



GRADE 12
ACCOUNTING
SCHOOL BASED ASSESSMENT



QUESTION	TOPIC	MARKS	TIME ALLOCATION
One	Concepts and Ledger Accounts	30	36 minutes
Two	Shareholding and Corporate Governance	20	24 minutes
	TOTAL	50	60 minutes

NOTE

- The written report must be administered under supervision of the educator.
- A rubric must be distributed to learners on 10 February 2025, before administering the activity.
- Learners must not refer to the notes during administration process.

This question paper consists of 5 pages.

QUESTION 1: COMPANY CONCEPTS AND LEDGER ACCOUNTS**(30 marks; 36 minutes)****INFORMATION**

You are trainee accountant at Siyavula auditing firm, you have been approached by Nyala LTD to prepare the unique ledger accounts. Their accountant is on sick leave for three weeks. The management (board of directors) for Nyala LTD has arranged to present the financial report to a potential shareholder.

The report must provide an overview of how a public company operates, outline the key financial statements prepared by companies and the ledger accounts that project the capital generated and profit or earnings distributed.

REQUIRED:

The financial report must address the following:

- 1.1 Write the abbreviation 'LTD' in full. (1)
- 1.2 A company is a legal entity, explain and provide **ONE** point. (2)
- 1.3 The Companies Act stipulates that the directors should have audited annual financial statements prepared for every financial year of the company, and that they should submit these statements to the annual meeting of shareholders.

Mention other **TWO** reports that must be prepared and presented to shareholders **except** for financial statements. (2)

- 1.4 Complete the following accounts in the General Ledger of Nyala Ltd for the year ended 31 December 2024.
 - Ordinary Share Capital (5)
 - Retained Income (5)
 - SARS Income Tax (6)
 - Shareholders for Dividends (4)
 - Appropriation Account (5)

INFORMATION:

The following appeared in the list of balances on 31 December.

	31 Dec. 2024	31 Dec. 2023
Ordinary share capital (issued at R5, 30 per share)	R?	R1 749 000
Retained Income	?	530 000
SARS (Income Tax)	?	22 800 Cr
Shareholders for Dividends	?	184 800

12 Jan. 2024 The amount owed to SARS (Income tax) and shareholders for dividends were paid by EFT.

15 Mar. 2024 A first payment of R160 000 in respect of provisional income tax was made to SARS.

30 Apr. 2024 An interim dividend was declared and paid, R148 500.

20 May 2024 30 000 ordinary shares were repurchased from a shareholder at R5,90 per share.

15 Jul. 2024 The company issued 100 000 ordinary shares at R6,34 per share.

30 Sept. 2024 A second provisional income tax payment of R194 000 was made via EFT to SARS on.

31 Dec. 2024 The directors decided to declare a final dividend of 80 cents per share.

31 Dec. 2024 The net profit before tax for the year amounted to R970 000. Income tax must be calculated at a rate of 30% of the net profit.

QUESTION 2: SHAREHOLDING AND CORPORATE GOVERNANCE

(20 marks; 24 minutes)

2.1 SHAREHOLDING

Tech Tok Ltd is a software development company owned by three shareholders, their financial year ends on 31 December 2024. The company's directors have expressed reluctance to issue unissued shares due to the current low market price. A shareholder, **Janny**, is experiencing financial challenges and has approached a potential investor who plans to purchase 15% of his stake at the current market price value, amounting to R500 000.

The directors and the shareholders have approached you as a senior accountant to present to them a financial report that will indicate the effect of buy-back to the number of shares and percentage shareholding by shareholders.

REQUIRED:

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The report must specifically respond to the following:

- 2.1.1 Explain the term "minority shareholding", provide **ONE** point. (2)
- 2.1.2 Calculate the number of shares Peter owns on 1 January 2024. (2)
- 2.1.3 Calculate the value of shares that will be owned by Janny if he accepts the offer to sell some of his shares to the potential investor? Assume issue price did not change. (4)
- 2.1.4 Janny's decision to sell part of his shares will have negative impact to him as a shareholder.
Explain how will Janny's status as a shareholder change after selling his shares? Provide **TWO** points. (4)

BACKGROUND INFORMATION:

The authorised share capital comprised of 1 000 000 ordinary shares.

Only **80%** of shares were in issue on 1 January 2024, these shares were issued at R2,90 per share.

Share register reflected the following:

	No. of shares	% shareholding
Janny	?	55
Marie	200 000	25
Peter	?	20

2.2 CORPORATE GOVERNANCE

KING CODE IV emphasizes the creation value through good governance practices. It also recommends that any company which issues audited financial statements should establish an audit committee.

