

Western Cape Education Department

ACCOUNTING

Grade 12 Term 2

2026

Learner Workbook

TOPIC 1: FINANCIAL INDICATORS RELEVANT TO THE SOFP

SESSION 1: 25 APRIL 2026

ANSWER SHEET: ACTIVITY 1

1.1.1	Calculate: Acid test ratio	
	WORKINGS	ANSWER
1.1.2	Calculate: % return on average shareholders' equity (ROSHE)	
	WORKINGS	ANSWER
1.1.3	Calculate: Interim dividends per share	
	WORKINGS	ANSWER

ANSWER SHEET: ACTIVITY 2

2.1.1 Current ratio

WORKINGS	ANSWER

2.1.2 Calculate net asset value per share (NAV)

WORKINGS	ANSWER

ANSWER SHEET : ACTIVITY 3

3.1 Calculate the following financial indicators:

3.1.1	Net asset value per share	
	WORKINGS	ANSWER
3.1.2	Debt / Equity ratio	
	WORKINGS	ANSWER
3.1.3	Return on average capital employed	
	WORKINGS	ANSWER

ANSWER SHEET: ACTIVITY 4

4.1 DON LTD AND KEY LTD

4.1.1	Comment on the value of the shares of the two companies on the Johannesburg Securities Exchange (JSE). Explain how this will influence your choice of company.

4.1.2	Compare and comment on the dividend pay-out policies of the two companies
4.1.3	Comment on the degree of risk and gearing. Explain how this will influence your choice of company

ANSWER SHEET: ACTIVITY 5

5.1 CASTRO LTD

5.1.1	Comment on the price of R9,10 charged by Castro Ltd for the new shares issued.
5.1.2	Explain how the issue of new shares has affected the financial gearing and risk of Castro Ltd. Quote TWO financial indicators
5.1.3	If Henry wanted to retain his 60% shareholding in the company, how many shares would he have had to buy?

5.2 RONKI LTD

5.2.1 Comment on the liquidity of Ronki Ltd. Quote TWO financial indicators.

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5.2.2 Comment on the price paid by Ronki Ltd for the repurchase (buy-back) of shares.

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ANSWER SHEET: ACTIVITY 6

VENUS LTD

6.1 The liquidity position of the company has improved. Quote TWO financial indicators with figures to support this statement.

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6.2 Calculate the dividend pay-out rate for the year ended 28 February 2026.

Explain why the directors decided to change the policy. Give ONE reason

6.3 Calculate the number of new shares that Denzel purchased on 31 July 2025

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	Calculate Denzel's % shareholding on 28 February 2026.
	The independent auditor discovered that Denzel had made the decision to repurchase the shares from the estate of a deceased relative on 1 December 2025 without informing the board of directors.
	Why should the independent auditor be concerned about this? Give ONE reason
6.4	The directors of Venus Ltd want to expand the business by opening more branches in other provinces. Explain why you would recommend that they should not borrow more money. Quote TWO financial indicators, with figures.
	The other option of financing the proposed expansions is to issue more shares. Explain how this will benefit the company. Provide TWO points.
6.5	Explain why the shareholders should not be satisfied with the share prices of the company at the end of the financial year. Quote TWO relevant financial indicators and other related data.

ANSWER SHEET : POST TEST

1.1.1

Your friend is of the opinion that Benoni Ltd is managing their expenses more efficiently and therefore more profitable. Quote TWO financial indicators (with figures) to either support or dispute this opinion.

Additional general comment

5

1.1.2

Comment on the liquidity position of the business on 28 February 2026. Quote TWO financial indicators (with figures).

Comment

5

1.1.3

Comment on the financial risk and gearing on 28 February 2026 of Benoni Ltd. Quote TWO financial indicators (with figures).

Comment

6

1.2.4

Comment on the dividend payout policy implemented by the directors in 2026. Explain ONE possible reason for the decision. Quote financial indicators (with figures).

Comment

6

TOPIC 2: CASH FLOW STATEMENT

PRE TEST

ANSWER SHEET

PRUDENCE LTD

ORDINARY SHARE CAPITAL

ANSWER SHEET: ACTIVITY 1

1.1 SUNSET LTD.

1.1.1

Calculate: Income tax paid	
Workings	Answer
Calculate: Dividends paid	
Workings	Answer
Calculate: Return on shares issued	
Workings	Answer

Calculate: Fixed assets purchased	
Workings	Answer

ANSWER SHEET: ACTIVITY 2

2.1.1	Calculate: Change in investments	
	Workings	Answer
2.1.2	Calculate: Income tax paid	
	Workings	Answer
2.1.3	Calculate: Fixed assets sold (at carrying value)	
	Workings	Answer

ANSWER SHEET: ACTIVITY 3**3.1 SO FINE LTD.****3.1.1 ORDINARY SHARE CAPITAL****AUTHORIZED SHARE CAPITAL**

1 200 000 ordinary shares

ISSUED SHARE CAPITAL

900 000	Ordinary shares on 1 September 2024	
	Ordinary shares on 31 August 2025	5 292 000

RETAINED INCOME

Balance on 1 September 2024	147 370
Net profit after income tax	438 130
Ordinary share dividends	
Balance on 31 August 2025	

3.1.2 SO FINE LTD.

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 AUGUST 2025

CASH FLOW FROM OPERATING ACTIVITIES	
Cash generated by operations	
Interest paid	
Dividends paid	
Income tax paid	?
CASH FLOW FROM INVESTING ACTIVITIES	
Purchases of fixed assets	?
?	?
Change in investments	
CASH FLOW FROM FINANCIAL ACTIVITIES	
?	?
?	?
Change in non-current liabilities	
Net change in cash and cash equivalents	?
Cash and cash equivalents – opening balance	?
Cash and cash equivalents – closing balance	?

