 Province of the

EASTERN CAPE

EDUCATION

**DIRECTORATE SENIOR CURRICULUM MANAGEMENT (SEN-FET)**

**SELF-STUDY**

**ACTIVITIES AND WORKSHEETS MARKING GUIDELINES**

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **SUBJECT** | ACCOUNTING | | **GRADE** | | 12 | **DATE** |  | | | |
| **TOPIC** | COMPANIES | | | | | | **Term** | 3 | **Week** |  |
| **TIME ALLOCATION** | | 1 | | |  |  | | --- | --- | | **TIPS TO KEEP HEALTHY** | | |  |  | | 1. | **WASH YOUR HANDS** thoroughly with soap and water for at least 20 seconds. Alternatively, use hand sanitizer with an alcohol content of at least 60%. | |  |  | | 2. | **PRACTICE SOCIAL DISTANCING** – keep a distance of 1m away from other people. | |  |  | | 3. | **PRACTISE GOOD RESPIRATORY HYGIENE**: cough or sneeze into your elbow or tissue and dispose of the tissue immediately after use. | |  |  | | 4. | **WEAR A MASK AND TRY NOT TO TOUCH YOUR FACE.** The virus can be transferred from your hands to your nose, mouth and eyes. It can then enter your body and make you sick. | |  |  | | 5. | **STAY AT HOME.** | | | | | | | |
| **INSTRUCTIONS** | See requirements per activity | | |
| **RESOURCES** | **TEXTBOOK(S) & PREVIOUS ACTIVITIES** | | | | | | | | | |

**QUESTION 1**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **1.1** | **Write only the letter (A–E) next to the question number.**   |  |  | | --- | --- | | **1.1.1** | E 🗸 | | **1.1.2** | C 🗸 | | **1.1.3** | D 🗸 | | **1.1.4** | B 🗸 | |  |  | | |  | | --- | |  | | **4** | |
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| **1.2.1** | **See Income Statement on the next page.** |  |
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| **1.2.2** | **Ordinary Share Capital Note** |  |
|  | |  |  |  |  | | --- | --- | --- | --- | | **Authorised Share Capital** | | | | | **1 200 000 ordinary shares** | | | | |  | | | | | **Issued Shares:** | | | | | 1 200 000 x 75%  900 000 PP | 8 925 000 **(on trial balance)** – 1 140 000 (shares issued)  **Shares in issue on 1 March 2019** | 7 785 000 | ☑ | | 120 000 | **Shares issued during the year at**  **R9,50 each** | 1 140 000 | PP | | (170 000) | 8 925 000 / 1 020 000 or (900 000 + 120 000)  **Shares repurchased: ASP**: R8,75 P☑ | (1 487 500) | ☑\* | | 850 000 ☑\* | **Shares in issue on 29 February 2020** | 7 437 500 | ☑\* | | |  | | --- | |  | | **10** | |
|  | \*operation, one part correct |  |
|  | # mark from top down (final balance is the balancing figure) |  |
| **1.2.3** | **Retained Income** |  |
|  | |  |  | | --- | --- | | **Balance at beginning of financial year** | 555 500 P | | Net profit after tax see 1.2.1 below | 1 225 000 ☑ | | R9,70 – ASP end of year  Buy back of shares (170 000 🗸 x 0,95c ☑) ignore brackets | (161 500) ☑\* | | **Ordinary share dividends** ignore brackets | (1 101 000) ☑\* | | * Interim (900 000 🗸x 60c) or 0,6 or 60% | 540 000 ☑\* | | * Final (1 020 000 🗸 x 55c) or 0,55 or 55% | 561 000 ☑\* | | **Balance at end of financial year**  SBB and OSD must be subtracted to get this method mark | 518 000 ☑\* | | |  | | --- | |  | | **11** | |
|  | \*operation; one part correct |  |

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| --- | --- | --- |
| **1.2.1 QUEENIE LTD** | |  |
|  |  |  |
| **INCOME STATEMENT FOR THE YEAR ENDED 29 FEBRUARY 2020** | |  |
| |  |  |  |  | | --- | --- | --- | --- | |  | 15 370 000  **Sales** (10 600 000🗸x145% 🗸– 35 000🗸) | 15 335 000 | ☑\* | |  | **Cost of sales** | (10 600 000) | P | | **6** | **Gross profit** subtracted | 4 735 000 | ☑ | |  | **Other income** operation | 255 000 | ☑\* | |  | Rent income (264 420 🗸 – 21 060 🗸🗸) | 243 360 | ☑\* | |  | Bad debts recovered | 8 140 | P | |  | Provision for bad debt adjustment (21 340 – 17 840) | 3 500 | PP | | **9** | **Gross operating income** GP + OI | 4 990 000 | ☑ | |  | **Operating expenses** GOI – OP | (3 084 600) | ☑ | |  | Audit fees | 150 000 | P | |  | Trading stock deficit (1 142 000 – 1 130 000) | 12 000 | PP | |  | Salaries and wages (1 054 260🗸 +23 400🗸P + 2 340🗸) | 1 080 000 | ☑\* | |  | Directors' fees (932 200🗸 + 15 800🗸P) | 948 000 | ☑\* | |  | Packing material (55 400🗸 – 7 900🗸) | 47 500 | P | |  | Depreciation (189 500 P + 3 500 PP) | 193 000 | ☑\* | |  | Bad debts (14 000🗸 + 19 000🗸) | 33 000 | P | |  | **Advertising** | **345 500** |  | |  | **Sundry expenses** Balancing figure | 275 600 | ☑ | | **25** | **Operating profit** PBIE – int inc | 1 905 400 | ☑ | |  | Interest income 620 000 x 8% | 49 600 | PP | |  | **Profit before interest expense** NPBT + int exp | 1 955 000 | ☑ | |  | Interest expense 1 671 000 + 384 000 – 1 850 000 | (205 000) | P☑ | |  | **Net profit before tax** (525 000 x 100 ÷ 30)or NPAT + tax | 1 750 000 | ☑☑^ | |  | **Income tax** | (525 000) | P | | **10** | **Net profit after tax**  (525 000 x 70 ÷ 30)or NPBT - tax | 1 225 000 | ☑☑^ | | | |  | | --- | |  | | **50** | |

^Check method applied by candidate

Foreign items -1; max -2 Misplaced items to be marked as incorrect

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| --- |
| **TOTAL MARKS** |
|  |
| **75** |