



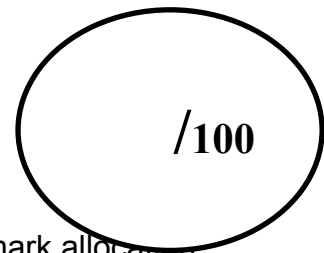
## ELUSINDISWENI PRIMARY SCHOOL

|                      |                                                                        |                           |                  |
|----------------------|------------------------------------------------------------------------|---------------------------|------------------|
| Subject              | Economic Management Sciences                                           | Examiner                  | Ms PNF Mphahlele |
| Date                 | June 2024                                                              | Moderator                 | Mrs FR Mlambo    |
| Grade                | 7                                                                      | June Examination – Term 2 |                  |
| Topic                | The economy & Financial Literacy                                       | Total marks               | 100              |
| Special instructions | Learners are allowed to use a calculator, but no borrowing is allowed. |                           |                  |

|          |       |       |
|----------|-------|-------|
| Surname: | Name: | Gr. 7 |
|----------|-------|-------|

### Instructions:

- This paper is made up of 3 sections:
  - Section A: All Topics (30 marks)
  - Section B: The Economy (25 marks)
  - Section C: Financial Literacy (45 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 |    |    |    | Section B |    |    | Section C |    |     |
|----------------|-----------|----|----|----|-----------|----|----|-----------|----|-----|
| Question       | Q1        | Q2 | Q3 | Q4 | Q5        | Q6 | Q7 | Q8        | Q9 | Q10 |
| Possible Mark  | 7         | 8  | 7  | 8  | 10        | 8  | 7  | 15        | 20 | 10  |
| Learner's Mark |           |    |    |    |           |    |    |           |    |     |



## SECTION A

### QUESTION 1: MATCH COLUMN A and B (7 MARKS)

Match the statement in column A with the corresponding answer in column B.  
Write only the letter of the correct answer in the space provided; e.g. 1.2 H

| COLUMN A                                                            | COLUMN B          | ANSWERS |
|---------------------------------------------------------------------|-------------------|---------|
| 1.1 It is one of the advantages of internet banking                 | A. Liabilities    | 1.1     |
| 1.2 These are paid to workers at the end of the week                | B. Producers      | 1.2     |
| 1.3 People who use resources to satisfy their needs and wants       | C. Assets         | 1.3     |
| 1.4 Debts of the business                                           | D. Wages          | 1.4     |
| 1.5 Possessions of value in the business                            | E. Consumers      | 1.5     |
| 1.6 A written plan showing expected income and expenses             | F. Available 24/7 | 1.6     |
| 1.7 People that use resources to produce goods and deliver services | G. Budget         | 1.7     |

### QUESTION 2: FILL IN THE CORRECT WORD (8 MARKS)

Fill in the missing word. Use the words in the block below to complete the sentences.

|           |                          |                 |           |           |
|-----------|--------------------------|-----------------|-----------|-----------|
| community | recycling                | promissory note | income    | limited   |
| salary    | socio-economic imbalance | secondary       | unlimited | bartering |

2.1 \_\_\_\_\_ is a term used to describe a situation where people do not have equal access to resources.

2.2 Healthcare and good quality housing are all basic needs of a \_\_\_\_\_.

2.3 Wants are also called \_\_\_\_\_ needs.

2.3 A \_\_\_\_\_ is a written promise to pay an amount of money.

2.4 Money is an example of a \_\_\_\_\_ resource.

2.5 The remuneration received by the employees at the end of each month is called a \_\_\_\_\_.

2.5 \_\_\_\_\_ involves collecting materials such as waste paper, plastic, glass and metal cans.

2.6 The money received by business after selling goods is called \_\_\_\_\_.

### QUESTION 3: TRUE/FALSE (7 MARKS)

State where the following statements are TRUE or FALSE. Write only the answer next to the question number; e.g. 3.1 True

3.1 Money that is used in a particular country is called currency. \_\_\_\_\_

3.2 Unemployment is an example of socio-economic challenge. \_\_\_\_\_

3.3 Money in the bank is an example of an asset. \_\_\_\_\_

3.4 Income decreases money invested in a business. \_\_\_\_\_

3.5 Savings is when the business sets aside money for future use. \_\_\_\_\_

3.6 The first coins were produced in Europe. \_\_\_\_\_

3.7 Our wants can never be satisfied. \_\_\_\_\_

### QUESTION 4: MULTIPLE CHOICE (8 MARKS)

Choose the correct answer from the choices given underline the correct answer.

4.1. In ..... people were self-sufficient and lived on whatever was provided by nature.

- A. Urban areas
- B. Rural areas
- C. Modern societies
- D. Traditional societies

4.2. A signed document containing a written promise where one person (the payer), promises to pay a stated sum to a specific person (the payee) on a specific date is called .....

- A. Debit card
- B. Credit card
- C. Promissory note
- D. Bartering

4.3. Basic needs are things like .....

- A. Food, shelter, clothing and education.
- B. Shelter, clothing, food and money.
- C. Religion, food, shelter and clothing.
- D. Water, clothing, shelter and food.

4.4. This type of capital refers to machinery, building and equipment needed to produce other goods.

- A. Fixed capital.
- B. Share capital.
- C. Financial capital.
- D. Start-up capital.

