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KWAZULU-NATAL PROVINCE

EDUCATION
REPUBLIC OF SOUTH AFRICA

PROVINCIAL STANDARDISED ASSESSMENT

GRADE 10

ACCOUNTING

SEPTEMBER 2026

Stanmorephysics.com

MARKS: 100

TIME : 1.5 hours

N.B. This paper consists of 9 pages and an answer booklet of 6 pages.

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INSTRUCTIONS AND INFORMATION

Read the following instructions and be sure to follow them carefully:

1. Answer ALL questions
2. A special ANSWER BOOK is provided on which to answer ALL questions.
3. Show ALL workings to earn part marks.
4. You may use a non-programmable calculator.
5. You may use dark pencil or blue/black ink to answer the questions.
6. Where applicable, show ALL calculations to ONE decimal point.
7. Write neatly and legibly.
8. Use the information in the table below as a guide when answering the questions paper. Try NOT to deviate from it.



QUESTION	TOPIC	MARKS	MINUTES
1	Statement of Comprehensive Income and Notes	51	46
2	Statement of Financial Position and Analysis of financial indicators	31	28
3	Fixed / Tangible Assets	18	16
TOTAL		**100**	**90**

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QUESTION 1 (51 MARKS; 46 MINUTES)

STATEMENT OF COMPREHENSIVE INCOME AND NOTES

The information below was extracted from the accounting records of Harry's Hardware Store, on 28 February 2026, the end of the current financial year. This business applies a **mark-up of 40%** on all items sold. downloaded from Stanmorephysics.com

REQUIRED:

1.1 Prepare the Statement of Comprehensive Income for the year ended 28 February 2026. (38)

1.2 Prepare the following notes to the Statement of Financial Position:

1.2.1 Trade and other Receivables (7)

1.2.2 Trade and other Payables (6)

INFORMATION:

A. Pre-adjustment Trial Balance on 28 February 2026:

Balance Sheet Accounts Section	
Mortgage Loan	64 120
Accumulated Depreciation on Equipment	86 200
Debtors Control	98 750
Trading Stock	209 500
Creditors Control	28 320
Pension Fund	3 600
Nominal Accounts Section	
Sales	1 800 000
Debtors Allowances	35 600
Cost of Sales	1 280 000
Rent Income	33 250
Insurance	11 000
Consumable Stores	6 700
Advertising	18 400
Interest on Loan	?
Salaries and Wages	258 250
Sundry Expenses	3 300
Water and Electricity	30 400
Interest on Investments	13 180
Bad Debts	4 600

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B. ADJUSTMENTS AND ADDITIONAL INFORMATION FOR THE YEAR ENDED 28 FEBRUARY 2026:

I. A debtor with an outstanding balance of R980 cannot be traced. The amount owed by him must be written off.

II. Depreciation for the financial year ended 28 February 2026, was calculated as follows:
- On equipment – R1 880
- On vehicles – R4 520

III. The water and electricity account of R3 120 still needs to be paid for February 2026.

IV. Rent of R2 750 has been received in advance for March 2026.

V. R1 500 was received from a debtor whose account had been written off in July 2025.

VI. No entry was made for a debtor that returned an unopened can of paint, with a selling price of R819.

VII. The sundry expenses account has been incorrectly debited with an amount of R250. This was for the delivery of building materials to a debtor. The debtor needs to be charged for this cost.

VIII. Included in the advertising amount is a 6-month contract of R7 800 paid to the local newspaper on 1 December 2025.

IX. Harry's Hardware Stores' pension fund contribution of R7 200, for February 2026, was left out from the financial records. The total amount owed to the pension fund will be paid in March 2026. Contributions are debited to the Salaries and Wages account.

X. Trading Stock worth R18 000 was damaged during February 2026 due to a fire in the storeroom. Harry's Hardware Store will receive R14 500 from the insurer in March 2026. downloaded from Stanmorephysics.com

XI. After a physical count on 28 February 2026, the following was identified:
- Consumable Stores of R780 were **unused** at the end of the financial year.
- Trading Stock on hand was R7 650 more than expected.

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XII. The Mortgage Loan statement reflects the following:

Balance on 1 March 2025	76 500
Repayments made and recorded during the year, including interest	18 500
Balance on 28 February 2026	64 120

- Interest on loan of R? still needs to be recorded. Interest is capitalised.
- Harry's Hardware Store plans decrease the capital portion of their mortgage loan by R30 000 during the financial year ended 28 February 2027.

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QUESTION 2 (31 MARKS; 28 MINUTES)

STATEMENT OF FINANCIAL POSITION AND ANALYSIS

Hlengiwe's Homemade Goods is a small business that sells food items such as cake, bread, pickled onions etc. The financial year ends annually on 28 February.

