basic education

Department:
Basic Education
REPUBLIC OF SOUTH AFRICA

SENIOR CERTIFICATE EXAMINATIONS/ NATIONAL SENIOR CERTIFICATE EXAMINATIONS

ACCOUNTING P2

MAY/JUNE 2026

MARKING GUIDELINES

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 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. Unless otherwise stated, give full marks for correct answer. If answer is incorrect, mark workings.
4. If a pre-adjustment figure is shown as a final figure, allocate the part-mark as a working mark 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. 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. This memorandum is not for public distribution; as certain items might imply incorrect treatment. The adjustments made are due to nuances in certain questions.
9. Where penalties are applied, the marks for that section of the question cannot be a final negative.
10. Where method marks are awarded for operation, marker must inspect reasonableness of the answer.
11. 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 memo.
12. In calculations, do not award marks for workings if numerator & denominator are swapped – this also applies to ratios.
13. 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 ☒.
14. Be aware of candidates who provide valid alternatives beyond the marking guideline. Note that one comment could contain different aspects.
15. Codes: f = foreign item; p = placement/presentation.

These marking guidelines consist of 14 pages.

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QUESTION 1

1.1 BANK RECONCILIATION

1.1.1 Entries that must be recorded in the Cash Journals on 31 October 2025.

CASH RECEIPTS JOURNAL	
R 334 700	
11 000 one mark – 1 100 one mark 9 900	✓✓
400	✓
8 800 one mark + 8 800 one mark 17 600	✓✓

CASH PAYMENTS JOURNAL	
R 232 900	
9 000	✓
5 900	✓
7 500	✓
13 000	✓
1 400	✓

10

-1 foreign (max -2) (only if marks are scored elsewhere for the same figure)
-1 superfluous items (max -1); ensure that the candidate do not get full marks for including any incorrect figure/s.
E.g. R36 900; R42 100

1.1.2 CHOOSE ONLY ONE TEMPLATE BELOW TO ANSWER THIS QUESTION.

TWO COLUMN METHOD:
BANK RECONCILIATION STATEMENT ON 31 OCTOBER 2025

	Debit	Credit	
Balance as per bank statement		116 500	✓
Outstanding deposit		33 000	✓
Outstanding EFT's No 4 317	12 200 ✓		
No 4 318	6 300 ✓		
Incorrect debit order		5 900	✓
ATM withdrawal on 30 October 2025	7 500 ✓		
Balance as per bank account	129 400 ☑ Could be Cr	Dr and Cr totals must be the same	
	155 400	155 400	

7

-1 presentation (max -1) (inappropriate/no details
-1 for foreign items (max -2) if marks awarded elsewhere.
For the 2-Column method, candidates must place figures in the correct column to earn marks.
In awarding the method mark for the balancing bank account figure, ensure that the candidates do not get full marks for including any incorrect figure/s. Indicate with a ☒.
If candidates duplicate amounts on both sides -1 per line.

OR

ONE COLUMN METHOD:
BANK RECONCILIATION STATEMENT ON 31 OCTOBER 2025

Balance as per Bank Statement	R 116 500	✓
Outstanding deposit	33 000	✓
Outstanding EFT's No. 4 317	(12 200)	✓
No. 4 318	(6 300)	✓
Incorrect debit order	5 900	✓
ATM withdrawal on 30 October 2025	(7 500)	✓
Balance as per bank account	129 400	☑

7

-1 presentation (max -1) (inappropriate/no details)
-1 for foreign items (max -2); if marks awarded elsewhere
For the 1-Column method, candidates must present the appropriate sign i.e. positive or negative.
*Be alert to candidates who start with the bank account balance or vice versa.

