

**FRAMEWORK LIMITED**

**STATEMENT OF FINANCIAL POSITION AT 31 DECEMBER 2013**

<b>ASSETS</b>	<b>20X5</b>	<b>20X4</b>
<b>Non-current assets</b>	<b>XX</b>	<b>XX</b>
Property, plant and equipment	X	X
Investment property	X	X
Intangible assets	X	X
Financial assets	X	X
Deferred tax assets	X	X
<b>Current assets</b>	<b>XX</b>	<b>XX</b>
Inventories	X	X
Trade and other receivables	X	X
Other current assets	X	X
Financial assets	X	X
Current tax assets	X	X
Cash and cash equivalents	X	X
<b>Total assets</b>	<b>XXX</b>	<b>XXX</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Total equity</b>	<b>XXX</b>	<b>XXX</b>
Share capital	X	X
Other components of equity (reserves)	X	X
Retained earnings	X	X
Equity of the parent	X	X
Non controlling interest	X	X
<b>Total liabilities</b>	<b>XXX</b>	<b>XXX</b>
<b>Non-current liabilities</b>	<b>XX</b>	<b>XX</b>
Long-term borrowings	X	X
Deferred tax liabilities	X	X
Other financial liabilities	X	X
Long-term provisions	X	X
<b>Current liabilities</b>	<b>XX</b>	<b>XX</b>
Trade and other payables	X	X
Short-term borrowings	X	X
Current portion of long-term borrowings	X	X
Current tax payable	X	X
Short-term provisions	X	X
<b>Total equity and liabilities</b>	<b>XXX</b>	<b>XXX</b>

**FRAMEWORK LIMITED****STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2013**

	Share	Retained	Mark to	Reval		Total
	Capital	Earnings	Market	Surplus	NCI	Equity
	R	R	Reserve	R	R	R
<b>Balance at 1 January 2012</b>	x	x	x	x	x	x
Correction of error	x	x	-	-	x	x
Restated balance	x	x	x	x	x	
<b>Changes in equity for 2012</b>						
Dividends	-	(x)	-	-	(x)	(x)
Total comprehensive income for the year	-	x	x	x	x	x
<b>Balance at 31 December 2012</b>	<b>x</b>	<b>x</b>	<b>x</b>	<b>x</b>	<b>x</b>	<b>x</b>
<b>Changes in equity for 2013</b>						
Issue of share capital	x	-	-	-	x	x
Dividends	-	(x)	-	-	(x)	(x)
Total comprehensive income for the year	-	x	x	x	x	x
Realisation of revaluation reserve in retained earnings	-	x	-	(x)	-	-
<b>Balance at 31 December 2013</b>	<b>x</b>	<b>x</b>	<b>x</b>	<b>x</b>	<b>x</b>	<b>x</b>

## FRAMEWORK LIMITED

## NOTES AT .....

## 3. Property, plant and equipment (Study Unit 9)

	<u>Land</u>	<u>Buildings</u>	<u>Equipment</u>	<u>Total</u>
Carrying amount beginning of year	X	X	X	X
• Cost	X	X	X	X
• Accumulated Depreciation	(X)	(X)	(X)	(X)
Depreciation for the current year	(X)	(X)	(X)	(X)
Impairments	(X)	(X)	(X)	(X)
Additions (at cost)	X	X	X	X
Disposals (at carrying amount)	(X)	(X)	(X)	(X)
Carrying amount end of year	X	X	X	X
• Cost	X	X	X	X
• Accumulated Depreciation	(X)	(X)	(X)	(X)
<i>Remaining useful life</i>	<i>50 years</i>	<i>20 years</i>	<i>500 hours</i>	

- *The land consists of erf 111, Sandton, Johannesburg.*
- *It was revalued at replacement value on XX of XXX 20X by a sworn independent valuer.*
- *Equipment serves as security for the long term note (refer note XX)*

#### 4. Investment in subsidiary

	R
Total investment in subsidiary	XX
Shares at cost	X
Loan to subsidiary	X

*The loan to the subsidiary was granted on X of XX 20X*

*The highest outstanding balance during the current year was RXX*

*No fixed payments terms have been agreed and the loan is interest free.*

#### 5. Financial assets (study unit 8)

	R
<u>Non current financial assets</u>	<u>XX</u>
Financial assets at fair value through other comprehensive income	X
- Unlisted investment in shares – 200 ordinary shares (cost R5 per share)	
Financial assets at amortised cost	X
- Listed investment in bonds	
<u>Current financial assets</u>	<u>XX</u>
Financial assets at fair value through profit or loss	X
- Listed investment in shares – 50 ordinary shares (cost R200 per share)	
Trade and other receivables	X

## 6. Inventories (study unit 10)

	R
Total inventories	XX
Raw materials	X
Work in progress	X
Finished products	X

*During the current year Rxxx worth of raw material was damaged when a warehouse roof collapsed and the carrying amount was written down to the net realisable value of Rxxxx*

## 7. Share capital (study unit 4 for theory)

### Authorised

500 000 Ordinary shares

30 000 15%, cumulative redeemable preference shares

### Issued

100 000 Ordinary shares (share capital account – no par value)

2 000 10% convertible preference shares

5 000 15%, cumulative redeemable preference shares

Total share capital

R

X

X

X

*During the reporting period 500 ordinary shares were issued, and 200 preference shares were redeemed (repurchased and cancelled).*

*The 10% convertible preference shares are convertible into 1 ordinary share for every 5 preference shares on or before 31 December 20X9*

*Since 31 December 20x1, no dividends were paid on the 15% cumulative preference shares. The arrear dividends are equal to RXXX.*

*The directors are authorised to issue 50 000 ordinary shares on or before 31 December 20x2 in terms of a special resolution passed at the Annual General Meeting held on 30 June 20x1.*

## 8. Other Components of Equity (Reserves)

*Note – the movements of each reserve are disclosed in the statement of changes in equity.*

<u>Non-distributable reserves</u>	<u>R</u>
Revaluation surplus	X
Pre-incorporation profits	X
Mark to market reserve for financial asset revaluations	X
<u>Distributable reserves</u>	
Retained earnings	X
General reserve	X
Asset replacement reserve	X
Total	<u>X</u>

## 9. Non-current liabilities / Interest bearing borrowings (study unit 8)

<u>Secured</u>	<u>R</u>
18% long term loan	X
Current portion of long term loan	(X)
	<hr/>
Non current portion of long term loan	X
	<hr/>

*The long term loan is secured by a mortgage over land and buildings (refer note 3).*

*The loan is repayable in monthly instalments of Rxxx, the final instalment is due on the xx of XXX 20X.*

<u>Unsecured</u>	
1000, 12% convertible debentures	X
Current portion of debentures	(X)
	<hr/>
Non current portion of debentures	X
	<hr/>

*The debentures are unsecured, but convertible into 100 ordinary shares for every debenture held. The conversion choice lies with the holder of the debentures and they may be converted after xx of XXX 20X, but before xx of XXX 20X.*

*Alternatively the debentures are repayable on or before the xx of XXX 20X.*

## 10. Commitments for capital expenditure

Contracted capital commitments	X
Approved by directors, not yet contracted	(X)
	<hr/>
Total commitment	X
	<hr/>

*These capital commitments will be funded as follows:*

<i>Current cash reserves</i>	X
<i>Issuing of bonds</i>	(X)
	<hr/>
<i>Total</i>	X
	<hr/>

## 11. Contingent liability

The company signed a suretyship of a bank overdraft of a subsidiary company.

	<u>R</u>
Gaurantee in respect of subsidiary's bank overdraft	X