education

Department:
Education
North West Provincial Government
REPUBLIC OF SOUTH AFRICA

PROVINCIAL ASSESSMENT

GRADE 12

ACCOUNTING P1
JUNE 2025
ANSWER BOOK

Name: ……………………………………………………………….

QUESTION	MAXIMUM MARKS	MARKER	INTERNAL MODERATOR	EXTERNAL MODERATOR
1	55			
2	51			
3	24			
4	20			
TOTAL	150			

This answer book consists of 10 pages.

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QUESTION 1: CONCEPTS, INCOME STATEMENT AND BALANCE SHEET

1.1

1.1.1	
1.1.2	
1.1.3	
1.1.4	
1.1.5	

5

1.2 WANKARABA LIMITED

1.2.1 Statement of Comprehensive Income for the year ended 30 April 2025

Sales	
Cost of sales	
Gross profit	
Other Operating Income	
Rental income	
Gross Operating Income	
Operating expenses	
Wages and Salaries	
Operating profit	
Interest income	**565 000**
Profit before interest expense	
Interest expense	
Net profit before tax	
Income tax	
Net profit after tax	**1 251 378**

33

1.2.2 Statement of financial position as at 30 April 2025

EQUITY AND LIABILITIES	
ORDINARY SHAREHOLDER EQUITY	
Ordinary share capital	**3 500 000**
NON-CURRENT LIABILITIES	
CURRENT LIABILITIES	
Trade and other payables	
TOTAL EQUITY AND LIABILITIES	**12 361 189**

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QUESTION 1
55

QUESTION 2: ORDINARY SHARE CAPITAL AND RETAINED INCOME NOTES, CASH FLOW STATEMENT AND FINANCIAL INDICATORS

2.1

2.1.1	
2.1.2	
2.1.3	
2.1.4	
2.1.5	

5

2.2 2.2.1 ORDINARY SHARE CAPITAL

AUTHORIZED

	Ordinary shares

ISSUED:

	Ordinary shares in issue at the beginning of the year	
320 000		
	Ordinary shares in issue at the end of the year	**1 744 600**

8

2.2.2 RETAINED INCOME

Retained income at the beginning of the year	**2 474 800**
Retained income at the end of the year	

10

2.3 Calculate the amount that will appear in the Cash Flow Statement for:

2.3.1

Taxation

4

2.3.2

Dividends paid

3

2.3.3

Shares bought back

3

2.4 Prepare the following sections of the cash flow statement:

2.4.1

Change in operating capital	

10

2.4.2

Cash flow from financing activities	

4

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2.4.3

Net change in cash equivalents	

4

QUESTION 2
51

QUESTION 3: ANALYSIS AND INTERPRETATION OF FINANCIAL STATEMENTS

3.1

Calculate the following financial indicators:
Net asset value of Limpopo Ltd
Debt-Equity Ratio of Boland Ltd

6

3.2

Your colleague is of the opinion that the liquidity situation of Limpopo Ltd is better than that of Boland Ltd. Quote TWO financial indicators with appropriate figures to support his opinion.
Quote two financial figures.   Explain:

6

3.3	**Boland Ltd decided to pay off a large amount on the loan during the financial year. Quote TWO financial indicators with appropriate figures to show why this was not a good decision by the directors. (Gearing)**
	Relevant figures: **Comment:**

6

3.4	**Comment on the value of the two companies' shares on the JSE. Explain how these figures will influence your choice of the companies.**	
	Financial indicator and explanation thereof with figures.	**Choice of Company**
Boland Ltd		
Limpopo Ltd		

6

QUESTION 3
24

QUESTION 4: CORPORATE GOVERNANCE AND AUDIT REPORT

4.1 CORPORATE GOVERNANCE

4.1.1	**Winston can be described as a (whistleblower/employee) in this situation.**	
		1

4.1.2	**It is absolutely essential that the identities of those who report misconduct are protected. Give ONE reason that can be used to convince the directors that they cannot openly thank Winston.**	
		2

4.1.3	**Provide one term to describe the "gift" that the Purchasing Manager received.**	
		1

4.1.4	**Indicate ONE internal measure that the company can implement to prevent a recurrence of such an incident in the future.**	
		2

4.1.5	**A concerned shareholder has heard about the incident. Provide two possible questions that he could ask at the next AGM regarding the company's tender policy.**	
		4

4.2 AUDIT REPORTS

4.2.1	**Indicate which type of audit report Pilanesberg Limited received. Provide one reason for your choice.**	
		4

4.2.2	**Give ONE reason why the Companies Act requires public companies to be audited by an independent auditor.**	
		2

4.2.3	**Newspaper reports have indicated that Motepo Partners has been found guilty of maladministration in relation to audit work carried out at several large firms. Explain how this could affect shareholders of Pilanesberg Ltd. State TWO points.**	
		4

QUESTION 4
20

TOTAL: 150

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