1.1.3 **What action should Nozi take against Bheki (without dismissing him) and XPS Suppliers? State ONE point for each.**

Bheki Sadler (bookkeeper) ✓✓	**XPS Suppliers (supplier)** ✓✓ part marks for incomplete answers
• Disciplinary hearing on him for potential fraud • Suspend him temporarily while an investigation into the misconduct is conducted. • Hand Bheki over to the police for prosecution for theft or fraud • Issue a final written warning. • Demand that he pays back the money obtained through the fraudulent transaction. • Demote or remove him from processing supplier payments. • Transfer him to duties with limited financial responsibilities. • Place his work under increased supervision. • Conduct regular audits of his captured transactions.	• Report the supplier to police to investigate potential fraud or theft. • Consider civil action against the supplier / Institute legal action against them for attempted fraud. • Request a written explanation for issuing an invoice when no goods were supplied. • Blacklist XPS Suppliers to ensure they are never considered as a supplier of Primrose Traders in the future. • Recover any losses or costs incurred for the fraudulent invoice resulted in a payment.

4

1.2 DEBTORS' AGE ANALYSIS

1.2.1 **Calculate the total percentage of all debtors who do not adhere to the credit terms.**

WORKINGS	ANSWER
$\frac{72\,000}{288\,000} \times \frac{100}{1}$ OR 13% + 12%	25% ✓✓

2

1.2.2 **Explain TWO other strategies the business can implement to improve collection from debtors. In each case, explain how the strategy will improve the collection from debtors.**

	STRATEGY ✓ ✓	REASON ✓ ✓
1	Implement stricter credit control measures / Conduct credit checks before granting credit.	Ensures only reliable customers with good credit histories are given credit.
2	Reduce credit limits or shorten terms for repeated late-payers / Set clear credit limits for each debtor.	This reduces the risk of accounts becoming overdue / Prevents customers from owing more than they can realistically repay, reducing bad debts.
3	Send reminders (email or sms or statement) before due dates to encourage early payments.	Keeps debtors informed of amounts owed and due dates, encouraging timely payment.
4	Customer must sign debit order authorisation forms	Reduce risk of late or missed payments
5	Stop or suspend further credit sales to overdue customers	Prevents debtors from increasing their debt, forcing them to settle existing balances.

4

4

1.2.3 **How can poor management of debtors negatively affect a businesses' cash flow? Explain ONE consequence.**

Any ONE valid point ✓✓ part marks for incomplete answers

- Business will need to borrow money (increasing interest expense)
- Business will not have enough money to pay its own expenses and other commitments.
- Some debts may never be recovered causing financial losses.

2

1.3 VALUE ADDED TAX (VAT)

1.3.1

NO.	WORKINGS	EFFECT
	Opening balance	**267 500**
(i)	**(10 350 – 9 000)**	**+ 1 350**
(ii)	**325 000** x 15/100	- 48 750 ✓✓
(iii)		- 7 800 ✓
(iv)	**(458 850** – 25 530 ✓) x 15/115 ✓ 433 320 one mark	+ 56 520 ☑#
(v)		- 9 750 ✓
(vi)		+ 1 200 ✓
	VAT PAYABLE	260 270 ☑*

9

*one part correct; must include opening balance + (i)
Accept brackets for -sign; if no sign assume +ve
If negative, award marks for the workings.

1.3.2 **Give ONE reason why this action is unethical and unacceptable.**

Any ONE valid point ✓✓ part marks for incomplete answers

- This is fraud and can get the business into serious trouble / Inflating VAT amount is a form of financial fraud.
- Overstating it is illegal and can result in penalties or criminal charges.
- VAT claims must be based on the actual VAT portion of the debt that has been written off.
- Deliberately trying to pay less VAT than it legally owes to SARS is unethical (Tax evasion).
- It damages the business's reputation / If discovered, stakeholders may lose trust in the business.
- Financial records must be prepared with honesty and integrity

