

Monyetla Project – Accounting Gr 12 (2022)

Lesson 5: Companies: Balance sheet without notes

ACTIVITY 1: PRETORIUS LIMITED

(50 marks; 40 minutes)

You are provided with information related to Pretorius Limited for the year ended 28 February 2017.

REQUIRED:

- 1.1 Prepare the following notes to the Balance Sheet on 28 February 2017:
 - 1.1.1 Ordinary share capital (8)
 - 1.1.2 Retained income (9)
- 1.2 The Balance Sheet on 28 February 2017. (33)

INFORMATION:

- A. The following figures were extracted from the accounting records at the end of the financial year on 28 February 2017:

	R
Ordinary share capital	?
Retained income (1 March 2016)	170 000
Fixed deposit: Zamdela Bank	?
Mortgage loan: Cash Bank	?
Fixed/Tangible assets	8 062 300
Debtors control <i>(balancing figure)</i>	?
Creditors control	83 700
SARS (Income tax – provisional tax payments)	246 000
Accrued/payable Expenses	28 300
Bank (Dr)	61 340
Petty cash and cash float	3 200
Trading inventory	234 000
Consumable stores on hand	14 500

B. Shares issued

The company has an authorised share capital of 3 000 000 shares.

The business issued 60% shares at R4 per share, during the previous year.

Another 200 000 shares were issued on 1 May 2016 at R6 per share. It was recorded properly.

On 3 January 2017 the business repurchased 80 000 shares from a shareholder at a price of R4,90 per share. This has been recorded properly.

C. Dividends

- Interim dividends of 10 cents per share were paid on 30 September 2016.
- Final dividends of R300 000 were declared on 31 January 2017.

D. There are two fixed deposits at the Zamdela Bank. One, valued at R175 000, matures on 31 July 2017. The other, valued at R225 000, matures on 31 December 2018.

E. The Income Statement reflects:

- Net profit before tax, R780 000
- Income tax for the year, R258 000.

F. R100 000 of the loan must be paid back in the next financial year.

The debt/equity ratio is 0.1:1.