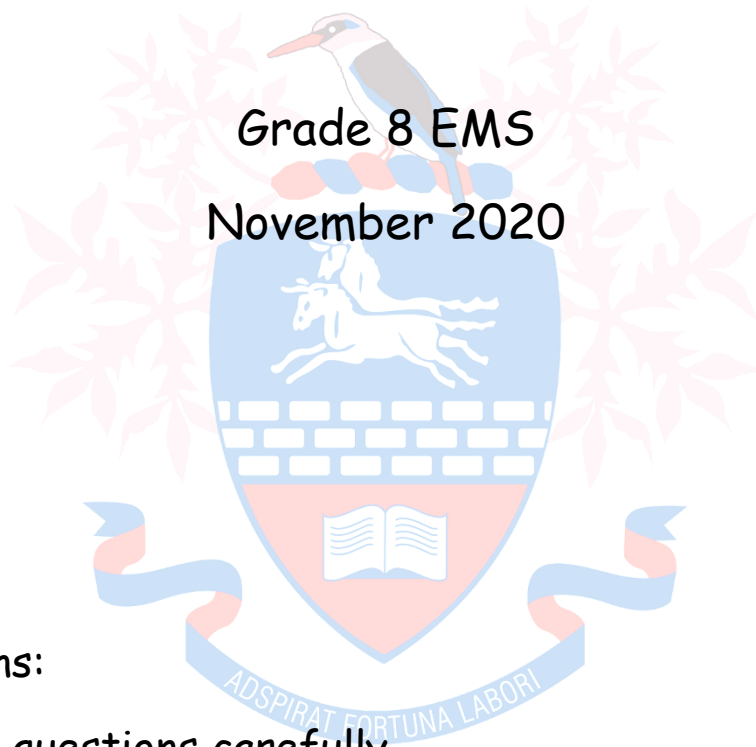


HILLCREST HIGH SCHOOL

Grade 8 EMS
November 2020

2 Hours

200 Marks



Instructions:

1. Read all questions carefully.
2. Write neatly.
3. Financial Literacy section may be completed in pencil.
4. Calculators are allowed.

NAME: _____

TEACHER: _____

GRADE: _____

Section A	Section B	Total	Percentage
<hr/> 100	<hr/> 100	<hr/> 200	<hr/> %

SECTION A

[100]

1. Match the columns. Fill in your answers below:

(10)

COLUMN A	COLUMN B
1. Physical Market	A. This deals in the exchange of information and knowledge.
2. Skills	B. Goods that are brought into the country.
3. Natural resources	C. To produce goods or services. Some are involved in management and administration.
4. Capital	D. Is a place where buyers and sellers meet.
5. Market for intermediate goods	E. Goods sold to other countries.
6. Export	F. An individual or business offers their expertise, knowledge and skills in exchange for money.
7. Role of workers	G. Money the entrepreneur invests in the business.
8. Basic Conditions of Employment Act	H. These markets sell raw materials (goods) required for the final production of other goods.
9. Knowledge market	I. Available to us, such as agricultural and urban land, forests, mineral deposits, fauna and flora, sunlight, rain, fresh water and oceans.
10. Import	J. This law outlines the rights and responsibilities of employees and employers.

1	
2	
3	
4	
5	

6	
7	
8	
9	
10	

2. Fill in the missing word/s. (5)

- a. The _____ Act prevents unfair discrimination and ensures that previously disadvantaged people are given opportunities to work.
- b. _____ is the effort put into factors of production to creating products or services for reward.
- c. South Africa needs more _____ to start their own businesses. This will in return increase the number of _____ people. The economy will grow and the _____ for all will improve.

3. State whether the following are True or False. (5)

- a. If the entrepreneur is starting up a business, it is a financial risk, so banks need to determine how much they are prepared to lend. _____
- b. Costs of buying expensive items such as equipment, as well as money for daily expenses do not need to be considered when running a business. _____
- c. The Accounting Equation is $\text{Assets} = \text{Owners' Equity} + \text{Expenses}$. _____
- d. All accounting is based on the accounting equation. _____
- e. Possessions of the business are known as Ownership. _____

4. Read the case study below and answer the questions that follow:

SAICA Enterprise Development



August 5, 2019

Opinions expressed by *Entrepreneur* contributors are their own.

