



JOHANNESBURG EAST DISTRICT

D9



SUBJECT	:	ACCOUNTING
CODE	:	ACCN
TASK	:	CONTROLLED TEST
DURATION	:	1,5 HOUR
MARKS	:	100

This assessment task consist of 6 pages

INSTRUCTIONS AND INFORMATION

Read the following instructions carefully and follow them precisely.

1. Answer ALL the questions.
2. A special ANSWER BOOK is provided in which to answer ALL the questions.
3. Show ALL workings in order to earn part-marks.
4. You may use a non-programmable calculator.
5. You may use blue or black ink to answer the questions.
6. Where applicable, show all calculations to ONE decimal point.
7. Write neatly and legibly.
8. Use the information in the table below as a guide when answering the question paper. Try NOT to deviate from it.

QUESTION 1: 40 marks; 35 minutes	
Topic of the question: Statement of Comprehensive Income	This question integrates: Financial accounting Concepts Calculation of the correct Net profit Notes to financial statements

QUESTION 2: 60 marks; 55 minutes	
Topic of the question: Statement of Financial Position	This question integrates: Financial accounting Statement of Financial Position Notes to financial statements

QUESTION 1: STATEMENT OF COMPREHENSIVE INCOME AND NOTES
(40 marks; 35 minutes)

1.1 Choose the description from COLUMN B that matches the concept in COLUMN A. Write only the letter (A–E) next to the question numbers (1.1.1 to 1.1.5) in the ANSWER BOOK.

COLUMN A		COLUMN B	
1.1.1	IFRS	A	Revenue generated during an accounting period should be matched to expenses during the same period.
1.1.2	Matching concept	B	Profits distributed to shareholders in proportion to the number of shares held.
1.1.3	Finance cost	C	Guidelines for the preparation of financial statements to ensure consistency.
1.1.4	Dividends	D	The total number of shares that a company can issue.
1.1.5	Authorised share capital	E	Debts payable over a short period of time.
		F	Interest on bank overdraft on the Statement of Comprehensive Income.

(5)

1.2 PHENYO LTD

The information relates to Phenyo Limited, and the financial year ended on 28 February 2023.

REQUIRED:

1.2.1 Calculate the correct Net Profit after tax for the financial year ended 28 February 2022. Indicate a + (increase) or – (decrease) as a change. (25)

1.2.2 Prepare the Retained Income note to the financial statements. (10)

INFORMATION:

A. List of balances/totals on 28 February 2023:

BALANCE SHEET ACCOUNTS SECTION	
Ordinary Share Capital	7 000 000
Retained income (1 March 2022)	306 400
Mortgage loan: Thuso Bank	465 000
Fixed assets	4 210 600
Fixed deposit: Ubuntu Bank	280 000
Trading stock	622 800
Debtors' control	543 870
Provision for bad debts (1 July 2021)	11 350
SARS: Income tax (provisional payments)	412 950
Consumable stores on hand (packing material)	11 000
Ordinary share dividends	125 000

B. The net profit before tax of R1 536 070 was determined BEFORE taking into account the following information:

- i. Provision for bad debts was decreased by R8 200 instead of R2 800.
- ii. The auditor discovered that the loss on sale of fixed assets, R4 120, was a profit on sale.
- iii. Auditors are owed a further R32 700 for February 2023.
- iv. 90% of the packing material was used during the financial year.
- v. Repairs to the building of R41 000 was paid on 1 August 2022 but was debited incorrectly to the land and building in error.
- vi. Insurance includes an annual premium of R51 000 paid for the period 1 June 2022 to 31 May 2023.
- vii. It is the company's policy to pay equal fees to its directors. At the beginning of the year, Phenyo Ltd had TWO directors, the third director was employed on 1 December 2022. The fees for 2023 amounted to R1 508 000. One of the directors was paid two months in advance to compensate for her child's tuition fees.
- viii. Stock was destroyed in a fire and insurance claim was processed. The insurance company has informed Phenyo Ltd that they have transferred R10 200. Phenyo Ltd bears 15% of any stock loss.
- ix. An invoice was issued on 1 January 2023 for R51 300; a 10% trading discount was allowed. Goods were sold with a mark-up of 60%. No entry has been made to this transaction.
- x. Income tax amount owed to SARS, R31 760.

