

# GRADE 8 EMS NOVEMBER EXAMINATION

TIME: 2 HOURS

TOTAL MARKS: 200

EXAMINER: MISS E BURGER

MODERATOR: MRS C EDY

## SECTION A: SHORT ANSWERS

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1.1 Choose the correct answer. Write only the number with the correct letter.  
E.g. 1.1.6 – A

1.1.1 The Tax year runs from \_\_\_\_\_ to \_\_\_\_\_

- A 1 March – 28 February
- B 1 January – 31 December
- C 1 April – 31 March
- D None of the above

1.1.2 The Euro is the currency used in which of the following countries?

- A United States of America
- B Great Britain / United Kingdom
- C Canada
- D Germany

1.1.3 Which of the following form part of the concept of Owners Equity?

- (i) Capital
- (ii) Inventory
- (iii) Income
- (iv) Drawings
- (v) Expenses

**Choose the correct combination**

- A. All of the above
- B. I, ii, iii and iv
- C. ii, iii, and iv
- D. I, iii, iv and v

1.1.4 This form of ownership has a minimum of 2 owners \_\_\_\_\_

- A sole proprietorship.
- B close corporation.
- C partnership.
- D private company.

1.1.5 Which of the following businesses would be considered a service business?

- A Sunset Beauty – toiletry shop
  - B Stationery Bizarre
  - C Lesego’s Hair Salon
  - D Step Ahead Shoe Store – Fourways
- (10)

1.2 Answer true or false to the following statements:

- 1.2.1 Economic Growth means that a country is in prosperity and that everybody in the country is optimistic.
  - 1.2.2 Raw materials cannot be turned into usable items.
  - 1.2.3 Agricultural products depend on the weather and are seasonal.
  - 1.2.4 The black market is used to sell iPads.
  - 1.2.5 Increased tax is vital for the economic growth in a country.
- (5)

1.3 Match Column A with the correct answer in Column B:

	COLUMN A		COLUMN B
1.3.1	RDP	A	Tax paid on non-essential items bought
1.3.2	National budget	B	A person who is prepared to take a risk and start a new business
1.3.3	VAT	C	A place where the buyers and sellers meet such as a shopping mall
1.3.4	Target market	D	Businesses that do not stick to a strict record keeping
1.3.5	Entrepreneur	E	Buyers and sellers enter into agreements today for an exchange of goods/services in the future
1.3.6	Sustainable	F	Regional Development Programme
1.3.7	Informal business	G	Local government that has control over a large city
1.3.8	Metropolitan government	H	Consists of the people who are prepared to buy your product
1.3.9	Physical market	I	Shows government spending
1.3.10	Predictive market	J	Can continue to exist
		K	Reconstruction and Development Programme

(10)

TOTAL SECTION A: [25]

## SECTION B: THEORY

### QUESTION 2

- 2.1 What are the three levels of Government? (3)
- 2.2 How does the Government earn money? Provide an example. (3)
- 2.3 Who is the Minister of Finance? (2)
- 2.4 List TWO government expenses that you will find listed on the National Budget. (2)[10]

### QUESTION 3

#### Water on the run

Water is perhaps South Africa's most critical resource - one of low abundance and growing needs. Tie that with problems of increased land use and population growth and you have several big reasons for concern.

South Africa's freshwater supply is almost stretched to its limit. Less than 10% of South Africa's rainfall is available as surface water, one of the lowest conversion ratios in the world. The country's groundwater resources are equally limited.

Despite regulations of river waters, in many catchments the need for water exceeds the supply and quality is often below standards. Given the projected growth in population and economic development, South Africa faces tough times in meeting water demands in the decades ahead.

The shortfall in freshwater is tied to growing demands, but also to other issues such as loss of natural habitat and potentially climate change.

[http://www.panda.org/who\\_we\\_are/wwf\\_offices/south\\_africa/environmental\\_problems\\_in\\_south\\_africa/](http://www.panda.org/who_we_are/wwf_offices/south_africa/environmental_problems_in_south_africa/)

- 3.1 What does climate change refer to and what has caused this? (4)
- 3.2 How can businesses help to decrease the demand for water? (2)
- 3.3 What other natural resource is South Africa short of? (2)
- 3.4 What is another term for hydraulic fracturing that may take place in the Karoo? (2)

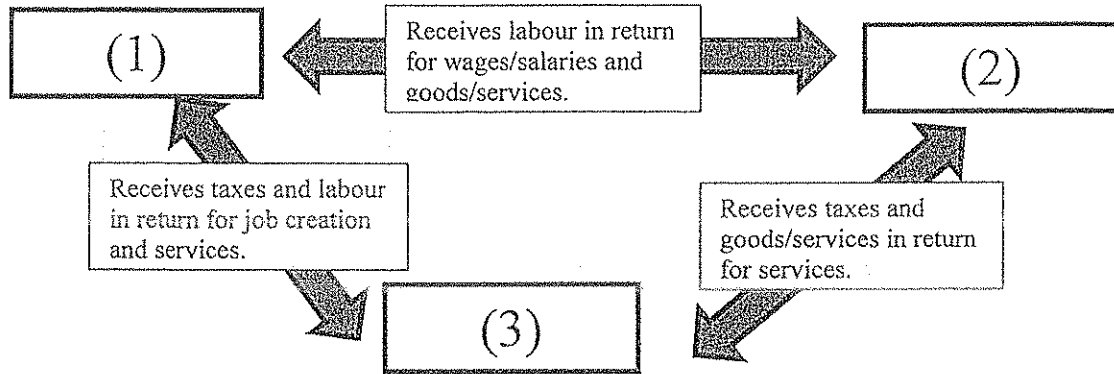
[10]