2

TOTAL MARKS
40

QUESTION 2

2.1

2.1.1	Selling and distribution cost	SDC	✓
2.1.2	Direct materials cost	DMC	✓
2.1.3	Administration cost	AC	✓

3

2.2 STAY-FIT MANUFACTURERS

2.2.1 **Calculate: Direct labour cost**

WORKINGS	ANSWER
(80 x 1 960 x 45) [90 000 + 54 000] [2 000 x 72] (GW x 1%) 7 056 000 ✓☑ + 144 000 ✓✓ + 72 000 ☑	7 272 000 ☑ one part correct

6

2.2.2 **Calculate the correct factory overhead cost for the year.**

Incorrect total	**1 068 200**
Factory: Indirect materials	- 1 000 ✓
Telephone	- 28 200 ✓✓
Insurance	+ 9 000 ✓✓
Inspect must include incorrect total amount	1 048 000 ☑*

*one part correct

Accept brackets for -sign; if no sign assume +ve

6

2.2.3 **Calculate the unit cost of production for the financial year ended 28 February 2026.**

WORKINGS	ANSWER
DMC DLC (see 2.2.1) FOHC (see 2.2.2) 3 200 000 ✓ + 7 272 000 ☑ + 1 048 000 ☑ 64 000 ✓	R180 ☑ one part correct must divide by 64 000

5

2.2.4 **Explain how this will affect the business. State ONE point.**

Any ONE valid point ✓✓

- Price increases may lead to a decrease in demand or loss of customers.
- Decrease in profits earned due to the decrease in demand.
- Workers may have to be retrenched due to decrease in production.

2

State ONE strategy the business can implement to maintain current exports to this country.

Any ONE valid point ✓✓ part marks for incomplete answers

- Reduce mark-up % to keep price increases as low as possible.
- Improve efficiency and cut unnecessary expenses to keep selling prices competitive.
- Establish a distribution point in another country to avoid higher export costs.

2

2.3 BAGS GALORE MANUFATURERS

SCHOOL BAGS

2.3.1 **Calculate the selling price per unit for the year ended 28 February 2026.**

WORKINGS			ANSWER
[R794 880/8 280] R96 ✓✓ + 358 ✓	**OR**	one mark one mark 794 880 + 2 964 240 8 280 one mark	R454☑ one part correct

4

2.3.2 **Identify the variable cost that caused the biggest problem. Quote figures. Give a valid solution for the problem identified.**

VARIABLE COST	SOLUTION
Direct labour cost ✓ Increased (from R150) to R197/by R47/by 31,3% ✓	Any ONE valid solution ✓ • Reduce overtime to prevent unnecessary wage expense. • Improve supervision to ensure better productivity. • Set targets for workers to achieve during normal time. • Service equipment to avoid breakdowns. • Train workers to increase efficiency.

3

LAPTOP BAGS

2.3.3 **Comment on the break-even point and profit made for the year ended 28 February 2026. Quote figures. Give a different reason for the improvement in each case.**

	COMMENT ✓ ✓ **FIGURES** ✓ ✓	**REASON** Any ONE valid reason ✓ ✓
Break-even point	The BEP has decreased (from 6 476) to 5 763 by 11% / by 713 units	More efficient production methods implemented
Profit	The business made a profit on 5 862 units (2 588 or 79% more compared to previous year) / Units sold 11 625 is greater than BEP of 5 763	Selling price has increased / profit made on higher number of units

6

2.3.4 **Cyril made deliberate decisions to export laptop bags. This has led to an increase in all the variable costs per unit. Give a different reason for the increase in each case.**

COST	**REASON** Any ONE valid reason ✓ ✓ ✓
Direct material cost	Increased wastage of material / An improvement in the quality of raw materials used / Sourcing material from different or new suppliers / Increase in transport cost
Direct labour cost	Increase in overtime hours worked / Higher skilled workers employed / remuneration packages increased
Selling and distribution cost	Increase in export charges incurred / Additional delivery costs incurred / increase in advertising costs.

