



# JOHANNESBURG EAST DISTRICT D9



SUBJECT	:	ACCOUNTING
CODE	Stanmorephysics.com	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: 45 marks; 40 minutes	
<b>Topic of the question:</b>	<b>This question integrates:</b>
Statement of Comprehensive Income	<b>Financial accounting</b> Concepts Calculation of the correct Net profit Notes to financial statements

QUESTION 2: 55 marks; 50 minutes	
<b>Topic of the question:</b>	<b>This question integrates:</b>
Statement of Financial Position	<b>Financial accounting</b> Statement of Financial Position Notes to financial statements

**QUESTION 1: CORRECTION OF NET PROFIT AND NOTES TO FINANCIAL STATEMENTS** (48 marks ; 43 minutes)

**1.1** Choose a description from Column B that matches the term in Column A. Write only the letter (A-F) next to the question numbers (1.1.1 to 1.1.5) in the ANSWER BOOK.

COLUMN A		COLUMN B	
1.1.1	Current liabilities	A.	Difference between Assets and Liabilities.
1.1.2	Directors	B.	Reflects whether or not the shareholders can rely on the financial statements.
1.1.3	Internal auditor	C.	Long term debts to be settled after 12 months.
1.1.4	Independent auditor	D.	They are appointed by the shareholders to perform key management functions.
1.1.5	Net asset	E.	They are employed by the company to set up and monitor control processes.
		F.	Short term debts repayable within a period of 12 months.

(1 x 5) (5)

**1.2 WESTVILLE LTD**

The following information relates to **Westville** LTD. The financial year ended 29 February 2024.

**REQUIRED:**

**1.2.1 Refer to Information A and B:**

Use the table provided to calculate the correct net profit after tax for the year ended 29 February 2024. Indicate '+' for increase and '-' for decrease at each adjusted amount.

(21)

**1.2.2** Prepare the following financial statements notes for the year ended 29 February 2024.:

• Ordinary Share Capital (10)

• Retained Income Note (12)



**INFORMATION:**

**A. Extract from the Pre Adjustment Trial Balance**

	<b>R</b>
Ordinary Share Capital	15 908 000
Retained Income (01/03/2023)	2 392 000
Land and Buildings	2 300 000
Loan : EY Bank	1 605 000
Consumable Stores on hand (Packing material)	21 250
Provision for Bad debts	35 890
Debtors Control	656 000

**B. Net Profit before tax of R1 581 810 was determined before taking into account the following information:**

- An invoice for R35 000 was omitted. The business uses a mark-up of 75% on cost price.
- Provision for bad debts must be adjusted to R38 200.
- An annual insurance of R67 200 was paid for a period starting 1 September 2023 to 30 August 2024.
- 75% of packing material were used during the financial year.
- Rent income of R 336 400 was received until 31 January 2024. The monthly rent was increased by 12% on 1 September 2023.
- The directors' fees of R 72 000 and audit fees of R 12 400 for February 2024 were not yet paid.
- Stock to the value of R32 000 was damaged by a flooding. The insurance agreed to cover only 80% .
- Received R2 720 from a debtor whose account was previously written off.
- Income tax is calculated at 28% of the net profit before income tax. The Net profit after tax was correctly calculated at R1 086 300.

**C. SHARES AND DIVIDENDS:**

Authorized share capital 3 200 000 shares

<b>DATES</b>	
1 March 2023	75% Shares were in issue
31 October 2023	the directors issued a further 300 000 shares for R7 each
31 January 2024	275 000 shares were repurchased at R1,69 above average share price.

- On 1 September 2023 the company paid an interim dividend of 14 cents per share.
- A final dividend of 6 cents per share was declared on 29 February 2024.

**QUESTION 2: STATEMENT OF FINANCIAL POSITION**

**(55 marks; 50 minutes)**

**2.1 NGCINGA LIMITED**

The information relates to the financial year ended 29 February 2024.

**REQUIRED:**

Prepare the Statement of Financial Position for the year ended 29 February 2024.

**INFORMATION:**

**A. Amounts extracted from the records on 29 February 2024**

	<b>R</b>
Fixed asset at carrying value (1 March 2023)	3 500 000
Fixed deposit: Alex Bank	?
Mortgage loan	604 800
Debtors' control	1 003 305
Provision for bad debts	24 000
Bank (Favorable)	900 310
Petty cash	80 400
Inventory	725 800
Creditors' control	846 020
Accrued income	230 500
Rent income	158 200
Insurance	120 000
SARS: Income tax (provisional tax payments)	565 000

**B. ADJUSTMENTS AND ADDITIONAL INFORMATION:**

- (i) The provision for bad debts must be decreased by R 2 600.
- (ii) The depreciation for the year amounted to R87 500.
- (iii) The physical stock count on 29 February 2024 revealed the following:
  - Trading stock surplus R65 200.
  - Consumable stores on hand R4 500.
- (iv) An insurance policy was taken out on 1 April 2023 at R12 000 per month.
- (v) The rent for February 2024 is still receivable. The rent increased by R1 400 from 1 July 2023 to 31 September 2023 due to the tenant having to store his items in the empty storage cottage. The rent went back to its original amount as soon as the nephew left.

