|  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  Province of theEASTERN CAPEEDUCATION**DIRECTORATE SENIOR CURRICULUM MANAGEMENT (SEN-FET)****HOME SCHOOLING SELF-STUDY** **MARKING GUIDELINE**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **SUBJECT** | ACCOUNTING | **GRADE** | 11 | **DATE** |  |
| **TOPIC** | Partnerships: Financial statements –Balance Sheet and Notes to Owners’ Equity | **Term**  | 2 | **Week** | 2 |

 |

|  |  |
| --- | --- |
| **WORKSHEET 1** |  |
|  |  |  |
| **GRADE**  | 11 | **TERM**  | 2 | **WEEK** | 2 |  |
|  |  |  |
|  |  |  |
| **ACTIVITY 1** |  |
|  |  |
| **NOTES TO THE FINANCIAL STATEMENTS** |  |
|  |  |
| **1.1** |  |
|  | **CAPITAL ACCOUNTS** | **JONES** | **APRIL** | **TOTAL** |  |
| **Balances at the beginning of year** | 160 000 | **130 000** | 290 000 |
| **Additional contribution** |  | **20 000** | 20 000 |
| **Capital withdrawals** | (10 000) |  | (10 000) |
| **Balance at the end of the year** | 150 000 | **150 000** | 300 000 |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **CURRENT ACCOUNTS** | **JONES** | **APRIL** | **TOTAL** |  |
| **Profit as per Income statement** | **104 000** | 101 600 | 205 600 |
|  **Partners’ salaries**  | **70 000** | 80 400 | 150 400 |
|  **Partners’ bonus**  | **10 400** |  | 10 400 |
|  **Interest on capital**  | **20 500** | 17 300 | 37 800 |
|  **Primary distribution of profits** | **100 900** | 97 700 | 198 600 |
|  **Final distribution of profits** | **3 100** | 3 900 | 7 000 |
| **Drawings during the year** | **(95 900)** | (117 700) | 213 600 |
| **Retained income for the year**  | **8 100** | (16 100) | (8 000) |
| **Balance at the beginning of year**  | **(3 500)** | 10 100 | 6 600 |
| **Balance at the end of year** | **4 600** | (6 000) | (1 400) |

|  |  |
| --- | --- |
| **NOTE:** |  |
|  |  |  |
| **1.** | The Net Profit as per Income Statement is calculated by adding the following:* Primary distribution of profit + Final distribution of profit] OR
* Primary distribution of profit + Final distribution of loss
 |  |
|  |  |  |
| **2.** | Primary Distribution of Profit is calculated by adding the following:* Partners’ salaries + Interest on capital + Bonus to partners
 |  |
|  |  |  |
| **3.** | A Final Distribution of a Loss will be shown in brackets. |  |
|  |  |  |
| **4.** | The Retained Income (Undrawn Profits) for the year is calculated as follows:* Net profit as per Income Statement less Drawings for the year
 |  |
|  |  |  |
| **5.** | The balances in the current accounts note must be shown as follows:* Credit balance: positive amount
* Debit balance: negative amount ([in brackets)
 |  |
|  |  |  |
| **6.** | The balances at the end of the financial year are determined as follows:Retained income (Undrawn profits) for the year + Balances at beginning of the financial year. |  |
|  |  |  |
|  |  |  |

|  |  |  |
| --- | --- | --- |
| **1.2** |  |  |
| **CAPITAL: APRIL** |
|  |  | Balance b/d | 130 000 |
|  |  | Bank | 20 000 |
|  |  |  | 150 000 |
|  |  |  |  |
| **CURRENT ACCOUNT: JONES** |
| Balance b/d | 3 500 | Salary: Jones | 70 000 |
| Drawings: Jones | 95 900 | Bonus to partners | 10 400 |
| Balance c/d | 4 600 | Interest on capital | 20 500 |
|  |  | Appropriation account | 3 100 |
|  | 104 000 |  | 104 000 |
|  |  | Balance b/d | 4 600 |
|  |  |  |

|  |  |
| --- | --- |
| **WORKSHEET 2** |  |
|  |  |  |
| **GRADE**  | 11 | **TERM**  | 2 | **WEEK** | 2 |  |
|  |  |  |
|  |  |  |
| **ACTIVITY 2** |  |
|  |  |  |
|

