

HILLCREST HIGH SCHOOL



ECONOMIC AND MANAGEMENT SCIENCES GRADE 9 FINANCIAL LITERACY EXAMINATION – JUNE 2021

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MODERATOR: MRS EDY, MRS WITTSTOCK,
MRS RAMBURAN & MR MOFFATT

INSTRUCTIONS

This question paper consists of SEVEN Questions:

1. Read each question carefully.
2. This paper must be completed in 1 hour.
3. Write neatly and legibly
4. Answer ALL questions on the question paper.
5. Show all your workings where applicable.
6. Question 5 – 7 may be answered in pencil. The rest of the paper must be done in pen.

NAME: _____ Gr 9 _____

Questions	Mark Allocation	Mark Achieved
QUESTION 1: Multiple Choice	10	
QUESTION 2: Matching Columns	10	
QUESTION 3: True or False	10	
QUESTION 4: Classification Of Accounts	10	
QUESTION 5: Secret Code	9	
QUESTION 6: Calculations	10	
QUESTION 7: Journals	41	
Final Total	100	

QUESTION 1: Multiple Choice

Four options are provided as possible answers to the following questions. Choose the correct answer and write only the letter of your answer in the block that is provided, Eg. 1.1 E

- 1.1 Which transaction would not appear in the Cash Receipts Journal?
- A. The tenant, J. Leap, paid rent that was owing to the business.
 - B. Cash sales, R3 400. (CRT 76 – 98).
 - C. Bought merchandise from Heaven Stores and paid by EFT, R7 900.
 - D. The owner transferred R150 000 into the businesses bank account.
- 1.2 Which statement is true?
- A. Income is money the business receives.
 - B. Income is what the business pays out.
 - C. Income is when we look for customers to come and buy from us.
 - D. Income is looking for supplier to buy from.
- 1.3 A Trading business is ...
- A. When you sell a service to your customer
 - B. When you are selling products for a profit
 - C. When you buy a product to sell
 - D. None of the above.
- 1.4 Cash payments made by a business always decreases ...
- A. Owner's Equity
 - B. Assets
 - C. Liabilities
 - D. Profit
- 1.5 Which of the following are all assets?
- A. Bank, Vehicles, Stationery
 - B. Bank, Sales, Loan
 - C. Vehicles, Bank, Trading Stock
 - D. Vehicles, Bank, Sales
- 1.6 Purchased new Computer from Makro for R7 500 and Consumable Stores for R750; paid by EFT. Amount to be recorded in the bank column of the CPJ will be:
- A. R23 000
 - B. R 7 800
 - C. R 8 250
 - D. R10 250

- 1.7 When calculating the selling price and the cost price using a mark-up percentage, the cost price is always equal to:
- A. 50
 - B. 50%
 - C. 100
 - D. 100%
- 1.8 When the owner puts money into the business, we call it
- A. Drawings
 - B. Contributions
 - C. Capital
 - D. Capital contributions
- 1.9 What is another name for Cost of Sales?
- A. Selling Price
 - B. Cost Price
 - C. Sales
 - D. None of the above
- 1.10 ... accounts are all those accounts that decrease the wealth of the business.
- A. Income
 - B. Debtor
 - C. Expenses
 - D. None of the above

[10]

1.1	
1.2	
1.3	
1.4	
1.5	
1.6	
1.7	
1.8	
1.9	
1.10	

QUESTION 2: Matching Columns

Choose a description from Column B that matches the words in Column A. Write only the letter of your answer next to the question number. Eg. 2.1 K

COLUMN A		COLUMN B	
2.1	Drawings	A	Money used as change on a daily basis in a business.
2.2	Land and Buildings	B	Involves the money owed to enterprise or a financial institution.
2.3	Bank	C	Consist of items of goods / merchandise which were bought with the aim to sell it at a profit.
2.4	Cash Float	D	This is the wealth of the business and is contributed by the owner.
2.5	Trading Stock	E	A business owned by one person who invested his money in the business to make a profit.
2.6	Losses	F	Property owned by the business to run operations.
2.7	Liabilities	G	When 2 or more people own the business.
2.8	Owners' Equity	H	An amount of money kept in a small box to make small payments.
2.9	Sole Trader	I	It consists of items of goods which were bought with the aim to be used in the business.
2.10	Transaction	J	The money or goods taken out of the business by the owner for his/her personal use.
		K	When the business loses money as a result of its expenses being more than its income.
		L	An agreement between a buyer and a seller to exchange goods for payment.
		M	It represents the cash the business has available in its bank account.

