



NATIONAL SENIOR CERTIFICATE

GRADE 12

JUNE 2026

ACCOUNTING P2 MARKING GUIDELINE

MARKS: 150

MARKING PRINCIPLES:

1. Unless otherwise stated in the marking guidelines, 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 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. Unless otherwise stated, give full marks for correct answer. If 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 marking guidelines for component 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. If candidates provide more than the required number of responses, inspect all responses to give benefit to the candidate. Penalties may be applied for foreign entries if candidates earn full marks on a question (max. -2 per Q).
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.
10. Operation means 'check operation'. 'One part correct' means operation and one part correct. **NOTE:** check operation must be +, -, x, ÷ as per candidate's calculation (if valid) or per marking guidelines.
11. In calculations, do not award marks for workings if numerator and 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. Note that one comment could contain different aspects.
14. Codes: f = foreign item; p = placement/presentation

This marking guideline consists of 10 pages.

QUESTION 1**1.1 BANK RECONCILIATION****1.1.1 Name THREE advantages of electronic fund transfers (EFT's).**

Any THREE ✓ ✓ ✓

- Safe
- Less fraud
- Convenient and easy
- Time-saving / not restricted to business hours
- Payments/receipts are instant / account is updated immediately
- Cheaper bank charges

3

1.1.2 The bookkeeper, Alana Jafta, is in charge of processing all EFT's and depositing of cash. Explain TWO reasons why the internal auditor would be concerned about this situation.

Any TWO ✓ ✓

- No division of duties / too many related job functions
- Possibility of fraud
- Lack of supervision can result in abuse
- Lack of continuity if Alana would leave
- Possibility of cash theft (R10 000 shortage on deposit)

2

1.1.3 Calculate the correct totals for the Cash Journals for March 2026.

CASH RECEIPTS JOURNAL		
54 940	✓	
5 600	✓	
1 200	✓✓	
260	✓	
62 000		

CASH PAYMENTS JOURNAL		
64 800	✓	
10 000	✓	
1 800	✓	
350	✓	
2 150	✓	
79 100		

-1 foreign / superfluous items (only if mark/s are earned elsewhere for the same figure)

Ensure that the candidate do not get full marks for including any incorrect figure/s. Indicate with a ☒

10

1.1.4 Calculate the correct balance of the Bank account on 31 March 2026.

WORKINGS	ANSWER
18 400 ✓ + 62 000 ☒ - 79 100 ☒ =	1 300 ☒

4

1.1.5

Bank Reconciliation Statement on 31 March 2026

	DEBIT	CREDIT
Balance according to bank statement	5 840 <input checked="" type="checkbox"/> *	Balancing figure Could be Dr or Cr
Cr Outstanding deposit		19 350 ✓
Dr Outstanding EFT's:		
No 614	7 600 ✓	
No 617	9 160 ✓	
Cr incorrect stop order		2 400 ✓
Cr incorrect debit order		2 150 ✓
Dt balance according to bank account	1 300 <input checked="" type="checkbox"/>	
	23 900	23 900
*Operation, one part correct. Both totals must be the same to earn mark for balancing figure		

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OR

1 column method –

Mark one option only; choose option that benefits the candidate.

	Option 1	Option 2
Balance according to bank statement	1 300 <input checked="" type="checkbox"/> *	(1 300) <input checked="" type="checkbox"/> *
Late deposit	(19 350) ✓	19 350 ✓
Outstanding EFT No 614	7 600 ✓	(7 600) ✓
Outstanding EFT No 617	9 160 ✓	(9 160) ✓
Incorrect stop order	(2 400) ✓	2 400 ✓
Incorrect debit order	(2 150) ✓	2 150 ✓
Debit balance according to bank account	(5 840) <input checked="" type="checkbox"/> *	5 840 <input checked="" type="checkbox"/> *

*Operation, one part correct

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1.2.1

DEBTORS' RECONCILIATION

No.	Debtors' Control account	Debtors' List
Preliminary balance /total	R47 880	R48 400
(i)		- 360 ✓
(ii)	- 720 ✓	- 720 ✓
(iii)	- 1 600 ✓	
(iv)	- 840 ✓	
(v)		- 480 ✓✓
(vi)		+ 2 400 ✓✓
(vii)	-	[-1 240-1 240] One mark - 2 480 each ✓✓
(viii)	- 2 000 ✓	- 2 000 ✓
(ix)		- 2 040 ✓
Correct balance/ total	42 720 <input checked="" type="checkbox"/> *	42 720

Marks awarded for correct sign with amount. Accept the use of brackets for negative amounts *One part correct for both totals. Totals may be different; must include preliminary balances.

Superfluous entries:-1 per entry if marks earned on that line.

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1.2.2

Explain TWO reasons why it is necessary to do a creditors reconciliation every month.

