|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Province of the  EASTERN CAPE  EDUCATION  **DIRECTORATE SENIOR CURRICULUM MANAGEMENT (SEN-FET)**  **HOME SCHOOLING SELF-STUDY**  **MARKING GUIDELINE**   |  |  |  |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | --- | --- | --- | | **SUBJECT** | ACCOUNTING | **GRADE** | 11 | **DATE** |  | | | | | **TOPIC** | Budgets: Projected Income Statement | | | | **Term** | 3 | **Week** |  | |

|  |  |
| --- | --- |
| **ACTIVITY 1** | |
|  |  |
| |  |  |  |  |  | | --- | --- | --- | --- | --- | | **Nr.** | **Amount in the Cash Budget for June 2020** | | **Amount in the Projected**  **Income Statement for June 2020** | | | **RECEIPT** | **PAYMENT** | **INCOME** | **EXPENSE** | | **Example** |  | **3 195** |  | **3 195** | | **1** | 93 300 |  |  | 3 225 | | **2** | 52 800 |  | 132 000 | 88 000 | | **3** |  | 12 690 |  | 690 | | **4** |  |  |  | 2 130 | | |
|  |  |
| Total sales: 52 800 x 100/40 = 132 000 | |
| Cost of sales: 132 000 x 100/150 = 88 000 | |
|  |  |

|  |  |
| --- | --- |
| **ACTIVITY 2** | |
|  |  |
| **2.1** | |  |  |  |  | | --- | --- | --- | --- | |  | **MARCH** | **APRIL** | **MAY** | | **Actual Sales 2019** | **R120 000** | **R144 000** | **R132 000** | | **Projected Sales 2020** | \*132 000 | \*\*158 400 | \*\*\*145 200 | |
|  | \*1,10 x 120 000 \*\*1,10 x 144 000 \*\*\*1,10 x 132 000  Always work from 100%:  If increase by 10% then it becomes 100% + 10% = 110% = 1,1  Increase by 15% = 100% + 15% = 115% = 1,15  and 5% = 100% + 5% = 105% = 1,05  If decrease by 10% = 100% - 10% = 90% = 0,9  and decrease by 6% = 100% - 6% = 94% = 0,94 |
|  |  |
|  |  |
|  |  |
|  |  |
| **2.2** | |  |  |  |  | | --- | --- | --- | --- | |  | **MARCH** | **APRIL** | **MAY** | | **Projected sales 2020** | \*306 000 | \*\*337 500 | \*\*\*371 250 | |
|  | Average sales: 4 320 000 ÷ 12 = 360 000  \*360 000 x 0,85 \*\*270 000 x 1,25 \*\*\*337 500 x 1.1 |
|  |  |
| **2.3** | |  |  |  |  | | --- | --- | --- | --- | |  | **MARCH** | **APRIL** | **MAY** | | **Projected Sales 2020** | \*84 000 | \*\*88 200 | \*\*\*92 610 | |
|  | Average sales: 960 000 ÷ 12 = 80 000  \*80 000 x 1,05 \*\*84 000 x 1,05 \*\*\*88 200 x 1,05 |
|  | |
| **ACTIVITY 3** | |
|  |  |
| **3.1** | |  |  |  |  | | --- | --- | --- | --- | |  | **MARCH** | **APRIL** | **MAY** | | **Projected sales 2020** | **R45 000** | **R60 000** | **R52 500** | | **Cost of Sales** | \*29 250 | \*\*39 000 | \*\*34 125 | | **Gross Profit** | 🞟15 750 | 🞟🞟21 000 | 🞟🞟🞟18 375 | |
|  | \*45 000 x 65/100 \*\*60 000 x 65/100 \*\*\*52 500 x 65/100  🞟45 000 x 35/100 🞟🞟60 000 x 35/100 🞟🞟🞟52 500 x 35/100 |
|  |  |
| **3.2** | |  |  |  |  | | --- | --- | --- | --- | |  | **MARCH** | **APRIL** | **MAY** | | **Projected sales 2020** | **R45 000** | **R60 000** | **R52 500** | | **Cost of Sales** | \*37 500 | \*\*50 000 | \*\*43 750 | | **Gross Profit** | 🞟7 500 | 🞟🞟10 000 | 🞟🞟🞟8 750 | |
|  | \*45 000 x 100/120 \*\*60 000 x 100/120 \*\*\*52 500 x 100/120  🞟45 000 – 37 500 🞟🞟60 000 – 50 000 🞟🞟🞟52 500 – 43 750 |
|  | |
|  | |
|  | |
| **ACTIVITY 4** | |
|  |  |
| **4.1** | |  |  |  |  | | --- | --- | --- | --- | |  | **MARCH** | **APRIL** | **MAY** | | **Rent Income 2020** | 3 240 | 3 240 | 3 240 | |
|  | 36 000 x 1,08 = 38 880  38 880 ÷ 12 = 3 240 |
|  |  |
| **4.2** | |  |  |  |  | | --- | --- | --- | --- | |  | **MARCH** | **APRIL** | **MAY** | | **Interest on fixed deposit 2020** | 500 | 500 | 500 | |
|  | 6 000 ÷ 12 = 500 |
|  |  |
| **4.3** | |  |  |  |  | | --- | --- | --- | --- | |  | **MARCH** | **APRIL** | **MAY** | | **Interest on fixed deposit 2020** | 275 | 275 | 275 | |
|  | 55 000 x 0,06 ÷ 12 = 275 |
|  |  |
| **ACTIVITY 5** | |
|  |  |
| **5.1** | |  |  |  |  | | --- | --- | --- | --- | |  | **MARCH** | **APRIL** | **MAY** | | **Projected Sales** | **R420 000** | **R480 000** | **R504 000** | | **Advertising 2020** | \*16 800 | \*\*19 200 | \*\*\*20 160 | |
|  | \*420 000 x 0,04 \*\*480 000 x 0,04 \*\*\*504 000 x 0,04 |
|  |  |
| **5.2** | |  |  |  |  | | --- | --- | --- | --- | |  | **MARCH** | **APRIL** | **MAY** | | **Repairs 2019 = R60 000** | **R4 000** | **R6 000** | **R4 400** | | **Repairs 2020 =** 66 000  (60 000 x 1,1) | 5 500 | 5 500 | 5 500 | |
|  | 66 000 ÷ 12 = 5 500 |
| **5.3** | |  |  |  |  | | --- | --- | --- | --- | |  | **MARCH** | **APRIL** | **MAY** | | **Salaries 2019** | **R45 000** | **R45 000** | **R51 750** | | **Salaries 2020** | \*51 750 | \*51 750 | \*\*55 890 | |
|  | \*The same as May 2019 \*\*51 750 x 1.08 |
|  |  |
| **5.4** | |  |  |  |  | | --- | --- | --- | --- | |  | **MARCH** | **APRIL** | **MAY** | | **Depreciation 2020** | 2 800 | 2 800 | 2 800 | |
|  | 33 600 ÷ 12 = 2 800 |
|  |  |
| **5.5** | |  |  |  |  | | --- | --- | --- | --- | |  | **MARCH** | **APRIL** | **MAY** | | **Bad Debts 2020** | \*2 750 | 750 | 750 | |
|  |  |
|  | \*11 000 x 0,25 \*\*(11 000 – 2 750) ÷ 11 |
|  |  |
|  |  |
|  |  |
|  |  |
|  |  |

