



Sedibeng East District

Accounting

Grade 12

Controlled Test 1

Duration: 1, 5 hours

Marks: 100

Stanmorephysics.com

14 March 2024

Instructions and information:

1. You are provided with a question paper and answer sheet.
2. This question paper comprises of **TWO** compulsory questions.
3. Show **ALL** workings to earn part-marks.
4. Non-programmable calculator may be used.
5. A blue/black pen may be used.
6. Where applicable, show all calculations to **ONE** decimal point.
7. Write neatly and legibly.
8. Use the information in the table as guide when answering the question paper. Try not to deviate from it.

Question	Topic	Marks	Time allocated
1	Concepts and notes to the Statement of Financial Position (Balance Sheet)	30	27
2	Correction of net profit and Statement of Financial Position (Balance Sheet)	70	63
Total		100	90

This question paper consists of 4 pages (including the cover page).

QUESTION 1: CONCEPTS AND NOTES TO THE STATEMENT OF FINANCIAL POSITION

(30 marks; 27 minutes)

1.1 Indicate whether the following statements are TRUE or FALSE. Write only 'true' or 'false' next to the question number (1.1.1–1.1.5) in the ANSWER BOOK.

1.1.1 Shareholders are responsible for the running of the company. (1)

1.1.2 External auditors express an opinion on the reliability of the financial statements. (1)

1.1.3 A fixed deposit that will mature in two years will be recorded as a financial asset in the Statement of the Financial Position. (1)

1.1.4 Directors are the owners of the company. (1)

1.1.5 The Statement of Comprehensive Income shows the profit or loss for the financial year. (1)

1.2 SHIBAMBU LTD

The information relates to Shibambu Limited, and the financial year ended on 29 February 2024. The company is authorised to issue 1 000 000 ordinary shares.

REQUIRED:

1.2.1 Prepare the Ordinary Share Capital note on 29 February 2024. (10)

1.2.2 Prepare the Retained Income note on 29 February 2024. (15)

INFORMATION:

The following balances appeared in the books on 1 March 2023:

Ordinary share capital (150 000 shares)	755 000
Retained income	?

TRANSACTIONS DURING THE YEAR:

- (i) On 31 March 2023 the company issued 120 000 shares at R5,50 to raise additional capital.
- (ii) On 31 May 2023 the directors paid an interim dividend of R0,85 per share.
- (iii) On 15 September 2023 the directors realised that the shares were undervalued on the JSE and therefore decided to buy 45 000 ordinary shares at R315 000.
- (vi) On 29 February 2024 the income tax for the year amounted to R480 000, being 30% of the net profit. The directors also decided a final dividend of R0,80 per share issued to date.

QUESTION 2: CORRECTION OF NET PROFIT AND STATEMENT OF FINANCIAL POSITION
(70 marks; 63 minutes)

2.1 KING LTD

The information relates to the financial year ended on 28 February 2023.

REQUIRED:

2.1.1 Use the table provided to calculate the correct net profit after tax for the year ended 28 February 2023. Indicate '+' for increase and '-' for decrease at each adjusted amount. (28)

2.2.2 Complete the Statement of Financial Position on 28 February 2023. (42)

INFORMATION:

A Extract from Pre-adjustment Trial Balance on 28 February:

	2023 (R)	2022 (R)
Ordinary share capital	?	3 400 000
Retained income	447 500	
Mortgage loan: BEE Bank	?	1 992 500
Fixed assets (carrying value)	3 355 750	
Fixed deposit	?	3 855 000
Trading stock	1 012 250	
Debtors control	470 230	
Bank (favourable)	50 330	
Petty cash	5 800	
Cash float	6 660	
Creditors Control	988 630	
SARS: Income tax (provisional payments)	475 300	
Shareholders for dividends	308 250	
Provision for bad debts	?	37 950
Audit Fees	141 000	
Rent income	125 600	

B The net profit before tax, R1 665 920, was calculated before taking the following into account:

- (i) The business returned goods not as per sample to the creditor, R7 500. The transaction has not yet been recorded.
- (ii) A physical stocktaking on 28 February 2023 reflected that stock to the value of R1 000 250 was on hand.
- (iii) The provision for bad debts must be adjusted to R 25 300.

- (iv) 25% of the audit fees are still outstanding.
- (v) Rent has been received until 31 May 2023. The monthly rent increased by 10% on 1 November 2022.
- (vi) Included in the amount for insurance was a yearly premium of R11 040 paid on 1 December 2022 for the year ending 30 November 2023.
- (vii) The fixed deposit is invested with ABA Bank. Note that 15% of the fixed deposit will mature on 31 August 2023, while the balance will mature in 2025.

