



**higher education  
& training**

Department:  
Higher Education and Training  
**REPUBLIC OF SOUTH AFRICA**

## **MARKING GUIDELINE**

**NATIONAL CERTIFICATE (VOCATIONAL)**

**SUPPLEMENTARY EXAMINATION 2012**

**FINANCIAL MANAGEMENT  
NQF LEVEL 2**

**23 FEBRUARY 2012**

This marking guideline consists of 7 pages.

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MARKING GUIDELINE

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FINANCIAL MANAGEMENT L2

NC1100(E)(F23)V

### **QUESTION 1**

1.1	1.1.1	Pay as you earn ✓✓	(2)
	1.1.2	Petty cash voucher ✓✓	(2)
	1.1.3	Current ✓✓	(2)
	1.1.4	Bearer ✓✓	(2)
	1.1.5	Gross ✓✓	(2)
1.1	1.1.6	External ✓✓	(2)
	1.1.7	Sole trader ✓✓	(2)
	1.1.8	Retained earnings ✓✓	(2)
	1.1.9	Discount ✓✓	(2)
	1.1.10	Theft ✓✓	(2)
1.2	1.2.1	Liability ✓	(1)
	1.2.2	VAT output ✓	(1)
	1.2.3	Drawee ✓	(1)
	1.2.4	Negative or Decrease or Minus ✓✓	(1)
	1.2.5	Cash receipt journal ✓✓	(1)
1.3	1.3.1	E - Vat returns ✓	(1)
	1.3.2	C - Balance Sheet ✓	(1)
	1.3.3	D - Personal Income Tax Return ✓	(1)
	1.3.4	B - Gross profit ✓	(1)
	1.3.5	F - Petty Cash Journal ✓	(1)
			<b>[30]</b>

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**QUESTION 2**

- 2.1 2.1.1 R65 000 +R150 000=R215 000 ✓✓ (2)
- 2.1.2 Yes ✓  
Loan of R150 000 ✓ (2)
- 2.1.3 ✓  
2 mixing Machines:  
3 baking Ovens ✓  
Computer ✓ (3)
- 2.1.4 R 80 000,00 ✓  
R 45 000,00 ✓  
R 4 500,00 ✓  
Total = R129 500,00 ✓✓ (5)
- 2.1.5 Rent expense for a building ✓✓ (2)
- 2.2 Shrinkage is the loss ✓ of stock through theft, breakage, obsolescence, lack of stock rotation ✓ ,etc that results in negative ✓ influence in the net profit ✓ of the business. (4)
- 2.3 2.3.1 Cost per vetkoek R0,50 ✓  
**Plus:** Fixed cost per vetkoek R120,00 + R150,00=R270,00 /1000 =R0,27  
Total cost per vetkoek is =R0,77 ✓  
**Plus** 20% profit =R0,15 ✓  
Selling price per vetkoek = R0,92 ✓ (5)
- 2.3.2 Yes ✓ R0,15 ✓ (2)

2.4

<b>ABSA BANK</b>		Date 11 February 2011 ✓
Pay Betaal Mr Rosow ✓		
The sum of Die bedrag van One Thousand and Three hundred only ✓	R1 300,00 ✓	
"1001124" :202 202: 34567890"		Signature ✓ Future Bakery

(5) [30]

**QUESTION 3**

- 3.1 3.1.1 Opening Stock R8 000,00  
Plus Purchases R14 000,00 ✓  
Less closing stock R4 000,00 ✓  
Cost of sales R18 000,00 ✓ (3)
- 3.1.2 Turnover R50 000,00 ✓  
Less: cost of sales R18 000,00 ✓  
Gross profit R32 000,00 ✓ (3)
- 3.1.3 Gross profit R32 000,00 ✓  
Plus: other income R 250,00 ✓  
Gross Income R 32 250,00 ✓ (3)
- 3.1.4 Profit ✓ R19 250,00 ✓ (2)
- 3.2
- | VAT               | by the government ✓    | PAYE Tax deducted ✓ | from gross salaries ✓ |
|-------------------|------------------------|---------------------|-----------------------|
| Indirect levies ✓ | on goods and services. | of all employees.   |                       |
- 3.3 Cost =R85,00 x 10%  
Profit= R8,50 ✓  
Selling price= R93,50  
VAT = R13,09 ✓  
Total selling price R106,59 ✓ (3)
- 3.4 3.4.1 Earnings before interest = R428 000,00 ✓ ✓ (2)
- 3.4.1 Taxation at 29% = R101 500,00 ✓ ✓ (2)
- 3.4.3 Dividends are shares of the net profit ✓ that will be divided amongst the shareholders according to number of shares held ✓ (2)
- 3.5.1 R64,93 ✓ ✓ (2)
- 3.5.2 Petty cash journal ✓ ✓ (2)
- 3.5.3 Zero VAT ✓  
Consumers do not have to pay VAT on basic foodstuff of which bread is one ✓ (2)

