



GAUTENG PROVINCE
EDUCATION
REPUBLIC OF SOUTH AFRICA

**GAUTENG DEPARTMENT OF EDUCATION
PROVINCIAL EXAMINATION
JUNE 2016
GRADE 9**

**ECONOMIC AND MANAGEMENT
SCIENCES**

TIME: 1 hour

MARKS: 100

10 pages

**GAUTENG DEPARTMENT OF EDUCATION
PROVINCIAL EXAMINATION****ECONOMIC AND
MANAGEMENT SCIENCES****TIME: 1 hours****MARKS: 100****INSTRUCTIONS AND INFORMATION****Read the instructions carefully and follow them precisely.**

- 1 This question paper consists of SECTION A, SECTION B, SECTION C AND SECTION D based on the prescribed content framework in the CAPS document.

SECTION A: ALL TOPICS

QUESTION 1.1 Multiple-Choice Questions	(10)	[5x2 = 10]
QUESTION 1.2 Matching Items	(5)	[5x1 = 5]
QUESTION 1.3 True or False	(5)	[5x1 = 5]
	[20]	

SECTION B: THE ECONOMY

QUESTION 2.1 Economic Systems	(12)	
QUESTION 2.2 Circular flow (Diagram)	(12)	
QUESTION 2.3 Price Theory (Graph)	(12)	
	[36]	

SECTION C: FINANCIAL LITERACY

QUESTION 3.1 Cash and Credit Journals	(23)	
QUESTION 3.2 General Ledger	(6)	
QUESTION 3.3 Accounting Equation	(6)	
	[35]	

SECTION D: ENTREPRENEURSHIP

QUESTION 4 Economic Sectors	[9]	
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- 2 All questions are compulsory.
3 When answering questions, candidates must apply their knowledge, skills and insight.
4 Answer all questions (Sections A – D) in the ANSWER BOOK provided.
5 Write neatly and legibly.
6 The use of non-graphical and non-programmable calculators is allowed.
7 Use blue or black ink only.

SECTION A**QUESTION 1**

Various options are provided as possible answers to the following questions. Choose the answer and write only the letter (A – D) next to question number (1.1.1. – 1.1.5) in the ANSWER BOOK provided.

1.1 MULTIPLE-CHOICE QUESTIONS

1.1.1 This is the system that a country can use to solve the economic problem of scarcity.

- A Production system
- B Economic system
- C Marketing system
- D Bartering system

1.1.2 A business sells a product at a selling price of R25 600 with a $33\frac{1}{3}\%$ mark-up. Calculate the cost price.

- A R19 248,12
- B R1 924, 81
- C R19 200
- D R20 000

1.1.3 Businesses sells their goods on the ...

- A consumer market.
- B factor market.
- C financial market.
- D goods and services market.

1.1.4 A(n) ... occurs when producers are willing and able to produce a greater quantity of an item or service at each price.

- A increase in supply
- B increase in demand
- C decrease in demand
- D decrease in supply

1.1.5 Many goods pass through all three sectors of the economy when manufactured and this is known as ...

- A the chain of distribution.
- B the chain of skills.
- C the chain of production.
- D None of the above

(5x2) **(10)**

P.T.O.

1.2 MATCHING ITEMS

Match the descriptions in Column B with the terms in Column A. Write only the correct letter (A – F) next to question number (1.2.1 – 1.2.5) in the ANSWER BOOK.

COLUMN A	COLUMN B
1.2.1 Exploitation	A To protect consumers from high interest rates
1.2.2 Closed economy	B When the debtor has been overcharged on an invoice issued
1.2.3 Monopoly	C An economy where no trading takes place outside the local economy
1.2.4 National Credit Act	D Entrepreneurs pay labourers a minimum wage in order to keep costs down and make greater profits
1.2.5 Debtors' Allowances Journal	E The control of an industry or service by only one company
	F An economy where money, goods and services flow into and out of the local economy

(5x1) **(5)**

1.3 TRUE OR FALSE

Indicate whether the following statements are TRUE or FALSE. Write only 'true' or 'false' next to the question number.

1.3.1 The reward for natural resources is interest.

1.3.2 Profit = capital – drawings + expenses

1.3.3 A credit sale is a transaction in which goods are sold but the consumer only pays at the end of the month.

1.3.4 Marx developed an economic philosophy that explained how mixed economies work.

1.3.5 When the business makes an entry on the left hand side of the account, the account is debited.

(5x1) **(5)**

TOTAL SECTION A: 20

SECTION B

THE ECONOMY

QUESTION 2

ECONOMIC SYSTEMS

2.1 Explain what is meant by the term *economic problem*. (2)

2.2 Complete the table below which compares the characteristics of the three different economic systems. Write the answers (2.2.1. – 2.2.6) in the ANSWER BOOK provided.

