



NATIONAL SENIOR CERTIFICATE EXAMINATION
NOVEMBER 2024

ACCOUNTING: PAPER II

Time: 2 hours

100 marks

INFORMATION BOOKLET

QUESTION 1 RECONCILIATIONS

[24 marks; 29 minutes]

Information relating to Kalideck

Kalideck is a leading distributor of print and photocopy paper in Southern Africa. One of their debtors is Exam Paper Printers (EPP). Their largest supplier is Mondi Paper SA.

Part A: Debtors

(18 marks; 22 minutes)

		103 Paarl Road Durbanville 8100		
Exam Paper Printers 5 Annerley Rd, Parktown, Johannesburg		Acc no: EPP-24 Statement date: 25 Oct 2024		
DATE	TRANSACTIONS	DEBIT	CREDIT	BALANCE
Jun 15	Starting balance for this statement			320 000
Jul 3	Debit order received – thank you		280 000	40 000
	7 Invoice 773	176 500		216 500
	28 Payment received – thank you		118 000	98 500
Aug 2	Credit note 83		23 525	74 975
	12 Payment received – thank you		21 250	53 725
	26 Payment reversal – incorrect acc.	21 250		74 975
	26 Administrative penalty fee	2 125		77 100
Sept 1	EFT received – thank you		23 375	53 725
Oct 6	Invoice 883	128 500		182 225
<p>Credit terms:</p> <ul style="list-style-type: none"> All debts to be settled within 60 days after the date of the statement. 12% p.a. interest is charged on debts 90 days and older and charged from the date it becomes overdue. An administrative penalty fee will be charged on any failed transactions. 				

Note: Kalideck made the entry on 12 August based on the proof of payment (POP) sent to them by the bookkeeper of Exam Paper Printers. When the matching entry did not appear on their bank statement, they investigated the proof of payment closely and found that the payment was made into the account of another business with a similar name by mistake.

Part B: Creditors**(6 marks; 7 minutes)**

Kalideck received their statement of account from Mondi Paper SA dated 31 October 2024, showing an outstanding balance of R1 565 835.

The Creditor's List of Kalideck on 31 October 2024 indicates a balance for Mondi Paper SA of R1 460 795.

The following errors and omissions were noted when comparing the Statement of Account to the Creditor's Ledger:

- (a) Invoice 3228 for R904 000 was made out by Mondi Paper SA in respect of another business, Kali Enterprises. It incorrectly appeared on Kalideck's statement. The Kalideck bookkeeper also incorrectly captured the invoice in the Creditor's Journal.
- (b) Credit note 101 for R10 800 had been correctly recorded in the Creditor's Ledger but had been entered as an invoice on the statement.
- (c) An invoice for goods that were only ordered on 31 October 2024 for R114 640 was already reflected on the Statement. Kalideck had not received an invoice yet. The goods, together with the proof of delivery, will only take place in November 2024. The bookkeeper has decided to only record it in the Creditor's Journal once the goods have been delivered.
- (d) The total of the CAJ was incorrectly added. It was overstated by R650.
- (e) Mondi Paper SA usually allows an 8% trade discount on purchases of R300 000 and above. While capturing invoice 825 for the amount of R390 000 the trade discount was not taken into account by Kalideck but was treated correctly by Mondi Paper SA.

QUESTION 2 COMPANY ANALYSIS**[45 marks; 54 minutes]****The information below relates to Sasol Group Limited**

'Sasol is a global chemicals and energy company. We harness our knowledge and expertise to integrate sophisticated technologies and processes into world-scale operating facilities. We safely and sustainably source, produce and market a range of high-quality products in 22 countries, creating value for stakeholders. Our purpose "innovating for a better world" compels us to deliver on triple bottom line outcomes of People, Planet and Profit, responsibly and always with the intent to be a force for good.'



