



Name:

**NATIONAL  
SENIOR CERTIFICATE**

**GRADE 12**

**SEPTEMBER 2022**

**ACCOUNTING P1  
ANSWER BOOK**

QUESTION	MAX. MARKS	MARKS OBTAINED	MODERATED MARKS
<b>1</b>	<b>60</b>		
<b>2</b>	<b>40</b>		
<b>3</b>	<b>35</b>		
<b>4</b>	<b>15</b>		
	<b>150</b>		

This answer book consists of 11 pages.

**QUESTION 1**

1.1

1.1.1	
1.1.2	
1.1.3	
1.1.4	

4

1.2.1

Calculate the following:	
WORKINGS	ANSWER
Closing stock:	
Missing stock:	

4

2

1.2.2

Calculate the correct net profit after tax for the year ended 30 June 2022. Indicate '+' for increase and '-' for decrease at each adjusted amount.

NO.	WORKINGS	ANSWER
	Incorrect net profit before tax	3 199 890
(i)	Stock loss	
(ii)	Provision for bad debts-adjustment	
(iii)	Directors fees	
	Rent income	
	Advertising	
(iv)	Interest expense	
	Income tax	
	Net profit after tax	

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## 1.2.3 STATEMENT OF FINANCIAL POSITION FOR ON 30 JUNE 2022

<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Fixed assets		
Financial assets	200 000	
<b>CURRENT ASSETS</b>		
Inventories		
Trade and other receivables		
Cash and cash equivalents		
<b>TOTAL ASSETS</b>		
<b>EQUITY AND LIABILITIES</b>		
<b>SHAREHOLDERS' EQUITY</b>		
Ordinary share capital	3 948 000	
<b>NON-CURRENT LIABILITIES</b>		
<b>CURRENT LIABILITIES</b>		
Trade and other payables		
Current portion of loan	185 000	
<b>TOTAL EQUITY AND LIABILITIES</b>		
		33

TOTAL MARKS

60

**QUESTION 2**

2.1 Calculate the following financial indicators on 28 February 2022:

2.1.1 Acid-test ratio

<b>WORKINGS</b>	<b>ANSWER</b>

4

2.1.2 % Return on average capital employed

<b>WORKINGS</b>	<b>ANSWER</b>

5

2.1.3 Dividend per share (DPS)

<b>WORKINGS</b>	<b>ANSWER</b>

4

2.2 Ordinary Share Capital Note

1 700 000	Shares in issue on 1 March 2021	5 100 000
(150 000)		
<b>1 950 000</b>	<b>Balance on 28 February 2022</b>	<b>6 240 000</b>

3

2.3 Calculate the following:

2.3.1 Change in receivables (indicate if it is an inflow or outflow of cash)

WORKINGS	ANSWER

5

2.3.2 Income tax paid

WORKINGS	ANSWER

5

2.3.3 Fixed assets purchased

WORKINGS	ANSWER

4

2.4 Complete the following sections of the Cash Flow Statement.

2.4.1

<b>CASH EFFECTS OF FINANCING ACTIVITIES</b>	

7

2.4.2

<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	
Cash (opening balance)	61 200
Cash (closing balance)	

3

<b>TOTAL MARKS</b>	<b>40</b>
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**QUESTION 3****3.1 Profitability:**

Identify the company with the better profitability financial indicators. Quote TWO financial indicators.

3

**3.2 Liquidity:**

3.2.1 Explain which company's liquidity position will make shareholders happy. Quote TWO financial indicators in your explanation.

6

3.2.2 Explain TWO points on how the other company can improve their liquidity position. Make reference to a specific financial indicator.

4

3.3 Comment on the change in the dividend pay-out-policy of EACH company. Quote figures. In each case, provide a possible reason why each company has decided on a change of policy.

	Comment	Explanation
Dally Ltd		
Nana Ltd		

6
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3.4 Risk and Gearing:

Comment on how each company is managing their risk and gearing. Quote TWO financial indicators in your explanation.

Dally Ltd:

Nana Ltd:

8
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**3.5 Percentage shareholding and share price:**

**3.5.1** Comment on the price paid for the repurchase of shares by Dally Ltd. Provide TWO points. Quote figures.

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4

**3.5.2** Explain the effect of the share repurchase on the % shareholding of the Bravo family in EACH company. Provide a calculation to support your explanation.

Dally Ltd:
Nana Ltd:

4

<b>TOTAL MARKS</b>	<b>35</b>
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**QUESTION 4**

4.1.1 Identify the type of report issued by the auditor. Provide ONE reason for your answer.

TYPE:

REASON:

3

4.1.2 Explain the impact of such a report on the image of the company. State ONE point.

2

4.2.1 Explain why it is unethical for the CEO to accept this offer. State TWO points.

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4.2.2 Mention possible implications for the CEO should he accept this offer. Explain TWO points.

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4.2.3 Suggest TWO ways in which corporate social responsibility can be achieved through good corporate governance.

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TOTAL MARKS	15
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TOTAL MARKS: 150

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