|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **QUESTION 3** | | | | | | | | | |
|  |  | | | | |  | | |  |
| **3.1** | **3.1.1** | **SHARE CAPITAL** | | |  | | | |  |
|  |  | | | |  | | | |  |
|  | **AUTHORISED SHARE CAPITAL** | | | |  | | | |  |
|  | **750 000 ordinary shares** | | | | | | | |  |
|  |  | |  |  | | | | |  |
|  | **ISSUED SHARE CAPITAL** | | |  | | | | |  |
|  | 450 000 🗸 | | **Ordinary shares in issue on**  **1 March 2013** | 3 215 000 | | | 🗸 | | |  | | --- | |  | | **9** | |
|  | **80 000** | | **Ordinary shares issued during**  **the year** | 760 000 | | | 🗸🗸 | |
|  | **(75 000)** | | **Ordinary shares re-purchased**  **(average price of** R7,50🗸**)** if answer is correct and R7,50 omitted, allocate 3 marks to final answer | operation  (562 500) | | | 🗸☑ | |
|  | 5 000 more than opening figure  455 000 ☑ | | **Ordinary shares in issue on**  **28 February 2014** | Operation; one part correct  OR shares x avg price used  3 412 500 | | | ☑ | |
|  |  |  | |  | | | | |  |
|  | **3.1.2** | **RETAINED INCOME** | |  | | | | |  |
|  | **Balance on 1 March 2013** | | | **322 500** | | | |  |  |
|  | Net profit after tax | | | 812 700 | | | | 🗸🗸 | |  | | --- | |  | | **11** | |
|  | Shares repurchased operation one part correct and in brackets  75 000🗸 x 2,90☑ if R10,40-avg price above; must be at ≥R0,01 per share | | | (217 500)  217 500 2 marks  Zero 0 marks | | | | ☑ |
|  | **Ordinary share dividends** operation one part correct and in brackets | | | (482 000) | | | | ☑ |
|  | Interim dividends / Paid | | | 270 000 | | | | 🗸 |
|  | Final dividends / Declared  530 000☑ see 3.1.1 x 40 cents 🗸 | | | one part correct  212 000 | | | | ☑ |
|  | **Balance on 28 February 2014** operation | | | 435 700 | | | | ☑ |
|  |  | Foreign entries -1 (-2 max) | |  | | | | |  |
|  | **OR** | **For candidates who leave out interim dividends of R270 000 or combine with final dividends** | | | | | | |  |
|  | **Balance on 1 March 2013** | | | **322 500** | | | |  |  |
|  | Net profit after tax | | | 812 700 | | | | 🗸🗸 | |  | | --- | |  | | **11** | |
|  | Shares repurchased operation one part correct and in brackets  75 000🗸 x 2,90☑if R10,40-avg price above; must be at ≥R0,01 per share | | | (217 500)  217 500 2 marks  Zero 0 marks | | | | ☑ |
|  | **Ordinary share dividends** operation one part correct and in brackets | | | (212 000) | | | | ☑ |
|  |  | | |  | | | |  |
|  | Final dividends / Declared  530 000☑ see 3.1.1 x 40 cents 🗸🗸  If figure of 482 000 shown here, allocate 4 in total | | | one part correct  212 000 | | | | ☑ |
|  | **Balance on 28 February 2014** operation | | | 705 700 | | | | ☑ |
|  |  | Foreign entries -1 (-2 max) | |  | | | | |  |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **3.2** | **VIJAY LIMITED** | | |  | |  |
|  | **BALANCE SHEET (STATEMENT OF FINANCIAL POSITION) ON 28 FEBRUARY 2014** | | | | | |
|  |  | | |  | |  |
|  | **ASSETS** | | |  |  |  |
|  | **Non-current assets** operation  (total assets – current assets) | | | 3 884 000 | ☑ | 2 |
|  |  | | Fixed assets operation | 3 234 000 | ☑ |  |
|  |  | | **Financial asset: Fixed deposit** | **650 000** |  |  |
|  |  | | |  |  |  |
|  | **Current assets** operation | | | 863 100 | ☑ | 5 |
|  |  | **Inventories** | | **275 400** |  |  |
|  |  | **Trade and other receivables** (243 500 🗸 + 7 600 🗸) | | 251 100 | 🗸 |  |
|  |  | **Cash and cash equivalents** | | **336 600** |  |  |
|  |  | | |  |  |  |
|  | **TOTAL ASSETS** transfer total equities and liabilities | | | 4 747 100 | ☑ |  |
|  |  | | |  |  |  |
|  | **EQUITY AND LIABILITIES** | | | | |  |
|  |  | | |  |  |  |
|  | **Shareholders' equity** operation | | | 3 848 200 | ☑ | 3 |
|  |  | Ordinary share capital see 3.1.1 | | 3 412 500 | ☑ |  |
|  |  | Retained income see 3.1.2 | | 435 700 | ☑ |  |
|  |  |  | |  |  |  |
|  | **Non-current liabilities** | | | 451 200 |  | 4 |
|  |  | Loan : William Bank  (482 600 🗸+ 81 400 🗸 – 112 800 🗸) one part correct  OR (482 600 + 81 400) x 80% | | 451 200 | ☑ |  |
|  |  |  | |  |  |  |
|  | **Current liabilities** operation | | | 447 700 | ☑ | 12 |
|  |  | Trade and other payables(62 460🗸+ 12 120🗸)  one part correct | | 74 580 | ☑ |  |
|  |  | Shareholders for dividends **OR** 482 000 # | | Refer 3.1.2  212 000 | ☑☑ | |  | | --- | |  | | **26** | |
|  |  | SARS : Income Tax delete ’one part correct’  (348 300 🗸🗸 – 299 980 🗸 must be deducted under CL) | | 48 320 |  |
|  |  | Current portion of loan  check that loan has been reduced by this | | 112 800 | ☑☑ |
|  |  | \*all amounts can be included in Trade and other payables | |  |  |
|  | **TOTAL EQUITY AND LIABILITIES**  operation | | | 4 747 100 | ☑ |
|  |  |  | |  | |
|  |  | Foreign entries -1 (max -2)  Presentation / Placement / Incorrect or incomplete details -1 (max -2)  SARS 348 300 – 299 980 may be shown under T&OR: penalise -1 for placement  Other misplaced BS items are not foreign – simply mark as wrong  # If included under CL, all subsequent totals will differ by R270 000 | | | |  |