



GAUTENG PROVINCE

EDUCATION
REPUBLIC OF SOUTH AFRICA

**GAUTENG DEPARTMENT OF EDUCATION
PROVINCIAL EXAMINATION
NOVEMBER 2020
GRADE 9**

**ECONOMIC AND MANAGEMENT
SCIENCES**

TIME: 1½ hours

MARKS: 100

10 pages

INSTRUCTIONS AND INFORMATION

This question paper consists of Section A, B, C and D based on the prescribed content framework in the CAPS amendment document and Circular S2 and S3 of 2020.

SECTION A: ALL TOPICS

QUESTION 1.1:	Multiple choice questions	(10)
QUESTION 1.2:	Complete the sentences	(5)
QUESTION 1.3:	Matching items	(10)
		[25]

SECTION B: THE ECONOMY

QUESTION 2:	Price theory	(14)
		[14]

SECTION C: FINANCIAL LITERACY

QUESTION 3:	Journals and Accounting Equation	(28)
QUESTION 4:	Ledgers	(15)
		[43]

SECTION D: ENTREPRENEURSHIP

QUESTION 5:	Business Plan	(18)
		[18]

1. All questions are compulsory.
2. Answer all questions in the ANSWER BOOK provided.
3. Write neatly and legibly.

SECTION A: ALL TOPICS**QUESTION 1****1.1 MULTIPLE CHOICE QUESTIONS**

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

- 1.1.1 According to the Law of Demand, there is a ... relationship between price and the quantity demanded.
- A positive
 - B direct
 - C negative
 - D non-existing
- (2)
- 1.1.2 Which of the following businesses can be classified as a trading business?
- A Sinclair Attorneys and Associates
 - B Sunshine Spaza Shop
 - C Green Finger Garden Services
 - D Silky Sleek Beauty Salon
- (2)
- 1.1.3 The cost price of merchandise is R4 520 and the mark up is 15%. Calculate the sales price.
- A R3 930,43
 - B R678,00
 - C R5 198,00
 - D R4 535,00
- (2)
- 1.1.4 The name, logo, slogan and date of preparation should be included in/on the ... of a business plan.
- A marketing plan
 - B introduction
 - C summary
 - D cover page
- (2)
- 1.1.5 A person that has provided goods or services and expects to be paid at a later stage.
- A Creditor
 - B Customer
 - C Debtor
 - D Accountant
- (2)

[10]

1.2 COMPLETE THE SENTENCES

Use the word bank below to complete the following sentences. Write only the answer next to the correct question number in the ANSWER BOOK.

debited; supply; General Ledger; production plan; credited;
debtors' control; quantity supplied; subsidiary journal; summary; bank

- 1.2.1 The fourth step in the accounting cycle is the completion of the ...
- 1.2.2 A change in price will lead to a change in the ...
- 1.2.3 The total of the debtors' list must always equal the balance of the ... account.
- 1.2.4 When a debtor makes another credit purchase, his individual account will be ...
- 1.2.5 The ... indicates from where the business gets the raw materials which they use to manufacture the goods they sell.

[5]

1.3 MATCHING ITEMS

Choose a term in COLUMN B that matches the description in COLUMN A. Write only the letter (A – H) next to the question number (1.3.1 to 1.3.5) in your ANSWER BOOK.

COLUMN A		COLUMN B	
1.3.1	When the owner takes money for personal use	A	Law of Supply
1.3.2	When the price increases, the quantity demanded will decrease	B	Loan
1.3.3	The source document for credit sales	C	SWOT Analysis
1.3.4	All income and expense accounts are found in this section	D	Invoice
1.3.5	A structured list that specifies aspects that can have an influence on the success of a business	E	Law of Demand
		F	Drawings
		G	Business Plan
		H	Nominal Accounts

[10]

TOTAL SECTION A: 25




SECTION B: THE ECONOMY

QUESTION 2: PRICE THEORY

2.1 During the recent pandemic, more entrepreneurs emerged. Government signed into law that the wearing of masks was compulsory, and declared that the regular washing of hands was one of the best ways to combat the virus.

Below is a demand and supply schedule for bars of soap at the local supermarket.

Price (R)	Quantity demanded	Quantity supplied
5	60	10
10	55	20
15	40	25
20	30	30
25	25	45
30	15	50

2.1.1 Draw a demand and supply curve on the same axis by using the information in the above schedule. Remember to label your graph, provide a heading and indicate the equilibrium. (7)

2.1.2 Identify the equilibrium price and equilibrium quantity. (4)

2.2 Define the “Law of Supply”. (2)

2.3 Indicate whether the following statement is True or False.

If the price of a bar of soap is R30, there will be a surplus of bars of soap available. (1)

[14]

TOTAL SECTION B: 14

SECTION C: FINANCIAL LITERACY**QUESTION 3: JOURNALS AND ACCOUNTING EQUATION**

Use the transactions below to prepare the following Journals of Seven Eleven Supermarket for the month of November 2020.