[30]

**QUESTION 4**

4.1 4.1.1 
$$\frac{\text{Profit after tax and interest}}{\text{Sales}} \times \frac{100}{1}$$

$$\frac{64\,500}{185\,000} \times \frac{100}{1}$$

35%✓ or 34.86%

(3)

4.1.2 
$$\frac{\text{Gross profit}}{\text{Sales}} \times \frac{100}{1}$$

$$\frac{105\,000}{160\,000} \times \frac{100}{1}$$

66%✓ or 65,63 % or 65,6%

(3)

4.1.3 To record information about expenses and income ✓✓  
To see how profitable the business is  
(Accept any other logical and correct answer)

(2)

4.1.4 Cash Payments Journal ✓✓

(2)

4.1.5 Negative, as it decreases the net profit of the business. ✓✓

(2)

4.2 Notes in the balance sheet ✓✓  
Current year income statement ✓✓  
Two consecutive years' balance sheets ✓✓

(6)

4.3

<b>FUTURE BAKERY</b>	No. 100
<b>RECEIPT</b>	Date: 01 May 2011✓
Received from:.... Tshivhase K K ✓✓ or Tshivhase Feeding Scheme	
The sum of.... One Thousand two hundred rand ✓	
<b>For</b> ..... On Account	
<span style="border: 1px solid black; padding: 2px;">R1200,00✓</span>	
With thanks	<u>C. Chabane✓</u> or Student's signature Signature

4.4 4.4.1 
$$R2\,500 \times \frac{15}{100}$$

R375,00 Discount per cake

R2 500 – R375✓

R2 125,00✓

(3)

4.4.2 R2 125 x 5%✓

R 106,25✓

(2)

4.4.3 **One of the following**

- To attract more customers ✓✓
- To get rid of slow moving items
- To get rid of seasonal stock
- Periodic sales promotions

(2)  
**[30]**

**QUESTION 5**

5.1 A Bank Statement shows the monetary transactions between the business and the bank ✓✓  
It is a monthly record of all transactions between the business and the bank.

(2)

5.2 deposits ✓✓  
cheque payments ✓✓  
bank charges  
electronic funds transferred  
debit orders

(4)

5.3 **Working capital** is the money needed by a business to pay everyday operating expenses. ✓✓  
**Start-up capital** the money used to starting a business. ✓✓

(4)

5.4 Payee ✓  
Drawee ✓  
Drawer ✓

(3)

5.5 A cheque that is older than six months ✓✓  
it becomes stale and can't be cashed

(2)

5.6 **Balance sheet:** shows the financial position ✓✓  
or what the business is worth on a specific date

**Cash Flow statement:** shows the summary of inflow and outflow of money ✓✓  
or supplies the information for decision making.

(4)

5.7	A higher number of units was sold ✓ Price per item increased ✓ ✓ Effective advertising attracted more customers	(4)
5.8	Installing closed circuit television/security cameras ✓ ✓ Employing additional security personnel ✓ ✓ Changing shop lay-out by lowering shelf height Implement a strict theft policy Screen employees for history of theft or dishonesty Attachment of security tags	(4)
5.9.1	Unemployment Insurance Fund ✓	(1)
5.9.2	Pay As You Earn ✓	(1)
5.9.1	Standard Income Tax for Employees ✓	(1)
		<b>[30]</b>
	<b>TOTAL:</b>	<b>150</b>