On 1 March 2025, the beginning of the current financial year, Hlengiwe had **R105 560** as capital.

REQUIRED:

- **Round all answers to ONE decimal place.**
- **Ensure that you quote figures and trends in your comments.**

2.1 **REFER TO INFORMATION B**
Complete the missing amounts / details labelled **A to D**. (4)

2.2 Calculate the following financial indicators for the year ended 28 February 2026:
2.2.1 Mark-up percentage achieved (4)
2.2.2 Current Ratio (3)
2.2.3 Acid Test Ratio (4)
2.2.4 Solvency Ratio (4)
2.2.5 Return on Average Owners' Equity (5)

2.3 Comment on the liquidity position of Hlengiwe's Homemade goods for the year ending 28 February 2026. (4)

2.4 Should Hlengiwe be satisfied with the percentage returned earned on her investment in this business? Provide a reason for your answer. (3)

INFORMATION:

A Extract from the Statement of Comprehensive Income for the year ended 28 February 2026.

	R
Sales	595 000
Cost of Sales	370 000
Net Profit	51 300

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B Hlengiwe's Homemade Goods

Statement of Financial Position as at 28 February 2026

ASSETS	
(A)	185 060
Tangible Assets	169 460
Fixed Deposit (7% p.a.)	15 600
Current assets	97 960
Inventories	39 800
Trade and other Receivables	**(B)**
(C)	32 410
Total assets	283 020
EQUITY AND LIABILITIES	
Owner's equity	**(D)**
Non-current Liabilities	138 900
Mortgage loan: ABSA	138 900
Current liabilities	45 600
Trade and other Payables	45 600
Total equity and liabilities	?

C Results of financial indicators from the financial year ended 28 February 2025:

Gross Profit on Cost of Sales	62.8%
Current Ratio	2,4 : 1
Acid Test Ratio	1.2 : 1
Return on Average Owners' Equity	37.1%
Solvency Ratio	1.5 : 1

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QUESTION 3

FIXED / TANGIBLE ASSETS (18 MARKS, 16 MINUTES)

REQUIRED:

3.1 **REFER TO INFORMATION B.** (5)
Calculate the amount by which equipment must be depreciated on 28 February 2026, the end of the current financial year.

3.2 Complete the Tangible / Fixed assets note to the Statement of Financial Position for financial year ended 28 February 2026. Some amounts have already been inserted. (13)

INFORMATION:

A Land and Buildings

- Construction of an additional store room, at a cost of R260 000, was completed on 28 April 2025.
- Land and buildings had a cost price of R890 000 on 28 February 2026.

B Equipment

- On 1 March 2025, the cost price of equipment was R236 000 and the accumulated depreciation on equipment was R95 000.
- Additional equipment valued at R12 000 was purchased for cash on 31 October 2025 downloaded from Stanmorephysics.com
- Equipment is to be depreciated at 15% per annum according to the diminishing balance method.

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TOTAL MARKS **100**

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FORMULAE SHEET: GRADE 10

$\frac{\text{Gross profit}}{\text{Sales}} \times \frac{100}{1}$	$\frac{\text{Gross profit}}{\text{Cost of sales}} \times \frac{100}{1}$	$\frac{\text{Net profit}}{\text{Sales}} \times \frac{100}{1}$
$\frac{\text{Operating expenses}}{\text{Sales}} \times \frac{100}{1}$		$\frac{\text{Operating profit}}{\text{Sales}} \times \frac{100}{1}$
Current Assets : Current Liabilities		(Current assets – Inventory) : Current Liabilities
$\frac{\text{Net Profit}}{\text{Owners' Equity}} \times \frac{100}{1}$		Total Assets : Total Liabilities



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KWAZULU-NATAL PROVINCE

EDUCATION
REPUBLIC OF SOUTH AFRICA

PROVINCIAL STANDARDISED ASSESSMENT

GRADE 10

ACCOUNTING

ANSWER BOOK

SEPTEMBER 2026

Stanmorephysics.com

MARKS : 100

TIME : 1.5 hours

Name: _____ **Grade:** _____

Question	Topic	Learners Mark	Moderators Mark
1	Statement of Comprehensive Income and Notes		
2	Statement of Financial Position and Analysis		
3	Fixed / Tangible Assets		

N.B. This answer book consists of 6 pages.

