



**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.

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)

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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 | PAYE |
| Indirect levies✓ by the government✓
on goods and services. | Tax deducted✓ from gross
salaries✓ of all employees. |
- (4)

- 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)

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QUESTION 4

4.1 4.1.1 $\frac{\text{Profit after tax and interest}}{\text{Sales}} \times \frac{100}{1} \checkmark$
 $\frac{64\,500}{185\,000} \times \frac{100}{1} \checkmark$
 35%✓ or 34.86% (3)

4.1.2 $\frac{\text{Gross profit}}{\text{Sales}} \times \frac{100}{1} \checkmark$
 $\frac{105\,000}{160\,000} \times \frac{100}{1} \checkmark$
 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

FUTURE BAKERY

RECEIPT

No. 100

Date: 01 May 2011✓

Received from:...*Tshivhase K K*✓ or *Tshivhase Feeding Scheme*

The sum of...*One Thousand two hundred rand* ✓

For*On Account*

R1200,00✓

With thanks *C Chabane*✓ or *Student's signature*
Signature

(5)

- 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 $R2\ 125 \times 5\%$ ✓
 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)
		[30]
	TOTAL:	150