ANSWER SHEET: ACTIVITY 4**4.1.1 ORDINARY SHARE CAPITAL:****AUTHORIZED SHARE CAPITAL**

1 500 000 ordinary shares

ISSUED SHARE CAPITAL

900 000	Ordinary shares on 1 July 2024	9 180 000

RETAINED INCOME:

Balance on 1 July 2024	360 000
Net profit after tax	444 500
Balance on 30 June 2025	

4.1.2 Calculate the change in loan for the Cash Flow Statement.

Calculate the income tax paid for the Cash Flow Statement.

4.1.3 Net change in cash and cash equivalents

ANSWER SHEET: ACTIVITY 5

5.1	RETAINED INCOME NOTE	
	Balance at beginning of year	237 400
	Net profit after tax	1 526 000
	Ordinary share dividends	
	Balance at end of year	

5.2	Calculate: Change in loan	
	WORKINGS	ANSWER
	Calculate: Return on shares issued	
	WORKINGS	ANSWER
5.3		

	CASH EFFECTS OF OPERATING ACTIVITIES	
	Cash generated from operations	2 340 300
	Income tax paid	
	Dividends paid	

ANSWER SHEET: POST TEST

1.1	WORKINGS	ANSWER
	(i) Carrying value of vehicles on 1 March 2026	
	(ii) Total depreciation on equipment	
	(iii) Carrying value of the vehicle sold	

Calculate the following amounts for the 2026 Cash Flow Statement:

1.2	WORKINGS	ANSWER
	Fixed assets purchased	
	Dividends paid	
	Reduction in loan	

1.3	NET CHANGE IN CASH AND CASH EQUIVALENTS	

TOPIC 3: INVENTORY VALUATION

SESSION 3: 30 MAY 2026

ANSWER SHEET: PRE TEST

1. Calculate the value of the closing stock on 31 March 2025 using the first-in-first-out (FIFO) method.

2. Lwethu suspects that laptops have been stolen. Provide a calculation to support his concern.

3. Lwethu is concerned about the volume of stock on hand.
Calculate for how long his closing stock is expected to last.

State ONE problem with keeping too much stock on hand and
ONE problem with keeping insufficient stock on hand.

ANSWER SHEET: ACTIVITY 1**LOTUS ACCESSORIES**

Calculate: Value of closing stock for gas lamps (according to FIFO)	
Workings	Answer

Calculate: The stockholding period in days for gas lamps (use closing stock).	
Workings	Answer

Alex suspects that the gas lamp supply is not well controlled. Calculate the number of gas lamps missing.	
Workings	Answer

What should Alex say to his brother when dealing with this matter? Provide TWO points.
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ANSWER SHEET: ACTIVITY 2

1. Calculate the total value of the opening stock (A).

2. Calculate the value of the files received on the 25th of March 2025 (B).

3. Calculate the value of the closing stock using Weighted-Average method.

4. Calculate the gross profit.

5. Provide a calculation to prove that this business has good control over their stock.

ANSWER SHEET: ACTIVITY 3**RATO COOK WARE**

Calculate the value of the closing stock on 28 February 2026.	
WORKINGS	ANSWER

Lerato is unsure of how long it will take to sell the closing-stock of pots. Provide a calculation to dispel her concern.	
WORKINGS	ANSWER
Explain whether the period calculated is acceptable, or not.	

Calculate the number of missing pots.	
WORKINGS	ANSWER

ANSWER SHEET: ACTIVITY 4

1. Value of closing stock

2. Cost of sales

3. Gross profit and % gross profit achieved.

4. Average stock-holding period (in days)

ANSWER SHEET: ACTIVITY 5**MOUNTAIN BIKES**

Calculate the value of the end stock on 28 February 2026 by using the specific identification method.		
MODEL	WORKINGS	AMOUNT
KING		R666 000
PALO		
GAMA		
	TOTAAL	

Explain TWO different examples of how the division of duties could Prevent such an incident from happening again in the future.	
EXAMPLE 1	
EXAMPLE 2	
Provide TWO points that show that Milo and his customers are happy with the quality of the Gama Bikes. Quote figures.	
POINT 1	
POINT 2	

ANSWER SHEET: POST TEST

1.

1.1	
1.2	
1.3	

- 2.1 Calculate the following for the financial year ending 28 February 2026:

Value of closing stock (use the weighted average)	
WORKINGS	ANSWER
Number of units missing	
WORKINGS	ANSWER

- 2.2 The average stock holding period is 73,7 days. Explain whether Lyon should be concerned about this. Provide ONE point.