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QUESTION 1 (51 MARKS; 46 MINUTES)

STATEMENT OF COMPREHENSIVE INCOME AND NOTES

1.1 Statement of Comprehensive Income for the year ended 28 February 2026.

Sales		
Cost of sales		
Gross profit		
Other operating income		
Rent Income (**33 250**		
Gross operating income		
Operating expenses		
Insurance		**11 000**
Consumable Stores (**6 700**		
Advertising (**18 400**		
Salaries and Wages (**258 250**		
Sundry Expenses (**3 300**		
Water and Electricity (**30 400**		
Bad Debts (**4 600**		
Operating profit		
Interest income		**13 180**
Net profit before interest expense		
Interest expense		
Net profit for the year		

38

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1.2 Complete the following notes to the Statement of Financial Position:

1.2.1 Trade and other Receivables

Debtors Control (**98 750**		
		7

1.2.2 Trade and other Payables

Creditors Control	**28 320**	
Pension Fund (**3 600**		
		6

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QUESTION 2 (31 MARKS; 27 MINUTES)

STATEMENT OF FINANCIAL POSITION AND ANALYSIS

2.1 Complete the missing amounts / details labelled **A to D**.

A	
B	
C	
D	

4

2.2 Calculate the following financial indicators for the year ended 28 February 2026:

2.2.1 Mark-up percentage achieved

4

2.2.2 Current Ratio

3

2.2.3 Acid Test Ratio

4

2.2.4 Solvency Ratio

4

2.2.5 Return on Average Owners' Equity

5

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2.3 Comment on the liquidity position of Hlengiwe's Homemade goods for the year ending 28 February 2026.

4

2.4 Should Hlengiwe be satisfied with the percentage returned earned on her investment in this business? Provide a reason for your answer

3

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QUESTION 3

FIXED / TANGIBLE ASSETS (18 MARKS, 16 MINUTES)

3.1 Calculate the amount by which equipment must be depreciated on 28 February 2026, the end of the current financial year.

Calculations	Final Amount

5

3.2 Tangible / Fixed assets note to the Statement of Financial Position for financial year ended 28 February 2026.

	Land & Buildings	Equipment
Carrying Value - beginning of year		
Cost at the beginning of the year		236 000
Accumulated Depreciation		(95 000)
Movements		
Additions at Cost		
Disposals at Carrying Value		
Depreciation		
Carrying Value at end of year	890 000	
Cost at the end of the year	890 000	
Accumulated Depreciation	0	

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TOTAL MARKS 100

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KWAZULU-NATAL PROVINCE
EDUCATION
REPUBLIC OF SOUTH AFRICA

FINAL

NATIONAL SENIOR CERTIFICATE

GRADE 10

ACCOUNTING

PROVINCIAL STANDARDISED ASSESSMENT

MARKING GUIDELINE

SEPTEMBER 2026

MARKS : 100

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MARKING PRINCIPLES:

1. Penalties for foreign items are applied only if the candidate is not losing marks elsewhere in the question for that 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. Full marks for correct answer. If answer incorrect, mark the workings provided.
4. If a pre-adjustment figure is shown as the final figure, award one mark. Not the method mark for the answer. Note: if figures are stipulated in memo for components of workings, these do not carry the method for final answer.
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. Where penalties are applied, the marks for that section of the question cannot be a final negative.
8. Where method marks are awarded for operation, the marker must inspect the reasonableness of the answer before awarding the mark.
9. Operation' means 'Check operation'. 'One part correct' means 'Operation & one part correct'. Note: check operation must be +,-,x,÷, or per candidates operation.
10. In awarding method marks, ensure that candidates do not get full marks for any item that is incorrect, indicate with a ☒. Note: do not award marks for workings if numerator and denominator are swapped-this also applies to ratios.
11. Be aware of candidates who provide valid alternatives beyond the marking guideline.
12. Codes: f=foreign item; p=placement.

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QUESTION 1 (51 MARKS; 46 MINUTES)

STATEMENT OF COMPREHENSIVE INCOME AND NOTES

1.1 Statement of Comprehensive Income for the year ended 28 February 2026. (38)

Sales (1 800 000✓ – 35 600✓ – 819✓)		1 763 581✓
Cost of sales (1 280 000✓ – 585✓)		(1 279 415)☑
Gross profit	Operation	484 166☑
Other operating income	Operation	39 650☑
Rent Income **(33 250** – 2 750✓)		30 500✓
Bad Debts Recovered		1 500✓
Trading Stock Surplus		7 650✓
Gross operating income	Operation	523 816☑
Operating expenses	Operation	(348 920)☑
Insurance		**11 000**
Consumable Stores (**6 700** - 780✓)		5 920✓
Advertising (**18 400** – 3 900✓✓)		14 500☑
Salaries and Wages (**258 250** + 7 200✓)		265 450✓
Sundry Expenses (**3 300** - 250✓)		3 050✓
Water and Electricity (**30 400** + 3 120✓)		33 520✓
Bad Debts (**4 600** + 980✓)		5 580✓
Depreciation (1 880✓ + 4 520✓)		6 400✓
Loss due to fire (18 000 – 14 500)		3 500✓✓
Operating profit		174 896☑
Interest income		**13 180**
Net profit before interest expense	Operation	188 076☑
Interest expense (76 500 – 18 500 – 64 120)		(6 120)✓✓
Net profit for the year	Operation	181 956☑

