 Province of the

EASTERN CAPE

EDUCATION

**DIRECTORATE SENIOR CURRICULUM MANAGEMENT (SEN-FET)**

**HOME SCHOOLING SELF-STUDY**

**MARKING GUIDELINES**

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **SUBJECT** | ACCOUNTING | | **GRADE** | | 10 | **DATE** |  | | | |
| **TOPIC** | PROFIT AND LOSS ACCOUNT AND INCOME STATEMENT. | | | | | | **Term** | 2 | **Week** | 9 |
| **TIME ALLOCATION** | | 1 Week | | |  |  | | --- | --- | | **TIPS TO KEEP HEALTHY** | | |  |  | | 1. | **WASH YOUR HANDS** thoroughly with soap and water for at least 20 seconds. Alternatively, use hand sanitizer with an alcohol content of at least 60%. | |  |  | | 2. | **PRACTICE SOCIAL DISTANCING** – keep a distance of 1m away from other people. | |  |  | | 3. | **PRACTISE GOOD RESPIRATORY HYGIENE**: cough or sneeze into your elbow or tissue and dispose of the tissue immediately after use. | |  |  | | 4. | **WEAR A MASK AND TRY NOT TO TOUCH YOUR FACE.** The virus can be transferred from your hands to your nose, mouth and eyes. It can then enter your body and make you sick. | |  |  | | 5. | **STAY AT HOME.** | | | | | | | |
| **INSTRUCTIONS** | See requirements per activity | | |
| **RESOURCES** | **USE YOUR TEXTBOOK(S) & PREVIOUS ACTIVITIES** | | | | | | | | | |

**Activity 1**

DR TRADING ACCOUNT F1 CR

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 2019 |  |  |  |  | 2019 |  |  |  |  |
| Dec | 31 | Cost of sales |  | 400 000 | Dec | 31 | Sales |  | 706 200 |
|  |  | Profit and loss a/c |  | 306 200 |  |  | [720 000 – 13 800] |  |  |
|  |  |  |  | 706 200 |  |  |  |  | 706 200 |
|  |  |  |  |  |  |  |  |  |  |

DR PROFIT AND LOSS ACCOUNT F2 CR

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 2019 |  |  |  |  |  | 2019 |  |  |  |  |
| Dec | 31 | Water and electricity |  | 6 632 |  | Dec | 31 | Trading stock account |  | 306 200 |
|  |  | Stationery |  | 2 891 |  |  |  | Rent income |  | 15 080 |
|  |  | Trading stock deficit |  | 5 300 |  |  |  | Interest income |  | 15 000 |
|  |  | Salaries and wages |  | 175 600 |  |  |  |  |  |  |
|  |  | Insurance |  | 7 400 |  |  |  |  |  |  |
|  |  | Employers contribution |  | 11 150 |  |  |  |  |  |  |
|  |  | Bad debts |  | 4 090 |  |  |  |  |  |  |
|  |  | Advertising |  | 4 200 |  |  |  |  |  |  |
|  |  | Depreciation |  | 35 600 |  |  |  |  |  |  |
|  |  | Capital (net profit) |  | 83 417 |  |  |  |  |  |  |
|  |  |  |  | 336 280 |  |  |  |  |  | 336 280 |
|  |  |  |  |  |  |  |  |  |  |  |

WORKING

|  |  |  |
| --- | --- | --- |
| NO. | CALCULATIONS | ANSWER |
| 1. | Water and electricity (6 220 + 412) | 6 632 |
| 2. | Stationary (2 998 + 107) | 2 891 |
| 3. | Trading stock deficit (70 000 – 64 700) | 5 300 |
| 4. | Rent income (13 750 + 1 330) | 15 080 |
| 5. | Salary and wages (164 000 + 9 200 + 2 400) | 175 600 |
| 6. | Insurance (8 800 - 1400) | 7 400 |
| 7. | Employers contribution (10 800 + 350) | 11 150 |
| 8. | Bad debts (3 200 + 890) | 4 090 |
| 9. | Interest of fixed deposit (13 750 + 1 250) | 15 000 |
| 10. | Advertising | 4 200 |
| 11. | Depreciation (14 000 + 21 600) | 35 600 |

**Activity 2**

DR TRADING ACCOUNT F1 CR

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 2020 |  |  |  |  | 2020 |  |  |  |  |
| Febr | 28 | Cost of sales |  | 597 000 | Febr | 28 | Sales |  | 1 251 200 |
|  |  | Profit and loss a/c |  | 654 200 |  |  | [1 267 000 -15 800] |  |  |
|  |  |  |  | 1 251 200 |  |  |  |  | 1 251 200 |

