



Western Cape
Government

Education

Directorate: Curriculum FET

TELEMATICS 2016

Grade 12

ACCOUNTING

WORKBOOK

Activity 1**1.1 MOZA LTD
INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2015**

	Sales	
	Cost of sales	
	Gross profit	
	Other operating income	
	Gross operating income	
	Operating expenses	
	Operating profit	
	Profit before interest expenses/Finance cost	
	Profit before tax	
	Net profit after tax	

1.2

RETAINED INCOME NOTE ON 30 JUNE 2015

Retained income at the beginning of the year	
Retained income at the end of the year	

Activity 2

2.1

Choose a description from COLUMN B that matches a term/concept in COLUMN A. Write only the letter (A–E) next to the question number (2.1.1–2.1.5).

2.1.1	
2.1.2	
2.1.3	
2.1.4	
2.1.5	

2.2.1 ORDINARY SHARE CAPITAL

Authorised: 1 000 000 ordinary shares	
Issued:	

RETAINED INCOME

Balance on 1 July 2014	
Ordinary share dividends	
Balance on 30 June 2015	

TRADE AND OTHER RECEIVABLES

Net trade debtors	

**2.2.2 WHOLESALE TRADERS LTD
BALANCE SHEET ON 30 JUNE 2015**

ASSETS	
NON-CURRENT ASSETS	
Fixed/Tangible assets	
CURRENT ASSETS	
TOTAL ASSETS	
EQUITY AND LIABILITIES	
SHAREHOLDERS' EQUITY	
Ordinary share capital	
Retained income	
NON-CURRENT LIABILITIES	
Loan: Drake Bank	
CURRENT LIABILITIES	
Trade and other payables	
TOTAL EQUITY AND LIABILITIES	

Activity 3

3.1 What is the main purpose of a Cash Flow Statement?

3.1	What is the main purpose of a Cash Flow Statement?
-----	--

3.2 Calculate the missing amounts (indicated by a, b, c and d) in the Fixed/Tangible Asset Note for the year ended 31 October 2015.

	Workings	Amount
a		
b		
c		
d		

3.3 **YOLANDIE LIMITED**
CASH FLOW STATEMENT FOR THE YEAR ENDED 31 OCTOBER 2015

CASH FLOW FROM OPERATING ACTIVITIES	
Cash generated from operations	1 985 500
Interest paid	(175 500)
Taxation paid	
Dividends paid	
CASH FLOW FROM INVESTING ACTIVITIES	
CASH FLOW FROM FINANCING ACTIVITIES	
NET CHANGE IN CASH AND CASH EQUIVALENTS	
CASH AND CASH EQUIVALENTS AT BEGINNING	
CASH AND CASH EQUIVALENTS AT END	

3.4

Decisions by directors	Reason to support Jean's opinion	Reason to support directors' decision (other than improving cash flow)
Issued more shares		
Sold fixed assets		

Activity 4

4.1 RECONCILIATION BETWEEN NET PROFIT BEFORE TAX AND CASH GENERATED FROM OPERATIONS

Net profit before taxation	540 000
Adjustments in respect of:	
Operating profit before changes in working capital	

**COBRAH LIMITED
CASH FLOW STATEMENT FOR YEAR ENDED 30 APRIL 2015**

Cash effects of operating activities	
Cash effects of investing activities	
Cash effects of financing activities	
Net change in cash & cash equivalents	
Cash & cash equivalents at beginning of year	
Cash & cash equivalents at end of year	

4.2

**GENERAL LEDGER OF COBRAH LIMITED
FINAL ACCOUNTS SECTION**

APPROPRIATION ACCOUNT

4.3
(a)

Calculate the acid test ratio

(b)

Calculate the stock turnover rate

(c)

Calculate the debt equity ratio

(d)

Calculate the Net asset value per share

(e)

Calculate the return on shareholders' equity

4.4 Explain why the shareholders will or will not be satisfied with the dividends, earnings and returns earned. Quote appropriate financial indicators to support your answer.