- (viii) Salaries and wages:

An employee was left out of Salaries Journal for February 2023. The details are as follows:

Gross Salary	Deductions			Total deductions	Net Salary
	PAYE	UIF	Pension Fund		
22 500	3 975	?	1 575	5 775	?

The employer contributes 10% of the gross salary to the Pension Fund and an amount equal to the amount contributed by the employee to the UIF.

Note: All contributions are recorded as part of Salaries and Wages.

- (ix) A debtor's debit balance of R3 000 in the Debtor's Ledger must be transferred to his account in the Creditors Ledger.
- (x) Information from the loan statement received from BEE Bank:
- Monthly repayments, including interest of R22 500. Interest on the loan is capitalised.
 - Balance on 28 February 2023, R1 877 500.

Note: The current portion of the loan will be increased by R35 000 in the next financial year.

- (xi) After taking the above omissions into account, it was determined that R32 750 was due to SARS.



SEDIBENG EAST DISTRICT

14 MARCH 2024

ACCOUNTING

GRADE 12

CONTROL TEST 1

DURATION: 1.5 HOURS

ANSWER BOOK

Name and Surname	
School's Name	
Class	
Date:	

Question	Marks	Teacher's mark	HOD's moderated mark	District moderated mark
1	30			
2	70			
Total	100			

This answer book consists of 4 pages (including the cover page).

QUESTION 1

1.1

1.1.1	
1.1.2	
1.1.3	
1.1.4	
1.1.5	

5

1.2.1

ORDINARY SHARE CAPITAL		
ISSUED SHARE CAPITAL		
150 000	Ordinary shares on 1 March 2023	
	Ordinary shares on 29 February 2024	

10

1.2.2

RETAINED INCOME	
Balance on 1 March 2023	
Ordinary share dividends	
Balance on 29 February 2024	727 000

15

TOTAL MARKS
30

QUESTION 2

2.1.1 Calculate the correct net profit after tax for the year ended 28 February 2023. Indicate '+' for increase and '-' for decrease at each adjusted amount.



WORKINGS	ANSWER
Incorrect Net Profit before tax	1 665 920
Income tax	
Correct Net Profit after tax	



2.1.2 STATEMENT OF FINANCIAL POSITION ON 28 FEBRUARY 2023

ASSETS	
NON-CURRENT ASSETS	
CURRENT ASSETS	
TOTAL ASSETS	
EQUITY AND LIABILITIES	
SHAREHOLDERS' EQUITY	
Ordinary share capital	
Retained Income	447 500
NON-CURRENT LIABILITIES	
CURRENT LIABILITIES	
TOTAL EQUITY AND LIABILITIES	

TOTAL MARKS
70

42

GRAND TOTAL: 100



SEDIBENG EAST DISTRICT

12 MARCH 2024

ACCOUNTING

GRADE 12

CONTROL TEST 1

DURATION: 1.5 HOURS

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MARKING GUIDELINE

MARKING PRINCIPLES

1. Penalties for foreign items are applied only if the candidate is not losing marks elsewhere in the question for that item (no foreign item 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. Full marks for correct answer. If the 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).
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. This memorandum is not for public distribution, as certain items might imply incorrect treatment. The adjustments made are due to nuances in certain questions
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 before awarding the mark.
10. 'Operation' means 'Check operation'. 'One part correct' means 'Operation & one part correct'.
Note: Check operation means must be +, –, x or ÷ as per memo.
11. In awarding method marks, ensure that candidates do not get full marks for any item that is incorrect at least in part. In such cases, do not award the method mark. Indicate by way of ☒
12. Be aware that some candidates provide valid alternatives beyond the memorandum.
13. Codes: f = foreign item; p = placement/presentation.

This memorandum consists of 4 pages.