3

TOTAL MARKS
40

QUESTION 3

3.1 INVENTORIES:

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

WORKINGS		ANSWER
1 610 ☑ x 1 690 ✓ (1 700 – 90)	2 720 900 one m mark one mark (2 543 800 + 177 100)	3 740 600 ☑ one part correct both amounts added
660 ☑ x 1 545 ✓ (2 270 – 1 610)	1 019 700 one m mark one mark (957 000 + 62 700)	

5

3.1.2 Calculate the stockholding period (in days) on 28 February 2026. Use the closing stock figure.

WORKINGS	ANSWER
See 3.1.1 $\frac{3\ 740\ 600\ ☑}{14\ 524\ 000\ ✓} \times \frac{365}{1}$ **OR** $\frac{2\ 270 \text{ one mark}}{7\ 490 \text{ one mark}} \times \frac{365}{1}$	94 days ☑ **OR** 110,6 days one part correct must be x 365

3

x '365' does not constitute 'one part correct'.
Numerator and denominator must be marked as such.
Do not award marks for any operations done to stand-alone figures

3.1.3 Comment on your calculation in QUESTION 3.1.2. State TWO points. The stockholding period on 28 February 2025 was 72 days.

Any TWO relevant points ✓✓ ✓✓ part marks for incomplete answers

- The SHP has increased (from 72 days) to 94 or 110,6 days (see 3.1.2) / by 22 or 38,6 days. (Note: SHP may decrease; see 3.1.2)
- Stock can become outdated or obsolete and therefore irrelevant to customers as SHP increased.
- Poor purchasing strategies as the total value of November 2025 purchases has not been sold / negative impact on the cash flow.
- Cost of storage / lack of storage space / More stock may raise security expenses.

4

3.2 FIXED ASSETS:

3.2.1 State TWO points for good internal control over movable fixed assets.

Any two relevant points ✓ ✓

- Terms and conditions must be agreed on with the person to whom item is assigned to on signed documents.
- Assign asset codes for identification.
- Use locks or instal tracking system as security.
- Conduct regular physical asset counts.
- Perform regular maintenance to preserve asset value.
- Restrict access to authorised personnel only.
- Maintain a fixed asset register and regular audit.
- Instal camera to monitor usage and possible fraud.
- All movable fixed assets must be insured.
- Separate duties for asset purchasing, recording and controlling.

2

3.2.2 CALCULATE:

Cost price of land and buildings on 28 February 2026	
WORKINGS	**ANSWER**
5 600 000 + 438 000	6 038 000 ✓✓

2

Loss on the old fridge that was sold on 30 September 2025.	
WORKINGS	**ANSWER**
23 400 x [20% x 7/12] 23 400 ✓ – 2 730 ✓☑ – 17 500 ✓ Be alert of alternative calculations, such as 20 670 – 17 500 **OR** – 23 400 + 2 730 + 17 500	3 170 ☑ one part correct if R17 500 is offset against CV

5

Accept the use of ledger account

Total of the depreciation on the new cash register bought on 1 December 2025 and the remaining old equipment for the year ended 28 February 2026.	
WORKINGS	**ANSWER**
New: 65 000 x [20/100 x 3/12] 3 250 ✓☑ [512 000 – 23 400] **Old:** 488 600 x 20% 97 720 ✓☑ **OR** 102 400 – 4 680	100 970 ☑ one part correct both amounts added

5

3.2.3

(i)	**Depreciation for year ended 28 February 2026**		
	WORKINGS	**ANSWER**	
	75 000 – 1	74 999 ✓✓	
(ii)	**Accumulated depreciation on 28 February 2026**		
	WORKINGS	**ANSWER**	
	375 000 + 74 999 (see (i)) **OR** 450 000 – 1	449 999 ☑ one part correct	
(iii)	**Carrying value on 28 February 2026**		
	WORKINGS	**ANSWER**	
	450 000 – 449 999 (see (ii)) **OR** 75 000 – 74 999	1 ☑ one part correct	
			4

