AIN2601
RAI2601

PRACTICAL ACCOUNTING DATA PROCESSING

Duration 2 Hours 100 Marks

EXAMINERS:
FIRST MS C LEONARD MRS S RIEKERT (DREYER)
SECOND MS GM VIVIERS

Use of a non-programmable pocket calculator is permissible.

Closed book examination.

This examination question paper remains the property of the University of South Africa and may not be removed from the examination venue.

THIS EXAMINATION PAPER CONSISTS OF SEVENTEEN (17) PAGES.

PLEASE NOTE:

1. All questions must be answered.
2. Each question must commence on a separate page.
3. Write the main question numbers numerically on the cover of the answer books.
4. Answer books may not be completed in pencil.
5. This paper consists of the following seven (7) questions:

<table>
<thead>
<tr>
<th>QUESTION</th>
<th>TOPIC</th>
<th>MARKS</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Short questions (Multiple choice)</td>
<td>8</td>
</tr>
<tr>
<td>2</td>
<td>Short questions (True/False)</td>
<td>8</td>
</tr>
<tr>
<td>3</td>
<td>Data management and utilisation, Management reporting systems</td>
<td>12</td>
</tr>
<tr>
<td>4</td>
<td>Transaction processing</td>
<td>18</td>
</tr>
<tr>
<td>5</td>
<td>Transaction processing</td>
<td>21</td>
</tr>
<tr>
<td>6</td>
<td>Spreadsheets</td>
<td>23</td>
</tr>
<tr>
<td>7</td>
<td>Spreadsheets</td>
<td>10</td>
</tr>
<tr>
<td></td>
<td></td>
<td>100</td>
</tr>
</tbody>
</table>

[TURN OVER]
QUESTION 1  (8 marks)

WRITE THE CORRECT ANSWER (A, B, C OR D) IN YOUR ANSWERBOOK NEXT TO THE
RELEVANT QUESTION NUMBER EACH CORRECT ANSWER COUNTS ONE (1) MARK

1 1 A sales graph drawn by the financial manager from Excel is an example of accounting data that
was ______

(A) summarised
(B) transformed
(C) sorted
(D) calculated

1 2 Which one of the following is the correct processing system for the scenario below

You buy pants and a cellphone at Edgars on your account. The sales transaction is captured
immediately at the till-point. All the daily transactions are processed at 01:00 each morning.
You can access your account on the internet to see your outstanding balance and the
minimum payable amount at any time

(A) Batch input, batch processing and batch output
(B) Batch input, batch processing and interactive output
(C) Online input, batch processing and interactive output
(D) Online input, real-time processing and interactive output

1 3 “Information” in a business system context is _________

(A) data captured but not yet processed
(B) the detail on source documents
(C) processed raw data on the business’ server
(D) raw data on the business’ server

1 4 Which one of the following is NOT a function included in the database administrator role?

(A) Ensure application software complies to database management standards
(B) Managing and controlling the organisation’s databases
(C) Managing and controlling the data in the organisation’s databases
(D) Implement and maintain database management standards

[TURN OVER]
15 Which one of the following is an example of a use for a financial management information system (MIS) report?

(A) Order backlogs
(B) Promotional strategies
(C) Absence management
(D) Summaries of cashflow

16 Which one of the following is an example of an MIS exception report?

(A) Sick leave report
(B) Inventory level report
(C) Unauthorized access report
(D) Through-put rates report

17 An advantage of Extensible Business Reporting Language (XBRL) is __________

(A) a low risk of unauthorized access and alterations
(B) most transaction processing systems can export to XBRL
(C) it helps to meet IFRS reporting requirements
(D) the relatively low initial cost of implementation

18 The chart of accounts of an accounting information system (AIS) __________

(A) contain only the accounts that appear in the debtors & creditors ledgers
(B) should be grouped into the four main financial categories
(C) must contain at least seven numbers in the account number (eg 1000/000)
(D) should have an account number structure that is used consistently

[8]

[TURN OVER]
QUESTION 2  (8 marks)

INDICATE WHETHER THE FOLLOWING STATEMENTS ARE TRUE OR FALSE. ONLY WRITE THE WORD "TRUE" OR "FALSE" NEXT TO THE RELEVANT QUESTION NUMBER. EACH CORRECT ANSWER COUNTS ONE (1) MARK

2.1 The purpose of a management information system (MIS) is to generate both financial and non-financial reports about operational activities

