Western Cape Government

CURRICULUM FET

ACCOUNTING

LEARNER WORKBOOK

TERM ONE 2025

Back on Track

BACK ON TRACK PROGRAMME

GRADE 12

Western Cape Government

QUALITY EDUCATION

for every child | in every classroom | in every school in the province.

TOPIC: COMPANIES: NEW TRANSACTIONS, ORDINARY SHARE CAPITAL AND RETAINED INCOME NOTES
DATE: 1 MARCH 2025

BASELINE ACTIVITY

1.		6.	
2.		7.	
3.		8.	
4.		9.	
5.		10.	

COMPANIES: NEW TRANSACTIONS
ACTIVITY 1: ISSUING OF SHARES

1.1 **ORDINARY SHARE CAPITAL**

1.2

ACCOUNT DEBIT	ACCOUNT CREDIT	ASSETS	OWNERS EQUITY	LIABILITIES

1.3

ORDINARY SHARE CAPITAL		
Authorised share capital		
Issued share capital		

1.4 **a) Average share price**

b) Net asset value

COMPANIES: NEW TRANSACTIONS

ACTIVITY 2: BUYING BACK SHARES

2.1 **ORDINARY SHARE CAPITAL**

RETAINED INCOME

2.2

ACCOUNT DEBIT	ACCOUNT CREDIT	ASSETS	OWNERS EQUITY	LIABILITIES

2.3

ORDINARY SHARE CAPITAL		
Authorised share capital		
Issued share capital		

RETAINED INCOME	
Retained income at the beginning of the year	
Ordinary share dividends:	
Interim	
Final	
Retained income at the end of the year	

2.4

2.5 **a) Average share price**

b) Net asset value

COMPANIES: NEW TRANSACTIONS

ACTIVITY 3: DIVIDENDS PER SHARE

3.1 **DIVIDENDS ON ORDINARY SHARES**

SHAREHOLDERS FOR DIVIDENDS

3.2

ACCOUNT DEBIT	ACCOUNT CREDIT	ASSETS	OWNERS EQUITY	LIABILITIES

3.3

3.4

COMPANIES: NEW TRANSACTIONS

ACTIVITY 4: INCOME TAX

4.1

SARS: INCOME TAX

INCOME TAX

4.2

ACCOUNT DEBIT	ACCOUNT CREDIT	ASSETS	OWNERS EQUITY	LIABILITIES

4.3

4.4

COMPANIES: NEW TRANSACTIONS

ACTIVITY 5: INCOME TAX

5.1

SARS: INCOME TAX

INCOME TAX

5.2

ACCOUNT DEBIT	ACCOUNT CREDIT	ASSETS	OWNERS EQUITY	LIABILITIES

5.3

5.4

COMPANIES: ORDINARY SHARE CAPITAL AND RETAINED INCOME NOTE

ACTIVITY 6

6.1

ORDINARY SHARE CAPITAL		
Authorised share capital		
Issued share capital		
	Ordinary shares at beginning of year	
	Shares issued during the year at _____	
	Shares repurchased at _____	
	Ordinary shares at the end of the year	

RETAINED INCOME	
Retained income at the beginning of the year	
Ordinary share dividends:	
Retained income at the end of the year	

STATEMENT OF FINANCIAL POSITION ON	
EQUITY AND LIABILITIES	
Shareholders' equity	

ACTIVITY 7

7.1

ORDINARY SHARE CAPITAL		
Authorised share capital		
Issued share capital		
	Ordinary shares at beginning of year	
	Shares issued during the year at _____	
	Shares repurchased at _____	
1 480 000	**Ordinary shares at the end of the year**	**8 816 000**

RETAINED INCOME	
Retained income at the beginning of the year	**376 600**
Ordinary share dividends:	
Retained income at the end of the year	

STATEMENT OF FINANCIAL POSITION ON	
EQUITY AND LIABILITIES	
Shareholders' equity	

ACTIVITY 8

8.1

ORDINARY SHARE CAPITAL		
Authorised share capital		
Issued share capital		
	Ordinary shares at beginning of year	
	Shares issued during the year at _____	
	Shares repurchased at _____	
	Ordinary shares at the end of the year	**5 418 000**

RETAINED INCOME	
Retained income at the beginning of the year	**1 221 000**
Net profit after tax for the year	
Repurchase of shares	
Ordinary share dividends:	
Interim dividends	
Final dividends	
Retained income at the end of the year	

