

HILLCREST HIGH SCHOOL

Grade 8 EMS
November 2022

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: _____

Paper 1	Paper 2	Total	Percentage
<hr/> 100	<hr/> 100	<hr/> 200	<hr/> %

PAPER 1
FINANCIAL LITERACY

100 Marks

1		10 Marks
2		5 Marks
3		40 Marks
4		30 Marks
5		15 Marks

QUESTION 1

10 Marks

Match the column.

Column A			Column B	
1	Debit side	1___	A	The owners' financial interest in the business including capital provided, and profits made, and kept in the business.
2	Credit side	2___	B	The flow of money among participants in the economy as a result of economic activity.
3	Double-entry principle	3___	C	Right hand side of a ledger.
4	Economy	4___	D	For every account transaction there are two entries - one on the debit side and one on the credit side.
5	Debtors	5___	E	Left hand side of a ledger.
6	Debt	6___	F	When business' expenses exceed income.
7	Economic problem	7___	G	All money spent in a business on various things.
8	Owners' equity	8___	H	Lack of sufficient resources to meet.
9	Expenses	9___	I	For person or account owing money.
10	Losses	10___	J	People or businesses who owe money to a business.

QUESTION 2

Fill the missing information on to the receipt provided:

(5)

On the 15th of November 2022, Sparkling Pool Services received money from a customer, Mr C Green, who paid for his pool to be resurfaced. Mr Green paid R1 800 via EFT. Clive Smith received the payment on behalf of Sparkling Pool Services. He issued receipt number 12.

Sparkling Pool Services	Receipt no.: <u>12</u>
Issued to _____	
Amount _____	R1800.00
For _____	
Received by _____	
Date <u>2022 -11-15</u>	
<input type="checkbox"/> CASH	<input checked="" type="checkbox"/> EFT

QUESTION 3

40 Marks

The following transactions are taken from the records of Sparkling Pool Services for the month of November 2022. Enter the transactions into the attached CRJ and CPJ. Close off the journals at the end of the month.

- 1 The owner, Clive Smith, deposited R100 000 capital directly into the bank account.
- 4 Services rendered R8 500, CRT 10 - 15.
Cleaned and vacuumed S Mkhize's swimming pool, R 250, issued Receipt number 20.
- 7 Paid wages R5 500 cash.
- 9 Services rendered R9 100, CRT 16 - 30.
Received a donation from Mary Smith for R1 000. Issued a receipt.
- 11 Paid R800 to eThekweni Municipality for electricity. Paid via EFT.
Services rendered R8 800, CRT 31 - 50.
- 13 Paid wages R5 500 cash.
- 15 Fixed Mr Govender's pump, R250, he deposited it directly into the business account. Issued a receipt.
Services rendered R7 300, CRT 51 - 60.
- 17 Paid the Highway Mail for advertising, R550, via EFT.
Received R900 commission from Chemtech. Issued a receipt
- 21 Paid wages R5 500 cash.
Paid R9 500 rent to Crestville Centre via EFT.
Services rendered R7 900, CRT 61 - 80.
- 23 ABSA's monthly bank charges R60.
- 25 Services rendered R6 900, CRT 81 - 95.
Clive filled his personal car at Shell, R1 050, and paid with the businesses debit card.
- 28 Paid wages R5 500 cash.

QUESTION 4

30 Marks

Complete the following *General Ledger* using the information provided for Sparkling Pool Services for November 2022.

Cash Receipts Journal

Bank	Own column	R160 000
Current Income	Own column	R44 700
Capital	1 st	R70 000
Commission Income	15 th	R1 500
Rent Income	20 th	R1 600
Loan: Standard Bank	27 th	R40 000
Commission Income	30 th	R2 200

Cash Payments Journal

Bank	Own column	R103 350
Consumable Stores	Own column	R3 000
Wages	Own column	R8 500
Vehicles	3 rd	R80 000
Insurance	12 th	R600
Drawings	15 th	R3 500
Cellphone	16 th	R1 200
Repairs	20 th	R2 800
Rent expense	24 th	R2 500
Bank charges	28 th	R250
Drawings	30 th	R1 000

GENERAL LEDGER OF _____

BALANCE SHEET SECTION									
Capital									
Drawings									
Loan: Standard Bank									
Vehicles									
Bank									
NOMINAL SECTION									
Current Income									

Commission Income

Rent Income

Consumable Stores

Wages

Insurance

Cellphone

Repairs

Rent expense

Bank charges

QUESTION 5

15 Marks

Complete the Trial Balance for Sparkling Pool Services for November 2022.

BALANCE SHEET SECTION	
Capital	80 000
Drawings	4 500
Vehicles	40 000
Equipment	21 800
Bank	58 220
NOMINAL SECTION	
Current Income	65 000
Rent income	9 000
Wages	8 500
Consumable Stores	4 200
Stationery	850
Water and electricity	650
Rates	2 500
Salaries	10 500
Advertising	420
Telephone	660
Fuel	1 200

PAPER 2

100 Marks

THE ECONOMY
ENTREPRENEURSHIP

1		5 Marks
2		5 Marks
3		8 Marks
4		9 Marks
5		14 Marks
6		11 Marks
7		14 Marks
8		15 Marks
9		19 Marks
TOTAL		100 Marks

QUESTION 1

5 Marks

Column A		Column B		
1	Fixed Capital	1___	A	Is a place where buyers and sellers meet.
2	Physical market	2___	B	It refers to the way people live.
3	Lifestyle	3___	C	Includes expensive long last possessions eg land.
4	Non-physical market	4___	D	Banks are the first place entrepreneurs go to, to borrow money.
5	Borrowed Capital	5___	E	Where buyers and sellers do not actually meet physically but engage in buying and selling via the internet.
			F	People who have lost their jobs receive a portion of their salary.