DR PROFIT AND LOSS ACCOUNT F2 CR

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 2020 |  |  |  |  | 2020 |  |  |  |  |
| Febr | 28 | Bad debts |  | 6 395 | Febr | 28 | Trading account |  | 654 200 |
|  |  | Advertising |  | 4 880 |  |  | Rent income |  | 48 000 |
|  |  | Insurance |  | 7 950 |  |  | Interest income |  | 9 600 |
|  |  | Water and electricity |  | 27 400 |  |  | Commission income |  | 24 000 |
|  |  | Salaries and wages |  | 249 500 |  |  | Bad debts recovered |  | 405 |
|  |  | Depreciation |  | 70 700 |  |  |  |  |  |
|  |  | Trading stock deficit |  | 690 |  |  |  |  |  |
|  |  | Sundry expenses |  | 12 500 |  |  |  |  |  |
|  |  | Telephone |  | 3 800 |  |  |  |  |  |
|  |  | Cons stores on hand |  | 5 400 |  |  |  |  |  |
|  |  | Bank charges |  | 4 550 |  |  |  |  |  |
|  |  | Capital (net profit) |  | 342 760 |  |  |  |  |  |
|  |  |  |  | 736 205 |  |  |  |  | 736 205 |

WORKINGS

|  |  |  |
| --- | --- | --- |
| NO. | CALCULATIONS | ANSWER |
| 1. | Bad debts (5 900 + 495) | 6 395 |
|  | Bad debts recovered | 405 |
| 2. | Rent income (52 000 – 4 000) | 4 800 |
| 3. | Advertising (5 200 - 320) | 4 880 |
| 4. | Insurance (8 700 - 750) | 7 950 |
| 5. | Depreciation (20 700 + 50 000) | 70 700 |
| 6. | Trading stock deficit (55 690 – 55 000) | 690 |
| 7. | Water and electricity | 27 400 |
| 8. | Salaries and wages (247 000 + 2 500) | 249 500 |
| 9. | Commission income (18 000 + 6 000) | 24 000 |
| 10. | Interest in fixed deposit (12 000 – 2 400) | 9 600 |
| 11. | Sundry expenses (13 000 - 500) | 12 500 |
| 12. | Telephone | 3 800 |
| 13. | Consumable stores on hand (6 400 - 1000) | 5 400 |
| 14. | Bank charges (4 050 + 500) | 4 550 |

**Activity 3**

Income statement on the 28 February 2020

|  |  |  |
| --- | --- | --- |
|  |  |  |
| Sales (2 400 000 – 100 000) |  | 2 300 000 |
| Cost of sales |  | (1 350 000) |
| **Gross profit** |  | **950 000** |
| **Add other incomes** |  | **112 000** |
| Rent income (77 000 – 11 000) |  | 66 000 |
| Commission income (42 000 + 4 000) |  | 46 000 |
| **Gross income** |  | **1 062 000** |
| **Less operating expenses** |  | **(161 480)** |
| Motor vehicle expense (7 200 + 1 500) |  | 8 700 |
| Salaries and wages (65 000 – 5 000) |  | 60 000 |
| Advertising (2 310 + 560) |  | 2 870 |
| Insurance (9 400 – 600) |  | 8 800 |
| Stationery (5 600 – 520) |  | 5 350 |
| Consumable stores on hand (22 000 - 1 090) |  | 20 910 |
| Bad debts (520 + 380) |  | 900 |
| Water and electricity (3 000 + 750) |  | 3 750 |
| Depreciation (30 000 + 10 200) |  | 40 200 |
| Trading stock deficit (245 000 – 235 000) |  | 10 000 |
| **Operating profit/Loss** |  | **900 520** |
| Interest income (4 050 + 1 350) |  | 5 400 |
| **Operating profit before interest expense** |  | **905 920** |
| Interest expense (9 000 + 3 000) |  | (12 000) |
| Net profit for the year |  | **893 920** |

**Activity 4**

Income statement on 28 February 2020

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| --- | --- | --- |
|  |  |  |
| Sales (1 876 000 – 18 000) |  | 1 858 000 |
| Cost of sales |  | (980 000) |
| **Gross profit** |  | **878 000** |
| Add other incomes |  | **55 476** |
| Rent income (30 720 + 7 440) |  | 38 160 |
| Fee income (7900 + 2800) |  | 10 700 |
| Trading stock surplus (126 000 – 120 000) |  | 6 000 |
| Bad debts recovered |  | 616 |
| **Gross income** |  | **933 476** |
| **Less operating expenses** |  | **98 880** |
| Telephone (4 950 +680) |  | 5 630 |
| Repairs (4 000 + 800) |  | 4 800 |
| Advertising (2 379 – 500) |  | 1 879 |
| Rates (17 800 – 3 200) |  | 14 600 |
| Insurance (15 400 – 600) |  | 14 800 |
| Bad debts (1 500 + 924) |  | 2 424 |
| Water and electricity (13 827 – 1 700) |  | 12 127 |
| Packing material (4 550 – 1 330) |  | 3 220 |
| Depreciation (400 + 7 000 + 32 000) |  | 39 400 |
| **Operating profit/Loss** |  | **834 596** |
| Interest income (4 000 + 560) |  | 4 560 |
| **Operating profit before interest expense** |  | **839 156** |
| Interest expense (8 000 + 1000) |  | (9 000) |
| Net profit for the year |  | **830 156** |