QUESTION 1

1.1

1.1.1	False✓
1.1.2	True✓
1.1.3	True✓
1.1.4	False✓
1.1.5	True✓

5

1.2.1

ORDINARY SHARE CAPITAL		
ISSUED SHARE CAPITAL		
150 000	Ordinary shares on 1 March 2023	755 000✓
120 000✓	Shares issued during the year	660 000✓✓
(45 000)✓	Shares bought at R5,2✓✓ per share	(234 000)☒*
225 000✓	Ordinary shares on 29 February 2024	1 181 000☒*

10

☒* One part correct

1.2.2

RETAINED INCOME		
Balance on 1 March 2023	balancing figure	97 000☒
Net profit after tax (480 000✓ x 70/30✓) / (1 600 000 - 480 000)		1 120 000☒*
Buying back of shares (45 000✓ x R1,80☒✓)		(81 000)☒*
Ordinary share dividends		(409 000)☒#
Interim (270 000✓ x R0,85✓)		229 500☒*
Final (225 000✓ x 0,80✓)		180 000☒*
Balance on 29 February 2024		727 000

15

☒* One part correct

☒# Operation

TOTAL MARKS

30

QUESTION 2

Calculate the correct net profit after tax for the year ended 30 June 2023. Indicate '+' for increase and '-' for decrease at each adjusted amount.

WORKINGS	ANSWER
Incorrect Net Profit before tax	1 665 920
Trading Stock deficit 1 012 250 ✓ – 7 500 ✓ – 1 000 250 ✓	- 4 500 <input checked="" type="checkbox"/> *
Provision for bad debts adjustment (37 950 – 25 300)	+ 12 650 <input checked="" type="checkbox"/> <input checked="" type="checkbox"/>
Audit fees 141 000 ✓ x ²⁵ / ₇₅ ✓	- 47 000 <input checked="" type="checkbox"/> *
Rent income 125 600 ✓ x ³³⁰ / ₁₅₇₀ ✓	- 26 400 <input checked="" type="checkbox"/> *
Insurance 11 040 ✓ x ⁹ / ₁₂ ✓	+ 8 280 <input checked="" type="checkbox"/> *
Salaries and wages 22 500 ✓ + 2 250 ✓ + 225 ✓	- 24 975 <input checked="" type="checkbox"/> *
Interest on loan (22 500 x 12) 1 877 500 ✓ + 270 000 ✓✓ - 1 992 500 ✓ <small>Loan balances are only awarded marks as part of a working, not as a final answer</small>	- 155 000 <input checked="" type="checkbox"/> *
Income tax 475 300 ✓ + 32 750 ✓	- 508 050 <input checked="" type="checkbox"/> *
Correct Net Profit after tax <small>Must include the incorrect NP before tax</small>	920 925 <input checked="" type="checkbox"/>*

*one part correct; if signs are incorrect, award marks for workings only.
If no workings, award the workings marks for the correct amount, e.g. + 8 280 will receive 3 marks.
Accept brackets for negative amounts; assume positive if no signs or brackets used.

2.1.2

STATEMENT OF FINANCIAL POSITION ON 28 FEBRUARY 2023

ASSETS		
NON-CURRENT ASSETS	operation	6 632 500 ✓
Fixed assets		3 355 750 ✓
Financial assets		
Fixed Deposit (3 855 000✓ - 578 250✓)		3 276 750 ✓*
CURRENT ASSETS	operation	2 091 500 ✓
Inventories		1 000 250 ✓
Trade and other receivables	transfer see 1.2.1.	
470 230 ✓ - 25 300 ✓ - 3 000 ✓ + 8 280 ✓		450 210 ✓*
Cash and cash equivalents	See F. Deposit above	
50 330✓ + 5 800✓ + 6 660✓ + 578 250✓		641 040 ✓*
TOTAL ASSETS		8 724 000 ✓*
EQUITY AND LIABILITIES		
SHAREHOLDERS' EQUITY	Balancing figure	5 428 995 ✓
Ordinary share capital	Balancing figure	4 981 495 ✓
Retained income		447 500
NON-CURRENT LIABILITIES		1 727 500
Mortgage loan		
one mark one m/mark (270 000 – 155 000 interest) + 35 000 one mark 115 000		1 727 500 ✓*
1 877 500 ✓ – 150 000 ✓✓✓		
CURRENT LIABILITIES	operation	1 567 505 ✓
Trade and other payables	transfer see audit fee Rent Inc	
988 630✓ - 7 500✓ - 3 000✓ + 47 000 ✓ + 26 400 ✓+16 725 ✓+ 3 975✓+ 1 575✓+2 250✓+ 225✓ +225✓		1 076 505 ✓*
Current portion of loan#	see loan above	150 000 ✓
SARS Income tax#		32 750 ✓
Shareholders for dividends#		308 250 ✓
# items may be included in T&OP; award marks applicable		
TOTAL EQUITY AND LIABILITIES	See TA	8 724 000 ✓

-1 F foreign items max -1; misplaced items → award marks for working only
-1 P presentation (max -1 if no appropriate details)

*one part correct

42

TOTAL MARKS
70

GRAND TOTAL: 100