|  |  |
| --- | --- |
| **ACTIVITY 6** | |
|  |  |
| **ENVER TRADERS** | |
| **PROJECTED INCOME STATEMENT FOR THE TWO MONTHS ENDING**  **29 FEBRUARY 2020** | |
| |  |  |  | | --- | --- | --- | |  | **JANUARY** | **FEBRUARY** | | Sales (1) | 72 000 | 82 800 | | Cost of Sales (Sales x 55%) | (39 600) | (45 540) | | **Gross Profit** (Sales x 45%) | 32 400 | 37 260 | | **Other Operating Income** | 4 000 | 4 600 | | Rent Income (2) | 4 000 | 4 600 | | **Gross Operating Income** | 36 400 | 41 860 | | **Operating Expenses** | (26 405) | (28 085) | | Advertisements 14 400 x 1,15 ÷ 12 | 1 380 | 1 380 | | Water and Electricity 18 000 x 1,15 ÷ 12 | 1 725 | 1 725 | | Repairs 6 000 x 1,1 ÷ 12 | 550 | 550 | | Wages and Salaries (3) | 19 500 | 21 060 | | Bad Debts 3 600 ÷ 12 | 300 | 300 | | Insurance 9 360 ÷ 12 = 780 + 120 | 780 | 900 | | Depreciation 26 040 ÷ 12 | 2 170 | 2 170 | | **Operating Profit** | 9 995 | 13775 | | Interest Income 7 080 ÷ 12 | 590 | - | | **Profit before interest expense** | 10 585 | 13 775 | | Interest Expense (4) | (1 180) | (1 180) | | **Net profit for the year** | 9 405 | 12 595 | | |
| |  |  |  |  | | --- | --- | --- | --- | | 1 | 960 000 ÷ 12 = 80 000  80 000 x 0,9 = 72 000  72 000 x 1,15 = 82 800 | 2 | 48 000 ÷ 12 = 4 000  4 000 x 1,15 = 4 600 | | 3 | 234 000 ÷ 12 = 19 100  19 500 x 1,08 = 21 060 | 4 | 15 360 ÷ 0,12 = 128 000  128 000 – 10 000 = 118 000  118 000 x 0,12 = 14 160  14 160 ÷ 12 = 1 180 | | |
|  | |