

COMPANIES: BALANCE SHEET

27 FEBRUARY 2014



Lesson Description

In this lesson we:

- Focus on the Balance Sheet.



Summary

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

			R
7	Ordinary share capital		
	Authorised		
	XXX Authorised Ordinary Shares		xxx
	Issued		
	200 000 Ordinary shares in issue at the beginning of the year		
	40 000 additional shares issued during the financial year at issue price of R3,00 each		
	Repurchase of 30 000 shares (average price)		
	190 000 Ordinary shares in issue at the end of the year		

8	Retained income		
	Balance at the beginning of the year		
	Net profit after tax for the year		
	Repurchase of shares(diff)		(XXXX)
	Ordinary share dividends		
	Paid (interim)		
	Recommended (final)		
	Balance at the end of the year		



Improve your Skills

Question 1

The loan statement from Supa Bank on 30 June 2013 reflects the following:

SUPA BANK LOAN STATEMENT ON 30 JUNE 2009	
Balance on 1 July 2012	R384 000
Interest charged	57 600
Monthly payments in terms of the loan agreement (12 x R8 800) (These monthly payments include interest and capital repayments of the loan)	105 600
Balance on 30 June 2013	<u>R336 000</u>
The monthly capital repayments of the loan will remain constant until the loan is fully repaid on 30 June 2021.	

Calculation

NON-CURRENT LIABILITIES		
Mortgage loan: Supa Bank		
CURRENT LIABILITIES		

Question 2

One third of the fixed deposit matures on 31 August 2013. FIXED DEPOSIT R60 000

Calculation

Financial Assets		
Fixed deposit: Supra Bank		
Cash and Cash equivalents		

Question 3

The following balances appeared in the books on 28 February 2013:

- Creditors' control, R720 000
- Cash at bank, R66 000

On 28 February 2013 it was established that a cheque issued to a creditor was post dated for 15 April 2013, R 50 000

Calculation

Current assets	
Cash & cash equivalents	
Current liabilities	
Trade & other payables	



Test Yourself

Question 1

Statement of comprehensive income:

- A. Cash flow statement
- B. Trial balance
- C. Balance sheet
- D. Income statement

Question 2

Statement of financial position:

- A. Income statement
- B. Post adjustment trial balance
- C. Balance sheet
- D. None of the above

Question 3

Turnover is calculated as follows:

- A. Sales +debtors allowances
- B. Debtors allowances - sales
- C. Sales – debtors allowances
- D. None of the above

Question 4

The double entry to record an accrued expense is:

- A. Debit the expense ; Credit Accrued expense
- B. Debit Accrued Expense; Credit the expense
- C. Debit the income ; Credit Accrued expense
- D. None of the above

Question 5

A financial asset that appears on the face of a balance sheet is:

- A. Fixed deposit > 12 months
- B. Fixed deposit < 12 months
- C. Loans
- D. S.A.R.S

Question 6

A short term loan will appear under the item:

- A. Assets
- B. Non-Current liabilities
- C. Current liabilities
- D. Equity

Question 7

Where would you find the item Bank overdraft?

- A. Cash and cash equivalents
- B. Current assets
- C. Current liabilities
- D. Equity and reserves

Question 8

S.A.R.S income tax has a debit balance - It will form part of:

- A. Trade and other receivables
- B. Trade and other payables
- C. Retained income
- D. None of the above