Any TWO ✓✓ ✓✓

- Detection of errors and omissions
- Keep records up to date
- Ensure that accounts are settled timeously
- To earn discount for early payment
- Ensure business is not blacklisted for late or non-payment

4

TOTAL MARKS

45

QUESTION 2**2.1 CONCEPTS**

2.1.1	fixed cost	✓
2.1.2	indirect material cost	✓
2.1.3	selling and distribution cost	✓
2.1.4	variable cost	✓
2.1.5	administration cost	✓

5

2.2.1 Calculate the value of direct material issued for production.

CALCULATION	ANSWER
110 000 ✓ + 2 270 000 ✓ – 140 000 ✓	2 240 000 ✓* * One part correct

4

2.2.2 Calculate the factory overhead cost.

Preliminary total	1 232 560
Indirect material (9 000 + 520 000 - 5 464) × 2/4 ✓ ✓ - [523 536/3] ✓	- 87 256 ✓
Insurance ([249 984 – 38 192] ✓ ✓ - 119 040 ✓ - 14 880 ✓)	+ 77 872 ✓*
Check operation; must include R1 232 560; Indirect material must be subtracted and Insurance must be added	1 223 176 ✓* * One part correct

10

2.2.3 Production Cost Statement for the year ended 28 February 2026.

Direct material cost See 2.2.1	2 240 000 ✓
Direct labour (935 440 + 625 700 ✓ + [14 004 + 4 856] ✓)	1 580 000 ✓
Prime cost	3 820 000 ✓
Factory overhead cost See 2.2.2	1 223 176 ✓
Total manufacturing cost	5 043 176 ✓
Work-in-progress (1 March 2025)	130 100 ✓
	5 173 276 ✓
Work-in-progress (28 February 2026) Balancing figure	(189 276) ✓
Cost of production of finished goods (5 025 900 + 161 000 – 202 900)	4 984 000 ✓✓

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2.2.4 Explain ONE reason why Forever Manufacturers deems it very important to invest in staff training.

Any ONE ✓✓

- Improved quality of products/service
- Lower cost of materials/ less wastage

2

2.3.1

Calculate the break-even point for the financial year ended 31 May 2026.

CALCULATION	ANSWER
$\begin{array}{r} 1\,350\,000 \text{ (two marks)} \\ 855\,000 \checkmark + 495\,000 \checkmark \\ \hline 41,50 \checkmark - [11,00 + 9,20 + 3,30] \checkmark \\ 18 \text{ (two marks)} \end{array}$	75 000 units <input checked="" type="checkbox"/> One part correct

5

2.3.2

Calculate the units produced and sold for the financial year ended 31 May 2026.

CALCULATION	ANSWER
$\frac{1\,215\,500 \checkmark}{11 \checkmark} \text{ OR } \frac{1\,016\,600}{9,20} \text{ OR } \frac{364\,650}{3,30}$	110 500 units <input checked="" type="checkbox"/> One part correct

3

2.3.3

Explain whether the owner should be concerned about the production levels of the factory. Include a comparison with figures for 2025.**Provide TWO reasons for your answer and supply supporting figures.**

Compare BEP with level of production ✓ ✓ Figures ✓ ✓

- The owner should not be concerned as the business produced and sold 110 500 (see 2.3.2) puzzles and the break-even point is 75 000 (see 2.3.1) / The business made profit on 35 500 puzzles.
- In 2025 financial year units produced and sold were 98 000 and break-even point was 78 000. /business made profit on only 20 000 units.
- Business is doing better in 2026 than in 2025 /Profit on 35 500 vs 20 000.

4

TOTAL MARKS**45**

QUESTION 3**3.1 CONCEPTS**

3.1.1	trading stock	✓
3.1.2	periodic	✓
3.1.3	specific identification	✓

3

3.2.1 Calculate the value of the closing stock.

CALCULATION	ANSWER
$390\,848 \checkmark + 8\,069\,320 \checkmark - 77\,168 \checkmark \checkmark \times 440 \checkmark$ $[98 + 1\,576 - 14] \checkmark \checkmark^*$ OR $8\,383\,000$ (four marks) $\times 440$ (one mark) $1\,660$ (two marks) OR $5\,050 \times 440$ (one mark) (six marks)	$2\,222\,000 \checkmark$ One part correct If $\times 440$

8

3.2.2 Calculate the gross profit for the year ended 28 February 2026.

CALCULATION	ANSWER
Sales: $6\,900\,600 \checkmark$ See 3.2.1 See 3.2.1 Cost of sales: $8\,383\,000 - 2\,222\,000 = 6\,161\,000 \checkmark \checkmark$	$739\,600 \checkmark^*$ *One part correct If Sales - CoS

4

3.3.1 Calculate the value of the closing stock on 28 February 2026, using the FIFO method.

CALCULATION	ANSWER
386^* $(400 - 14) \times R5\,512 = 2\,127\,632 \checkmark \checkmark$ $54 \checkmark \times R5\,145 = 277\,830 \checkmark$ If 440 - * If $\times R5\,145$	$2\,405\,462 \checkmark$ One part correct

5

3.3.2 Explain what the effect on gross profit will be if the FIFO method were to be used.

Any ONE valid point ✓✓

A larger closing stock will result in a smaller Cost of sales and this will lead to a bigger gross profit, compared to the gross profit if the weighted average were used.

