



eduresourcza.com

ECONOMIC AND MANAGEMENT SCIENCES
GRADE 8
CONTROLLED TEST
Standard of Living, Accounting Concepts and Source Documents
TERM 1
WEEK 10

Marks: 50

Time: 60 minutes

Instructions:

- This question paper consists of THREE sections based on the prescribed content framework in the CAPS / RATP document.
- Answer **ALL** the questions on the spaces provided.
- Write neatly and legibly
- Answer only what is required.
- GOOD LUCK!

MARKING GUIDELINE

QUESTION	1	2	3	4	5	6	TOTAL
MAXIMUM MARK	5	5	5	10	10	15	50
MARK OBTAINED							

SECTION A

QUESTION 1

State whether the following statements are true or false

- 1.1. Lack of education and skills is one of the major causes of unemployment in South Africa. **True**✓ (1)
- 1.2 Manufactured goods from china help to create employment and grow the economy. **False**✓(1)
- 1.3 High unemployment can encourage people to turn to crime to make ends meet. **True**✓ (1)
- 1.4 The right hand side of the ledger account is called the debit side. **False**✓ (1)
- 1.5 A trading licence can be classified as income. **False**✓ (1)
- [5]

QUESTION 2

MULTIPLE-CHOICE QUESTIONS

Various options are provided as possible answers to the following questions. Choose the answer and write only the letter (A – D) in the block next to the question number (2.1. – 2.5)

- 2.1 Assets can best be defined as ... Answer:
 A. liabilities of a business
 B. income of a business **C**✓ (1)
 C. possessions of a business
 D. expenses of a business
- 2.2 Issued by a bank to the customer at the end of the month indicating all transactions for the specific account. Answer:
 A. Bank statement **A**✓ (1)
 B. Receipt
 C. Cash invoice
 D. Cheque
- 2.3 The Accounting Equation: Answer:
 A. $OE = A + L$
 B. $A = OE + L$ **B**✓ (1)
 C. $A = OE - L$

$$D. L = A + OE$$

- 2.4 The transfer of money over an online network: Answer:
 A. ATM
 B. EFT **B✓**
 C. POP
 D. VAT (1)
- 2.5 This refers to people from self-sufficient societies who decided to settle permanently in small villages Answer:
 A. Rural societies **A✓**
 B. Modern societies
 C. Unemployment
 D. Lifestyle (1)

[5]

QUESTION 3

COMPLETE THE SENTENCES

Use the word bank below to complete the following sentences. Write only the space provided with each question.

capital	lifestyle	standard of living	liabilities
owners' equity	store	asset	deposit slip

- 3.1 Money that the owner contributes to starting the business is called capital✓ (1)
 3.2 A/An debit✓ card is a payment card that deducts money directly from a consumer's checking account to pay for a purchase (1)
 3.3 The share of the owner in the business, owners' equity✓ (1)
 3.4 Liabilities✓ are the debts of the business.. (1)
 3.5 Refers to the way people live in their separate communities Lifestyle✓ (1)

[5]

TOTAL SECTION A: 15

SECTION B- THE ECONOMY

QUESTION 4

QUESTION 2 - STANDARD OF LIVING		Marks: 10
4.1.	Explain the difference between modern societies and rural societies.	(6)
MODERN		RURAL
These people are identified by specialisation, social groups or increased movement. ✓✓ They depend on their income for survival and they are less dependent on each other. ✓✓ They depend on their employer for income, shops and supermarkets for food, clothing and other manufactured products. ✓✓ (Any relevant response)		They usually live in the country side away from cities and towns. ✓✓ Fewer people live in rural areas than in towns and cities. ✓✓ Fewer employment opportunities and they spend their time producing food for their families. ✓✓ Mostly rely on subsistence farming and some people form cooperatives where they grow and sell vegetables to produce income for themselves. ✓✓

[04 Marks]

4.2 Poor education ✓✓; Inequality between skilled ✓✓, semi-skilled and unskilled workers ✓✓; Influx of foreign workers ✓✓; Minimum wage structure ✓✓; Labour laws; Labour unions. ✓✓

Any two answers

SECTION C

QUESTION 5 – ACCOUNTING CONCEPTS

Thabang started a small business recently, “Thabang’s Door-to-Door Deliveries”. She is the only person who owns the business. For her to have started the business she had to borrow money from the bank. She used most of the money to pay for a small delivery vehicle. She also had to employ some workers, connect the electricity, and install a telephone line, all money she had to pay she did not budget for.



5.1. Underline the correct word.

(1)

Thabang’s Door-to-Door Deliveries is an example of a (retail / services) ✓ business.

- 5.2.1 Define the concept "liability". (2)
Liabilities refer to money owed to other businesses, financial institutions, or persons other than the owner of the business. ✓✓
(Any other correct definition for 2 marks)
- 5.2.2 Give ONE example of a liability from the extract. (2)
Loan from the bank. ✓✓
- 5.3 List THREE expenses Thabang can possibly have. (3)
Wages✓, electricity✓ telephone ✓ stationery ✓
(Any 3 expenses that is correct and relevant for 1 mark each)
- 5.4 Thabang is scared that she might not make enough money to pay for everything. (2)
 If her expenses are more than her income, she will make a **loss**✓✓

[10]

QUESTION 6 – SOURCE DOCUMENTS

6.1 Study the documents before answering the questions.

Receipt

RECEIPT		No. 16
Received from: <u>Alice Wonderland</u>		Date: <u>24 April 2020</u>
For: <u>Donation</u>		
The amount of: <u>Four Hundred</u> rands		R400-00
<u>nil</u> cent		
☒ CASH	☐ CHEQUE	
		<i>M. Daemons</i>
		WERP Traders

- 6.1.1 When will a receipt be issued? (2)
When the business receives money. ✓✓
(Only ONE reason for 2 marks, any other correct answer)
- 6.1.2 To whom was the above receipt issued? (2)
Alice Wonderland✓
- 6.1.3 What was the reason for issuing the receipt to the client? (2)

A donation was received✓

6.1.4 A receipt is an (internal / external✓) source document. (2)

6.2

Cash Register Slip

Valley Clothing Store	
08/11/2012	
Till 3	
Clothing	R220.00
Shoes	R401.00
Equipment	R212.00
TOTAL	R833.00
Cash	R850.00
Change	R17.00
15%VAT	R124.95
Slip 1234	
Vat No. 543632912	
Cell: 092 934 9382	
Thank You	

6.2.1 On which day, did this transaction took place? (2)
08/11/2012✓

6.2.2 How did the customer pay for the goods? (2)
Cash✓

6.3 List 3 reasons why source documents are important. (3)

- **As evidence of transactions**✓
- **For recording purposes**✓
- **For auditing purposes**✓

[15]

TOTAL SECTION B: 30
GRAND TOTAL: 50