[<<https://www.sasol.com/who-we-are/about-us>>]

A. Information extracted from the Group Statement of Comprehensive Income for the year (as adapted):

	2023	2022
	R'million	R'million
Turnover (increased by 10,56%)	133 501	120 753
Cost of sales	(55 194)	(42 556)
Gross profit	78 307	78 197
Mark-up percentage achieved	141,88%	?
Net profit before tax	20 678	48 055
Net profit after tax	15 453	34 771

B. Other amounts and financial indicators for the year:

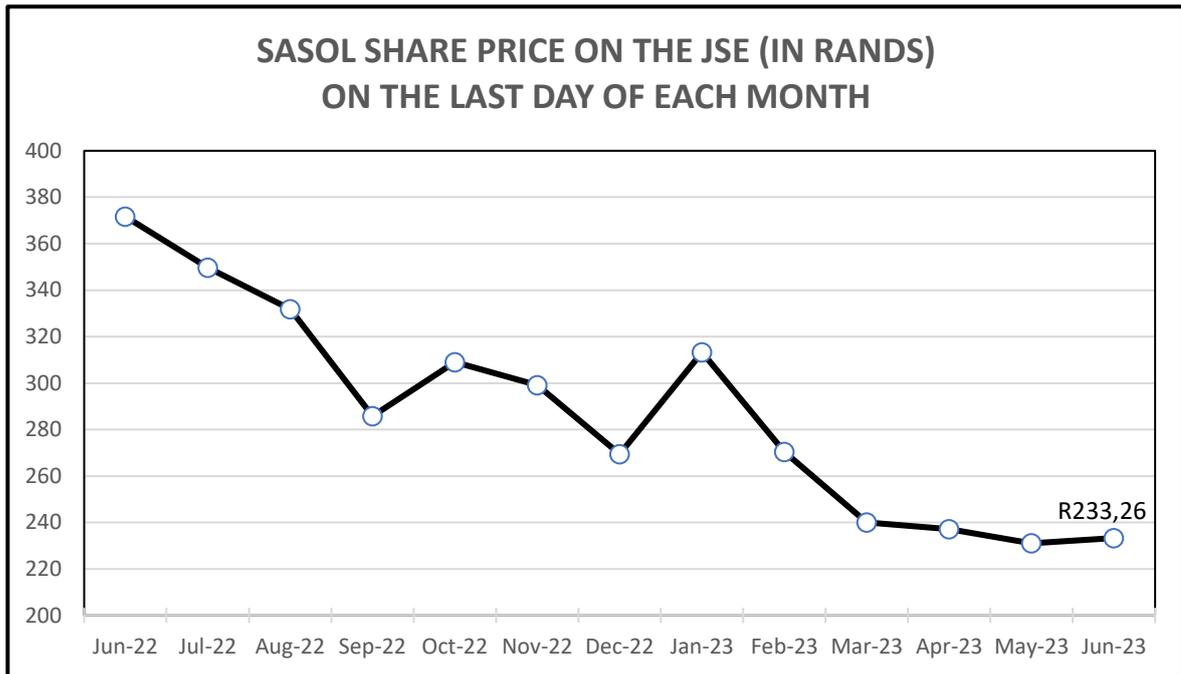
	2023	2022
Dividends on ordinary shares	R22 891 mil	R10 344 mil
Number of shares in issue	288 371 336	288 371 336
Earnings per share (EPS)	R53,59	?
Dividends per share (DPS)	R79,38	?
Total assets	R107 823 mil	
Total shareholders' equity	R12 533 mil	
Total liabilities (30% are current liabilities)	R95 290 mil	
Return on average Shareholders' Equity	100,46%	171,86%
Return on average Capital Employed	26,40%	53,64%
Average interest rate on long-term borrowings	15,2%	15,2%
Debt Equity ratio	?	3,62 : 1
Net asset value (NAV)	R43,46	
Average debtors' collection period	69,3 days	57,7 days
Average creditors payment period	63,9 days	72,1 days
Average stockholding period/ Number of days stock on hand	94,6 days	134, 4 days

C. RSA Retail Savings Bonds

	<p>'RSA Retail Savings Bonds are investments with the Government of South Africa which earns interest for the term of investment. A RSA Retail Savings Bond will earn 10,25% per annum if invested for 5 years.'</p>
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[Adapted: <www.rsaretailbonds.gov.za>]

D. Graph depicting trading price on the JSE on the last day of each month:



E.