<https://www.entrepreneur.com/article/337657>

“SAICA Enterprise Development has enabled me to become a financially savvy entrepreneur and to keep up-to-date with what is happening in my business and identify my “money wasters.” Owner of Black Pearl Coach Shuttles and Tours, Mathapelo Temogo, is now able to put everything that she has learned into practice.

“Thanks to my finance coach I am now able to make sound decisions, deal with my cash flow, draw up a budget and stick to it.

The programme doesn’t only focus on your financial growth, but also on your personal development which is a bonus. My personal development coach has helped me to unleash my potential and believe in my values.”

“And through these interventions, my business has experienced a 60% increase in profit; a 100% increase in turnover and I have managed to employ two staff.

How the SAICA Enterprise Development Programme boosted her business

The ever inspiring entrepreneur enrolled in the SAICA Enterprise Development Programme after having realised that her business was going through financial challenges on a monthly basis as a result of poor financial decision making.

She was in need of a programme that would help her with increasing her financial acumen (vision), and help grow her business. Mathapelo has seen that most business owners struggle with handling their finances due to of lack of understanding.

She is the sole owner of Black Pearl Coach Shuttles and Tours, offering airport shuttles and luxury coach hire services to corporate, government and

individuals. Mathapelo has been in the transport industry for 6 years. Her passion for transportation arose after having studied tourism and gaining experience at another tour company.

4.1 What is the name of the entrepreneur in the article? (2)

4.2 What is the name of the entrepreneur's business? (2)

4.3 Quote from the scenario how much her profits have increased by. (1)

4.4 Quote from the scenario how much her turnover increased by. (1)

4.5 How long has the entrepreneur been in the transport industry? (1)

5. There are FOUR Factors of Production. Complete the following table: (12)

Factors of Production	Reward
Example: Labour	Example: Wages

6. Using the scenario below, fill in the table on Division of labour:

Jack Ndlovu is a Pilot who flies for South African Airways (SAA). He has been flying for SAA for the last ten years. His friend, Mandy Pillay, works as an apprentice at the local hairdressing salon, Cut and Curl Hair Salon, in Hillcrest. Brandon Smith, who just turned 18, started working as a waiter at Five Coffee's and a Tea this week. (9)

Division of labour	Example from the scenario
1	
2	
3	

7. Brandon Smith was required to sign an employment contract at Five Coffee's and a Tea. Before he signed the contract, he read through it very carefully. List FOUR items that would have been discussed in this contract. (4)

8. Due to Covid-19, Brandon Smith was retrenched. What fund would he be entitled to claim from? _____ (1)

9. Briefly describe the importance of the National Skills Act. (2)

10. Who pays the levy for the National Skills Fund? _____ (1)

11. Define the term Market. (2)

12. Complete the following table:

(8)

Business	Consumer or Factor Market	Goods, Service, Estate, Labour or Capital Market
Pick n Pay		
FNB		
Cut and Curl Hair Salon		
Home and Garden Properties		

13. Define a non-physical market and give an example.

(3)

14. Brandon Smith has never attended an auction and is attending one at the end of the month. Explain your understanding of an auction.

(2)

15. Name the market where illegal goods are sold. _____ (1)

16. Jack Ndlovu is flying to Germany and is staying there for two days. He wants to buy a traditional German clock called a Cuckoo Clock. John has realised that it is going to cost a lot of money when he converts Rands to Euro's. He is going to convert R5 000 to Euro's. Calculate how many Euro's John will receive if the exchange rate is R19.90 to the Euro.