[10]

2.1	
2.2	
2.3	
2.4	
2.5	
2.6	
2.7	
2.8	
2.9	
2.10	

QUESTION 3: True or False

State whether the following is True or False. If False, then correct the underlined word.

- 3.1 Equipment consists of electrical appliances and machinery used in the business to operate effectively.
- 3.2 Loans received from the bank are placed in the Cash Payments Journal.
- 3.3 Everything goes into Analysis of Receipts in the Cash Receipts Journal.
- 3.4 In a business the owner receives all the profits.
- 3.5 Non-Current Assets can be divided into Fixed assets and Financial assets.
- 3.6 A good name for liabilities is Expenses.
- 3.7 Example of a service business is a Plumber.

[10]

3.1	
3.2	
3.3	
3.4	
3.5	
3.6	
3.7	

QUESTION 4: Classification Of Accounts

Classify the following items as Assets, Liabilities, Owners Equity, Expenses or Income by putting a cross in the right column.

No.	Account Name	Assets	Liabilities	Owner's Equity	Expense	Income
4.1	Commission Received					
4.2	Capital					
4.3	Salaries Paid					
4.4	Cash Float					
4.5	Rent Received					
4.6	Insurance					
4.7	Drawings					
4.8	Loans					
4.9	Vehicles					
4.10	Fixed Deposit					

[10]**QUESTION 5: Secret Code**

Use the word BEACHFRONT where B=1; determine the cost price and gross profit for the product. Show your calculations for Gross Profit.

No.	Selling Price and Code	Cost Price	Gross Profit
5.1	R450,00 ENH/TT		
5.2	R2 380 BCRO/NN		
5.3	R230 BAF/TT		

[9]

QUESTION 6: Calculations

Round off all numbers to a whole number.

COST OF SALES	MARK-UP	SALES
R120	20 %	1.
2.	100%	R500
R480	3.	R840
4.	33⅓	R600
R600	5.	R750
R350	30%	6.
R440	10%	7.
8.	50%	R450
9.	60%	R368
R600	75%	10.

[10]

QUESTION 7: Journals

[41]

Record the following transactions in the Cash Journals of Exclusive Furnishers for May 2021.
Mark up is 100 %

Transactions:

- 1 P. Ntuli deposited a further R20 000 in the current bank account to increase her capital contribution.
Paid by EFT no. 34, Makro for Computer bought, R6 700.
- 5 Cash Sales for the day, R 4 500. (CRT 23 - 26).
Paid Wages, R5 500.
Bought merchandise from 'Timbers Are Us' for R11 000, and paid by EFT.

- 7 Cash Sales for the day, R3 400. (CRT 27 – 29).
Bought consumable stores from Checkers and paid by EFT for R450.
- 15 Paid Wages, R5 500.
Cash Sales, Cost Price R4 790. (CRT 30 – 37).
Bought goods from Coricraft, R10 900 and paid by EFT.
- 20 Received Rent from Tenant, Happy Toys, R3 400 R23.
Cash Sales, R2 450 (CRT 38 – 40)
Went to Central Ltd. to buy the following and paid by EFT:
Trading stock R2 130
Consumable Stores R250
Stationery 330.
- 25 Paid Wages.
Cash Sales, R6 890. (CRT 41 – 44).
- 27 Received a loan from KZN Bank for R150 000.
- 28 Insurance paid by EFT to Hypersure, for R2 450. R1 000 for the business
and the balance for the owner's personal insurance.