QUESTION 2

5 Marks

Choose the correct word to complete the sentence.

Fixed	Pretoria	Five
Own	Unemployment	Bloemfontein
Four	Borrowed	Working
	Employed	

2.1 _____ capital includes money in the bank to pay for the other factors of production.

2.2 Members of parliament are voted in every _____ years.

2.3 _____ refers to someone who does not have a job but is actively looking for employment.

2.4 _____ capital is the investment the owner makes in his own business.

2.5 The Administrative Capital is in _____.

QUESTION 3 - GOVERNMENT

8 Marks

3.1 What year did South Africa become a democracy? _____ (1)

3.2 What year was the Constitution given to the country? _____ (1)

3.3 There are THREE levels of Government. Fill the levels in on the diagram provided. (In the correct order). (3)



3.4 Give ONE example of what a municipality is responsible for. (1)

3.5 Name TWO provinces in South Africa. (2)

QUESTION 4 - NATIONAL BUDGET

(9 Marks)

4.1 Name the Minister of Finance.

(1)

4.2 Name, discuss and give an example of the TWO types of tax.

(6)

4.3 List TWO items that are VAT free.

(2)

QUESTION 5 - STANDARD OF LIVING

(14 Marks)

5.1 There are different societies in the world. Give TWO characteristics of a Self-sufficient society.

(4)

5.2 We live in a Modern Society. Identify TWO disadvantages of living in this society. (2)

5.3 Mention TWO advantages of living in a Rural Society. (2)

5.4 Coal is a natural resource in South Africa. Discuss how the natural environment supports economic growth. (2)

5.5 List TWO impacts of development on natural resources you have learnt about this year. (2)

5.6 Suggest TWO reasons for the high unemployment rate in South Africa. (2)

QUESTION 6 - MARKETS

(11 Marks)

6.1 Define the term "Market". (2)

6.2 Briefly discuss what an Auction Market is and give an example. (3)

6.3 Read the following scenario and answer the question that follows:

Julia was on holiday in Pretoria. Her family asked her to bring back a package for them to Durban. When she got into the airport, she was asked to hand over the package. There was rhino horn in the package.

6.3.1 Recommend which market poached rhino horn falls into and why? (2)

6.4 There are TWO services, Knowledge market and Skills market. Explain the difference between the Knowledge and skills market. (4)

QUESTION 7 - FACTORS OF PRODUCTION

(14 Marks)

7.1 Complete the table: (4)

FACTOR	REWARD
Natural resources	A)
B)	Profit
C)	Interest
Labour	D)

7.2 Determine (Classify) which division of labour each of the following jobs fall under: (4)

7.2.1 Pilot _____

7.2.2 Street sweeper _____

7.2.3 Nurse _____

7.2.4 Mechanic in training _____

7.3 You are asked to draw up an employment contract. Identify THREE requirements that should appear in the employment contract. (3)

7.4 The Basic Conditions of Employment Act was one of four Acts you learnt about. Name ONE other Act you learnt. (1)

7.5 Discuss ONE reason for the high unemployment rate in South Africa. (2)

QUESTION 8 - FORMS OF OWNERSHIP (15 Marks)

8.1 Read the following scenarios and apply your knowledge to decide which Form of Ownership should be used: (4)

a. Clive Smith owns Sparkling Pool Services. He wants to be the only owner and hires three people to work for him. He has unlimited liability.

b. Clive Smith owns Sparkling Pool Services with his brother. The business does not have continuity.

c. Clive Smith owns a pool service, Sparkling Pool Services (pty) Ltd.

d. Clive Smith owns a garden service, Sparkling Pool Services Ltd.

8.2 Define the term "unlimited liability". (2)

8.3 Discuss what "continuity" refers to. (2)

8.4 Complete the following table:

(5)

Form of ownership	Name of owners	Number of owners
Partnership		
		1
Private company/Public company		1 - unlimited

8.5 All over the world businesses are becoming concerned about the effect that business has on the environment. Suggest TWO ways in which businesses can become more responsible about using resources. (2)

QUESTION 9 - MANAGEMENT AND LEADERSHIP

(19 Marks)

9.1 Read the following scenario and answer the questions that follow:

Clive Smith is the CEO of Sparkling Pool Services. He has two people working directly under him, Sindi Ndlovu who is the Marketing Manager and Craig Brown the Financial Manager. Jono Cele, Jason Ball and Michael Chetty, report to Craig Brown, each have a team of workers under them.

9.1.1 What level of management are each of the following:

(3)

Jono Cele, Jason Ball and Michael Chetty _____

Sindi Ndlovu and Craig Brown _____

Clive Smith _____

9.1.2 Name the type of decisions each level makes? (3)

Jono Cele, Jason Ball and Michael Chetty _____

Sindi Ndlovu and Craig Brown _____

Clive Smith _____

9.2 There are FOUR tasks of management. Name each task. (4)

9.3 Suggest which leadership style is used in each scenario and give a reason why you have chosen that leadership style: (9)

9.3.1 There is a fire at a factory and everyone needs to evacuate. The owner needs to get everyone out safely in the quickest way.

9.3.2 The matric dance committee needs to decide on a theme for the dance.

9.3.3 Your class has been asked to design a poster on open day at Hillcrest High School.
