KWAZULU-NATAL PROVINCE

EDUCATION
REPUBLIC OF SOUTH AFRICA

PROVINCIAL STANDARDISED ASSESSMENT

GRADE 11

ACCOUNTING

SEPTEMBER 2026

MARKS: 100

TIME : 1 ½ Hours

N.B: This question paper consists of 7 pages and special answer booklet of 6 pages and the formula sheet.

INSTRUCTIONS AND INFORMATION

1. You are provided with a question paper and an ANSWER BOOK.

2. This question paper comprises **TWO** compulsory questions.
   Answer **ALL** the questions.

3. Use the format provided in the answer book in order to reflect your answers.
   DO NOT WRITE ON SHADED AREAS OF THE ANSWERBOOK.

4. Where applicable, workings must be shown in order to achieve part-marks.

5. You must attempt to comply with the suggested time allocation guide.

6. Non-programmable calculators may be used.

7. You may use dark pencil or blue/black ink to answer the questions.

QUESTION	TOPICS	MARKS	MINUTES
1	Cost Accounting	55	50
2	Budgeting	45	40
TOTAL		**100**	**90**

QUESTION 1: COST ACCOUNTING **(55 marks; 30 minutes)**

1.1 Choose the correct word(s) from those given in brackets. Write only the word(s) next to the question number (1.1.1–1.1.3) in the ANSWER BOOK.

1.1.1 The wages of factory cleaners are classified as (direct labour/ factory overhead) cost.

1.1.2 Packing materials used are regarded as a/an (selling and distribution/ administration) cost.

1.1.3 Break-even point refers to the (minimum/maximum) number of units that must be produced and sold to cover all costs. (3)

1.2 **MAHARAJ MANUFACTURERS**

The information relates to Maharaj Manufacturers, a business that manufactures one type of leader hats. The financial year ended on 31 August 2026.

REQUIRED:

1.2.1 Refer to information C; to calculate the total amount of Direct Labour Cost on 31 August 2026. (9)

1.2.2 Calculate the amount of Factory Overhead Cost on 31 August 2026. (21)

1.2.3 Prepare the Work in Process Stock Account. Balance the account on 31 August 2026 downloaded from Stanmorephysics. (14)

INFORMATION:

A. Extract from stock records on 31 August 2026:

	2026	**2025**
Work-in-process	R385 000	**R?**
Indirect factory materials	R35 000	R22 000

B. Transactions/Information for year ended 31 August 2026:

	R
Raw materials issued for production	4 000 000
Indirect materials purchased	265 000
Salaries and wages	?
Rent expense	523 800
Insurance	123 000
Telephone allocated to the administration section	57 600
Sundry factory expenses	364 800

C. The factory employed the production workers as follows:

No. of workers	Number of hours (per year)	Rate per hour
08	2 000 (each worker)	R150
	550 (Total overtime hours worked)	1,6 times normal rate

D. The factory foreman earns a monthly salary of R45 000 and will receives an annual bonus that is 80% of his monthly salary.

E. Rent expense must be distributed according to floor space used. The factory occupies 2 400 m^2. Other two departments occupy 600 m^2.

F. The insurance premium has been paid up to 30 November 2026. Insurance is shared between factory, selling and distribution and the administration sections in the ratio 4**:** 4**:** 2.

G. 20% of the telephone expense must be allocated to the factory. The selling and distribution is allocated 40% and the remainder to administration sections. downloaded from Stanmorephysics

H. 60 000 hats were produced during the financial year at a cost of R140 per hat.

1.3 **ZAMAZAMA MANUFACTURERS**

You are provided with information relating to Zamazama Manufacturers, the business that produces school desks. The financial year ended on 30 June 2026.

REQUIRED:

1.3.1 Calculate the Break-even point on 30 June 2026 (4)

1.3.2 Comment on the break-even point and the level of production on 30 June 2026. Explain Two Points with figures. (4)

INFORMATION:

	SCHOOL DESKS	
	2026	**2025**
A. Fixed costs	R1 030 000	
B. Variable costs per unit		
Direct materials	R232	R150
Direct labour	R113	R102
Selling and distribution	R105	
Total	R450	
C. Additional information		
Selling price per unit	R650	
Selling price of competitor (per unit)	R550	
D. Units produced and sold	16 000	12 500
E. Break-even point	?	13 465

55

QUESTION 2: BUDGETING **(45 marks; 40 minutes)**

You are provided with information relating to Ehlathini Lyfestyle. The business is owned by P. Shenge