2

3.3.3 **Explain the benefits of using the FIFO method to the owner. State TWO points.**

Any TWO valid points ✓✓ ✓✓

- Stock is valued at more recent/realistic prices.
- Result in higher gross profit
- Easy to apply
- No manipulation of profits/ values

4

3.3.4 **Despite all the benefits of FIFO, explain ONE reason why the owner might insist on using the weighted average method for stock valuation.**

Any ONE valid point ✓✓

- Easy to administer
- Less mistakes
- Majority of calculations are done once a year/ specialised staff can be used
- Lower profit/ less tax

2

3.4.1 **The owner is not satisfied with the financial results because he suspects that the targeted mark-up% for 2026 was not reached. Do a calculation to show why he is not satisfied.**

CALCULATION	ANSWER
<p>Gross profit <u>739 600</u> <input checked="" type="checkbox"/> see 3.2.2_ x 100 =</p> <p>Cost of sales 6 161 000 <input checked="" type="checkbox"/> see 3.2.2</p> <p>OR</p> <p>(one mark) (one mark)</p> <p>Sales 6 900 600 x 25/125 =</p>	<p>12% <input checked="" type="checkbox"/> mark-up% reached, instead of 25%</p> <p>R1 380 120 (one mark) gross profit, instead reached only R739 600</p>

3

3.4.2 **Provide TWO strategies that can be implemented to improve profitability of the business.**

Any TWO valid points ✓✓ ✓✓

- Allow less trade discounts
- Support local suppliers/ decrease transport cost
- Ensure prices are calculated and charged correct
- Offer after-sales services e.g. repairs, to encourage sales

4

TOTAL MARKS

35

QUESTION 4**4.1 CONCEPTS**

4.1.1	C	✓
4.1.2	A	✓
4.1.3	E	✓

3

4.2 FIXED ASSETS

4.2.1 Calculate the total accumulated depreciation on the vehicle sold on 31 January 2026.

CALCULATION	ANSWER
1/06/23 - 31/05/24: $400\,000 \times 25\%$ = 100 000 ✓ 1/06/24 - 31/05/25: $[400\,000 - 100\,000] \times 25\%$ = 75 000 ✓✓ 1/06/25 - 31/01/26: $[400\,000 - 175\,000] \times 25\% \times 8/12$ = 37 500 ✓✓	212 500 ✓ (one part correct)

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4.2.2

General ledger of JA Ltd**Asset Disposal Account**

2026 Jan	31	Vehicles	400 000 ✓#	2026 Jan	31	Accumulated depreciation on vehicle	212 500 ✓
		Profit on sale of assets ✓*	7 500 ✓ balancing figure			Bank	195 000 ✓#
			407 000				407 500
		*If shown as loss, lose mark on details				#*details and amount must be correct	

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4.3 INTERNAL AUDITING

4.3.1 State TWO points that should be included in the internal auditors' report to the board of directors.

Any TWO points ✓✓

- The holiday expenses for family should not be shown as a business expense (business entity rule)
- It is unethical to use business funds for personal expenses.
- Maximum allowance for business trips was exceeded by R30 000
- Family holiday should not be shown as a business expense as this has tax implications – tax evasion is illegal

2

4.4 PROBLEM-SOLVING

	PROBLEM (WITH FIGURES) problem ✓ ✓ ✓ figure ✓ ✓ ✓	ADVICE ✓ ✓ ✓ must relate to the problem identified
Malabar (Nazeem)	<ul style="list-style-type: none"> 40 decoders were stolen 	<ul style="list-style-type: none"> Better security
	<ul style="list-style-type: none"> Stock holding period is too long (120 days) 	<ul style="list-style-type: none"> Improve marketing Sales promotions / advertise to increase sales
Cotswold (Bosch)	<ul style="list-style-type: none"> Cash deposited R616 800 instead of R736 800. / Missing/stolen cash R120 000 	<ul style="list-style-type: none"> 2 different people to receive and deposit cash/ Daily deposits
	<ul style="list-style-type: none"> Work only 5 days per week 	<ul style="list-style-type: none"> Increase working days
Westering (Ngidi)	<ul style="list-style-type: none"> High number of decoders returned (30) 	<ul style="list-style-type: none"> Change to supplier with better quality decoders
	<ul style="list-style-type: none"> Shop is open 6 days per week, but few decoders are sold (340 vs 800) 	<ul style="list-style-type: none"> Improve marketing strategy / change to another marketing provider
	<ul style="list-style-type: none"> Only R1 000 spend on advertising, resulted in lowest sales (340) 	

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TOTAL MARKS

25

TOTAL: 150