C. Dividends and shares:

- i. Interim dividends paid were two fifths (2/5) of the total dividends paid and declared.
- ii. Share capital

30 November 2022	320 000 shares were repurchased at R3,05 each from a shareholder relocating to Europe.
28 February 2023	2 500 000 shares were in issue.

QUESTION 2: STATEMENT OF FINANCIAL POSITION AND NOTES**(60 marks; 45 minutes)**

The following information relates to Mwalimu Ltd. The financial year ended on 28 February 2023.

REQUIRED:**2.1 Refer to Information B.**

Calculate the missing amounts denoted by (a) to (c).

(11)

2.2 Prepare the Ordinary Share Capital note.

(9)

2.3 Complete the Balance Sheet (Statement of Financial Position) on 28 February 2023. Show workings.

(40)

INFORMATION:**A. Extract from the books on 28 February 2023:**

Balance Sheet accounts section	R
Ordinary share capital (1 March 2022)	2 100 000
Fixed assets (carrying value)	?
Loan from Ebony Bank	356 000
Trading stock (1 March 2022)	352 640
Net trade debtors	206 080
Fixed deposit: Alex Bank	490 000
Bank (unfavourable)	152 350
SARS: Income tax (provisional payments)	215 900
Creditors' control	272 800
Savings account	15 400
Petty cash	7 700
Nominal accounts section (pre-adjustment amounts)	
Audit fees	72 500
Rent income	161 500

B. Fixed assets:

	LAND AND BUILDINGS	VEHICLES	EQUIPMENT
Cost	2 292 000	390 000	
Accumulated depreciation		(342 000)	
Carrying value (01/03/2022)		48 000	
Movements:			
Additions	(a)	423 560	
Disposals	0	0	
Depreciation		(b)	
Carrying value (28/02/2023)	2 592 000	(c)	62 355
Cost		813 560	462 000
Accumulated depreciation			(399 645)

- The company has two vehicles on 28 February 2023. One of these vehicles was purchased on 1 July 2022.
- Depreciation on vehicles is calculated at 15% p.a. on cost.

C. The auditors are owed a further R25 150 in respect of their fees.

D. Stocktaking on 28 February 2023 reflected trading stock deficit of R3 080.

E. Fixed deposit of R120 000 at Alex Bank matured on 28 February 2023. A direct transfer was made by Alex Bank into the bank account of Mwalimu Ltd, but no entry has been made.

F. The rent income was increased by R1 400 per month from 1 November 2022. The tenant has not paid the rent for February 2023.

G. A debtor with a credit balance of R5 700 must still be transferred to his account in the creditor's ledger.

H. Loan: Ebony Bank

	R
Balance at beginning of financial year	300 000
Interest capitalised during the year	8 000
Repayments, including interest, during the year	56 000
Balance at the end of financial year	?

NOTE: Capital portion of loan to be paid in the following financial year remains the same as the current year.

I. Income tax at 28% of the net profit amounted to R236 600.

J. SHARES AND DIVIDENDS:

- 700 000 ordinary shares were issued on 1 March 2022.
- On 31 July 2022 the company repurchased 30 000 shares. An EFT payment totalling R270 000 was paid. These shares do not qualify for any dividends thereafter.
- A further 100 000 new ordinary shares were issued on 1 September 2022 at R7 per share.
- An interim dividend was paid on 31 August 2022.
- A final dividend of 35 cents per share was declared on 28 February 2023.