- 3.1 Cash Receipt Journal (6)
- 3.2 Cash Payment Journal (4)
- 3.3 Debtors' Journal (4)
- 3.4 Creditors' Journal (2)

Do not close the journals at the end of the month.

The business applies a mark-up of 25%.

Transactions

- 6 Cash takings at the till amounted to R 5 600 for goods sold.
- 11 Sold goods on credit to R. Beer for R 3 200. Invoice 22 was issued.
- 17 Purchased stock on credit from Popeye Wholesalers for R 5 670. Invoice renumbered to 29.
- 19 Sold goods on credit to M. Dladla for R 4 000.
- 21 A debtor, R. Beer, paid R 3 200 in settlement of her account. Receipt 541 was issued.
- Cash sales for the day, R 1 500.
- 25 Settled the amount owed to Popeye Wholesalers. Cheque 334 was issued.
- 29 Cashed a cheque to pay for repairs, R 3 300.

- 3.5 Analyse the transactions below to show the effect on the Accounting Equation.
- 3.5.1 Cash takings at the till amounted to R 5 500 for goods sold. A mark-up of 10% was applied.
- 3.5.2 Bought goods on credit from NetStar for R 6 800.

(12)
[28]

QUESTION 4: LEDGERS

- 4.1 Study the partially completed Debtors' Ledger and answer the questions that follow.

Debtors' Ledger of Oakland Furniture

Date		Details	Fol	Debit	Credit	Balance	
2020 Nov	1	Account rendered				2 400	00
	4	Invoice 34	DJ	(A)		3 900	00
	9	Receipt 19	(B)		1 000	00	2 900
							(C)

- 4.1.1 Give the name of the debtor. (2)
- 4.1.2 Calculate the amount for A. (2)
- 4.1.3 Complete the folio reference for B. (2)
- 4.1.4 The debtor bought more trading stock on credit for R 800. Calculate the new balance at C. Write down only the new balance. Do not show your calculations. (2)
- 4.2 You are supplied with the information of Luthuli Traders.

REQUIRED:

- 4.2.1 Post the relevant totals of the completed journals to the Trading Stock Account in the General Ledger.
- 4.2.2 Balance the account at the end of April 2020. (7)

INFORMATION

Opening balance: Trading Stock: R 54 305

Cash Receipt Journal of Luthuli Traders for April 2020

CRJ4

Doc no.	Day	Details	Fol	Analysis of receipts	Bank	Sales	Cost of Sales	Sundry Accounts		
								Amount	Fol	Details
					42 400	15 800	9 500	17 100		

Cash Payment Journal of Luthuli Traders for April 2020

CPJ4

Doc no.	Day	Name of Payee	Fol	Bank	Trading Stock	Creditors' Control	Sundry Accounts		
							Amount	Fol	Details
				28 578	10 468	6 400	11 710		

Creditors' Journal of Luthuli Traders for April 2020

CJ4

Doc no.	Day	Details	Fol	Creditors' Control	Stationery	Trading Stock	Sundry Accounts		
							Amount	Fol	Details
				2 457	574	1 590	293		

[15]

TOTAL SECTION C: 43

SECTION D: ENTREPRENEURSHIP

QUESTION 5: BUSINESS PLAN

Read the following scenario and answer the questions that follow.

The Blanket Lady – An inspiring story

Elvina Presley 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]

- 5.1 List ONE personal quality that Elvina Presley possesses to make her a successful entrepreneur. Quote from the scenario. (1)
- 5.2 Mention ONE thing she found difficult in the beginning. (1)
- 5.3 A SWOT Analysis should be compiled for Elvina. From the extract, list a strength, a weakness, an opportunity and a threat to Elvina’s business. (4 x 1) (4)

5.4

If Elvina wants to expand her business, she will need a business plan.

- 5.4.1 Define the term “business plan”. (2)
- 5.4.2 Provide ONE reason why a business plan is important. (1)
- 5.4.3 The financial plan is one of the most important aspects of a business.
List the FOUR other important aspects of a business plan. (4)

5.5

The financial plan of a business includes the fixed and variable costs, mark-up percentages and break-even points.

- 5.5.1 Identify ONE fixed and ONE variable cost from the scenario. (2)
- 5.5.2 Give your opinion by explaining the importance of a financial plan as part of the business plan. (3)

TOTAL SECTION D: 18

TOTAL: 100

END