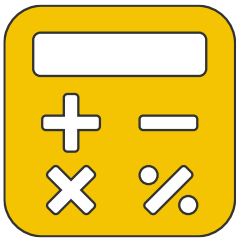
TELEMATIC SCHOOLS PROJECT

2025 SOLUTIONS
Grade 12



ACCOUNTING

A joint initiative between the Western Cape Education Department and Stellenbosch University.

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Education
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SESSION 1

Activity 1

1.1

RETAINED INCOME	
Balance at beginning	**386 040**
Net profit after tax (846 540 – 253 290)	593 250
Shares repurchased (3 500 x R0.75) OR (22400- 19775)	(2 625)
Dividends	(301 424)
Interim (420 200 x R0.40)	168 080
Final	**133 344**
Balance at end	675 241

1.2.1

Dividend paid	
WORKINGS	**ANSWER**
52 525 + 168 080	(220 605)

1.2.2

Taxation paid	
WORKINGS	**ANSWER**
7 750 + 253 290 + 7 500 OR –7 750 – 253 290 – 7 500	(268 540)

1.3.1

Cash flow from investing activities	(486 885)
Fixed assets purchased (3440 885 + 33 500 + 100 000 – 2 967 500)	(606 885)
Sale of fixed assets	100 000
Change in financial assets	**20 000**

1.3.2

Net change in cash and cash equivalents	(91 250)
Cash and cash equivalents at beginning	45 000
Cash and cash equivalents at end (1 250 – 47 500)	(46 250)

Activity 1

1.1 Calculate the value of the stock that was stolen1	
WORKINGS	**ANSWER**
35 000 x 100/80	43 750

1.2 Statement of Comprehensive Income for the year ended 30 June 2024

Sales (15 660 000 x 175/100) – 216 000	27 189 000
Cost of sales	**(15 660 000)**
Gross profit Sales-COS	11 529 000
Other income	
Commission income (626 400 + 22 500)	648 900
Rent income **(**98 500 + 9 130)	107 630
Provision for bad debts adjustment (2 355 – 1 975)	380
Gross operating income	
Operating expenses	
Salaries and Wages	
Depreciation	
Sundry expenses	
Audit fees (81 000 + 9 500)	90 500
Directors' fees (450 000 + 562 500)	1 012 500
Advertising (36 000 – 6 000)	30 000
Loss due to theft (43 750 – 35 000) OR (35 000 x 20/80)	8 750
Operating profit	
Interest income	
Profit before interest expense	
Interest expense	**(120 100)**
Profit before tax (560 000 x 100/28) **OR** (1 440 000 + 560 000)	2 000 000
Income tax (300 000 + 200 000 + 60 000)	(560 000)
Net profit after tax (2 000 000 – 560 000) OR (560 000 x 72/28)	1 440 000

1.3 Statement of Financial Position on 30 June 2024

ASSETS	
NON-CURRENT ASSETS	
Fixed assets	
Investment: Fixed deposit	
CURRENT ASSETS (3 321 300 x 1,3)	4 317 690
Inventories (2 195 550 – 43 750)	2 151 800
Trade and other receivables see Rent Income see advertising see Commission Income **(495 000** + 2 800 - 1 975 + 9 130 + 6 000 + 22 500)	533 455
Cash and cash equivalents *balancing figure*	1 632 435
TOTAL ASSETS	
EQUITY AND LIABILITIES	
SHAREHOLDERS' EQUITY (3 000 000 x 675/100)	20 250 000
Ordinary share capital	**19 650 000**
Retained income *SHE - OSC*	1 104 600
NON-CURRENT LIABILITIES	1 127 300
Loan (1 304 000– 176 700)	1 127 300
CURRENT LIABILITIES	3 321 300
Trade and other payables see Audit fees See Directors fees **(529 800** + 2 800 + 9 500 + 562 500)	1 104 600
SARS: Income tax	**60 000**
Current portion of loan *see NCL*	176 700
Shareholders for dividends	1 980 000
TOTAL EQUITY AND LIABILITIES	