4.5 Comment on the liquidity of the company. Quote and explain FOUR financial indicators to support your answer.

4.6 Comment on the financial gearing of the company. Explain and quote financial indicators to support your answer.

Activity 5

5.1 CASH RECEIPTS JOURNAL

NAME OF ACCOUNT AFFECTED IN THE GENERAL LEDGER	AMOUNT

CASH PAYMENTS JOURNAL

NAME OF ACCOUNT AFFECTED IN THE GENERAL LEDGER	AMOUNT

5.2 BANK RECONCILIATION STATEMENT ON 31 MAY 2015

5.3

As internal auditor you are not happy with the manner in which cash is being controlled in this business. Identify TWO problems and provide figures to support your answer. Give advice on how these problems can be avoided in future.

	PROBLEMS IDENTIFIED	ADVICE
1		
2		

Activity 6

6.1 Explain why the Debtors' Control Account should correspond with the Debtors' List.

6.2 Explain TWO processes the bookkeeper should follow if he/she discovers a difference between the Debtors' Control Account and the Debtors' List from the Debtors' Ledger.

6.3.1 Calculate the correct closing balance of the Debtors' Control Account on 31 March 2015.

6.3.2 Calculate the correct amounts owing by the following debtors of Fine Traders:

	WORKINGS	ANSWER
R Jansen	R41 200	
S Wonder	R23 000	
P Collins	R7 900	

6.4.1 Is Fine Traders controlling their debtors effectively? Explain, quoting figures to support your answer.

6.4.2 Explain TWO measures a business can introduce to improve the collection of funds from debtors.

Activity 7

CREDITORS' RECONCILIATION

	ACCOUNT OF METEOR SUPPLIERS IN CREDITORS' LEDGER OF COMET TRADERS	STATEMENT RECEIVED FROM METEOR SUPPLIERS
Balance	R10 705	R19 120
A		
B		
C		
D		
E		
Final balance		

Activity 8

8.1

Refer to Information A. Briefly explain why it is appropriate for Chris to use the FIFO method for tennis rackets, and the Weighted Average method for tennis balls.

8.2

Calculation of value of closing stock of tennis rackets (FIFO method):

Calculation of value of closing stock of tennis balls (Weighted Average method):

8.3

Calculate cost of sales of tennis rackets:

Calculate gross profit on tennis rackets:

Calculate the VAT charged to customer on tennis rackets sold

Calculate the mark-up % on tennis rackets:

8.4

Calculation regarding lack of popularity of the tennis rackets:

Calculation regarding theft of the tennis balls:

8.5

Explain three strategies that you would want to implement in this business were you to become a partner.

Activity 9

9.1 Calculate and fill in the missing figures in the stock summary sheet provided.

Painting	Cost price	Stock on hand on 1 Sep 2015		Units bought		Units sold				Stock on hand on 30 Sep 2015	
		# units	Stock value	# units	Total cost	# units	Selling price	Total sales	Cost of sales	# units	Stock value
Exotic	R4 500	5		20		21	R7 200				
Caribbean	R6 000	2		30		24	R9 000				
Space	R9 000	4		15		12	R13 050				
		11		65		57					

9.2 Calculate the Gross profit for September 2015.

Activity 10

**10.1 COOL CHAIR MANUFACTURERS
NOTES TO THE FINANCIAL STATEMENTS**

	DIRECT/RAW MATERIAL COST	R

	DIRECT LABOUR COST	R

	FACTORY OVERHEAD COST	R

**10.2 COOL CHAIR MANUFACTURERS
PRODUCTION COST STATEMENT FOR THE YEAR ENDED 29 FEBRUARY 2016**

	TOTAL
Direct material cost	
Prime cost	
Total cost of production	
Work-in-process on 1 March 2015	
Work-in-process on 29 February 2016	
Cost of production of finished goods	

10.3 Calculate the unit cost of production per plastic chair completed.

Activity 11

11.1

One example of a fixed cost:**One example of a variable cost:**

11.2

Explain why it is important to calculate the expected break-even point for a business before the start of a financial year.

11.3

Calculate the break-even point.

11.4

Comment on your calculation in 11.3. What advice would you offer Crazy Manufacturers? Briefly explain.**Comment:****Advice:**