|  |  |  |
| --- | --- | --- |
| **ASSETS** | Note |  |
| **Non-current assets** |  | 817 900 |
| Fixed/Tangible assets (601 500 + 140 000 + 132 000 - 44 000 - 49 600) | 3 | 779 900 |
| Financial assets: Fixed deposit  |  | 38 000 |
| **Current assets** |  | 110500 |
| Inventories (80 000 + 500) | 4 | 80 500 |
| Trade and other Receivables (15 000 - 750 + 720 + 480) | 5 | 15 450  |
| Cash and cash equivalents (6 000 + 8 100 + 250 + 200) | 6 | 14 550 |
| **TOTAL ASSETS** |  | **928 400** |
|  |  |  |
| **EQUITY AND LIABILITIES** |  |  |
| **Owners’ equity** |  | 709 040 |
| Capital (420 000 + 210 000) | 7 | 630 000 |
| Current accounts (46 540 + 32 500) | 8 | 79 040 |
| **Non- current liabilities** |  | 200 000 |
| Mortgage loan |  | 150 000 |
| Loan from D& D Lenders |  | 50 000 |
| **Current liabilities** |  | 19 360 |
| Trade and other payables (18 000 + 400 + 960) | 9 | 19 360 |
| **TOTAL EQUITY AND LIABILITIES** |  | **928 400** |

 |

|  |
| --- |
| **WORKSHEET 3** |
|  |  |
| **GRADE**  | 11 | **TERM**  | 2 | **WEEK** | 2 |
|  |  |
|  |  |
| **ACTIVITY 3** |  |
|  |  |
| **3.1 Calculate the interest on capital for the year ended 29 February 2020.** |
|  |
| **WORKINGS** | **ANSWER** |
| **THEMBA**2 080 000 x 8/100 x 9/12 = 124 8002 080 000 x 12/100 x 3/12 = 62 400 187 200 | 360 000 |
| **LUMI**1 920 000 x 8/100 x 9/12 = 115 2001 920 000 x 12/100 x 3/12 = 57 600 172 800 |
|  |  |
|  |
|  |
| **3.2 Prepare the following notes to the financial statements** |
|  |  |
|

|  |  |  |  |
| --- | --- | --- | --- |
| **CAPITAL** | **THEMBA** | **LUMI** | **TOTAL** |
| **Balance at the beginning of year** | 2 080 000 | 1 920 000 | 4 000 000 |
| Contribution of capital during the year | 800 000 |  | 800 000 |
| Withdrawal of capital during the year |  |  |  |
| **Balance at the end of the year** | 2 880 000 | 1 920 000 | 4 800 000 |

 |
|  |  |
|  |  |
|  |  |
|  |  |
|  |  |
|  |  |
|  |  |
|

|  |  |  |  |
| --- | --- | --- | --- |
| **CURRENT ACCOUNTS**  | **THEMBA** | **LUMI** | **TOTAL** |
| **Net profit as per income statement**  | 1 073 800 | 956 200 | 2 030 000 |
| Partners’ salaries  | 780 000 | 780 000 | 1 560 000 |
| Interest on capital  | 187 200 | 172 800 | 360 000 |
| Bonus to partners | 101 500 |  | 101 500 |
| Primary distribution of profit  | 1 068 700 | 952 800 | 2 021 500 |
| Final distribution of profit | \*5 100 | \*\*3 400 | 8 500 |
| Drawings for the year | (875 000) | \*\*\*(905 000) | (1 780 000) |
| Retained income for the year  | 198 800 | 51 200 | 250 000 |
| **Balances at beginning of financial year** | 25 000 | (112 000) | (87 000) |
| **Balances at end of financial year**  | 223 800 | (60 800) | 163 000 |

 |
| \*(8 500 x 2 880 000/4 800 000) | \*\*(8 500 x 1 920 000/4 800 000) | \*\*\*(910 000 – 5 000) |
|  |  |
|  |  |
|  |  |
|

|  |
| --- |
| **TRADE AND OTHER RECEIVABLES** |
| Trade debtors | 25 800 |
| Provision for bad debts | (2 800) |
| Net trade debtors | 23 000 |
| Prepaid expenses | 1 000 |
|  | 24 000 |

 |
|  |  |
|  |  |
|  |  |
|  |  |
|  |  |
|

|  |
| --- |
| **3.3 Prepare the Equity and Liability section of the Statement of Financial**  **Position (Balance Sheet) on 29 February 2020.** |
|  |  |
| **EQUITY AND LIABILITIES** |  |
| **Owners’ Equity** | 4 963 000 |
| Capital | 4 800 000 |
| Current account | 163 000 |
| **Non-Current Liabilities** | 800 000 |
| Loan: Cling (900 000 – 100 000) | 800 000 |
| **Current Liabilities** | 925 000 |
| Trade and other payables | 120 000 |
| Current portion of loan | 100 000 |
| Bank overdraft | 705 000 |
| **TOTAL EQUITY AND LIABILITIES** | 6 688 000 |

 |
|  |  |
|  |  |
|  |  |
|  |  |
|  |  |
|  |  |
|  |  |