MARK YOUR WORK AND DO CORRECTIONS

1.1 Determine the selling price per cactus including VAT.

Selling price per cactus excl. VAT = ✓ =R34,50✓

𝑆𝑒𝑙𝑙𝑖𝑛𝑔 𝑝𝑟𝑖𝑐𝑒 𝑝𝑒𝑟 𝑐𝑎𝑐𝑡𝑢𝑠 𝑖𝑛𝑐𝑙. 𝑉𝐴𝑇 = × 34,50✓ = 𝑅39,68✓

1.2 Determine the cost price per cactus including VAT)

𝑇𝑜𝑡𝑎𝑙 𝑐𝑜𝑠𝑡 𝑝𝑟𝑖𝑐𝑒 𝑖𝑛𝑐𝑙𝑢𝑑𝑖𝑛𝑔 𝑉𝐴𝑇 𝑝𝑒𝑟 𝑏𝑎𝑡𝑐ℎ = 𝑅85 + 𝑅120 + 𝑅40 + 62 + 58✓ = 𝑅365,00✓ So, 𝑇𝑜𝑡𝑎𝑙 𝑐𝑜𝑠𝑡 𝑖𝑛𝑐𝑙𝑢𝑑𝑖𝑛𝑔 𝑉𝐴𝑇 𝑝𝑒𝑟 𝑐𝑎𝑐𝑡𝑢𝑠 = 𝑅365 ✓ = 𝑅18,25✓

* 1. Calculate Amukelani s profit per cactus.

𝑃𝑟𝑜𝑓𝑖𝑡 = 𝑆𝑒𝑙𝑙𝑖𝑛𝑔 𝑝𝑟𝑖𝑐𝑒 − 𝐶𝑜𝑠𝑡 𝑝𝑟𝑖𝑐𝑒

= 𝑅39,68 − 𝑅18,25✓

= 𝑅21,43✓

1.4 Determine the percentage profit Amukelani makes per cactus.

%𝑃𝑟𝑜𝑓𝑖𝑡 = × 100

= ✓ × 100✓

= 117,42%✓

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Exercise 4

Answer question 2 on Municipal Account. Study the invoice carefully before you attempt any question.