

HILLCREST HIGH SCHOOL



**ECONOMIC AND MANAGEMENT SCIENCES**  
**GRADE 9**  
**FINANCIAL LITERACY EXAMINATION – NOVEMBER 2022**

**EXAMINER:** MRS J CHABANT

**MODERATOR:** MRS EDY, MRS WITTSTOCK,  
MRS RAMBURAN & MRS LEPPAN

**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 in the answer book.
5. The paper must be done in pen and pencil.

**NAME:** \_\_\_\_\_ **Gr 9** \_\_\_\_\_

<b>Questions</b>	<b>Mark Allocation</b>	<b>Mark Achieved</b>
QUESTION 1: Multiple Choice	<b>10</b>	
QUESTION 2: Matching Columns	<b>10</b>	
QUESTION 3: Fill in the Blanks	<b>10</b>	
QUESTION 4: Classification of Accounts	<b>12</b>	
QUESTION 5: General Ledger	<b>17</b>	
QUESTION 6: Creditors Ledger	<b>12</b>	
QUESTION 7: Journals	<b>29</b>	
<b>Final Total</b>	<b>100</b>	

### QUESTION 1: Multiple Choice

Various options are provided as possible answers to the following questions. Choose the answer and write only the letter (A – D) under the question number (1.1 – 1.5)

- 1.1 The amount, expressed as a percentage that is added to the cost price of a product before selling it. (2)
- A Mark-up
  - B Cost of Sales
  - C Profit
  - D Capital
- 1.2 If the selling price of a product is R100 and the markup percentage is 60%, then the formula to calculate the cost price is: (2)
- A  $\frac{160}{100} \times \frac{100}{1}$
  - B  $\frac{100}{160} \times \frac{100}{1}$
  - C  $\frac{100}{160} \times \frac{100}{100}$
  - D  $\frac{160}{100} \times \frac{1}{100}$
- 1.3 Which of the following can be classified as a Trading Business? (2)
- A Ndebele Attorneys and Associates
  - B Suzy's Spaza Shop
  - C Fresh Cut Grass Garden Service
  - D Pink Petals Beauty Salon
- 1.4 The most common column in the CPJ of a trading business. (2)
- A Trading Stock
  - B Stationary
  - C Cost of Sales
  - D None of the above
- 1.5 What do you call a person who supplies a business with different products but does not expect payment until a later date? (2)
- A Creditor
  - B Debtor
  - C Customer
  - D Accountant

**[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. 2.11 K

COLUMN A		COLUMN B	
2.1	Invoice	A	... stands for Drawings, Assets and Expenses
2.2	Cash Payments Journal	B	The money or goods taken out of the business by the owner for his/ her personal use.
2.3	Gross Profit	C	Aims at preventing people from spending money they do not have.
2.4	DAX	D	Money owed is paid back.
2.5	Debtors	E	A column for creditors control is added to this journal to capture payment to creditors.
2.6	Drawings	F	Consist of all furniture, electrical appliances and machinery used in the business to operate effectively
2.7	National Credit Act	G	Money not paid back.
2.8	Credit Bureau	H	Customers who owe money to the business.
2.9	Equipment	I	Gross Profit divided by Sales times 100.
2.10	Repayments	J	The source document that is used to complete a Debtor's Journal.
		K	Private business which collects the credit records of customers
		L	The difference between Sales and Cost of Sales

[10]

## QUESTION 3: FILL IN THE BLANKS

Use the words in the table below to fill in the missing words.

Sales	Debited	Supplier	Expense	Balance	Consumer
	Nominal	Credited	Income	Asset	

- 3.1 When a debtor makes another credit purchase, his account will be \_\_\_\_\_.
- 3.2 The \_\_\_\_\_ account section in the General Ledger represents the Income and Expenses.
- 3.3 One of the important points in the \_\_\_\_\_ Protection Act ensures the Consumer's Right to return stock to a supplier.
- 3.4 \_\_\_\_\_ accounts are all those accounts that decrease the wealth of the business.
- 3.5 Trading Stock that is sold is known as \_\_\_\_\_.