(4)

17. There are FOUR types of capital (source and category). Name and explain each one. (8)

18. Liabilities need to be kept as low as possible. Name and give an example of each of the TWO types of liabilities. (4)

19. Place each of the following words in the correct columns.

(12)

Vehicles, water and electricity, loan, fuel, stationery, overdraft, equipment, capital, current income, drawings, cash float, commission income

Income							
Expense							
Owners' Equity							
Liabilities							
Assets							

QUESTION 1

Fill in the following receipt with the information provided. On the 10th of November 2020, Five Coffee's and a Tea received money from a customer, Mr P Govender, who ordered three cheesecakes. Mr Govender paid the restaurant R330.00 by cheque. Brandon Smith received the payment on behalf of Five Coffee's and a Tea. He issued receipt number 0123. (10)

FIVE COFFEE' S AND A TEA	Receipt no.:	_____
Issued to	_____	
Amount	_____	R

For	_____	
Received by	_____	

QUESTION 2

You are Mr P Govender. Fill in the following cheque to pay for the cheese cakes you ordered from Five Coffee's and a Tea. The cheque was written out on the 9th November 2020 for R330.00. Make sure you remember to make the cheque out that only Five Coffee's and Tea can deposit the cheque into their bank account. (10)

Date: _____ To: _____ _____ For: _____ Balance b/f: _____ Sub-total: _____ Other debits: _____ Sub-total: _____ This cheque: _____ Balance: _____ 001	<p style="text-align: center;">BANK OF SOUTH AFRICA</p> <p style="text-align: right;">Date: _____</p> <p>Pay: _____ or bearer</p> <p>The sum of _____ R</p> <hr/> <hr/> <hr style="border-top: 1px dashed black;"/> <p style="text-align: right;">_____ P GOVENDER</p> <p>001 212136 500419824523</p>
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10

QUESTION 4

BANK ACCOUNT

Blooming Buds Florist, in Hillcrest, has asked you to help the owner, Sally, to balance her bank account for November 2020.

Bank account total in the Cash Receipts Journal was R330 474.
 Bank account total in the Cash Payments Journal was R210 762. (10)

Bank									

Answer the following questions:

1. There are two sections in a General Ledger. Balance Sheet section is one, name the other one. _____ (2)
2. What amount appeared as a balance on her bank statement on the 1 December 2020. _____ (1)
3. Would Sally rather have a higher bank amount in Cash Receipts Journal or Cash Payments Journal? _____ (1)

_____ 14

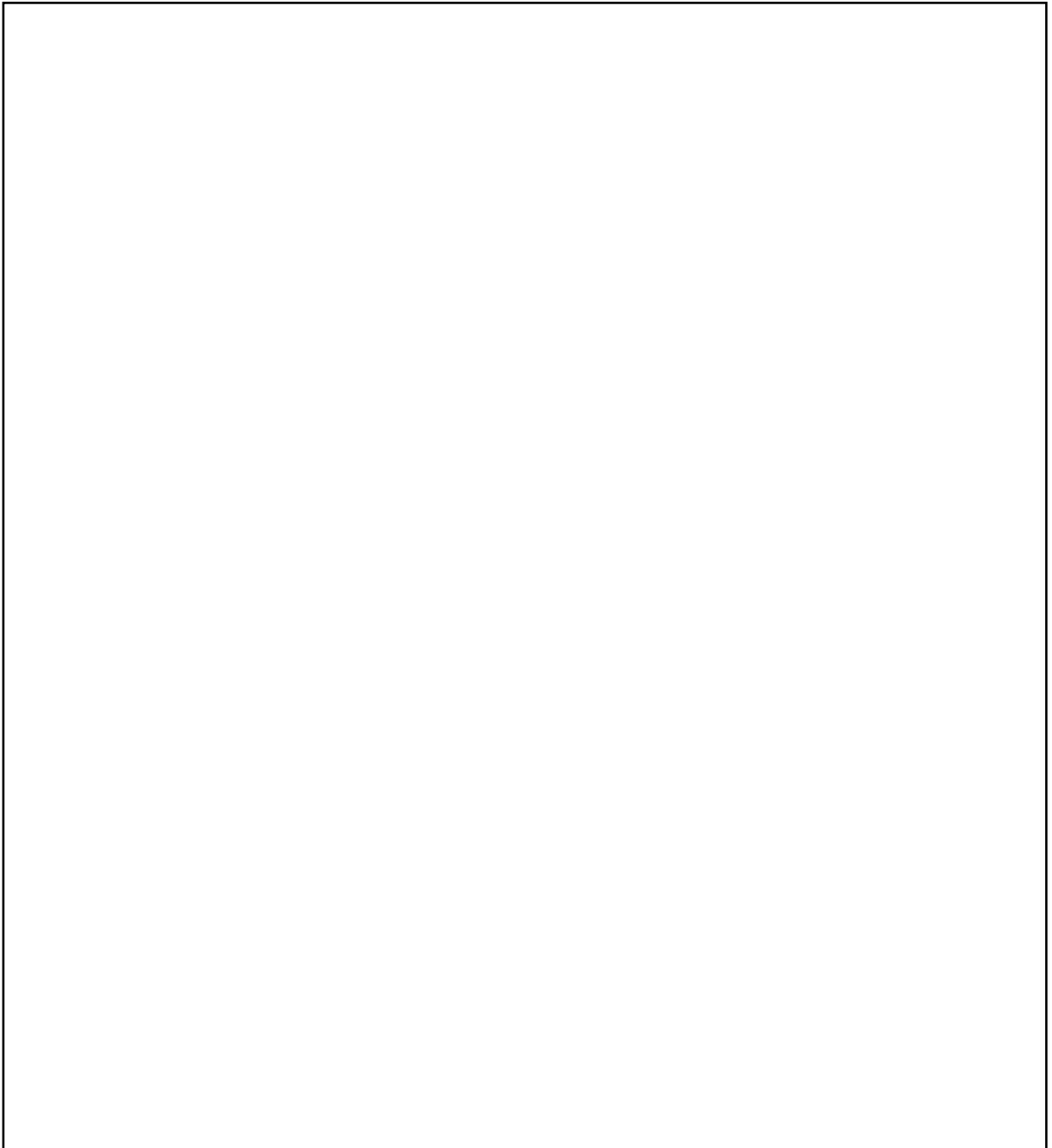
4. Name the THREE source documents that can be used in a Cash Receipts Journal. (3)