4.5. The money received by business after selling goods is called .....

- A. Drawings.
- B. Income.
- C. Liability.
- D. Capital.

4.6 Tables and computers are:

- A. Liabilities
- B. Current assets
- C. Equipment
- D. Expenses

4.7 Which of the following is NOT an expense?

- A. Salaries
- B. Stationery
- C. Vehicles

D. Water and electricity

4.8 Money received by a service enterprise for services rendered to a client.

A. Current income

B. Interest income

C. Rent income

D. Sales

**SECTION A TOTAL MARKS: 30**

***SECTION B – THE ECONOMY***

**QUESTION 5: HISTORY OF MONEY (10 MARKS)**

Define the following terms:

5.1 Currency

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5.2 Barter

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5.3 Traditional societies

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5.4 Modern societies

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5.5 Promissory notes

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## QUESTION 6: NEEDS AND WANTS (8 MARKS)

6.1 What are primary and secondary needs? (4)

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6.2 To use goods and services effectively and efficiently, we need to reuse and recycle some products.



6.2.1. List any two materials that can be recycled. (2)

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6.2.2. Define the term “reduce”. (2)

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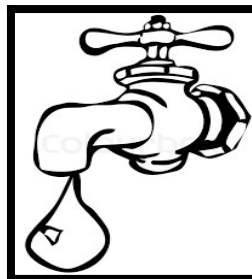
## QUESTION 7: GOODS AND SERVICES (7 MARKS)

7.1 Read the information below and answer the questions that follow.

### Why does it matter?

In previous decades in South Africa, we have invested heavily in engineered water infrastructure. But we can no longer solve our water issues by building more dams or canals. We need to rehabilitate and maintain the natural areas which are the sources of water for our cities and farms, and we need to rethink how we use water.

We have drained, dammed and polluted vast numbers of critical wetlands, rivers and aquifers – nature’s water storage and filtering powerhouses – thus diminishing the function of these natural systems to provide us with clean water.



We urgently need to act on the fact that half of our country’s river flow is provided by a tiny 10% of land area. Yet, most of this land is not protected. These strategic water source areas – the mountain catchments that yield our major rivers – are also critical for food production and the sustenance of many people downstream.

7.1.1 Write down **FOUR** ways in which we can save water and use it more effectively and efficiently. (4)

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7.1.2 Look at the following pictures and label them correctly under **goods, services, and recycled goods.** (3)

Picture A



Picture B



Picture C



Picture A: \_\_\_\_\_

Picture B: \_\_\_\_\_

Picture C: \_\_\_\_\_

**TOTAL SECTION B: 25 MARKS**

**SECTION C – FINANCIAL LITERACY**

**QUESTION 8: ACCOUNTING CONCEPTS (15 MARKS)**

8.1. Explain the following concepts:

a) Investment (2)

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b) Transaction (2)

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c) Asset (2)

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d) Capital (2)

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8.2. Mention **one (1)** purpose of financial statements (2)

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8.3. Distinguish between a current asset and a non-current asset (fixed asset) and give **ONE (1)** example of each type of asset. (6)

| Current asset | Non-current asset |
|---------------|-------------------|
| Definition:   | Definition:       |
| Example:      | Example:          |

8.4 How do you calculate a profit? (1)

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### QUESTION 9: INCOME AND EXPENSE (20 MARKS)

Read the following scenario and work out the Statement of Net Worth for Peter Pan.

Peter Pan is 45 years old and only has R12 500 in his bank account as of 1 March 2024. Peter worked for 20 years as an attorney and wants to now work out his financial position. His friend Tinkerbelle told him to make a list of all his possessions and money that he owes to other people and businesses.

The following is a list of the things that Peter Pan owns and owes.

He owns a town house - R850 000

He owns a car - R340 000

He owns a motor bike - R65 000

He owns furniture - R120 000

He owns electrical appliances - R54 000

He owes money on a bond - R280 000

Money in the bank - R12 500

Money on a fixed deposit - R40 000

He owes his brother money - R12 000

He has a clothing account and owes - R8 600

Statement of Net Worth for \_\_\_\_\_ on \_\_\_\_\_

| Assets                                          | R |
|-------------------------------------------------|---|
|                                                 |   |
|                                                 |   |
|                                                 |   |
|                                                 |   |
|                                                 |   |
|                                                 |   |
|                                                 |   |
| TOTAL ASSETS                                    |   |
| Liabilities                                     |   |
|                                                 |   |
|                                                 |   |
|                                                 |   |
| TOTAL LIABILITIES                               |   |
| NET WORTH (                -                ) = |   |

### QUESTION 10: BUDGETS (10 MARKS)

Use the information below to complete the budget for Miss Amy Spark.

Salary R10 100, Rent expense, R1 500, Food R1 250, Electricity R120, Petrol R700, Cell phone R600, Entertainment R600, Clothing R480, Private Chef R650.

Budget for Amy Spark:

| Income | Amount | Expense | Amount |
|--------|--------|---------|--------|
|        |        |         |        |
|        |        |         |        |
|        |        |         |        |
|        |        |         |        |
|        |        |         |        |
|        |        |         |        |
|        |        |         |        |
|        |        |         |        |
|        |        |         |        |
| Total  |        | Total   |        |

**TOTAL SECTION C: 45 MARKS**