[10]

#### 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. (12)

No	Account Name	Non-Current Asset	Current Asset	Non-Current Liability	Current Liability	Owner's Equity	Expense	Income
1.	Debtors Control							
2.	Creditors Control							
3.	Trading Stock							
4.	Rent Income							
5.	Capital							
6.	Salaries							
7.	Bank							
8.	Bad Debts							
9.	Commission Income							
10.	Land and Buildings							
11.	Mortgage Loan							
12.	Repairs							

#### QUESTION 5: GENERAL LEDGER

Use the totals from the journals and do the Trading Stock and Sales account in the General Ledger for Surprise Stores.

The mark up is 50 %.

##### Balances / Totals for the 1 October 2022

Trading Stock R6 650  
 Bank R8 850  
 Sales R4 500  
 Cost of Sales R2 800

##### Cash Receipts Journal for Surprise Stores – October 2022

CRJ 2

Bank	Sales	Cost of Sales	Sundry Accounts
15 750	?	6 500	4 500

##### Cash Payments Journal for Surprise Stores – October 2022

CPJ 2

Bank	Trading Stock	Wages	Sundry Accounts
17 300	?	5 400	2 280

**Debtors Journal for Surprise Stores – October 2022 DJ 2**

<b>Sales</b>	<b>Cost of Sales</b>
5 550	?

**Creditors Journal for Surprise Stores – October 2022**

**CJ 2**

<b>Creditors Control</b>	<b>Trading Stock</b>	<b>Stationery</b>	<b>Sundry Accounts</b>
?	10 700	670	4 850

(17)

**QUESTION 6: CREDITORS LEDGER**

Do the Creditors Ledger for **MEGA SUPPLIERS**. Use the Journals that have been given to post to the Ledger. Balance the Ledger.

1. The transactions for April 2022 are recorded as follows in the respective journals:

**CREDITORS JOURNAL OF SUPER TRADERS - APRIL 2022**

**CJ6**

Inv no	Day	Creditors	Fol.	Creditors control	Trading Stock	Stationery	Sundry accounts		
							Amount	Fol.	Details
445	2	Mega Suppliers		3 555	3 555				
446	11	Move-it Distributors		1 236		930	306		Packing material
447	25	Mega Suppliers		8 245	2 444		5 801		Equipment
				13 036	5 999	930	6 107		

**CASH PAYMENTS JOURNAL OF SUPER TRADERS - APRIL 2022**

**CPJ6**

Doc. no	Day	Details	Fol	Bank	Trading Stock	Wages	Creditors control	Sundry accounts		
								Amount	Fol.	Details
EFT14	2	T&T Wholesalers		6 175			6 175			
B/S	9	Cash		1 500		1 500				Cash float
EFT16	16	Mega Suppliers		4 650	2 000		2 000	650		Stationery
EFT17	23	R Radebe		5 000				5 000		Drawings
EFT18	30	SS Insurance		800				800		Insurance
EFT19		Mega Suppliers		2 171	2 100			71		Stationery
				20296	4 100	1 500	8 175	6 521		

(12)

## QUESTION 7: Journals

The following information is taken from the books of Real Traders.

7.1	Cash Receipts Journal	(CRJ)	(9)
7.2	Cash Payments Journal	(CPJ)	(7)
7.3	Creditors' Journal	(CJ)	(7)
7.4	Debtors' Journal	(DJ)	(6)

### INSTRUCTIONS

- Record the transactions in the correct journals.
- The business uses a mark-up profit of 25% on cost.
- Do not close-off the journals. (Don't Total them)

