



GREAT ZIMBABWE UNIVERSITY  
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11/11/2024

## **ROBERT MUGABE SCHOOL OF EDUCATION AND CULTURE**

### **DEPARTMENT OF CURRICULUM STUDIES**

**BACHELOR OF EDUCATION HONOURS DEGREE (ACCOUNTING) BRIDGING**

### **EXAMINATION QUESTION PAPER**

<b>MODULE CODE</b>	<b>CSBAC02</b>
<b>MODULE NARRATION</b>	<b>CURRENT ISSUES</b>
<b>DATE</b>	<b>2024</b>
<b>DURATION</b>	<b>3 HOURS</b>

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#### **INSTRUCTIONS TO CANDIDATES:**

1. Answer all questions
2. All questions carry equal marks
3. Candidates are allowed to use silent, non-programmable calculators
4. Candidates are allowed reading time 15 minutes

### QUESTION 1

From the following trial balance of David Ltd , draw up a Statement of Profit or loss and other comprehensive income the year ended 30 September 2022, and a Statement of financial Position as at that date.

	<i>Dr</i>	<i>Cr</i>
Stock 1 October 2021	41,600	
Carriage outwards	2,100	
Carriage inwards	3,700	
Returns inwards	1,540	
Returns outwards		3,410
Purchases	188,430	
Sales		380,400
Salaries and wages	61,400	
Warehouse rent	3,700	
Insurance	1,356	
Motor expenses	1,910	
Office expenses	412	
Lighting and heating expenses	894	
General expenses	245	
Premises	92,000	
Motor vehicles	13,400	
Fixtures and fittings	1,900	
Debtors	42,560	
Creditors		31,600
Cash at bank	5,106	
Drawings	22,000	
Capital		68,843
	<b>484,253</b>	<b>484,253</b>

Stock at 30 September 2022 was £44,780.



Goodwill	425 000	540 000
Current assets:		
Inventory	836 400	1 040 000
Trade receivables	278 800	453 400
Cash/bank balances	347 600	500 000
	2 976 820	4 349 400
Equity and liabilities		
Ordinary	700 000	1 200 000
Share premium	-	200 000
Retained profits	986 000	1 111 600
Minority Interests	220 000	210 000
	1 906 000	2 721 600
Current Liabilities		
Trade payables	220 820	499 800
Company tax	560 000	728 000
Proposed Dividends	290 000	400 000
	2 976 820	4 349 400

#### Additional information

1. During the year ended 31 March 2016 the group issued 50 000 ordinary share of \$10 each at a premium of 40% to acquire a controlling interest in S3 ltds. The details of the transaction were as follows:

Purchase Consideration:	
50 000 Ordinary shares of \$10 each	700 000
Tangible non-current Assets	238 000
Goodwill	115 000
Stock	190 600
Debtors	224 200
Creditors	(67 800)
	700 000

2. The movement on tangible non-current assets were as follows:

	Premises	Plant & Equip	Total
	\$	\$	\$
Net book value 1/4/2015	697 020	392 000	1 089 020
Additions (cost)	300 480	722 000	1 022 480
	997 500	1 114 000	2 111 500
	(96 000)	(199 500)	(295 500)
	901 500	914 500	1 816 000

Required:

Draw up a consolidated cash flow statement for Hard Ltd and its subsidiaries for the year ended 31 March 2016, using the indirect method. Show all working. [25]

#### **QUESTION 4**

- a) What are objectives of creative accounting? ( 6 marks)
- b) How creative accounting be prevented ( 6 marks)
- c) What are motives of window dressing? ( 6 marks )
- d) What are limitations of financial statements? (7 marks)