Mail & Guardian

Sasol in the dock for environmental degradation at Secunda, polluting the Vaal River

Sasol has been ordered to appear in court next month to face several charges of environmental degradation. These include the unlawful disposal of waste and the negligent discharge of contaminated water into the Vaal River at its Secunda operations in Mpumalanga.

[Extracted: <<https://mg.co.za/the-green-guardian/2022-08-26-sasol-in-the-dock-for-environmental-degradation-at-secunda-polluting-the-vaal-river/>>]

GLOSSARY: Environmental degradation is a process through which the natural environment is compromised in some way.

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QUESTION 3 BUDGETS**[31 marks; 37 minutes]****The following information relates to SDC Appliance Traders**

SDC Appliance Traders is owned by Stavros. They sell a wide variety of home appliances at a mark-up of 60% on cost. They pride themselves on being up to 40% cheaper than their competitors.

A. Extract from the Cash Budget for January and February 2025

	January 2025 R	February 2025 R
RECEIPTS (extract)		
Cash sales	237 600	256 320
Collection from debtors	665 280	554 400
Fixed deposit maturing		A
New loan raised	1 050 000	
Interest on fixed deposit	3 600	3 150
Rent income	38 400	41 472
PAYMENTS (extract)		
Cash purchases of stock	?	B
Payment to creditors	?	?
Salaries and wages	C	146 610
Purchase of vehicle: deposit	D	
Purchase of vehicle: instalments	-	24 000
Interest on loan	13 125	13 125
Drawings by owner	75 000	75 000
Cash surplus/(deficit)	(435 000)	(960 000)
Bank at beginning	207 000	(228 000)
Bank at end	(228 000)	(1 188 000)

B. Sales and debtors' collection

Actual total sales	November 2024	R1 075 200
	December 2024	R950 400 (Cost of sales R594 000)
Budgeted total sales	January 2025	R792 000
	February 2025	?

- 30% of sales are cash.
- Debtors settle their accounts in full in the month following the sale. Currently no provision is made for bad debts.

C. Stock and drawings

- Stock is replenished on a fixed-based stock level.
- Stavros withdraws cash every month.
- In January 2025 he will donate washing machines with a combined value of R65 000 to a local youth care centre.
- A certain percentage of purchases are cash.

D. Payment to creditors

- It is expected that creditors will be paid as follows:
 - 80% are paid in the month of purchase to receive a 5% discount.
 - 20% are paid in the month following purchase.

E. Fixed deposit

- A portion of the fixed deposit will mature on 31 January 2025 but will be received on 1 February 2025.
- Interest of 4,5% p.a. is received at the end of each month.
- Stavros is considering reinvesting the money in March 2025 for two years.

F. Vehicles

- A new vehicle will be purchased on 1 January 2025. A deposit of 20% will be paid on this date.
- The remaining amount will be paid in equal instalments over 36 months, starting from February 2025.

G. Salaries and wages

- Two new employees will be appointed from 1 February 2025. They will earn R19 500 each per month.
- The other employees will receive an increase of 5,5% from 1 February 2025.

Advertisement for Question 3.6

RENT-TO-OWN YOUR OWN APPLIANCE

**Rent an appliance for a fixed contract of 24 months
and own it thereafter**

Terms and conditions:

- ① *An additional 8% (once off) will be added onto the sales price upon commencement of the agreement.*
- ② *Two free maintenance call-outs per year included over the duration of the agreement.*