



TOM NEWBY SCHOOL EXAMINATION

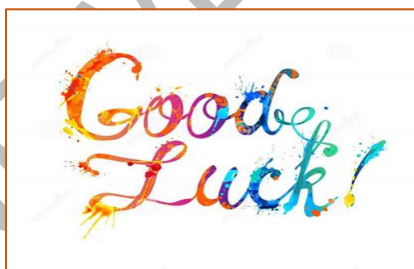
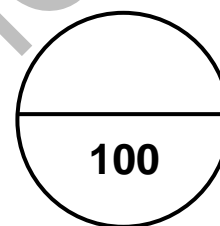


| | | | |
|---|---|--------------------|--------------------|
| Subject | EMS | Examiner | MRS L KLEMP |
| Date | JUNE 2021 | Total marks | 100 |
| Grade | 7 | Duration | 2 HOURS |
| | | Moderator | MRS A SINGH |
| Special instructions/ Equipment | Learners are allowed to use a calculator, but no borrowing is allowed. | | |
| This assessment has been compiled using notes and information contained in the Tom Newby School resource material. The marking memorandum has been compiled accordingly. While alternative responses will be given due acknowledgement, the official memorandum will be considered a priority document to ensure uniformity of marking. | | | |

| | | |
|-------|----------|--------|
| Name: | Surname: | Class: |
|-------|----------|--------|

Instructions:

- This paper is made up of 3 sections:
Section A: The Economy (30 marks)
Section B: Financial Literacy (70 marks)
- Answer all questions, on the question paper.
- Read each question carefully and answer according to the mark allocation.
- Write neatly and legibly.



SECTION A: THE ECONOMY(30 MARKS)

QUESTION 1: 30 MARKS

- 1.1 Fill in the missing word. (6)
- _____ goods are goods that will last for a long time.
 - _____ goods are goods that are used to produce other goods.
 - _____ goods are used to manufacture other goods.

1.2 Name and explain the two types of services. (4)

1.3 Explain the difference between Producers and Consumers. (4)

1.4 List two benefits of Recycling. (2)

1.5 Explain the difference between Inequality and Poverty. (4)

1.6 Name and explain the 5 reasons for the difference in income amongst people. (10)

SECTION B: FINANCIAL LITERACY (70 MARKS)

QUESTION 2: 15 MARKS

2.1 Complete the Statement of Net Worth for the Precious Family. (15)

Their house is valued at R 95 000, but they still owe R45 000 on the house loan.

Mom's car is worth R12 000. The family still owes R5 000 on this car.

Dad's car is worth R10 000, which is paid in full.

They have an investment of R15 000.

They owe R 500 on their clothing account.

They have R 1 200 in their Savings Account.

The family owe R 2 000 on their credit cards.

The value of their furniture is approximately R4 500, which is paid in full.

The other household items are valued at R1 200, which is paid in full.

Mrs. Precious has jewellery valued at R 900.

Net Worth of: _____

| Assets | Liabilities | |
|---------------|--------------------|--|
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |

Net Worth: _____

QUESTION 3: 13 MARKS

Read the budget below for Miss Amy Spark and answer the questions that follow.

Budget for Amy Spark:

| Income | Amount | Expenses | Amount |
|--------------------|----------------|-----------------|---------------|
| Salary (after tax) | R10 100 | Rent | R1 500 |
| | | Electricity | R 120 |
| TOTAL | R10 100 | Food | R1 250 |
| | | Taxi | R 700 |
| | | Cell phone | R 600 |
| | | Entertainment | R 600 |
| | | Clothing | R 480 |
| | | Private Chef | R 650 |
| | | Total | R5 900 |

3.1 What do you notice about Miss Amy Spark's Budget? (1)

3.2 Is this a balanced budget? Give a reason for your answer. (2)

3.3 Should she be saving any money? Give a reason for your answer. (2)

3.4 What can she give up to ensure she saves more money? (2)

3.5 What is the difference between Income and Expenses? (2)

3.6 Why is it better to have a Surplus than a Deficit in a business? (2)

3.7 Name two groups of people or institutions that will be interested in the Financial Statements of a business. (2)

QUESTION 4: 20 MARKS

Match Column A to Column B. Write the letter from Column B, in the spaces below.

| COLUMN A | COLUMN B |
|-----------------------|--|
| 4.1 Assets | a) Decrease in financial value |
| 4.2 Liabilities | b) Written plan on how to spend future income |
| 4.3 Capital | c) Must be paid monthly, without fail |
| 4.4 Fixed expenses | d) Income = Expenses |
| 4.5 Variable expenses | e) Items that are owned by a business |
| 4.6 Profit | f) Putting money aside for future use |
| 4.7 Loss | g) Money owed to other people |
| 4.8 Break-even point | h) Costs related to the amount of products a business provides |
| 4.9 Budget | i) All the money, goods and property owned by a business |
| 4.10 Savings | j) Income - Expenses |

| | | | | | | | | | | | | | | | | | | | |
|-----|--|-----|--|-----|--|-----|--|-----|--|-----|--|-----|--|-----|--|-----|--|------|--|
| 4.1 | | 4.2 | | 4.3 | | 4.4 | | 4.5 | | 4.6 | | 4.7 | | 4.8 | | 4.9 | | 4.10 | |
|-----|--|-----|--|-----|--|-----|--|-----|--|-----|--|-----|--|-----|--|-----|--|------|--|

QUESTION 5: 22 MARKS

5.1 Name the five types of Capital. (5)

5.2 What are Current and Non-Current Assets? Give an example of each. (4)

5.3 What is "The Profit Motive"? (2)

5.4 Are the following statements True or False? (8)

5.4.1 SARS need to see the Financial Statements to make sure that all VAT is paid.

5.4.2 Partners need to see Financial Statements to determine if their investment is profitable. _____

5.4.3 Employees and Trade Unions need to see Financial Statements to make sure the business can pay its debts. _____

5.4.4 Managers need to see Financial Statements so that they are able to solve problems that may arise. _____

5.5 Name three different ways personal income can be earned? (3)

GRAND TOTAL = 100 MARKS

Grade 7 EMS Test June 2021
Performance Analysis
(For teacher use only)

Name and Surname: _____ **Class:** _____

| | |
|------------------------|----|
| Section A: The Economy | Q1 |
| Possible Mark | 30 |
| Learner Mark | |

| | | | | |
|-------------------------------|----|----|----|----|
| Section B: Financial Literacy | Q2 | Q3 | Q4 | Q5 |
| Possible Mark | 15 | 13 | 20 | 22 |
| Learner Mark | | | | |