### Transactions for September 2022

- 3 Sold goods on credit to T. Msomi, R1 300. Issued invoice 76.  
T. Pretty increased the Capital of the business by R50 000.
- 4 Purchased the following on credit from Alright Wholesalers (invoice 101)  
(renumbered to 80)  
Filing cabinets R10 120  
Stationery R 480
- 10 Cash sales of merchandise, R14 800. (CRT 48-52)  
Issued receipt 105 to R. Randall in part payment of his account, R4 600.
- 11 Drew Cash for:  
Wages R 810  
Cash float R1 000
- 15 Paid Masimino Traders by EFT no. 139 as payment of our account, R8 300.  
Sold goods on credit to N. Luthuli, R5 600 (Cost Price). Issued invoice 77.
- 27 Purchased goods on credit from Beacon Wholesalers for R7 600 less 10 % trade discount, received invoice no. SR98.

**GRAND TOTAL : 100 MARKS**

# HILLCREST HIGH SCHOOL



## ECONOMIC AND MANAGEMENT SCIENCES GRADE 9 THE ECONOMY AND ENTREPRENEURSHIP EXAMINATION – NOVEMBER 2022

**EXAMINER:** MRS J CHABANT

**MODERATOR:** MRS EDY, MRS WITTSTOCK,  
MRS RAMBURAN & MRS LEPPAN

### INSTRUCTIONS

**This question paper consists of SIX Questions:**

1. Read each question carefully.
2. This paper must be completed in 1 hour.
3. Write neatly and legibly
4. Answer ALL questions in the answer book.
5. The paper must be done in pen.

Questions	Mark Allocation	Mark Achieved
QUESTION 1: Multiple Choice	10	
QUESTION 2: Matching Columns	10	
QUESTION 3: Fill in the Blanks	10	
QUESTION 4: Trade Unions	20	
QUESTION 5: Business Functions and Sectors	32	
QUESTION 6: Business Plans	18	
<b>Final Total</b>	<b>100</b>	

### QUESTION 1: Multiple Choice

Various options are provided as possible answers to the following questions. Choose the answer and write only the letter (A – D) under question number (1.1 – 1.5)

- 1.1 An economic system where the government makes all the economic decisions. (2)
- A Market
  - B Planned
  - C Unplanned
  - D Mixed
- 1.2 A country with a mixed economy on the African continent (2)
- A Cuba
  - B South Africa
  - C Russia
  - D Italy
- 1.3 The Human Resources Manager is not responsible for ... (2)
- A Advertising of products.
  - B finances of the business.
  - C purchasing of raw materials and producing of products.
  - D All of the above
- 1.4 Which of the following is NOT an example of a trade union? (2)
- A NGO
  - B NUMSA
  - C DENOSA
  - D SADTU
- 1.5 The name, slogan and date of preparation should be included on the .... of the Business Plan. (2)
- A marketing plan
  - B introduction
  - C cover page
  - D summary

**[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. 2.11 K

COLUMN A		COLUMN B	
2.1	Stay-away	A	Quantity demanded of all consumers
2.2	Primary sector	B	A single seller of goods for which no substitute exists.
2.3	Monopolies	C	Skilled and unskilled workers in a particular industry
2.4	Competitive market	D	The worldwide exposure and interaction of economies with trade being the key element.
2.5	Market demand	E	Market for factors of production.
2.6	Supply	F	Not going to work on the advice of the union
2.7	Blue-collar workers	G	Price where quantity demanded equals quantity supplied.
2.8	Factor market	H	A model of an industrial structure in which many business undertakings compete with each other to provide a specific product for which there is a great demand by consumers.
2.9	Equilibrium price	I	... is the quantity of a product or service that suppliers can and want to produce at different price levels.
2.10	Globalisation	J	Quality demanded of all consumers
		K	This sector deals with extraction of raw materials and natural resources.
		L	A lot of sellers of goods for which no substitute exists.