5. Name the THREE source documents that can be used in a Cash Payments Journal. (3)

6. Nick Brown, the owner of Five Coffee's and a Tea approached you to design him an advertisement for the shop. On the 1st December 2020 they are going to have a coffee and cake special. The combo will cost R30. (10)

Make sure you have the following in your colourful informative advertisement:

- Name of the business
- A logo
- Date of the special
- What is on special
- Cost of the special



Use these transactions for the Cash Receipt and Cash Payment Journals on pages 12 and 13.

QUESTION 3

(50)

You are to draw up the **Cash Receipts Journal** and **Cash Payments Journal** of Hillcrest Garden Services for November 2020.

- 1 The owner Jack Green contributed capital directly to the bank account of Hillcrest Garden Service for R15 000. Issued receipt no. 001
Received R450 from Sihle Shezi for mowing his lawn (service rendered). Issued receipt no. 002.
- 5 Cashed cheque no. 1 to pay wages of R3 100.
- 6 Cash received for services rendered, R25 800. CRT 1 - 10
- 7 Paid Telkom for the office telephone, R720. Paid by EFT.
Received R500 from Mr Brown for services rendered. Issued receipt no. 003.
Cash received for services rendered, R13 750. CRT 11 – 19.
- 10 Cashed a cheque to pay wages.
Paul Ngcobo paid R2 000 rent for the spare office. Issued a receipt.
- 12 Paid a cheque to Rentals Unlimited for Rent, R10 000.
Cash received for services rendered, R9 500. CRT 20 – 25.
- 15 Received R450 from Sihle Shezi for mowing his lawn (services rendered). Issued receipt no. 005.
- 17 Issued cheque no. 4 to Game for R1 500. R1 000 for a new printer, R500 for stationery.
Cash received for services rendered, R14 000. CRT 26 – 35.
Bought stationery from Pick n Pay for R200. Issued a cheque.
- 21 Cash received for services rendered, R16 550. CRT 36 – 45.
Paid monthly bank charges of R65 to FNB.
- 25 The owner, Jack Green, took his family to Spur for dinner and paid by cheque, R750.
Received Commission from Garden Force, R400, for selling manure. Issued receipt no. 006.
- 28 Cashed a cheque to pay normal wages.
Received interest on a positive bank account from FNB, R60.
- 30 Cash received for services rendered, R19 000. CRT 46 – 55.
Received R450 from Sihle Shezi for mowing his lawn (services rendered).
Issued receipt no. 007.
Paid R2 500 to eThekweni Municipality for water. Paid by EFT.