60

TOTAL: 100



JOHANNESBURG EAST DISTRICT

D9

ACCOUNTING

TERM 1

CONTROLLED TEST

ANSWER BOOK

Name and Surname	
Date	
Name of School	

QUESTION	MARKS	MARKS OBTAINED	INITIAL	MOD.
1	40			
2	60			
TOTAL	100			

This answer book consists of 4 pages

QUESTION 1: CONCEPTS AND STATEMENT OF COMPREHENSIVE

INCOME

(40 marks; 35 minutes)

1.1

CONCEPTS

1.1.1	
1.1.2	
1.1.3	
1.1.4	
1.1.5	

5

1.2.1 Calculation of the correct NET PROFIT AFTER TAX for the year ended 28 February 2023.

Incorrect net profit	1 536 070
i.	
ii.	
iii.	
iv.	
v.	
vi.	
vii.	
viii.	
ix	
Correct net profit	Stanmorephysics.com
x.	
Net profit after tax	

25

1.2.2 RETAINED INCOME NOTE ON 28 FEBRUARY 2023

Balance at the beginning	306 400
Repurchase	
Ordinary share dividends	
Balance at the end	

10

TOTAL MARKS
40

QUESTION 2: STATEMENT OF FINANCIAL POSITION AND NOTES
(60 marks; 55 minutes)

2.1

(a) Calculate the additions of Land and building on 1 March 2022.

Workings	Answer

2

(b) Calculate the total depreciation of Vehicles on 28 February 2023.

Workings	Answer

5

(c) Calculate the carrying value of Vehicles on 28 February 2023.

Workings	Answer

4

2.2 Ordinary share capital note on 28 February 2023.

AUTHORISED SHARE CAPITAL

1 000 000 ordinary shares

ISSUED SHARE CAPITAL

	Ordinary shares at the beginning	
	Ordinary shares at the end	

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BALANCE SHEET OF MWALIMU LTD ON 28 FEBRUARY 2023

ASSETS	
NON-CURRENT ASSETS	
Financial assets: Fixed deposit	
CURRENT ASSETS	
Inventory	
Trade and other receivables	
Cash and cash equivalents	
TOTAL ASSETS	
EQUITY AND LIABILITIES	
SHAREHOLDERS' EQUITY	
Ordinary share capital	
Retained income	465 500
NON-CURRENT LIABILITIES	
CURRENT LIABILITIES	
TOTAL EQUITY AND LIABILITIES	



JOHANNESBURG EAST

D9

ACCOUNTING

GRADE 12

MARCH 2023

MARKING GUIDELINE

Stanmorephysics.com

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 marking guideline consists of 4 pages.

QUESTION 1: CONCEPTS AND STATEMENT OF COMPREHENSIVE

INCOME

(40 marks; 35 minutes)

1.1

CONCEPTS

1.1.1	C	✓
1.1.2	A	✓
1.1.3	F	✓
1.1.4	B	✓
1.1.5	D	✓

5

1.2.1 Calculation of the correct NET PROFIT AFTER TAX for the year ended 28 February 2023.

*one part correct

Incorrect net profit		1 536 070
i.	Provision for bad debts adjust 8 200 – 2 800	(5 400) ✓✓
ii.	Profit on sale 4 120 + 4 120	8 240 ✓✓
iii.	Audit fees	(32 700) ✓
iv.	Packing material 11 000 ✓ x 90/10 ✓	(99 000) ✓*
v.	Repairs	(41 000) ✓
vi.	Insurance 51 000 ✓ x 3/12 ✓	12 750 ✓*
vii.	Directors fees 1 508 000 ✓ x 2/29 ✓	104 000 ✓*
viii.	Loss on stock 10 200 ✓ – 12 000 ✓	(1 800) ✓*
ix.	Sales (51 300 ÷ 90% ÷ 160%) 51 300 ✓ – 35 625 ✓ ✓	15 675 ✓*
Correct net profit		1496 835
x.	Income tax ignore brackets	(444 710) ✓✓
Net profit after tax		1 052 125 ✓

