



eduresourcza.com

NATIONAL SENIOR CERTIFICATE ACCOUNTING PAPER 1 SPECIAL ANSWER BOOK

MAY/JUNE 2024

EXAMINATION NUMBER

--	--	--	--	--	--	--	--	--	--	--	--	--

CENTRE NUMBER

--	--	--	--	--	--	--	--

QUESTION	MARK	INITIAL	MODERATED MARK	INITIAL
1 (20)				
2 (55)				
3 (45)				
4 (30)				
TOTAL [150]				

THIS ANSWER BOOK CONSISTS OF **11** PAGES



SOUTH AFRICAN COMPREHENSIVE ASSESSMENT INSTITUTE
SUID-AFRIKAANSE KOMPREHENSIEWE ASSESSERINGSINSTITUUT



QUESTION 1: ETHICS, CORPORATE GOVERNANCE AND AUDIT REPORT

(20 marks; 15 min)

1.1 Ethical Issues

Choose an explanation from Column B that matches an ethical issue in Column A.
Write only the letter (A – E) next to the question number (1.1.1 – 1.1.5).

1.1.1	
1.1.2	
1.1.3	
1.1.4	
1.1.5	

5

1.2 Corporate Governance and Audit Report

1.2.1 Briefly explain your understanding of 'good corporate governance'.

2

1.2.2 Explain why a company must have their financial statements audited by an external auditor.

2

1.2.3 Identify the type of audit opinion that the company received and provide a reason for your answer.

TYPE:

REASON:

3



1.2.4 The bookkeeper was instructed to reflect this as a marketing expense. The CEO tried to convince the independent auditor to ignore this as it had been recorded in the financial statements.

- **Explain why the independent auditor did not follow the request of the CEO. Provide TWO reasons.**

4

- **Provide TWO possible consequences of this audit report, for the CEO and the company.**

Consequences for CEO

Consequences for the Company

4

TOTAL MARKS
20

QUESTION 2: FINANCIAL STATEMENTS AND NOTES

(55 marks; 45 min)

- 2.1 Calculate the correct NET PROFIT AFTER TAX for the financial year ended 30 June 2024.

Incorrect profit before tax	R583 195
Correct net profit before tax	
Income tax	
Net profit after tax	

14

- 2.2 Retained Income

Balance at beginning of year	369 180
Repurchase of shares	
Final/ recommended	
Balance at end of year	

10



2.3 Teen Graph Limited

Balance sheet (Statement of Financial Position) on 30 June 2024.

ASSETS	
NON-CURRENT ASSETS	
Fixed assets	
CURRENT ASSETS	
Inventory	
Trade and other receivables	
Cash and cash equivalents	540
TOTAL ASSEST	
EQUITY AND LIABILITIES	
ORDINARY SHAREHOLDERS' EQUITY	
Ordinary share capital	1 636 200
NON-CURRENT LIABILITIES	
CURRENT LIABILITIES	
Trade and other payables	
TOTAL EQUITY AND LIABILITIES	

31

Total Marks

55

**QUESTION 3: CASH FLOW STATEMENT, NOTE AND FINANCIAL INDICATORS****(45 marks; 35 min)****3.1 LEXOR Limited****NOTES TO THE STATEMENT OF FINANCIAL POSITION****ORDINARY SHARES CAPITAL****Authorised share capital**

5 000 000 ordinary shares

Issued share capital		
2 880 000	Ordinary shares in issue at the beginning of the year	
	Ordinary shares in issue at the end of the year	

7



3.2 LEXOR LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 28 FEBRUARY 2024.

CASH FLOW FROM OPERATING ACTIVITIES	
CASH FLOW FROM INVESTING ACTIVITIES	
CASH FLOW FROM FINANCING ACTIVITIES	
Proceeds from issue of share capital	
Net change in cash and cash equivalents	
Cash and cash equivalents beginning of year	
Cash and cash equivalents end of year	



- 3.3 Mention TWO major decisions (above R1 000 000) that are reflected in the Cash flow statement and support the decision by quoting relevant figures. Indicate ONE possible point of impact that each decision would have on the company's future operations.

Decision and figures	Impact on company's future

6

- 3.4 Calculate the following financial indicators for the year ended 28 February 2024:

% Return on average equity

Workings	Answer

6

Net asset value per Share (NAV)

Workings	Answer

3

Total Marks
45



QUESTION 4: INTERPRETATION OF FINANCIAL INFORMATION

(30 marks; 25 min)

4.1 CONCEPTS

Choose the correct financial indicator from those given below to match the definition.

4.1.1	
4.1.2	
4.1.3	
4.1.4	

4

4.2 H&R Block Ltd.

4.2.1 Comment on the overall liquidity position of the company. Quote THREE relevant financial indicators (with figures).

Financial Indicators

Comment

8



4.2.2 The directors decided to change the dividend pay-out policy in 2024.

- Provide calculations that indicate the policy change.

4

- Explain the effect of this change of policy on the company. State TWO points

4

4.2.3 One of the directors feels that the company should pay back the loan as soon as possible. What are your views about this? Quote and explain TWO relevant financial indicators with figures.

Financial indicators:

Comment

6

**4.2.4 Explain why the shareholders are satisfied with:**

- The market price of the shares on the JSE.

2

- The price at which the 135 000 shares were repurchased on 25 June 2024.

2

Total Marks
30