Complete a written report that will address the content provided below:

2.2.1 Explain TWO elements of value creation process according to KING CODE IV. (4)

2.2.2 Explain the roles/responsibilities of audit committee. Give TWO points. (4)

20

TOTAL MARKS:50



GRADE 12
ACCOUNTING WRITTEN REPORT 2025

NAME AND SURNAME :	DURATION :1 HOUR
NAME OF SCHOOL :	DATE :

QUESTION 1	CRITERIA AND ALLOCATION OF MARKS	MARKS	
		TOTAL	LEARNER
COMPANY CONCEPTS AND LEDGER ACCOUNTS			
1.1	Full word for abbreviation "LTD".	As per marking guide	1
1.2	Meaning of legal entity	As per marking guide	2
1.3	Financial reports	As per marking guide	2
1.4	Ledger Accounts :		
	Ordinary share capital Account	As per marking guide	5
	Retained income Account	As per marking guide	5
	Sars Income Tax Account	As per marking guide	6
	Shareholders for Dividends	As per marking guide	4
	Appropriation Account	As per marking guide	5
	TOTAL		30
QUESTION 2			
SHAREHOLDING AND CORPORATE GOVERNANCE			
2.1.1	Minority shareholding	As per marking guide	2
2.1.2	Calculate the number of shares Peter owns on 1 January 2024.	As per marking guide	2
2.1.3	Calculate the value of shares that will be owned by Janny if he accepts the offer from the potential investor? Assume issue price did not change.	As per marking guide	4
2.1.4	Explain how will Janny's status as a shareholder change after selling his shares? Provide TWO points.	As per marking guide	4
2.2.1	Explain TWO elements of value creation according to King Code IV.	As per marking guide	4
2.2.2	Explain the roles/responsibilities of Audit committee.	As per marking guide	4
	TOTAL		20
TOTAL (Q1 + Q2)			50

QUESTION 1: COMPANY CONCEPTS AND LEDGER ACCOUNTS

1.1.1 Write the abbreviation 'LTD' in full.



1

1.1.2 A company is a legal entity, explain and provide ONE point.



2

1.1.3 The Companies Act stipulates that the directors should have audited annual financial statements prepared for every financial year of the company, and that they should submit these statements to the annual meeting of shareholders.

Mention other TWO reports that must be prepared and presented to shareholders **except** for financial statements.

2

1.4 GENERAL LEDGER OF NYALA LTD

Ordinary Share Capital

B1

5

Retained Income

B2



5

SARS (Income Tax)

B5

6

Shareholders for Dividends

B6

5

Appropriation Account

N9



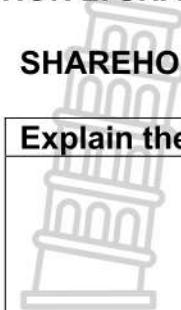
TOTAL MARKS
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30

4

QUESTION 2: SHAREHOLDING AND CORPORATE GOVERNANCE

2.1 SHAREHOLDING

2.1.1 Explain the term “ minority shareholding”, provide ONE point.



2

2.1.2 Calculate the number of shares Peter owns on 1 January 2024.

WORKINGS	ANSWER

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2

2.1.3 Calculate the value of shares that will be owned by Janny if he accepts the offer to sell some of his shares to the potential investor? Assume issue price did not change.

WORKINGS	ANSWER

4

2.1.4 Janny's decision to sell part of his shares will have negative impact to him as a shareholder.

Explain how will Janny's status as a shareholder change after selling his shares? Provide TWO points.