- (vi) Director's fees paid for the year amounted to R2 100 000. The company has FOUR directors who earn the same fee. One of the four directors was employed on 1 July 2023 and his fees for January and February 2024 are still outstanding.

- (vii) A debtors' credit balance of R7 200 must be transferred to the Creditors' Ledger

- (viii) The interest on Fixed deposit was R45 500 for the year ended 29 February 2024. The fixed deposit was invested on 1 July 2023 at 13% p.a. Interest is not capitalized.

- (ix) An employee was left out of the employee journal, his details are as follows.

Gross Salary	UIF deductions	Pension fund	Medical aid
R 98 500	R 985	R7 880	12% of gross salary

- The company contributes Rand for rand basis for UIF, pension fund and medical aid.

- (x) The loan statement from Mmakola Bank reflected the following:

Balance on 1 March 2023	R960 000
Monthly repayments (including interest)	R29 600
Interest capitalized.	R115 200
Balance on 29 February 2024	?

**NOTE:** Repayments including interest for the next financial year will be R275 200.

- (xi) Final dividend for 2024 financial year is 20% less than the previous years' dividend of R1 980 000.
- (xii) The correct Net Profit after tax amounted to R1 492 560. Income tax is 28% of the net profit before tax.





# ACCOUNTING GRADE 12

## CONTROL TEST

## ANSWER BOOK

MARCH 2024

NAME OF LEARNER:

NAME OF SCHOOL:

QUESTION	TOPIC	MARKS	MARKS OBTAINED	MODERATED MARK
1	Statement of Comprehensive Income	45		
2	Statement of Financial Position	55		
TOTAL		100		

This answer book consists of 4 pages

QUESTION 1

CONCEPT

1.1.1

1.1.2

### 1.1.2

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100
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## WESTV

## 1 Calcula

## Calcula

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1

[illegible]

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114

22



### ORDINARY SHARE CAPITAL NOTE ON 29 FEBRUARY 2024

2 400 000	Shares in issue at beginning of year	15 612 000
300 000	Shares issued at R7,00 each during the year	2 100 000
(275 000)	Shares repurchased at an average price of R6,56 each	(1 804 000)
2 425 000	Shares in issue at the end of year	<b>15 908 000</b>

9

### RETAINED-INCOME NOTE ON 29 FEBRUARY 2024

Balance at beginning of year	2 392 000
Net profit after tax	
Dividends	
Interim/Paid	
Final/Recommended	
Balance at end of year	

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### TOTAL MARKS

45

## QUESTION 2

### 2.1 STATEMENT OF FINANCIAL POSITION

<b>ASSETS</b>	
<b>NON-CURRENT ASSETS</b>	
<b>CURRENT ASSETS</b>	
Trade and other receivables	
<b>TOTAL ASSETS</b>	
<b>EQUITY AND LIABILITIES</b>	
<b>ORDINARY SHAREHOLDERS' EQUITY</b>	<b>3 544 850</b>
Ordinary share capital	<b>2 589 000</b>
Retained income	<b>955 850</b>
<b>NON-CURRENT LIABILITIES</b>	
<b>CURRENT LIABILITIES</b>	
Trade and other payables	
Current portion of loan	
<b>TOTAL EQUITY AND LIABILITIES</b>	

<b>TOTAL MARKS</b>
<b>55</b>

**GRADE 12 CONTROL TEST ERRATA:**

**QUESTION PAPER**

**QUESTION 1:**

**INFORMATION C:**

**SEE BULLET NUMBER ONE:**

- On 1 September 2023 the company paid an interim dividend of 14 cents per share.

**QUESTION 2:**

**INFORMATION A:**

	R
Fixed asset at carrying value (1 March 2023)	3 500 000
Debtors control	1 003 305

**INFORMATION B:**

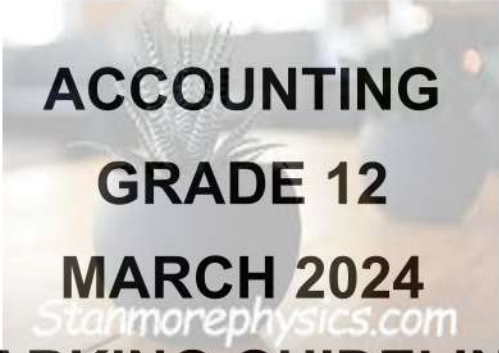
- (v) Remove payable

The rent for February 2024 is still **receivable**. The rent increased by R1 400 from 1 July 2023 to 31 September 2023 due to the tenant having to park his nephew's car. The rent went back to its original amount as soon as the nephew left.



# JOHANNESBURG EAST

D9



## ACCOUNTING GRADE 12 MARCH 2024 Stanmorephysics.com 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. Where penalties are applied, the marks for that section of the question cannot be a final negative.
8. Where method marks are awarded for operation, the marker must inspect the reasonableness of the answer before awarding the mark.
9. 'Operation' means 'Check operation'. 'One part correct' means 'Operation & one part correct'.  
*Note:* Check operation means must be +, –, x or ÷ as per memo.
10. 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 ☒
11. Be aware that some candidates provide valid alternatives beyond the memorandum.
12. Codes: f = foreign item; p = placement/presentation.