2.2 Internal and external resources can both be used as input for MIS's

2.3 Business information systems provide useful and relevant information to assist with decision-making on all managerial levels

2.4 Extensible Markup Language (XML) is not only a markup language but also a financial reporting standard

2.5 An advantage of a database system is that it is easy to design and use

2.6 All accounting information systems (AIS) have a user role that has access to all the functions in the AIS

2.7 A data field is a record which consists of data units

2.8 A master file contains data records of a relatively permanent nature about the organisation's customers, suppliers, inventory, employees etc
QUESTION 3  (18 marks)

The Health Review is a local magazine publishing company. They started out small but the excellent content in the magazine has led to the magazine being one of the best selling magazines in its segment. The recent growth has put the company in a situation where their manual system is no longer sufficient to handle the volume of transactions.

You are an expert in the accounting information system (AIS) field. The Health Review’s CEO, Miss Y Pilates, has hired you as a consultant during their “AIS Revamp 2013” project. You will be giving them advice on implementing a new AIS. Due to the specialised nature of The Health Review, the new AIS should be highly customisable and should integrate seamlessly with the company’s other information systems.

Required:

3.1 List and briefly describe the three (3) general accounting information systems requirements that The Health Review will need to consider when selecting a new AIS.

Please provide your answer in the following table format:

<table>
<thead>
<tr>
<th>Requirement</th>
<th>Brief description</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

3.2 Refer to the above-mentioned case study. Which AIS market segment will cater for the new required AIS?

3.3 For the market segment identified in 3.2, give an example of an AIS program focusing on this market segment.

3.4 You and Miss Pilates have already discussed the following considerations:

- Requirement matching
- Country suitability
- Hardware requirements
- Software vendors
- Support & training
- Document quality

Name three (3) other considerations that should be investigated when determining which specific AIS will be the most suitable for The Health Review.

3.5 Miss Pilates wants to know what the correct term is for tracking user activity on an AIS. Write down the correct term.

[TURN OVER]
QUESTION 3  (continued)

3.6 List four (4) factors The Health Review will need to consider when choosing an appropriate database management system (DBMS) and database (4)

3.7 What level in a three-level database architecture will give a complete view of the entire database? (1)

3.8 Which database language is used in the routine operation of the database to insert, delete, modify and maintain the data stored in the database? (1)

[18]

QUESTION 4  (12 marks)

The Health Guru is a health shop based in Johannesburg that sells nutritional shakes, vitamin supplements and healthy snacks. Further, they perform health reviews for clients. The Health Guru is a registered Value Added Tax (VAT) vendor and the current VAT rate is 14%.

Lemongrass Lady is their preferred supplier of nutritional shakes and delivers on a weekly basis. When the goods are delivered, it is always accompanied by a delivery note, followed by the invoice one month later. Lemongrass Lady is a registered VAT vendor.

As goods received notes (GRN’s) were set up as mandatory, The Health Guru prepares a goods received note when goods are received in good condition. The Health Guru always buys on credit.

Refer below for an extract from The Health Guru’s trial balance

<table>
<thead>
<tr>
<th>General Ledger Account Number</th>
<th>General Ledger Account Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>8400/000</td>
<td>Bank Account</td>
</tr>
<tr>
<td>9500/000</td>
<td>VAT/Tax Control</td>
</tr>
<tr>
<td>7700/001</td>
<td>Inventory Shakes</td>
</tr>
<tr>
<td>7700/002</td>
<td>Inventory Vitamins</td>
</tr>
<tr>
<td>7700/003</td>
<td>Inventory Snacks</td>
</tr>
<tr>
<td>9000/000</td>
<td>Trade Payables</td>
</tr>
<tr>
<td>8000/000</td>
<td>Trade Receivables</td>
</tr>
<tr>
<td>9100/000</td>
<td>GRN Accrual Account</td>
</tr>
</tbody>
</table>

On 2 September 2013, one hundred (100) tins of nutritional shakes have been delivered to The Health Guru by Lemongrass Lady, at R70 00 each excluding VAT. The delivery note agreed to the initial purchase order. The Health Guru prepared a goods received note on the same day and linked it to the purchase order.

[TURN OVER]
QUESTION 4  (continued)

The invoice was received and processed on 2 October 2013 after being linked to the goods received note dated 2 September 2013. Lemongrass Lady included trade discount of 3% on the invoice (which was not previously included on the GRN) as expression of their gratitude for The Health Guru’s loyalty over the years.

