UNIVERSITY
OF
JOHANNESBURG

UNIVERSITY OF JOHANNESBURG

DEPARTMENT OF ACCOUNTANCY

2014

B.COM HONOURS (ACCOUNTING WITH SPECIALISATION IN CHARTERED ACCOUNTANCY)

SESSION 3

LAST ASSESSMENT OPPORTUNITY
21 October 2014

This document consists of 3 pages including the cover page

MARKS: 100 **TIME: 3 HOURS**

ASSESSORS (A) AND MODERATOR (M):

Auditing:
Prof. Ben Marx (A)
Prof. Alex van der Watt (A)
Mr. Willem van der Post (M)

Financial Management:
Mr. Dewald Joubert (A)
Ms. Maria Weber (A)
Mr. Etienne Barnard (M)

Accounting:
Mr. Ahmed Mohammadali-Haji (A)
Mr. Jonathan Streng (A)
Prof. Kevin Maree (M)

Taxation:
Mr. Lyndsay Maseko (A)
Ms. Michelle van Heerden (A)
Ms. Lizelle Bruwer (UOFS) (M)

REQUIRED

SESSION 3 QUESTION 1 **(40 MARKS)**

Answer this question in the RED book.

REQUIRED

a)	With reference to **<matter 1>**, prepare an appropriate response to the matter with reference to relevant accounting standards. *Ignore any potential onerous contract that may arise from <matter 1>.*	(4)
b)	With reference to **<matter 2>**, prepare all the pro-forma journal entries required to account for the Investment in Pumbaa (Pty) Ltd in the consolidated financial statements of the Simba Group Ltd for the financial year ended 30 September 2014. Journal entries for the attribution of the 2014 financial year profit and other comprehensive income to the non-controlling interest are not required.	(35)
	Communication skills - logical argument; clarity of expression	(1)

SESSION 3 QUESTION 2 **(60 MARKS)**

Answer this question in the PURPLE book.

REQUIRED

PART A **(25 MARKS)**

a)	Discuss the VAT implications **(notes 1 – 3)** for Mashonisa in relation to all VAT periods with regards to their 2015 year of assessment. Support your discussion with calculations where necessary.	(18)
b)	Discuss the VAT implications for both Mashonisa and Kaptec Bank upon the possible sale of the business in relation to **only** the vacant land.	(7)

PART B **(35 MARKS)**

Calculate Mr Levine's tax payable for the 2015 year of assessment. Provide brief reasons for Rnil amounts.	(35)