

Any other valid points

4

HEITA TRADERS

1.3 CASH RECEIPTS JOURNAL OF HEITA TRADERS FOR FEBRUARY 2025

Doc	Day	Details	Fol	Bank	Sundry accounts		
					Amount	Fol	Details
	28	Total		61 990	61 990		
EFT 377		Kidz First Orphanage		5 250 ✓	5 250 ✓		Donations ✓
B/S		P.Smitie		3 000 ✓	3 000 ✓		Debtors control ✓
B/S		Best Bank		150 ✓	150 ✓		Interest on Fixed Deposit ✓
		* must include provisional total		70 390 ✓*			

10

CASH PAYMENTS JOURNAL OF HEITA TRADERS FOR FEBRUARY 2025

Doc	Day	Details	Fol	Bank	Sundry accounts		
					Amount	Fol	Details
	28	Total		80 800	80 800		
EFT 469		Kidz First Orphanage		7 000 ✓	7 000 ✓		Donations ✓
B/S		Eish Traders		1 540 ✓	1 540 ✓		Creditors control ✓
B/S		Langtam Insurers		2 275 ✓	2 275 ✓		Drawings ✓
B/S		Best Bank		680 ✓	510 ✓		Bank charges ✓
					170 ✓		Interest on overdraft ✓
B/S		Cash		4 000 ✓	4 000 ✓		Wages ✓
		☑ must include provisional total		96 295 ☑			

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1.4

BANK RECONCILIATION STATEMENT FOR 28 FEBRUARY 2025

	Debit	Credit
Dr balance according to Bank statement	30 650 ✓	
Cr outstanding deposit		11 100 ✓
Dr outstanding EFT's		
No 469	7 000 ✓	
No 546	7 250 ✓	
No 552	12 500 ✓	
Cr EFT wrongly debited		9 750 ✓
ATM withdrawal for wages	4 000 ✓✓	
Cr balance according to Bank account		40 550 ☑
Balancing figure	61 400 ☑	61 400
	Both figures must be the same	

10

TOTAL MARKS

60

QUESTION 2

- 2.1 Simon, the bookkeeper, believes that preparing a Creditors' Reconciliation Statement is unnecessary since creditors already provide monthly statements. How would you respond to him? Provide TWO points.

Any TWO valid points ✓✓ ✓✓ Must be 2 separate points;
Award part-marks for incomplete answers

Expected responses:

- The statements could contain errors.
- This is an internal control measure.
- This will lead to the detection of errors/omissions/fraud.
- To compare/check/reconcile the account to the statement.
- To ensure the VAT return is correct.

4

- 2.2 Complete the table to adjust and reflect the balance changes during the creditors' reconciliation process. Specify the amount with a + for an increase or a – for a decrease. The first entry (Information B (i)) has already been completed as an example.

No.	Creditors' Ledger of Koi Stores	Statement of account received from Beta Traders
Balance	112 820	182 150
i.	– 9 000	– 9 000
ii.	✓✓ + 87 500	
iii.	- 5 250 ✓ - 5 250 ✓ - 10 500 (2 marks)	
iv.	✓✓ + 2 100	
v.		✓✓ - 630
vi.		✓✓ - 1 400
vii.		✓✓ + 7 200
viii.		✓✓ + 4 600
	182 920 ✓*	182 920 ✓*

16

*one part correct and must include opening and example figures, totals does not have to be the same.

2.3.1 What action should be taken against Totsilina?**Explain TWO points.**Any two valid points ✓✓ ✓✓ Must be 2 separate points; Cannot conflict with each other
Award part-marks for incomplete answers

- Must be subjected to a disciplinary hearing
- Open a criminal case at SAPS
- Suspend pending decision (on the outcome of the hearing/case)
- Require the employee to refund/repay the employer for the costs/take legal action for repayment
- Dismiss her as this is gross misconduct

Do not accept a warning as a valid point for 2 marks unless the learner also mentions repayment as a point – in the context of R37 500 fraud, a warning alone is not sufficient

4

2.3.2 What actions should the business take to stop a similar incident from happening again? Describe THREE key points.Any three valid points ✓✓ ✓✓ ✓✓ Must be 3 separate points; Cannot conflict with each other
Award part-marks for incomplete answers

- Division of duties so that each person serves as a check on another/Rotate duties so that employees do not have permanent control over an aspect of the business.
- Conduct internal audits / check documents to detect fraud and errors.
- Physical stock control (with records) / check stock on hand against stock records.
- When goods are received, the receiving officer must check the stock received on the invoice and order form with the storeroom manager.
- Inform suppliers of the procedure for delivering goods to the business and do not deviate from this.