Required:

4.1 Refer to the case study information and the extract from the trial balance on the previous page.

Draw the table below in your answer book. Now use this table to write the accounting entries into the general ledger master file for the invoice received and processed on 2 October 2013.

Note: The initial goods received note has already been captured and updated. You should show all the applicable accounting entries, based on accounting principles and use specified accounts where available.

<table>
<thead>
<tr>
<th>General ledger account number</th>
<th>Debit/Credit</th>
<th>Amount</th>
</tr>
</thead>
</table>

Tip: draw the T-accounts for yourself as rough work in your answer book to help ensure your debits and credits are correct.

4.2 List three (3) database files which are accessed, updated or modified when an invoice received from a supplier is processed.

[12]
QUESTION 5  (21 marks)

The Health Guru is a health shop based in Johannesburg that earns income by selling a number of health products and by providing a service in the form of health reviews. The Health Guru is a registered VAT vendor and the current VAT rate is 14%.

The Health Guru decided to start using Pastel Partner to capture their accounting records, after having used a manual system for a couple of years. The accounting personnel are rather inexperienced in terms of their Pastel knowledge and asked your advice on a number of queries as they are aware of your Pastel skills and knowledge.

Required:

5.1 The Health Guru requires your advice in terms of the setting up a new company in Pastel Partner.

5.1.1 Refer to the case study information above. Make a recommendation on the most applicable method the Health Guru can use to set up a new company. (1)

5.1.2 Motivate your answer in 5.1.1. (1)

5.2 Refer to the screen shot from Pastel Partner version 11 below. The sales clerk at The Health Guru got the message below when she tried to process a tax invoice for a health review performed. Explain what possibly went wrong when the health review inventory item was created giving rise to this message. (2)

![Screen Shot of Insufficient Quantity on Hand](image)

There is insufficient quantity on hand in period 3 to process the above item.

<table>
<thead>
<tr>
<th>Quantity Available</th>
<th>0.00</th>
</tr>
</thead>
<tbody>
<tr>
<td>Plus On Purchase Order</td>
<td>0.00</td>
</tr>
<tr>
<td>Total</td>
<td>0.00</td>
</tr>
<tr>
<td>Line Quantity</td>
<td>1.00</td>
</tr>
</tbody>
</table>

The additional quantity required is 1.00.
5.3 Please refer to the screen shot from Pastel Partner version 11 below to answer questions 5.3.1 - 5.3.4

5.3.1 When a supplier is a registered VAT vendor, which "tax code" should be selected as the default tax type? (1)

5.3.2 VAT input can only be claimed on invoices from registered VAT vendors. Except for the answer in question 5.3.1, what other important piece of information is currently not captured on the screen above in order to be able to claim VAT? (1)

5.3.3 Which important control measure needs to be performed before the information as required in 5.3.2 can be captured? (1)

5.3.4 Give two (2) reasons why it is important for The Health Guru to know the credit limit they have with every supplier? (2)

[TURN OVER]
5.4 Please refer to the screen shot from Pastel Partner version 11 below to answer questions 5.4.1 – 5.5.5

5.4.1 Lemongrass Lady is the preferred supplier of nutritional shakes. Explain what a preferred supplier is. (2)

5.4.2 List three (3) reasons why Lemongrass Lady might have been selected as the preferred supplier of nutritional shakes. (3)

5.4.3 On 15 October 2013 fifty tins of nutritional shakes were delivered at The Health Guru. The delivery was however made by Clean & Green, another supplier of The Health Guru, instead of Lemongrass Lady. The owner of The Health Guru was taken by surprise as it is their policy to only use the preferred supplier for a specific product. Which built-in control was not selected which could have prevented this situation and where can this control be found? (2)

5.5 Which Pastel Partner main menu will you use for the following procedures?

5.5.1 Making a backup or your company data
5.5.2 Taking on of opening balances
5.5.3 Converting from open item processing method to balance forward processing method
5.5.4 Jump to all open batches
5.5.5 Selecting goods received notes to be mandatory

(5)
THE FOLLOWING IS APPLICABLE TO QUESTIONS 6 and 7

~Please leave a line open after each individual answer

~You used the Excel Help function to obtain the following formula structures which might come in handy when answering questions 6 and 7