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4

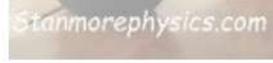
2.2 CORPORATE GOVERNANCE

2.2.1 Explain TWO elements of the value creation process according to KING CODE IV.



4

2.2.2 Explain the roles/responsibilities of audit committee. Give TWO points.



4

TOTAL MARKS
20



**ACCOUNTING
GRADE 12 MARKING GUIDELINE
TASK 1: WRITTEN REPORT**

QUESTION 1		CRITERIA AND ALLOCATION OF MARKS	MARKS	
COMPANY CONCEPTS AND LEDGER ACCOUNTS			TOTAL	LEARNER
1.1	Full word for abbreviation "LTD".	As per marking guide	1	
1.2	Meaning of legal entity	As per marking guide	2	
1.3	Financial reports	As per marking guide	2	
1.4	Ledger Accounts :			
	Ordinary share capital	As per marking guide	5	
	Retained Income Account	As per marking guide	5	
	Sars Income Tax Account	As per marking guide	6	
	Shareholders for Dividends	As per marking guide	5	
	Appropriation Account	As per marking guide	4	
TOTAL			30	
QUESTION 2				
SHAREHOLDING AND CORPORATE GOVERNANCE				
2.1.1	Minority shareholding	As per marking guide	2	
2.1.2	Calculate the number of shares Peter owns on 1 January 2024.	As per marking guide	2	
2.1.3	Calculate the value of shares that will be owned by Janny if he accepts the offer from the potential investor? Assume issue price did not change.	As per marking guide	4	
2.1.4	Explain how Janny's status as a shareholder will change after selling his shares? Provide TWO points.	As per marking guide	4	
2.2.1	Explain TWO elements of value creation according to King Code IV.	As per marking guide	4	
2.2.2	Explain the roles/responsibilities of Audit committee.	As per marking guide	4	
TOTAL			20	
TOTAL (Q1 + Q2)				

QUESTION 1: COMPANY CONCEPTS AND LEDGER ACCOUNTS

1.1 COMPANY CONCEPTS

1.1.1 Write the abbreviation 'LTD' in full.

Limited ✓

1

1.1.2 A company is a legal entity, explain and provide ONE point.

Any valid explanation ✓✓

- This means that a company has its own rights and operates separate from the shareholders.
- A company is a separate "legal person" in the eyes of the law. It can own property, sign contracts, sue or be sued, and be held accountable for its actions.
- The income/profit made belongs to the company and therefore the company pays income tax on profits made and the company has to take responsibility for any actions or obligations.

2

1.1.3 The Companies Act stipulates that the directors should have audited annual financial statements prepared for every financial year of the company, and that they should submit these statements to the annual meeting of shareholders.

Mention other **TWO** reports that must be prepared and presented to shareholders **except** for financial statements.

- Director's report ✓
- Audit report ✓
- CRS (Corporate Social Responsibility) Report

2

1.4 General Ledger of Nyala Ltd

Ordinary Share Capital

B1

2024 May	20	Bank (30 000 x 5,30)		✓ <input checked="" type="checkbox"/> * 159 000	2024 Jan	1	Balance	b/d	✓ 1 749 000
Dec	31	Balance	c/d	2 224 000	July	15	Bank (100 000 x 6,34)	CPJ	✓ <input checked="" type="checkbox"/> * 634 000
				2 383 000					2 383 000
					Dec	31	Balance	b/d	2 224 000

*one part correct

5

Option 1**Retained Income****B2**

2024 May	20	Bank (30 000 ✓ x 0,60 ✓)	CP J	18 000 ✓*	2024 Jan	1	Balance	b/d	530 000 ✓
Dec	31	Balance	c/d	722 500	Dec	31	Appropriation Account	GJ	210 500 ✓ see appr acc.
				740 500					740 500
					Dec	31	Balance	b/d	722 500

*one part correct

5

OR**Option 2****Retained Income****B2**

2024 May	20	Bank (30 000 x 0,60)	CPJ	✓ ✓*18 000	2024 Jan	1	Balance	b/d	530 000 ✓
Dec	31	Appropriation	GJ	✓ 530 000	Dec	31	Appropriation Account	GJ	740 500 ✓ see appr acc Opt 2
		Balance	c/d	722 500					1 270 500
				1 270 500					
					Dec	31	Balance	b/d	722 500

*one part correct

5

OR**Option 3****Retained Income****B2**

2024 May	20	Bank (30 000 x 0,60)	CPJ	✓ ✓*18 000	2024 Jan	1	Balance	b/d	✓ 530 000
Dec	31	Appropriation	GJ	✓ ✓*512 000	Dec	31	Appropriation	GJ	722 500
		Balance	b/d	722 500					1 252 500
				1 252 500					
					2025 Jan	1	Balance	c/d	722 500

*one part correct

5

SARS (Income Tax)

B5

2024	12	Bank	CPJ	22 800 ✓	2024	1	Balance	b/d	22 800 ✓
Mar.	15	Bank	CPJ	160 000 ✓	2024	31	Income Tax	GJ	291 000 ✓ <input checked="" type="checkbox"/> *
Sept	30	Bank	CPJ	194 000 ✓			Balance	c/d	63 000
				376 800					376 800
2025	Jan	1	Balance	b/d	63 000				