6

TOTAL MARKS**30**

QUESTION 3**3.1 CONCEPTS**

3.1.1	D ✓
3.1.2	A ✓
3.1.3	B ✓
3.1.4	E ✓
3.1.5	C ✓

5

3.2 EAGLE STORES**3.2.1****ASSET DISPOSAL**

2025 Jan	01	Equipment	24 000 ✓	2025 Jan	01	Accumulated depreciation on equipment (9 000+4 000)	13 000 ✓✓
		Profit on sale of asset	1 000 ✓			Bank	12 000 ✓
			25 000				25 000

5

3.2.2 FIXED ASSET NOTE ON 28 FEBRUARY 2025

	Land and buildings	Vehicles	Equipment
Cost	790 000 ✓	322 000 ✓	124 000 ✓
Accumulated Depreciation		(74 000) ✓	(38 400) ✓
Carrying value beginning of year	790 000	248 000	85 600
Movement (not required)			
Additions	120 000 ✓	112 000 ✓	
Disposals at carrying value			(11 000) ✓
Depreciation		(33 200) ✓✓	(24 000) ✓✓
Carrying value at the end of year	910 000 ✓	326 800 ✓	50 600 ✓
Cost	910 000 ✓	434 000 ✓	100 000 ✓
Accumulated Depreciation		(107 200) ✓	(49 400) ✓

20

TOTAL MARKS

30

QUESTION 4**Calculate the following financial indicators on 28 February 2025:****4.1.1 % Gross Profit on Sales**

$$\frac{1\,450\,000 \checkmark}{4\,350\,000 \checkmark} \times 100$$

$$= 33,3\% \checkmark$$

one part correct, x 100 does not count as one part correct, Accept 33%

3

4.1.2 Stock Turnover Rate

$$\frac{2\,900\,000 \checkmark}{\frac{1}{2} \checkmark (250\,000 \checkmark + 300\,000 \checkmark)}$$

$$550\,000 \text{ 2 marks / } 275\,000 \text{ 3 marks}$$

$$= 10,5 \text{ times } \checkmark$$

one part correct

5

4.1.3 Average Creditors Payment Period

$$\frac{1\,000\,000 \text{ two marks / } 500\,000 \text{ three marks}}{\frac{1}{2} \checkmark (470\,000 \checkmark + 530\,000 \checkmark)} \times \frac{365}{1}$$

$$3\,480\,000 \checkmark$$

$$= 52,4 \text{ days } \checkmark$$

one part correct, do not accept 52 / 53 days

5

4.2 Comment on the percentage of gross profit on sales. Provide ONE reason for the change. Quote figures.

Gross profit on sales: figures and trend ✓✓ Reason ✓✓
 Mark according to learner calculation in 4.1.1

% Gross Profit on Sales decreased from 44,4% to 33,3% see 4.1.1

The business is making less gross profit because they decreased the Mark-up percentage from 80% to 50%.

4

4.3 The bookkeeper of T&J Traders feels that the business controlled their creditors very well. Explain why you DO NOT agree with the bookkeeper. Quote figures.

Creditors' payment period: figures and trend ✓✓ Comment ✓✓
 Mark according to learner calculation in 4.1.3

The Average Creditors' payment period decreased from 52,8 days in 2024 to 52,4 days see 4.1.3 in 2025.

The business is paying Creditors too early and negatively affecting the cash available in the business. / The business can take up to 90 days before the creditor can charge them with interest, they should take longer to pay so that the cash can be used more efficiently.

4

4.4

Identify ONE problem with EACH branch and quote the figures of the identified problem. In each case, offer George advice on how to solve the problem.

BRANCH	COMMENT WITH FIGURE Problem and figure/s must match ✓✓ ✓✓ ✓✓	ADVICE Must correspond to problem ✓ ✓ ✓
GIYANI	<p>Money stolen/not all the money banked/deposited. Shortage of R20 000.</p> <p>OR</p> <p>Salary of R24 000 of too high compared to other managers.</p>	<p>Control the deposit slips.</p> <p>Division of duties. The same person must not receive and deposit money.</p> <p>Pay the same as other managers. / Work on a commission basis.</p>
POLOKWANE	<p>There are 15 printers missing ($375 - 310 = 65 - 50$)</p>	<p>Division of duties. The same person must not order and receive stock.</p> <p>Regular stock count</p> <p>Install security cameras</p> <p>Limit access to the storeroom.</p>
TZANEEN	<p>Only 120 of 660 sold. Too much stock on hand 540</p> <p>His advertising is not effective. Use R60 000 and the other branches only R30 000 and sold the least amount of units.</p>	<p>Take stock over to other branches, before the laptops become outdated or stolen.</p> <p>The manager must revise the advertisement strategy.</p> <p>Close down this branch</p> <p>Do not accept division of duties for this branch.</p>

9

TOTAL MARKS

30

TOTAL: 150 MARKS