REQUIRED:

2.1 **Refer to Information F.**

Identify THREE items incorrectly entered in the Cash Budget. (3)

2.2 Complete the Creditors' Payment Schedule for the budgeting period ending on 30 September 2026. (14)

2.3 Identify/Calculate the missing figures **(i)** to **(vii)** in the Cash Budget. (24)

2.4 Calculate the % increase budgeted on rent income on 1 September 2026. (4)

INFORMATION:

A. Sales, purchases of stock and cost of sales:

- Total sales:

Actual	June	R288 000
	July	R324 000
Budgeted	August	R360 000
	September	R432 000

- 40% of sales are cash, the rest is on credit.
- The mark-up is 50% on cost.
- Stock is replaced on a monthly basis.
- 20% of purchases are cash; the rest is on credit.

B. Creditors' payment:

It is expected that creditors will be paid as follows:

- 75% are paid in the month of purchases to receive a 5% discount.
- 15% are paid in the month after purchases.
- 10% are paid in the second month after purchases.

C. Delivery expenses:

P. Shenge pays Suppy Transporters to deliver goods to customers free of charge. He budgets a fixed percentage of monthly sales for this expense.

D. Salaries and wages:

Employees receive an increase of 7,5% from 1 September 2026.

E. Loan:

Part of the loan will be repaid on 1 September 2026. Interest of 15% p.a. is paid monthly and is not capitalised.

F. Extract from Cash Budget for August and September 2026:

RECEIPTS	**AUGUST R**	**SEPTEMBER R**
Cash sales	144 000	**(i)**
Collections from debtors	187 920	214 920
Discount received	3 600	4 550
Rent income	18 000	18 720
PAYMENTS		
Cash purchase of stock	**(ii)**	
Payments to creditors		
Delivery expenses of goods to customers	21 600	**(iii)**
Salaries and wages	**(iv)**	92 880
Office furniture bought on credit	96 000	0
Training of staff	10 000	10 000
Advertising	6 000	7 200
Depreciation	30 000	30 000
Loan repayment		**(v)**
Interest on loan	5 040	3 600
Sundry expenses	7 920	8 160
Cash drawings by owner		

G. After finalising the budget, the following was identified:

	AUGUST	**SEPTEMBER**
Cash deficit for the month	(70 020)	**(vii)**
Cash at beginning of month		106 500
Cash at end of month	**(vi)**	(26 280)

45

TOTAL MARKS: 100

GRADE 11 ACCOUNTING FINANCIAL INDICATOR FORMULA SHEET	
$\frac{\text{Gross profit}}{\text{Sales}} \times \frac{100}{1}$	$\frac{\text{Gross profit}}{\text{Cost of sales}} \times \frac{100}{1}$
$\frac{\text{Net profit}}{\text{Sales}} \times \frac{100}{1}$	$\frac{\text{Operating expenses}}{\text{Sales}} \times \frac{100}{1}$
$\frac{\text{Operating profit}}{\text{Sales}} \times \frac{100}{1}$	
Total assets **:** Total liabilities	Current assets **:** Current liabilities
(Current assets – Inventories) **:** Current liabilities	Non-current liabilities **:** Partners' equity
(Trade & other receivables + Cash & cash equivalents) **:** Current liabilities	
$\frac{\text{Average trading stock}}{\text{Cost of sales}} \times \frac{365}{1}$	$\frac{\text{Cost of sales}}{\text{Average trading stock}}$
$\frac{\text{Average debtors}}{\text{Credit sales}} \times \frac{365}{1}$	$\frac{\text{Average creditors}}{\text{Cost of sales}} \times \frac{365}{1}$
$\frac{\text{Net profit}}{\text{Average partners' equity}} \times \frac{100}{1}$	$\frac{\text{Amount earned by partner}}{\text{Average of partner's equity}} \times \frac{100}{1}$
$\frac{\text{Total fixed costs}}{\text{Selling price per unit} - \text{Variable costs per unit}}$	

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GRADE 11

ACCOUNTING

SPECIAL ANSWER BOOK

SEPTEMBER 2026

MARKS: 150

TIME : 1 ½ Hours

Name: ____ **Grade:** ____________

Question	Marks	Learners Mark	School Mod	Cluster Mod	District Mod
1	**55**				
2	**45**				
TOTAL	**100**				

N.B. This special answer booklet consists of 6 pages.

