

HILLCREST HIGH SCHOOL

ECONOMIC AND MANAGEMENT SCIENCES

GRADE 9

2020 NOVEMBER EXAMINATION

TOTAL: 200 MARKS

NAME: _____

GRADE: _____

INSTRUCTIONS

1. Answer ALL the questions.
2. Show ALL your calculations.
3. Write neatly and legibly.

TOTAL MARKS:

FINANCIAL LITERACY

MARKS: 100

TIME: 1 HOUR

TOTAL:

SECTION A

QUESTION 1

MULTIPLE CHOICE

1.1 Choose the most correct answer to the following questions/phrases. Write down **ONLY** the letter in the **TABLE** below.

1.1.1 Income from a wholesale or retail business is called _____ in accounting.

- A Services rendered
- B Sales
- C Cost of Sales
- D None of the above

1.1.2 A mark-up is added to the cost of products to enable the business to have:

- A Sales
- B a gross profit
- C a net profit
- D All of the above

1.1.3 Cash received from a tenant is recorded as _____:

- A An expense in the Cash Receipts Journal
- B An income in the Cash Payments Journal
- C An expense in the Cash Payments Journal
- D An income in the Cash Receipts Journal

1.1.4 A market where different currencies are bought and sold.

- A Goods market
- B Factor market
- C Foreign exchange market
- D Product market

1.1.5 Cash payments made by a business always decreases the _____.

- A Owner's Equity
- B Assets
- C Liabilities
- D Profit

1.1.6 _____ is an example of a business that buys and sells goods to make a profit.

- A Brother and Sons Attorneys
- B Jossie's Hair Salon
- C Rigang Wholesalers
- D Danny's Plumbing

1.1.7 A source document for a Cash Receipts Journal is a _____.

- A cheque counterfoil
- B duplicate receipt
- C original invoice
- D duplicate invoice

1.1.8 _____ is an amount invested by the owner of a business.

- A Drawings
- B Capital
- C Sales
- D Cost of Sales

1.1.9 Someone who owes money to a business is a _____.

- A Creditor
- B Liability
- C Supplier
- D Debtor

1.1.10 Money directly deposited into a bank account is reflected on a _____.

- A Cheque
- B Cash Register Tape
- C Bank statement
- D Receipt

1.1.1	
1.1.2	
1.1.3	
1.1.4	
1.1.5	
1.1.6	
1.1.7	
1.1.8	
1.1.9	
1.1.10	

QUESTION 2
CHOOSE THE CORRECT WORD

Complete the sentences below by filling in the blank spaces from the list of words provided. Only write the answer in the space provided.

Gross profit; consumers; market; business plan; cost price; budget
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- 2.1 A _____ is a financial plan to ensure that future expenses do not exceed future income.
- 2.2 Sales less cost of sales equals _____.
- 2.3 The _____ is a place where buyers meet sellers.
- 2.4 The National Credit Act was developed to protect _____.
- 2.5 A _____ indicates the actions, goals and methods to achieve the goals of a business.

10

TOTAL SECTION A: 30 MARKS

SECTION B

QUESTION 3

Study the information of KZN Stationers for July 2020 and answer the questions. The owner, J. Smith, sells stationery to the public. A mark-up of 45% on cost is used. [47]

The following opening balances appeared on 1st July 2020:

- Trading Stock R25 000
- Bank R15 000

Required to complete:

- Cash Receipts Journal (16 marks)
- Cash Payments Journal (18 marks)
- General Ledger (Bank) (13 marks)

Day Details

- 1 The owner, J. Smith, invested R70 000 capital into the business. Receipt 83 was issued.
- 4 Issued cheque no.55 to Makro for Equipment, R4 000 and Trading Stock, R7 500.
- 5 Received a cheque from A. James for rent R650.
Sales according to CRT 22-25 were R3 480.
- 9 The owner cashed a cheque for personal use, R700.
- 11 J. Smith received a loan from AB Bank for R20 000 to expand his shop.
- 14 Issued a cheque to Alpha Limited for merchandise of stationery, R3 220.
- 15 Sold goods for cash, R2 784. Issued CRT 26 - 28
- 19 Issued a cheque to Telkom for R920. Sixty percent of this was for the business telephone account and the balance was for the owner's personal telephone account.
- 20 Sold goods for cash, R8 555. Issued CRT 29-30
- 23 Purchased merchandise from Makro for R8 200 less 5% cash discount.
- 26 Issued a cheque to B. Blewitt for payment of wages, R3 200.
- 29 Purchased a second-hand car from Auto Garage for R15 200 and paid by cheque. The insurance of R275 was paid to Risks Ltd.
- 31 Paid monthly bank charges to Absa Bank, R15

Cash Receipts Journal of KZN Stationers for July 2020

Doc	Day	Details	Fol	Analysis of Receipts	Bank	Sales	Cost of Sales	Sundry Accounts		
								Amount	Fol	Details

General Ledger of KZN Stationers

Bank

QUESTION 4

Complete the Debtors Journal of Blossom Traders for August 2020. The company uses a 50% mark-up on cost.

Transactions:

Day Details

- 1 Sold goods on credit to L. May for R2 500. Cost price of goods R1 667. Invoice no. 205 was issued.
- 2 Issued invoice to C. Cam for goods sold on credit, R750. Cost price of goods R500.
- 5 T. Tom bought goods on credit R2 800. An invoice was issued to him.
- 7 P. Peters bought goods from Blossom Traders for R1 250. The goods cost R833.

Debtors Journal of _____ for _____ 20__

INV	DAY	DEBTOR	FOL	SALES	COST OF SALES

15

QUESTION 5

5.1 List any TWO ways a customer can buy on credit. (4)

- _____
- _____

5.2 Differentiate between cash trading and credit trading. (4)

- _____
- _____

8

TOTAL SECTION B: 70 MARKS
PAPER TOTAL: 100 MARKS