**This marking guideline consists of 4 pages.**



## QUESTION 1

### 1.1 CONCEPTS

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

5

### 1.2 WESTVILLE LTD

#### 1.2.1 Calculation of the correct net profit after tax

Accept brackets instead of –If no sign, assume +Positive effect

<b>Incorrect net profit</b>	<b>1 581 810</b>
Debtors control (35 000 ✓ x 75/175 ✓) OR (35 000 – 20 000).	15 000 ✓
Provision for bad debts adjusted (38 200 – 35 890)	(2 310) ✓✓
Insurance (67 200 X 6/12)	33 600 ✓✓
Packing material (21 250 ✓ x 75/25 ✓)	(63 750) ✓
Rent income (336 400 ✓ x 112/1160✓)	32 480 ✓
Directors fees	(72 000) ✓
Audit fees	(12 400) ✓
Stock loss due to flood (32 000 x 20/100)	(6 400) ✓✓
Bad debts recovered	2 720 ✓
<b>Correct net profit before tax</b> Operation, one part correct	1 508 750 ✓*
<b>Income tax</b> (1 086 300 X 28/72) Accept if no sign	(422 450) ✓✓
<b>Net profit after tax</b>	<b>1 086 300</b>

\*Check operation if NPAT + IT

21

### ORDINARY SHARE CAPITAL NOTE ON 29 FEBRUARY 2024

2 400 000 ✓	Shares in issue at the beginning	15 612 000 <input checked="" type="checkbox"/> balancing figure check operation
300 000 ✓	Additional shares issued	2 100 000 ✓
(275 000) ✓	Share repurchased at R6,56 ✓✓	(1 804 000) <input checked="" type="checkbox"/> * Do not accept R8,25
2 425 000 <input checked="" type="checkbox"/> * check operation	Shares in issue at the end	15 908 000

9

\* one part correct

### RETAINED-INCOME NOTE ON 29 FEBRUARY 2024

<b>Balance at beginning of year</b>	<b>2 392 000</b>
Net profit after tax <span style="float: right;">see above</span>	1 086 300 <input checked="" type="checkbox"/>
Repurchase of shares (275 000 x R1,69) OR (2 268 759 – 1 804 000) If 464 750 without brackets or –ve sign, give 1 mark	(464 750) ✓ <input checked="" type="checkbox"/>
<b>Dividends</b> <span style="float: right;">One part correct, must be negative / brackets</span>	(481 500) <input checked="" type="checkbox"/>
Interim (2 400 000 x 14/100)	336 000 ✓ <input checked="" type="checkbox"/> *
Final (2 425 000 x 6/100)	145 500 ✓ <input checked="" type="checkbox"/> *
<b>Balance at end of year</b> <span style="float: right;">Operation, one part correct</span>	2 532 050 <input checked="" type="checkbox"/>

9

\* one part correct

### TOTAL MARKS

45

## QUESTION 2

### 2.1 STATEMENT OF FINANCIAL POSITION

\*one part correct

<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>	3 937 500	✓*
Fixed assets (3 500 000 ✓ – 87 500 ✓)	3 412 500	✓*
Fixed deposit (45 500 ✓ × 100/13 ✓ × 12/8 ✓) 8	525 000	✓*
<b>CURRENT ASSETS</b> operation	3 009 815	✓
Inventories (725 800 ✓ + 65 200 ✓ + 4 500 ✓)	795 500	✓*
<b>Trade and other receivables</b> (1 003 305 ✓ – 21 400 ✓✓ + 14 000 ✓✓ + 230 500 ✓ + 7 200 ✓)	1 233 605	✓*
Cash and cash equivalents (900 310 ✓ + 80 400 ✓)	980 710	✓*
<b>TOTAL ASSETS</b> operation 17	6 947 615	✓
<b>EQUITY AND LIABILITIES</b>		
<b>ORDINARY SHAREHOLDERS' EQUITY</b>	3 544 850	
Ordinary share capital	2 589 000	
Retained income	955 850	
<b>NON-CURRENT LIABILITIES</b>	560 000	
<b>Loan</b> (604 800 + 115 200) (275 200 – 115 200) 720 000 ✓✓ – 160 000 ✓✓ 5	560 000	✓*
<b>CURRENT LIABILITIES</b>	2 842 465	✓*
<b>Trade and other payables</b> (846 020 ✓ + 12 000 ✓✓ + 100 000 ✓✓ + 7 200 ✓ + 77 815 ✓✓ + 1 970 ✓✓ + 15 760 ✓✓ + 11 280 ✓✓ + 11 280 ✓)	1 083 325	✓*
<b>Current portion of loan</b> see CL	160 000	✓
Shareholders for dividends (1 980 000 ✓ × 80/100 ✓)	1 584 000	✓*
SARS: Income tax (580 440 ✓ – 565 000 ✓)	15 440	✓*
<b>TOTAL EQUITY AND LIABILITIES</b> operation 25	6 947 615	✓

**TOTAL MARKS**

55