QUESTION 1

1.1 CONCEPTS

1.1.1	
1.1.2	
1.1.3	

3

1.2 MAHARAJ MANUFACTURERS

1.2.1

Refer to information C; to calculate the total amount of Direct Labour Cost on 31 August 2026.		
Basic Wages	**Workings**	**Answer**
Overtime	**Workings**	**Answer**
Total		

9

1.2.2

Calculate the amount of Factory Overhead Cost on 31 August 2026.	
Indirect factory materials	
Salary: Foreman	
Rent expense	
Insurance	
Telephone	
Sundry factory expenses	
TOTAL	

21

1.2.3 **Prepare the Work in Process Stock Account. Balance the account on 31 August 2026.**

Work in Process Stock

Balance b/d			
Balance b/d			

14

1.3 ZAMAZAMA MANUFACTURERS

1.3.1 **Calculate the Break- even point on 30 June 2026**

Workings	Answer

4

1.3.2 **Comment on the break -even point and the level of production on 30 June 2026. Explain Two Points with figures.**

4

TOTAL MARKS
55

QUESTION 2

2.1 **Identify THREE items incorrectly entered in the Cash Budget.**

	3

2.2 **CREDITORS' PAYMENT SCHEDULE**

MONTH	CREDIT PURCHASES	AUGUST	SEPTEMBER
June	R153 600		
July	R172 800		
August	R192 000		
September			
PAYMENTS TO CREDITORS			

	14

2.3

	WORKINGS	AMOUNT
(i)	**Cash sales**	
(ii)	**Cash purchases of stock**	
(iii)	**Delivery expenses**	
(iv)	**Salaries and wages**	
(v)	**Repayment of loan**	
(vi)	**Cash at end of month**	
(vii)	**Cash deficit for the month**	

24

2.4

Calculate the % increase budgeted on rent income on 1 September 2026	
Workings	**Answer**

4

TOTAL MARKS
45

TOTAL MARKS: 100

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GRADE 11

ACCOUNTING

MARKING GUIDELINES

SEPTEMBER 2026

Marks: 100

TIME: 1 ½ Hours

MARKING PRINCIPLES:

1. Unless otherwise stated in the marking guidelines, penalties for foreign items are applied only if the candidate is not losing marks elsewhere in the question for that item (no penalty for misplaced item). No double penalty applied.
2. Penalties for placement or poor presentation (e.g. details) are applied only if the candidate is earning marks on the figures for that item.
3. Unless otherwise stated, give full marks for correct answer. If answer is incorrect, mark workings.
4. If a pre-adjustment figure is shown as a final figure, allocate the part-mark as a working mark for that figure (not the method mark for the answer). NOTE: If figures are stipulated in marking guidelines for components of workings, these do not carry the method mark for final answer as well.
5. Unless otherwise indicated, the positive or negative effect of any figure must be considered to award the mark. If no + or – sign or bracket is provided, assume that the figure is positive.
6. Where indicated, part-marks may be awarded to differentiate between differing qualities of answers from candidates.
7. If candidates provide more than the required number of responses, inspect all responses to give benefit to the candidate. Penalties may be applied for foreign entries if candidates earn full marks on a question.
8. This marking guidelines is not for public distribution; as certain items might imply incorrect treatment. The adjustments made are due to nuances in certain questions.
9. Where penalties are applied, the marks for that section of the question cannot be a final negative.
10. Where method marks are awarded for operation, marker must inspect the reasonableness of the answer.
11. Operation means 'check operation'. 'One part correct' means operation and one part correct.
    Note: check operation must be +, -, x, ÷, as per candidate's calculation (if valid) or per marking guideline.
12. In calculations, do not award marks for workings if numerator and denominator are swapped – this also applies to financial indicators.
13. In awarding method marks, ensure that candidates do not get full marks for any item that is incorrect at least in part. Indicate by with a ☒
14. Be aware of candidates who provide valid alternatives beyond the marking guideline. Note that one comment could contain different aspects.
15. Codes: f = foreign item; p = placement/presentation.

These marking guidelines consist of 6 pages.