- \(=\text{VLOOKUP(lookup\_value,table\_array,\text{col}\_\text{index}\_\text{num},\text{range}\_\text{lookup})}\)
- \(=\text{PMT(rate,nper,pv,fv,type)}\)
- \(=\text{FV(rate,nper,pmt,pv,type)}\)
- \(=\text{PV(rate,nper,pmt,fv,type)}\)

QUESTION 6  (23 marks)

You are the financial manager for Fit & Healthy Gym Ltd (FHG), a registered VAT vendor. FHG has an agreement with Wecare Medical Aid Ltd whereby FHG gives discount to the top two levels of Wecare members. In return Wecare will invest 65% of the yearly loss in gym membership fees on FHG’s behalf as Wecare can investment money at a rate far superior to that of FHG’s current investment return rate.

This agreement has been in place for 4 months. FHG currently has 24,515 members of which 2,412 are Wecare members on the Gold and Platinum levels.

Due to your extensive Excel skills the CFO has requested you to prepare a projection of the estimated loss in membership fees for a year as well as the projected value of the amount invested on FHG’s behalf at the end of the three year term.

You wanted to ensure your projection spreadsheet is correct before you apply it to the whole data set. You have therefore created a draft spreadsheet with data from only one town in the Karoo.

You have the following information:

a) The Value Added Tax (VAT) percentage is 14% (refer to cell C4)

b) Wecare only provided you with their Gold and Platinum members’ data who are also members of FHG.

c) Wecare’s Gold and Platinum members qualify for membership fee discounts as follow:
   - Gold (GO) members receive 15% discount on the normal membership fee (refer to cell C5)
   - Platinum (PL) members receive 25% discount on the normal membership fee (refer to cell C6)

[TURN OVER]
QUESTION 6 (continued)

d) The Wecare membership number contains a member's town of residence and membership level

The Wecare **membership number structure** is as follows

<table>
<thead>
<tr>
<th></th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
<th>8</th>
</tr>
</thead>
<tbody>
<tr>
<td>Y</td>
<td>Y</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>x</td>
<td>x</td>
<td></td>
</tr>
</tbody>
</table>

Characters 1-2 YY (A short code which identifies the member's town of residence)
Characters 3-6 1111 (Random numbers)
Characters 7-8 The membership level (GO = Gold and PL = Platinum)

e) The normal monthly membership fee is R150 including VAT

f) The loss in membership fees is the difference between the original monthly membership fee and the discounted monthly membership fee

g) The financial year starts on the 1st of January of each year

h) The first four (4) months' actual loss in membership fees excluding VAT for Fraserburg was R870 (refer to cell F29)

i) You were instructed to assume that for the remaining part of the year no new Wecare members will take up membership with FHG. Each remaining months' loss in membership fees excluding VAT can therefore be assumed to be equal to April's loss in membership fees excluding VAT

j) Wecare will invest 65% of FHG's yearly loss in membership fees excluding VAT at the end of each year

k) The investment as referred to in j) will be invested for a period of 3 years (refer to cell G4) and will earn interest at a yearly interest rate of 16% (refer to cell G5). Interest is compounded monthly at the end of each month
### QUESTION 6 (continued)

You created the spreadsheet below:

<table>
<thead>
<tr>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>E</th>
<th>F</th>
<th>G</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td></td>
<td>Fit and Healthy Gym Ltd</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td></td>
<td>Draft Wecare deal projection - Fraserburg only</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td></td>
<td>VAT %</td>
<td>14%</td>
<td>Investment term (years)</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td></td>
<td>Discount% Gold</td>
<td>15%</td>
<td>Investment rate (yearly)</td>
<td>16%</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td></td>
<td>Discount% Platinum</td>
<td>25%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7</td>
<td></td>
<td>Wecare data for the month of April 2013</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8</td>
<td></td>
<td>Identity number</td>
<td>Surname</td>
<td>Initials</td>
<td>Membership number</td>
<td>Membership level</td>
</tr>
<tr>
<td>9</td>
<td></td>
<td>7012018590078</td>
<td>Peters</td>
<td>V</td>
<td>FB2470GO</td>
<td>GO</td>
</tr>
<tr>
<td>10</td>
<td></td>
<td>7108159874527</td>
<td>Peters</td>
<td>CD</td>
<td>FB8746PL</td>
<td>PL</td>
</tr>
<tr>
<td>11</td>
<td></td>
<td>8502258744009</td>
<td>Roux</td>
<td>A</td>
<td>FB1144GO</td>
<td>GO</td>
</tr>
<tr>
<td>12</td>
<td></td>
<td>9007070005688</td>
<td>Diamano</td>
<td>MJ</td>
<td>FB3339GO</td>
<td>GO</td>
</tr>
<tr>
<td>13</td>
<td></td>
<td>5804124500788</td>
<td>Majong</td>
<td>STA</td>
<td>FB4571PL</td>
<td>PL</td>
</tr>
<tr>
<td>14</td>
<td></td>
<td>6610131110089</td>
<td>Roux</td>
<td>DJ</td>
<td>FB2654PL</td>
<td>PL</td>
</tr>
<tr>
<td>15</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>16</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>17</td>
<td></td>
<td>FHG data for the month of April 2013</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>18</td>
<td></td>
<td>FHG Membership-number</td>
<td>Surname</td>
<td>Initials</td>
<td>Identity number</td>
<td>Monthly fee incl VAT</td>
</tr>
<tr>
<td>19</td>
<td></td>
<td>FHG54001</td>
<td>Diamano</td>
<td>M</td>
<td>9007070005688</td>
<td>R 150 00</td>
</tr>
<tr>
<td>20</td>
<td></td>
<td>FHG54007</td>
<td>Roux</td>
<td>A</td>
<td>8502258744009</td>
<td>R 150 00</td>
</tr>
<tr>
<td>21</td>
<td></td>
<td>FHG54009</td>
<td>Roux</td>
<td>D</td>
<td>6610131110089</td>
<td>R 150 00</td>
</tr>
<tr>
<td>22</td>
<td></td>
<td>FHG54010</td>
<td>Peters</td>
<td>V</td>
<td>7012018590078</td>
<td>R 150 00</td>
</tr>
<tr>
<td>23</td>
<td></td>
<td>FHG54012</td>
<td>Peters</td>
<td>C</td>
<td>7108159874527</td>
<td>R 150 00</td>
</tr>
<tr>
<td>24</td>
<td></td>
<td>FHG54016</td>
<td>Majong</td>
<td>S</td>
<td>5804124500788</td>
<td>R 150 00</td>
</tr>
<tr>
<td>25</td>
<td></td>
<td>Total for April</td>
<td></td>
<td></td>
<td>R 900.00</td>
<td>R 720.00</td>
</tr>
<tr>
<td>26</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>27</td>
<td></td>
<td>Loss in membership fees for April 2013 (excluding VAT)</td>
<td></td>
<td>R 157.89</td>
<td></td>
<td></td>
</tr>
<tr>
<td>28</td>
<td></td>
<td>First 4 months actual loss in membership fees (excl VAT)</td>
<td></td>
<td>R 870</td>
<td></td>
<td></td>
</tr>
<tr>
<td>29</td>
<td></td>
<td>Estimated loss in fees for the remaining months based on April's (excl VAT) loss</td>
<td></td>
<td>R 1,263</td>
<td></td>
<td></td>
</tr>
<tr>
<td>30</td>
<td></td>
<td>Estimated total yearly loss in fees (excl VAT)</td>
<td></td>
<td>R 2,133</td>
<td></td>
<td></td>
</tr>
<tr>
<td>31</td>
<td></td>
<td>Projected value of the investment at end of the investment term</td>
<td></td>
<td>R 2,233.51</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

[TURN OVER]
Required:

Use the information provided to answer the following questions based on the spreadsheet provided to you.

Note: Where it is indicated that your formula will be copied to other cells, your formula must take absolute and relative addresses into account, but only where necessary!

6.1 Which spreadsheet formula was entered into cell E10 to extract the membership level for V Peters from the Wecare membership number? **Note:** Your formula will be copied to cells E11:E15. 

6.2 Which spreadsheet formula was entered into cell F19 to obtain the membership level for M Diamano from the Wecare data starting in cell A9? **Note:** Your formula will be copied to cells F20:F24.

6.3 Which spreadsheet formula was entered into cell G19 to calculate the discounted monthly fee including VAT for M Diamano? **Note:** Your formula will be copied to cells G20:G24.

6.4 Which spreadsheet formula was entered into cell G25 to calculate the total discounted monthly fee including VAT for April?

6.5 Which spreadsheet formula was entered into cell F27 to calculate the total loss in membership fees excluding VAT for April?