[10]

## QUESTION 3: FILL IN THE BLANKS

Use the words in the table below to fill in the missing words.

realistic	communication	record	distribution
extraction	finances	unrealistic	open cut

- 3.1 In the administrative function they handle, \_\_\_\_\_ and file the information for the business.
- 3.2 A business plan can help to raise \_\_\_\_\_.
- 3.3 In a business plan you must be \_\_\_\_\_.
- 3.4 \_\_\_\_\_ of resources must be at a slower pace so that nature is able to reproduce them.
- 3.5 Public relations have good \_\_\_\_\_ channels between all people both within the business and outside the business.

[10]

## THE ECONOMY

### QUESTION 4: TRADE UNIONS

Study the adapted extract and answer the questions.

#### South African Unions Sign Eskom Pay Deal After Illegal Strike

South African labour groups agreed to a wage offer from the state-owned power utility, ending an impasse (a situation in which no progress is possible, especially because of disagreement; a deadlock.) over increases that triggered a week of illegal protests and deepened electricity outages.

**Eskom Holdings SOC Ltd.**, which generates almost all of the nation's electricity, signed a pay deal with South Africa's National Union of Mineworkers, the National Union of Metalworkers of South Africa and Solidarity for a 7% wage increase, the utility said on its Twitter account. The nation's consumer inflation rate was 6.5% in May.

Eskom workers aren't allowed to strike because the provision of electricity is considered an essential service. While labour groups on June 28 called for their members to report for duty, the stay-away continued at some plants and the utility was forced to double power cuts to prevent a total collapse of the grid.

Power outages, near an **all-time record** just halfway through the year, have been curtailing economic activity in Africa's most industrialized nation and disrupting daily life. Even before the strike, Eskom was running at a loss and struggling to keep its old coal-fired plants running while fixing new defective units.

(Adapted extract: Paul Burkhardt. (2022). *South Africa Unions Sign Eskom Pay Deal After Illegal Strike*. [Online]. Bloomberg. Available at: <https://www.bloomberg.com/news/articles/2022-07-05/south-african-unions-accept-eskom-pay-deal-after-> [Accessed 17 August 2022]

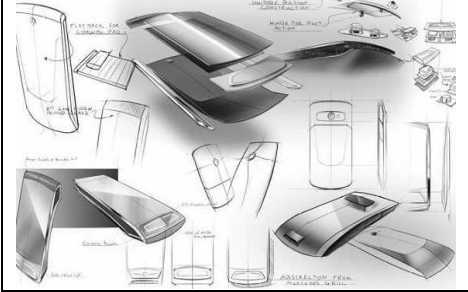
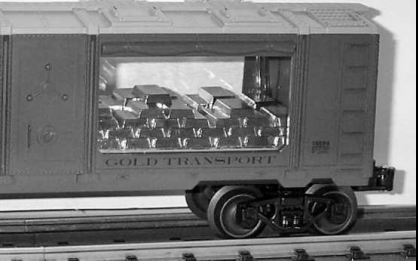








- 4.1 Identify the trade unions mentioned in the article. (3)
- 4.2 Are Eskom workers allowed to strike? Quote from the passage to show why you said yes or no. (2)
- 4.3 Describe what a Trade Union is. (2)
- 4.4 Discuss 2 (two) disadvantages of Trade Unions on Businesses. (4)
- 4.5 List 3 (three) rights granted to South African Workers. (3)
- 4.6 Besides Blue-collar workers, who else do Trade Unions represent. (3)
- 4.7 Provide 3 (three) functions of Trade Unions. (3)

**[20]**

# ENTREPRENEURSHIP

## QUESTION 5: BUSINESS FUNCTIONS AND SECTORS

Below shows how a smartphone is created from the designing to the manufacturing to the selling of it. Using the letters and names below answer the following questions

<p><b>A: DESIGN</b></p> 	<p><b>B: RAW MATERIALS</b></p> <p>Yttrium Scandium Copper Gold Platinum Polycarbonate etc.</p>	<p><b>C: TRANSPORT</b></p> 
<p><b>D: COMPONENT MANUFACTURING</b></p> 	<p><b>E: TRANSPORT</b></p> 	<p><b>F: ASSEMBLY</b></p> 
<p><b>G: PROGRAMMING</b></p> 	<p><b>H: TRANSPORT</b></p> 	<p><b>I: WHOLESALER</b></p> 
<p><b>J: TRANSPORT</b></p> 	<p><b>K: RETAILERS</b></p> 	