*one part correct

6

Shareholders for Dividends

B6

2024		Bank	CPJ	184 800 ✓	2024	1	Balance	b/d	184 800 ✓
Dec	31	Balance	c/d	320 000 <input checked="" type="checkbox"/>	Dec	31	Ordinary share Dividends (400 000X0,80)	GJ	320 000 ✓ <input checked="" type="checkbox"/> *
				504 800					504 800
					2025	1	Balance	b/d	320 000

*one part correct

5

Option 1

Appropriation Account

N9

2024	Dec	31	Income Tax	GJ	291 000 ✓	2024	Dec	31	Profit and Loss	GJ	970 000 ✓
			Dividends on Ordinary Shares	GJ	468 500 ✓						
			Retained Income	GJ	210 500 <input checked="" type="checkbox"/>						
					970 000						970 000

4

Option 2

Appropriation Account

N9

2024 Dec	31	Income Tax	GJ	291 000 ✓	2024 Dec	31	Profit and Loss	GJ	970 000 ✓
		Dividends on Ordinary Shares	GJ	468 500 ✓			Appropriation	GJ	530 000
		Retained Income	GJ	740 500 <input checked="" type="checkbox"/>					
				1 500 000					1500 000



4

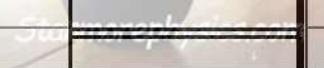
OR

Option 3

Appropriation Account

N9

2024 Dec	31	Income Tax	GJ	291 000 ✓	2024 Dec	31	Profit and Loss	GJ	970 000 ✓
		Dividends on Ordinary Shares	GJ	468 500 ✓			Appropriation (Check RI option 3)	GJ	512 000
		Retained Income	GJ	722 500 <input checked="" type="checkbox"/>					
				1 482 000					1 482 000



4

TOTAL MARKS
30

QUESTION 2: SHAREHOLDING AND CORPORATE GOVERNANCE

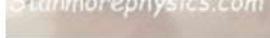
2.1.1 Explain the term “ minority shareholding”, provide ONE point.

ONE valid explanation ✓✓

- A shareholder who owns less than 50% of company's shares
- A shareholder who does not have enough voting power to control or influence major decisions.
- A shareholder that can participate in meetings where important decisions are made such as electing of directors and approving financial matters.

2

2.1.2 Calculate the number of shares Peter owns on 1 January 2024.

WORKINGS	ANSWER
$(1\ 000\ 000 \times 80\%)$ $800\ 000 \times 20\%$ 	160 000 shares ✓✓

2

2.1.3 Calculate the value of shares that will be owned by Janny if he accepts the offer to sell some of his shares to the potential investor? Assume issue price did not change.

WORKINGS	ANSWER
$(800\ 000 \times 55\%) \text{ or}$ $440\ 000 \times 40/55 \times R2,9$ 	
OR $[800\ 000 \times 55\%] - [440\ 000 \times 15/55]$ $440\ 000 - 120\ 000 \times R2,9$ One mark one mark one mark	R928 000 <input checked="" type="checkbox"/> one part correct
OR $320\ 000 \times R2,9$ two marks one mark	

4

$$800\ 000 \times \frac{55}{100} = 440\ 000 \text{ one mark}$$

$$440\ 000 - \left(440\ 000 \times \frac{15}{100} \right) = 374\ 000$$

$$374\ 000 \times 2,90 = 1\ 084\ 600$$

2.1.4

Janny's decision to sell part of his shares will have negative impact to him as a shareholder.

Explain how will Janny's status as a shareholder change after selling his shares? Provide TWO points.

Any two valid elements ✓✓ ✓✓

- He will no longer be a majority shareholder / His shareholding will be below 50%.
- He will no longer have decisive control over matters that require shareholder approval.
- Janny's reduced shareholding means he will receive fewer dividends.

4

2.2.1

Explain TWO elements of the value creation process according to KING CODE IV.

Any two valid elements ✓✓ ✓✓ **one mark for partially correct answer**

- Companies must align their strategy with long-term value creation.
- Recognize that companies create value for various stakeholders beyond just shareholders.
- Companies must be proactive in identifying, assessing, and managing risks.
- Companies should assess their performance in a holistic way, considering not only financial metrics.

4

2.2.2

Explain the roles/responsibilities of audit committee. Give TWO points.

Any two valid points ✓✓ ✓✓

- Monitor the accuracy, completeness and fairness of financial statements.
- Ensure that financial reporting is reliable and effective.
- Review and approve the internal audit department's audit plan.
- Ensure that policies, processes and procedures are in place to produce reliable financial reporting.
- Report on financial risks, including fraud and IT risks.
- Monitor developments in laws and regulations that impact the organization.
- Ensures that the organization operates within legal and ethical guidelines.

4

TOTAL MARKS
20