6.6 Which spreadsheet formula was entered into cell F30 to calculate the loss in fees for the remaining months based on April's (excluding VAT) loss? **Your formula should round the answer to zero decimal places**

6.7 Which spreadsheet formula was entered into cell F33 to determine the projected value of the investment at end of the investment term? **The formula should return a positive answer**
QUESTION 7  (10 marks)

Fit & Healthy Gym Ltd (FHG), a registered VAT vendor, also sells sport supplements. Their protein bars and endurance drinks are especially popular. FHG has therefore decided to run a promotional campaign named “Extreme Energy” on these items.

You, as financial manager, need to prepare a spreadsheet which can be imported into FHG’s accounting system. This spreadsheet will contain the new product code for each item that will be used in the extreme energy campaign as well as the new price list.

FHG currently uses gross profit margins to calculate selling prices. You, however, want to move over to using mark-up margins and have decided that this will be a good time to test if this will work.

You have the following information:

a) All the amounts are inclusive of 14% Value Added Tax (VAT).

b) The current product codes and the current sales prices.

c) The new product code will consist of the promotional code (cell B3), two special characters (*) and the old product code.

The new product code structure is as follows:

<p>| | | | | | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>E</td>
<td>E</td>
<td>*</td>
<td>*</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
</tbody>
</table>

Characters 1-2: EE (promotional code in cell B3)
Characters 3-4: ** (special characters)
Characters 5-9: XXXXX (current product code in row 9)

d) The current gross profit margin is 40% (refer to cell B4).

e) The new mark-up margin is 35% (refer to cell B5).
**QUESTION 7  (continued)**

You created the spreadsheet below:

<table>
<thead>
<tr>
<th></th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>E</th>
<th>F</th>
<th>G</th>
<th>H</th>
<th>I</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Fit and Healthy Gym Ltd</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Promotional code</td>
<td>EE</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Current gross profit margin</td>
<td>40%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>New mark-up margin</td>
<td>35%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Product type</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>Variety</td>
<td>Nuts</td>
<td>Sugar-free</td>
<td>Juice</td>
<td>Chocolate</td>
<td>Crunch</td>
<td>Extreme</td>
<td></td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>Current Product code</td>
<td>PB10N</td>
<td>ED45S</td>
<td>ED83J</td>
<td>PB15C</td>
<td>PB33R</td>
<td>ED71E</td>
<td></td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>New Product code</td>
<td>EE**PB10N</td>
<td>EE**ED45S</td>
<td>EE**ED83J</td>
<td>EE**PB15C</td>
<td>EE**PB33R</td>
<td>EE**ED71E</td>
<td></td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>Current sales price (incl VAT)</td>
<td>R 30 00</td>
<td>R 18 00</td>
<td>R 28 00</td>
<td>R 16 00</td>
<td>R 25 00</td>
<td>R 32 00</td>
<td>R 23 67</td>
<td>R 26 00</td>
</tr>
<tr>
<td>12</td>
<td>Current cost price (incl VAT)</td>
<td>R 18 00</td>
<td>R 10 80</td>
<td>R 16 80</td>
<td>R 9 60</td>
<td>R 15 00</td>
<td>R 19 20</td>
<td></td>
<td></td>
</tr>
<tr>
<td>13</td>
<td>New sales price (incl VAT)</td>
<td>R 24 30</td>
<td>R 14 58</td>
<td>R 22 68</td>
<td>R 12 96</td>
<td>R 20 25</td>
<td>R 25 92</td>
<td>R 19 17</td>
<td>R 21 06</td>
</tr>
</tbody>
</table>

[TURN OVER]
QUESTION 7 (continued)

Required:

Use the information provided to answer the following questions based on the spreadsheet provided to you.

Note: Where it is indicated that your formula will be copied to other cells, your formula must take absolute and relative addresses into account, but only where necessary!

7.1 Which spreadsheet formula was entered into cell B10 to determine the new product code for the Nuts protein bar? Note: Your formula will be copied to cells C10:G10. (3)

7.2 Which spreadsheet formula was entered into cell B12 to calculate the current cost price including VAT for the Nuts protein bar? Note: Your formula will be copied to cells C12:G12. (2.5)

7.3 Which spreadsheet formula was entered into cell B13 to calculate the new sales price including VAT for the Nuts protein bar? Note: Your formula will be copied to cells C13:G13. (2.5)

7.4 Which spreadsheet formula was entered into cell I13 to calculate the average new sales price including VAT for Endurance drinks? (2)

[10]

Total [100]

©

UNISA 2013