

# NATIONAL SENIOR CERTIFICATE ACCOUNTING PAPER 1 SPECIAL ANSWER BOOK

NOVEMBER 2024

EXAMINATION NUMBER

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CENTRE NUMBER

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QUESTION	MARK		MARKER INITIAL	MODERATOR INITIAL
	Marker	Mod.		
1 (40)				
2 (55)				
3 (35)				
4 (20)				
<b>TOTAL: [150]</b>				

THIS ANSWER BOOK CONSISTS OF 12 PAGES



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**QUESTION 1: FINANCIAL STATEMENTS: Statement of Financial Position****(40 marks; 30 min)**1.1 Calculate the **correct Net Profit after tax**.

<b>Workings</b>	<b>Answer</b>
<b>Incorrect Net Profit</b>	<b>1 705 600</b>
Directors fee	
Rent income	
Packaging material	
Provision for bad debts adjustment	
Repairs	
Interest on Loan	
Salaries	
<b>Correct Net Profit before tax</b>	
<b>Income tax</b>	<b>(617 000)</b>
Net Profit after tax	

<b>15</b>



1.2

<b>Statement of Financial Position: FAST Ltd. on 29 February 2024</b>	
<b>ASSETS</b>	
<b>NON – CURRENT ASSETS</b>	
Fixed deposit	1 150 000
<b>CURRENT ASSETS</b>	
Inventory	
Cash and cash equivalents	10 450
<b>TOTAL ASSETS</b>	
<b>EQUITY AND LIABILITIES</b>	
<b>ORDINARY SHAREHOLDERS’ EQUITY</b>	11 000 000
Ordinary Shares Capital	10 150 000
Retained Income	850 000
<b>NON – CURRENT LIABILITIES</b>	
<b>CURRENT LIABILITIES</b>	
<b>TOTAL EQUITY AND LIABILITIES</b>	

25

<b>TOTAL MARKS</b>
<b>[40]</b>

**QUESTION 2: CASH FLOW STATEMENT, NOTES AND FINANCIAL INDICATORS**  
**(55 marks; 50 min)**

<b>2.1 List of items in annual report</b>		
<b>2.1.1</b>		
<b>2.1.2</b>		
<b>2.1.3</b>		

<b>3</b>

**2.2.1 Ordinary Share Capital**  
**1 200 000 ordinary shares**

<b>480 000</b>	<b>Shares issued on 1 May 2023</b>	
	<b>Shares issued on 30 April 2024</b>	<b>1 820 000</b>

<b>8</b>

**Retained income**

<b>Balance at beginning of year</b>	
<b>Ordinary share dividends</b>	
<b>Interim</b>	
<b>Final</b>	
<b>Balance at end of year</b>	<b>942 500</b>

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<b>2.2.2</b>	<b>Calculate the Income tax paid.</b>							
	<b>WORKINGS</b>	<b>ANSWER</b>						
	<b>Calculate the dividends paid.</b>							
	<b>WORKINGS</b>	<b>ANSWER</b>						
	<b>Calculate the net change in cash and cash equivalents.</b>							
	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 70%;"><b>Net change in cash and cash equivalents</b></td> <td></td> </tr> <tr> <td><b>Starting balance</b></td> <td></td> </tr> <tr> <td><b>Closing balance</b></td> <td></td> </tr> </table>	<b>Net change in cash and cash equivalents</b>		<b>Starting balance</b>		<b>Closing balance</b>		
<b>Net change in cash and cash equivalents</b>								
<b>Starting balance</b>								
<b>Closing balance</b>								

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**2.2.3 Cash flow from Investing activities.**

<b>Proceeds on sale of asset</b>	<b>22 000</b>

8
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<b>2.2.4</b>	<b>Calculate the following financial indicators:</b>	
	<b>Mark-up percentage on Cost of Sales</b>	
	<b>WORKINGS</b>	<b>ANSWER</b>
	<b>Debt – Equity ratio</b>	
	<b>WORKINGS</b>	<b>ANSWER</b>
	<b>% Return on shareholders' equity (ROSHE)</b>	
	<b>WORKINGS</b>	<b>ANSWER</b>

<b>12</b>

<b>TOTAL MARKS</b>
<b>[55]</b>



### QUESTION 3: INTERPRETATION OF FINANCIAL INFORMATION

(35 marks; 25 min)

<b>3.1</b>	<b>Choose the correct word.</b>	
<b>3.1.1</b>		
<b>3.1.2</b>		
<b>3.1.3</b>		
<b>3.1.4</b>		

<b>4</b>

### 3.2 FURIOUS Ltd.

<b>3.2.1</b>	<b>The directors are satisfied with the improvement in the current ratio and the acid-test ratio. Explain why you would disagree with them. Quote TWO other financial indicators in your response.</b>
	<b>Financial indicators</b>
	<b>Explanation</b>

<b>6</b>







3.2.5	<b>The Cash Flow Statement showed a positive change of R1 470 000. Give TWO reasons why this should still be a concern for the directors. Quote figures.</b>

4

<b>TOTAL MARKS</b>
<b>[35]</b>

**QUESTION 4: SHAREHOLDING AND CORPORATE GOVERNANCE (20 marks; 15 min)**

<b>4.1</b>	<b>Choose the correct word.</b>	
<b>4.1.1</b>		
<b>4.1.2</b>		
<b>4.1.3</b>		
<b>4.1.4</b>		
<b>4.1.5</b>		

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<b>4.2.1</b>	<b>Calculate the percentage shareholding of Canal+ in Multichoice.</b>
<b>4.2.2</b>	<b>Why is Canal+ so determined to acquire the shares?</b>
<b>4.2.3</b>	<b>Provide TWO benefits for Canal+ if they acquire the shares.</b>

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4.3.1	<b>Why does the CEO use the above as an argument to Multichoice as a reason to why they are interested in the shares?</b>
4.3.2	<b>In which report will the non-financial information be communicated in the AGM?</b>
4.3.3	<b>What do you understand by the “Three part baseline” reporting?</b>
4.3.4	<b>Briefly explain what you understand by “good corporate governance”.</b>

<b>8</b>

<b>TOTAL MARKS</b>
<b>[20]</b>

**GRAND TOTAL: [150]**