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1.2 Complete the following notes to the Statement of Financial Position:

1.2.1 Trade and other Receivables (7)

Debtors Control (**98 750** - 980✓ – 819✓ + 250✓)	97 201☑ One part corrects
Prepaid Expenses see Advertising	3 900☑
Accrued Income downloaded from Stanmorephysics.com	14 500✓
	115 601☑

1.2.2 Trade and other Payables (6)

Creditors Control	**28 320**
Pension Fund (**3 600** + 7 200✓)	10 800✓
Accrued Expenses	3 120✓
Deferred Income	2 750✓
Current Portion of Loan	30 000✓
	74 990☑

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QUESTION 2 (31 MARKS; 28 MINUTES)

STATEMENT OF FINANCIAL POSITION AND ANALYSIS

2.1 Complete the missing amounts / details labelled **A to D**. (4)

A	Non-current assets✓
B	R25 750✓ (97 960-39 800 -32 410)
C	Cash and Cash Equivalents✓
D	R98 520✓ (283 020 -45 600 – 138 900)

2.2 Calculate the following financial indicators for the year ended 28 February 2026:

2.2.1 Mark-up percentage achieved (4)

595 000✓ – 370 000✓

370 000 ✓ X 100

225 000

370 000 X 100

= 60.8% ☑ One part correct

2.2.2 Current Ratio (3)

97 960✓ : 45 600✓

2.1 : 1☑ One part correct

2.2.3 Acid Test Ratio (4)

97 960✓ – 39 800✓ : 45 600✓ OR 25 750 + 32 410: 45 600

58 160 : 45 600

1.3 : 1☑ One part correct

2.2.4 Solvency Ratio (4)

283 020✓ : 138 900✓ + 45 600✓ or 283 020: 283 020 – 98 520

283 020 : 184 500

1.5 : 1☑ One part correct

2.2.5 Return on Average Owners' Equity (5)

51 300✓ .

½✓ (105 560✓ + 98 520☑) X 100

See 2.1 D

51 300 .

102 040 X 100

= 50.3%☑ One part correct

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2.3 Comment on the liquidity position of Hlengiwe's Homemade goods for the year ending 28 February 2026. (4)

✓ ✓ ratio; ☑ ☑ trends; refer to 2.2.2 and 2.2.3

- Current ratio decreased from 2.4 : 1 in 2025 to 2.1 : 1 in 2026
- Acid test ratio improved from 1.2 : 1 in 2026 to 1.3 : 1 in 2025

2.4 Should Hlengiwe be satisfied with the percentage returned earned on her investment in this business? Provide a reason for your answer. (3)

Yes / No ✓ refer to 2.2.5

✓✓ compare return to 2025
OR compare return to 7% interest on fixed deposit.

- The return on average owners' equity improved from 37.1% in 2025 to 50.3% in 2026. downloaded from Stanmorephysics.com
- The return of 50.3% is higher than the interest on the fixed deposit of 7%

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QUESTION 3

FIXED / TANGIBLE ASSETS (18 MARKS, 16 MINUTES)

3.1 Calculate the amount by which equipment must be depreciated on 28 February 2026, the end of the current financial year. (5)

Calculations	Final Amount
141 000 X 15% X 12/12 = 21 150✓✓ 12 000 X 15% X 4/12 = 600✓☑ one part correct	21 750☑ One part correct

3.2 Tangible / Fixed assets note to the Statement of Financial Position for financial year ended 28 February 2026. (13)

	Land & Buildings	Equipment
Carrying Value - beginning of year	630 000☑	141 000✓
Cost at the beginning of the year	630 000✓✓	**236 000**
Accumulated Depreciation	0	**(95 000)**
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Movements	260 000✓	(9 750) ☑
Additions at Cost	260 000✓	12 000✓
Disposals at Carrying Value	0	0
Depreciation	0	(21 750) ☑ See 3.1
Carrying Value at end of year	890 000✓	131 250☑
Cost at the end of the year	**890 000**	248 000✓
Accumulated Depreciation	**0**	(116 750) ☑

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TOTAL MARKS **100**