**QUESTION 4**

4.1 What are the FOUR factors of production? (4)

4.2 Identify (1), (2) and (3). (3)



4.3 Name THREE important labour laws. (3)

[10]

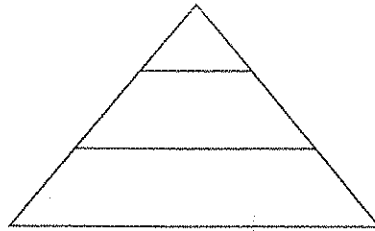
**QUESTION 5**

Complete the following table. Write only the number and correct answer. (10)

	Partnership	Public Company
Number of owners:	5.1	5.2
Official ending of the business name:	5.3	5.4
Continuity of the business:	5.5	5.6
Liability for debts of the business:	5.7	5.8
Founding documents needed:	5.9	5.10

## QUESTION 6

- 6.1 The following diagram represents the THREE levels of management. Name each level and give an example of each. (6)



- 6.2 Name the FOUR functions of management. (4)

[10]

**TOTAL SECTION B: [50]**

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## SECTION C: FINANCIAL LITERACY

### QUESTION 7

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- 7.2.1 Complete the following Source Document on ANNEXURE A using the information provided:

D. Mathembe deposited R150 000 into her business **Music 4 Africa** as her capital contribution on 1 June 2014. The business issued her receipt 012 which was signed by you, her bookkeeper. (8)

- 7.2.2 Complete the questions relating to cheques:

- 7.2.2.1 Complete the following Source Document on ANNEXURE B using the information provided:

Music 4 Africa bought a cash register from "Business Solutions (Pty) Ltd" for R55 000 on 5 June 2014. (12)

- 7.2.2.2

- a) Name the Drawer of this cheque? (1)
- b) Name the Drawee? (1)
- c) Which part of the cheque is kept by the business? (1)
- d) State the cheque number for this cheque (1)
- e) Give ONE reason why the Bank would refuse to process a cheque. (1)

[5][17]

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[25]

## QUESTION 8

Complete the following transactions in the Cash Receipts and Cash Payments Journal of Colour Cleaners for the month of March 2014: (55)

### Transactions for March 2014:

- 1 P. Colours won R150 000 on the family game show "Win n Spin". He decided to invest 1/2 of his winnings in a Dry Cleaning business, "Colour Cleaners". The amount was deposited into the current banking account of the business. Receipt 001 was issued.
- 2 Paid R130 to the City Council by cheque 001 for the trading licence.
- 4 Bought cleaning materials from Pink Stores, R350 and paid by cheque.
- 7 Cash received for services rendered, R750 (CRT1-30).  
Received commission from "JJ Boutique" for selling shoe horns R250
- 8 Services rendered amounted to R2 000 (CRT 31-45).
- 11 Bought pens, pencils and receipt books R85, and equipment R2 000 from Green Stationers and paid by cheque.
- 14 Paid the weekly wages by cheque. R4 000
- 15 Cash received for services rendered, R2 365 (CRT 46-55).
- 22 Paid the weekly wages by cheque.
- 23 Sent a cheque for R300 to Pong Traders for the following:  
Materials, R220.  
Stationery, R80
- 26 The owner cashed a cheque to pay for his personal television. R5 000.
- 31 United Bank sent a statement. R100 interest on the fixed deposit was earned for the month.

**QUESTION 9**

Post the Cash Receipts Journal and Cash Payments Journal of Amy Plumbers to the General ledger on 31 July 2014. Use the accounts provided.

Total or balance the necessary accounts.

(25)

**CASH RECEIPTS JOURNAL OF AMY PLUMBERS FOR JULY 2014 CRJ5**

D o c	D A y	Details	Analysis of receipts	Bank	Current Income	Sundry accounts		
						Amount	Fol	Details
R20	1	G Fertig	80 000	80 000		80 000		Capital
CRT	5	Service Rendered	15 500	15 500	15 500			
R21	12	G Taylor	8 000			8 000		Rent income
CRT		Service Rendered	6 000	14 000	6 000			
				109 500	21 500	88 000		

**CASH PAYMENTS JOURNAL AMY PLUMBERS FOR JULY 2014 CPJ5**

D o c	D A y	Name of Payee	Bank	Stationery	Wages	Sundry accounts		
						Amount	Fol	Details
C001	1	Martin & Co	10 800	800		10 000		Equipment
C002		Cutler & Son	950			950		Consumable goods
C003	5	Cash	480		480			
C004	10	G Fertig	300			300		Drawings
C005		Stark Motors	35 000			35 000		Vehicles
C006	12	Cash	528		528			
			48 058	800	1008	46 250		

## QUESTION 10

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The following information came from the ledger books of "Bergville handyman services" on 31 July 2014. Prepare a trial balance for this store. Total the Debit and Credit columns.

### BALANCE SHEET ACCOUNTS

Capital R130 000; Drawings R6 650; Vehicles R60 050; Equipment, R20 027;  
Bank R925.

### NOMINAL ACCOUNTS

Current income R25 812; Rent income R6 188; Wages; R9 520;  
Consumable Stores R26 644; Stationery R1 105; Water and electricity R3 105;  
Rates R5 460; Salaries R9 750; Advertisements R840; Rent expense; R14 640;  
Telephone R3 284.

(20)

**TOTAL FOR SECTION C: 125**  
**GRAND TOTAL: 200**

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