CHARACTERISTICS	PLANNED ECONOMY	MARKET ECONOMY	MIXED ECONOMY
Government Control	2.2.1	No control	2.2.2
Ownership of the factors of production	2.2.3	2.2.4	Private
Prices	2.2.5	Competition determines prices	2.2.6

(6)

2.3 Scenario – Globalisation

The existence of sweatshops is not just an economic issue, but also a human rights issue because it leads to the exploitation of economically vulnerable individuals such as women and children. Sweatshop-awareness organisations estimate that 85% of sweatshop workers are young women between the ages of 15 and 25 years.

Source: Today, pg. 32

2.3.1 Give ONE advantage of globalisation in an economy. (2)

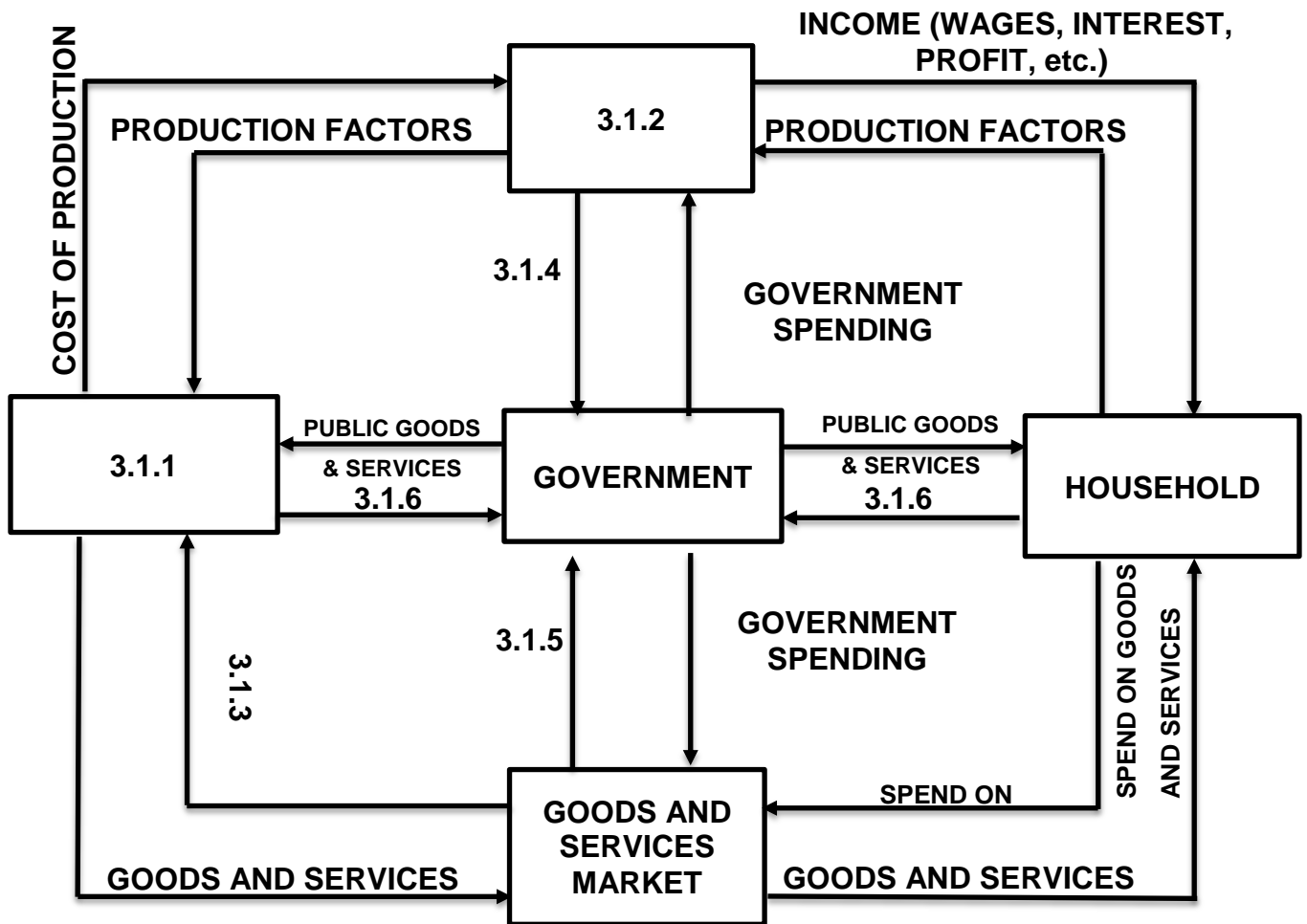
2.3.2 Give ONE disadvantage of globalisation. (2)

[12]

QUESTION 3

THE CIRCULAR FLOW

Study the following circular flow diagram before answering the questions that follow.