5.1 Identify from the above an aspect of a business in each of the economic sectors. Only write down the letter of your answer next to the question number. (3)

5.1.1 Primary sector.

5.1.2 Secondary sector

5.1.3 Tertiary sector

- 5.2 Recommend which department within a factory are responsible for making sure there is always enough raw materials. Give 2 characteristics of this business function. (3)
- 5.3 Define Risk Management and state 1 (one) characteristic that they have. (3)
- 5.4 State which function manages the advertising for Makro and Game. Give 2 (two) examples of how they could advertise their products. (3)
- 5.5 What are the 4 P's in the above function? (4)
- 5.6 List the three levels of Management, give an example of each and what role do they play in the management of the business. (9)
- 5.7 Recommend 2 (two) characteristics within the Human Resource function. (4)
- 5.8 Discuss the interrelatedness of different business functions to make a business run smoothly and successfully. (3)
- [32]**

## QUESTION 6: BUSINESS PLANS

Read the extract and answer the questions.

### Plan Your Business Plan

Planning your plan will help control your degree of accountability and reduce time-wasting indecision. To plan your plan, you'll first need to decide what your goals and objectives in business are. As part of that, you'll assess the business you've chosen to start, or are already running, to see what the chances are that it will actually achieve those ends. Finally, you'll take a look at common elements of most plans to get an idea of which ones you want to include and how each will be treated.

### Determine Your Objectives

Imagine that the date is five years from now. Where do you want to be? Will you be running a business that hasn't increased significantly in size? Will you command a rapidly growing empire? Will you have already cashed out and be relaxing on a beach somewhere, enjoying your hard-won gains?

Adapted from: Entrepreneur Media, Inc. ((C) 2022). *Plan Your Business Plan*. [Online]. Entrepreneur Media, Inc. Available at: <https://www.entrepreneur.com/article/38292> [Accessed 19 August 2022].

- 6.1 Explain in your own words why a business plan is a necessity for a new business. (2)
- 6.2 Is the last goal in the text an example of a medium or long-term goal? Explain your answer. (2)
- 6.3 Give 3 (three) other elements you will find in business plan. (3)

- 6.4 Is market research something that should be carried out before a business plan is created? Motivate your answer. (2)

Read the Scenario on the next page and answer the questions which follow.

**The Blanket Lady – An inspiring story**

Edith Parson is a hawker in downtown Johannesburg who sells blankets. She is very proud that her customers can sleep warm every night. From a young age she wanted to become an entrepreneur and her dreams finally paid off. “The money I make in the week is enough to buy everything I need. Things weren’t always this easy. In the beginning I had no customers,” she added.



Eventually her desire, perseverance and hard work paid off. Although sales are still good, more and more hawkers started selling blankets in the same area as she does, and the recent pandemic didn’t help either. However, she indicated that her blankets are of a much higher quality.

“It is time to grow my business. People from Alberton, Springs and Krugersdorp come to buy blankets from me,” she indicated with a huge smile. But she also acknowledges that she needs financial help. “I know about bills that I have to pay, but advertising, paying rent for my storeroom and paying my employees can be a bit of a challenge.”

*[Source: Unknown]*

- 6.5 List ONE personal quality that Edith Parson possesses to make her a successful entrepreneur. Quote from the scenario. (1)
- 6.6 A SWOT Analysis should be compiled for Edith. From the extract, list a strength, a weakness, an opportunity and a threat to Edith’s business. (4)
- 6.7 Explain the difference between fixed and variable costs. (2)
- 6.8 Explain what is meant by break-even point when it comes to finances. (2)
- [18]**

**GRAND TOTAL : 100 MARKS**