TOTAL MARKS
30

QUESTION 4

4.1.1

DEBTORS' COLLECTION SCHEDULE		
	Credit sales	**July 2026**
April 2026	**204 750**	
May 2026	**364 000**	29 120 ✓
June 2026	**409 500**	204 750 ✓
July 2026	500 500 ✓✓	188 188 ☑☑*$ *If x 40% x 94%

6

$ If the credit sales of R1 522 500 is not shown but the R438 480 is correct, award three marks

4.1.2

Calculate: Discount allowed in July 2026	
WORKINGS	**ANSWER**
see 4.1.1 188 188 x 6/94 **OR** [500 500 x 40/100] 200 200 x 6/100 **OR** 200 200 – 188 188	12 012 ✓☑

2

Calculate: Bad debts to be written off in July 2026	
WORKINGS	**ANSWER**
204 750 x 2% **OR** 204 750 – 200 655	4 095 ✓✓

2

4.2

(i)	Rent expense for June 2026	
	WORKINGS	**ANSWER**
	39 960 / 111% **OR** 39 960 – 3 960	36 000 ✓✓

2

(ii)	Additional loan taken on 1 June 2026	
	WORKINGS	**ANSWER**
	[2 625 – 1 365] 1 260 ✓✓ x [100/9 x 12/1] ✓ **OR** 350 000 – 182 000 two marks one mark	168 000 ☑ one part correct

4

(iii)	Payment to creditors in July 2026	
	WORKINGS	**ANSWER**
	[409 500 x 100/65] 360 000 three marks 378 000 three marks 630 000 ✓✓ x $\frac{100}{175}$ ✓ x $\frac{60}{100}$ ✓ **OR** 630 000/1,75 x 0,6	216 000 ☑ one part correct

5

(iv)	Salaries of sales assistants in July 2026	
	WORKINGS	**ANSWER**
	[22 400 x 105%] [11 200 x 80%] 23 520 ✓✓ + 8 960 ✓✓	32 480 ☑ one part correct both amounts added

5

4.3.1 **Calculate the percentage change between the budgeted and actual amounts in May 2026.**

WORKINGS	ANSWER
$\frac{5\,000}{10\,000} \times \frac{100}{1}$	50% ✓✓

2

State ONE point why Grace decided to spend more than the budgeted amount for advertising.

Any ONE valid point ✓

To increase number of customers / to increase the sales / to respond to strong competition / to promote new products.

1

Grace is of the opinion that spending more on advertising was a wise decision.

- **State ONE point (with figures) why you will agree with her.**
- **State ONE point (with figures) why you will disagree with her.**

	Reason (with figures) ✓✓ ✓✓
Agree	Actual number of customers is more than the budgeted customers by 73 / 36,5%
Disagree	Sales of dresses are less than budgeted by R56 000 / by 10%

4

4.3.2 **Competitors have complained of cash flow challenges that they are experiencing due to tough economic times. Explain how Dazzling Outfitters has been negatively affected by the average amounts spend by customers on buying dresses. State ONE point (with figures).**

Any ONE valid reason ✓ comparative figures ✓✓

The actual average purchases per customer was under the budgeted amount by R2 200 per customer (budgeted R7 000; actual R4 800).

3

4.3.3 **Grace feels that the consumable stores and wages (for alteration) have been well controlled. Give relevant calculations/figures to support her opinion for each item.**

Consumable stores Comment ✓ Comparative Figure/s ✓	Budgeted was 28% of fee income but actual is 24% of fee income. Consumable stores was overspent by 12,6% while fee income was 31,3% more than budgeted.
Wages of alteration staff Comment ✓ Comparative Figure/s ✓	Wages of R9 600 remains the same but the fee income has increased by R5 000. Wages were budgeted at 60% of fee income; actual wages was 45,7%.

4

TOTAL MARKS
40

TOTAL: 150

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