STATEMENT OF FINANCIAL POSITION ON	
EQUITY AND LIABILITIES	
Shareholders' equity	
Ordinary share capital	
Retained income	

INFORMAL ASSESSMENT

ORDINARY SHARE CAPITAL		
Authorised share capital		
Issued share capital		
3 000 000	Ordinary shares at beginning of year	
	Shares issued during the year	
	Shares repurchased at _____	
3 800 000	Ordinary shares at the end of the year	24 510 000

RETAINED INCOME	
Retained income at the beginning of the year	1 370 000
Net profit after tax for the year	3 250 000
Ordinary share dividends:	
Interim dividends	1 200 000
Retained income at the end of the year	

STATEMENT OF FINANCIAL POSITION ON	
EQUITY AND LIABILITIES	
Shareholders' equity	

TOPIC 2: STATEMENT OF COMPREHENSIVE INCOME AND RELEVANT FINANCIAL INDICATORS
15 MARCH 2025
BASELINE ASSESSMENT: YEAR-END ADJUSTMENTS
Questions and Answer page

	Adjustments and additional information	**Adjustment calculation**	**Account(s) affected in the SOCI**	**Amount entered into the SOCI**
Ex	**Telephone not paid during the current financial year, R2 100.**	**23 700 + 2 100 =**	**Telephone**	**R25 800**
1.	The stock count on 30 June revealed: • Trading stock R369 100 • Packing material R2 400			
2.	A debtor was declared insolvent. His total outstanding debt is R8 500 and 20% of this was received from his insolvent estate. The difference must be written off as a bad debt.			
3.	Adjust the provision for bad debts to R28 500. Identify whether the adjustment will be an income or an expense			
4.	Advertising includes an annual contract of R60 000 which was paid on 1 March 2024.			
5.	A vacant storeroom was rented out from 1 July 2023. On 1 May 2023 the rent was increased by R2 700 per month. The rent for June 2024 is still outstanding.			

6.	The loan statement received from Borrow Bank on 30 June 2024 indicated the following: Balance at beginning of financial year: 720 000 Repayments during financial year: 161 280 Interest capitalised: **?** Balance at end of financial year: 576 000 Calculate the interest capitalised for the year.			
7.	Only 70% of the annual audit fees have been paid.			
8.	Vehicles are depreciated at 20% on the diminishing balance. Take note: A new vehicle was purchased on 1 January 2024 for R800 000.			
9.	Income tax for the financial year was calculated as R504 056. This is 28% of the net profit before tax. Calculate the Net profit after tax.			
10.	The company has four directors who earn the same fee. One director has not yet received her directors fee for June.			

TOPIC 2: STATEMENT OF COMPREHENSIVE INCOME

ACTIVITY 1

OTHER INCOME	
Bad debts recovered	
Rent income	
* Provision for bad debts adjustment	
OPERATING EXPENSES	
Telephone	
Bad debts	
Audit fees	
Directors' fees	
Advertising	
* Provision for bad debts adjustment	
Interest on loan	

CALCULATIONS:

ACTIVITY 2 (Eastern Cape -Trial exam 2022)

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2024

Sales	**6 720 000**
Cost of sales	
Gross profit	
Other operating income	
Gross operating income	**2 662 080**
Operating expenses	
Audit fees	**120 000**
Depreciation	**340 000**
Sundry expenses	**432 110**
Operating profit	
Interest income	
Operating profit before interest expense	
Interest expense	
Net profit before tax	
Income tax	**(272 700)**
Net profit after tax	

INFORMAL ASSESSMENT

GLOBAL TRADING LTD

Calculation of the correct net profit after tax			
Incorrect net profit			
i.			
ii.			
iii.			
iv.			
v.			
vi.			
vii.			
viii.			
Correct net profit before tax			
Income tax			
Net profit after tax			

ACTIVITY 3

3.1.1 % Operating expenses on Sales

WORKINGS	ANSWER

3.1.2 % Gross profit on Cost of sales

WORKINGS	ANSWER

3.2.1 % Net profit after tax on sales

WORKINGS	ANSWER

3.2.2 % Gross profit on Sales

WORKINGS	ANSWER

3.3.1

Calculate the mark-up % for the year

3.3.2

% Net profit after tax on Sales