QUESTION 1

1.1 CONCEPTS

1.1.1	Factory overhead	✓
1.1.2	Selling and distribution	✓
1.1.3	minimum	✓

3

1.2 MAHARAJ MANUFACTURERS

1.2.1 **Refer to information C; to calculate the total amount of Direct Labour Cost on 31 August 2026.**

Basic Wages	Workings	Answer
	8✓ x 2 000✓ x R150✓ 16 000 two marks	2 400 000☑ One part correct
Overtime	**Workings**	**Answer**
	[R150 x 1,6] 550✓ x R240✓ ✓	132 000☑ One part correct
Total		2 532 000☑ Basic+overtime

9

1.2.2 **Calculate the amount of Factory Overhead Cost on 31 August 2026.**

Indirect factory materials (22 000✓ + 265 000✓ – 35 000✓)	252 000	☑*
[45 000 x 12] [45 000 x 0,8] Salary: Foreman (540 000✓✓ + 36 000✓✓)	576 000	☑*
Rent expense (523 800✓ x [2 400/3 000] ✓)	419 040	☑*
(123 000 one m – 24 600 one m) one m one m one m Insurance (98 400✓ ✓x 4/10 ✓)**OR**(123 000x12/15x4/10)	39 360	☑*
Telephone (57 600✓ x 20/40✓)	28 800	☑*
Sundry factory expenses	364 800	✓
	1 680 000	☑*

*One part correct

21

1.2.3 **Prepare the Work in Process Stock Account. Balance the account on 31 August 2026.**

Work in Process Stock

Accept recognizable abbreviations

Balance b/d	573 000☑ operation	Finished Goods Stock✓ (60 000✓ x R140✓)	8 400 000✓
Direct Materials Cost✓	4 000 000✓	Balance c/d	385 000✓
Direct Labour Cost✓	2 532 000☑ See 1.2.1		
Factory overhead Cost✓	1 680 000☑ See 1.2.2		
	8 785 000	☑Both totals the same	8 785 000
Balance b/d	385 000☑ see C/D		

14

1.3 ZAMAZAMA MANUFACTURERS

1.3.1 **Calculate the Break- even point on 30 June 2026**

Workings	Answer
$\frac{1\,030\,000 ✓}{650 ✓ – 450 ✓}$ 200 two marks	5 150☑ One part correct

4

1.3.2 **Comment on the break -even point and the level of production on 30 June 2026. Explain Two Points with figures.**

Explanation ✓ ✓ Figure/s ✓ ✓

- Units produced and sold 16 000 above BEP of 5 150 (exceeded BEP by 10 850 units/ making profit on 10 850 units
- Units produced and sold increased by 3 500 units (from 12 500 to 16 000)/ by 28%

Response for 4 marks:
In 2025 the business made a loss on 965 units while in 2026 the business made a profit on 10 850 units.

4

TOTAL MARKS

55

QUESTION 2

2.1 **Identify THREE items incorrectly entered in the Cash Budget.**

Any THREE items (limited to items to this cash budget ONLY) ✓ ✓ ✓

Possible responses:
- Office furniture bought on credit
- Depreciation
- Discount received

3

2.2 **CREDITORS' PAYMENT SCHEDULE**

MONTH	CREDIT PURCHASES	AUGUST	SEPTEMBER
June	**R153 600**	R15 360✓✓	
July	**R172 800**	R25 920✓✓	R17 280 ✓✓
August	**R192 000**	R136 800✓✓	R28 800 ✓✓
September	R230 400✓✓		R164 160 ☑☑ Sept x 0.75x0.95
PAYMENTS TO CREDITORS			

14

2.3

	WORKINGS	AMOUNT
(i)	**Cash sales** R432 000✓ x 40%✓	R172 800☑ one part correct
(ii)	**Cash purchases of stock** R240 000 two marks R360 000✓ x 100/150✓ x 20%✓	R48 000 ☑ one part correct
(iii)	**Delivery expenses** 6% two marks R21 600 ✓/ R360 000 ✓ x R432 000 ✓	25 920 ☑ one part correct
(iv)	**Salaries and wages** 92 880 ✓ x 100 ✓/107,5 ✓	86 400 ☑ one part correct
(v)	**Repayment of loan** two marks one mark 403 200 – 288 000 OR 1 440 ✓ x 100/15 ✓ x 12 ✓ OR two marks one mark 17 280 x 100/15	115 200 ☑ one part correct
(vi)	**Cash at end of month**	106 500 ✓✓
(vii)	**Cash deficit for the month** 106 500✓ + 26 280✓	(132 780) ✓ Must be – / brackets

24

2.4

Calculate the % increase budgeted on rent income on 1 September 2026	
Workings	**Answer**
720 two marks $\frac{(18\,720 \checkmark - 18\,000) \checkmark}{18\,000 \checkmark} \times 100$	4%☑ one part correct must be x 100

4

TOTAL MARKS
45

TOTAL MARKS: 100