- 3.1 Identify 3.1.1 – 3.1.6 in the diagram above. (6)
- 3.2 Briefly discuss governments' interaction with businesses. (4)
- 3.3 Name the fourth participant in a closed economy. (2)

[12]

QUESTION 4**PRICE THEORY**

Study the following Demand Schedule for DVDs and CDs at MUSEO's SOUNDS and answer the questions that follow.

MARKET DEMAND AND SUPPLY SCHEDULE FOR DVDs and CDs

PRICE (R)	QUANTITY DEMAND	QUANTITY SUPPLY
100	250	50
120	200	100
140	150	150
160	100	200
180	50	250

- 4.1 Use the above schedule to draw a demand and supply curve on the same set of axes. (6)
- 4.2 Name the point where demand and supply meet. (1)
- 4.3 Indicate what the price and quantity would be at the point identified in Question 4.2. (2)
- 4.4 Briefly explain the law of supply for DVDs and CDs. (2)
- 4.5 What type of relationship exists between price and the quantity supplied? (1)
- [12]**

TOTAL SECTION B: 36

SECTION C**FINANCIAL LITERACY****QUESTION 5****JOURNALS****[23]**

On the 1 July 2014, M. Adam opened her business, Adams Plastics. The business uses a mark-up of 30% on cost price.

INSTRUCTIONS AND INFORMATION:

Use the information provided to record the transactions in the following journals:

- | | | |
|-----|--|-----|
| 5.1 | Cash Receipts Journal with analysis columns for Analysis of Receipts; Bank; Sales; Cost of Sales; Debtors' Control and Sundry Accounts | (7) |
| 5.2 | Cash Payments Journal with analysis columns for Bank; Trading Stock and Sundry Accounts | (6) |
| 5.3 | Debtors' Journal with columns for Sales and Cost of Sales | (4) |
| 5.4 | Debtors' Allowances Journal with columns for Debtors' Allowances and Cost of Sales | (6) |

IMPORTANT: DO NOT close off the journals on 31 July 2014.

TRANSACTIONS FOR JULY 2014:

- 03** Supplied merchandise on credit to B. Baloyi, R680. Issued Invoice 35. Cash Sales according to the cash register tape amounted to R4 000.
- 05** B.Baloyi returned stock as it was damaged, R200. Credit note 19 was issued.
- 11** Issued Cheque 92 to Barack Wholesalers for R5 200 for the following items bought: Stock of R4 200 and Stationery for office use for R1 000. D. Sohni complained that she never received a 5% trade discount on her most recent purchase of R1 200. Credit note 20 was issued.
- 18** B.Baloyi sent a cheque for R400 in part payment of his account. Issued Receipt 50.

QUESTION 6

GENERAL LEDGER

6.1 The information below is taken from the books of LIJO STORES. Show the following entry in the General Ledger account for May 2014:

[6]

Debtors' Control

6.2 Balance the account.

DEBTORS' JOURNAL OF LIJO STORES – MAY 2014

DJ 1

INV NO.	DAY	DEBTOR	FOL	SALES		COST OF SALES	
241	20	J. Daniels	D1	2 164	-	1 731	20
				2 164	-	1 731	20

B8/N1

B7/N2

DEBTORS' ALLOWANCES JOURNAL OF LIJO STORES – MAY 2014

DAJ 1

DEBIT NOTE NO.	DAY	DEBTOR	FOL	DEBTORS' ALLOWANCES		COST OF SALES	
C/N 10	22	J. Daniels	D1	300	-	240	-
				300	-	240	-

N3/B8

B7/N2

CASH RECEIPTS JOURNAL OF LIJO STORES – MAY 2014

CRJ 1

Doc No.	Day	Details	Fol	Analysis Of Receipts		Bank		Sales		Cost of Sales		Debtors' Control		Sundry Account		
														Amount	Fol	Details
75	25	J. Daniels		1 500	-							1 500	-			
CRT1		Sales		4 300	-	5 800	-	4 300	-	3 440	-					
						5 800	-	4 300	-	3 440	-	1 500	-			

N1

N2

B8

QUESTION 7**ACCOUNTING EQUATION**

Analyse the following transaction of ELSAC STORES for June 2014. DO NOT SHOW THE AMOUNT. INDICATE ONLY THE EFFECT, i.e. show an increase with a (+) and a decrease with a (-). [6]

05 J. Schmit returned stock as it was damaged, R400. Credit Note 56 was issued.

TOTAL SECTION C: 35

SECTION D**ENTREPRENEURSHIP****QUESTION 8****ECONOMIC SECTORS**

<i>“A potato farm, must get the services of an accountant to do its books and taxes. The farmer needs fertiliser and pesticides that farming operations use in large quantities.”</i>

Identify the THREE sectors in the economy from the extract above and briefly discuss the interrelationship between the three economic sectors. [9]

TOTAL SECTION D: 9

TOTAL: 100

END