25

1.2.2 RETAINED INCOME NOTE ON 28 FEBRUARY 2023

Balance at the beginning	306 400
Net profit after tax see 1.2.1	1 052 125 ✓
Repurchase of shares 320 000 ✓ x 25/100 ✓	(80 000) ✓*
Ordinary share dividends check operation	(312 500) ✓*#
Paid	125 000 ✓
Recommended 125 000 ✓ x 3/2 ✓	187 500 ✓*
Balance at the end check operation	966 025 ✓

*one part correct

#ignore brackets

10

TOTAL MARKS
40

QUESTION 2: STATEMENT OF FINANCIAL POSITION AND NOTES
(60 marks; 55 minutes)

2.1

(a)

Calculate the additions of Land and building on 1 March 2022.

Workings	Answer
$2\ 592\ 000 - 2\ 292\ 000$	300 000 ✓✓

2

(b)

Calculate the total depreciation of Vehicles on 28 February 2023.

Workings	Answer
New $423\ 560 \times 15\% \times 8/12$ 42 356 ✓✓	
Old $390\ 000 \times 15\% \times 12/12$ 47 999 ✓✓	90 355 ✓ one part correct

5

(c)

Calculate the carrying value of Vehicles on 28 February 2023.

Workings	Answer
see (b) 48 000 ✓ + 423 560 ✓ - 90 355 ✓	381 205 ✓ one part correct

4

2.2 Ordinary share capital note on 28 February 2023.

AUTHORISED SHARE CAPITAL**1 000 000 ordinary shares****ISSUED SHARE CAPITAL**

*one part correct

700 000 ✓	Ordinary shares at the beginning	2 100 000 ✓
(30 000) ✓	Shares re-purchased at R3 ✓	(90 000) ✓*
100 000	Shares issued at R7	700 000✓✓
770 000✓	Ordinary shares at the end	2 710 000 ✓*

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2.3 BALANCE SHEET OF MWALIMU LTD ON 28 FEBRUARY 2023

ASSETS		
NON-CURRENT ASSETS		3 405 560 <input checked="" type="checkbox"/>
Fixed assets		
2 592 000 ✓ + 381 205 ✓ + 62 355 ✓		3 035 560 <input checked="" type="checkbox"/> *
Financial assets: Fixed deposit	7	370 000 ✓✓
CURRENT ASSETS		600 140 <input checked="" type="checkbox"/>
Inventory	352 640 ✓ – 90 355 ✓	349 560 <input checked="" type="checkbox"/> *
Trade and other receivables	206 080 ✓ + 15 700 ✓✓ + 5 700 ✓	227 480 <input checked="" type="checkbox"/> *
Cash and cash equivalents		23 100 ✓✓
TOTAL ASSETS	NCA + CA 12	4 005 700 <input checked="" type="checkbox"/>
EQUITY AND LIABILITIES		
SHAREHOLDERS' EQUITY		3 127 500 <input checked="" type="checkbox"/>
Ordinary share capital	see 2.2	2 710 000 <input checked="" type="checkbox"/>
Retained income	2	417 500
NON-CURRENT LIABILITIES		204 000
Loan	(8 000 – 56 000)	
300 000 ✓ – 48 000 ✓✓ – 48 000 ✓	5	204 000 <input checked="" type="checkbox"/>
CURRENT LIABILITIES		674 200 <input checked="" type="checkbox"/>
Trade and other payables	272 800 ✓ + 25 150 ✓ + 5 700 ✓	303 650 <input checked="" type="checkbox"/>
SARS Income tax		20 700 ✓✓
Current portion of loan		48 000 <input checked="" type="checkbox"/>
Shareholders for dividends	770 000 x 35/100	269 500 ✓ <input checked="" type="checkbox"/>
Bank overdraft	152 350 ✓ – 120 000 ✓	32 350 <input checked="" type="checkbox"/>
TOTAL EQUITY AND LIABILITIES	SE + NCL + CL 14	4 005 700 <input checked="" type="checkbox"/>

TOTAL MARKS
60

