



PINNACLE COLLEGE WATERFALL

ECONOMIC AND MANAGEMENT SCIENCES

GRADE 7

NOVEMBER EXAMINATION

NAME: _____

Date: 7/11/2023

Time Allocation: 90 MIN

Examiner: M. HLALUKANA

Total Marks: 100 MARKS

Moderator: J. MAASS

INSTRUCTIONS

PLEASE READ THE FOLLOWING INSTRUCTIONS CAREFULLY

1. This Question Paper consists of 10 pages. Answer all questions on the spaces provided.
2. Please check that your Question Paper is complete.
3. Read the questions carefully.
4. It is in your own interest to write legibly and present your work neatly.
5. You may **not** use red or green ink. **You may use a pencil, but please use a soft, dark pencil.**

SECTION A:	20 MARKS	
SECTION B:	36 MARKS	
SECTION C:	24 MARKS	
SECTION D:	20 MARKS	
TOTAL: 100		

SECTION A
QUESTION 1

State whether the following statements are **TRUE** or **FALSE**

- | | | |
|--------|---|-----|
| 1.1.1 | A good advertisement will follow the AIDA principle. | (1) |
| <hr/> | | |
| 1.1.2 | Nepotism is one of the causes of socio-economic imbalance. | (1) |
| <hr/> | | |
| 1.1.3 | During production, input is processed and transformed into output. | (1) |
| <hr/> | | |
| 1.1.4 | One of the advantages of the use of technology is that it is more accurate than human labour. | (1) |
| <hr/> | | |
| 1.1.5 | An entrepreneur should be passionate. | (1) |
| <hr/> | | |
| 1.1.6 | According to the SMARTER technique goals can be challenging, but not impossible to achieve. | (1) |
| <hr/> | | |
| 1.1.7 | Income is money earned and received by the business. | (1) |
| <hr/> | | |
| 1.1.8 | A promissory note is not valid unless signed by both parties. | (1) |
| <hr/> | | |
| 1.1.9 | Non-durable goods are consumed relatively quick. | (1) |
| <hr/> | | |
| 1.1.10 | Self-actualization according to Maslow's pyramid is achieving one's full potential. | (1) |
| <hr/> | | |

1.2 Match **COLUMN A** to **COLUMN B**. Write only the letter in the appropriate spaces provided below.

COLUMN A		COLUMN B	
1.2.1	Assets – liabilities.	A	Unskilled labour
1.2.2	Original documentation in business finances.	B	Bartering
1.2.3	Create a desire.	C	Dispenser
1.2.4	The ability to carry on or exist in the long-term future.	D	Promotion
1.2.5	Requires physical strength rather than reasoning.	E	Productivity
1.2.6	A basic part of an ATM machine.	F	Threats
1.2.7	Businesses use it as a strategy to convince customers.	G	Sustainability
1.2.8	Exchange of products	H	Receipts
1.2.9	It is the measure of whether resources are used efficiently when being converted into output.	I	Net worth
1.2.10	External challenges that the business faces and could disadvantage the business.	J	AIDA model

1.2.1	1.2.2	1.2.3	1.2.4	1.2.5	1.2.6	1.2.7	1.2.8	1.2.9	1.2.10

[20]

SECTION B
QUESTION 2

Answer the questions below.

2.1 Name the factors of production. (4)

2.2 Differentiate between formal and informal businesses. (4)

2.3 Explain the role of households as producers and consumers. (5)

2.4 Define the term inequality. (2)

2.5 Differentiate between poverty and unemployment. (4)

2.6 Name and explain **THREE** methods of production. (6)

2.7 Name any **TWO** P's of the Marketing mix. (2)

2.8 Name **THREE** sectors in the Economy. (3)

2.9 There are a large variety of advertising media available for an entrepreneur to communicate with their target market. List **THREE** advertising media methods. (3)

2.10 List **THREE** purposes of money. (3)

[36]

SECTION C

QUESTION 3

Read the following case study and complete the questions that follow.

Gina is the owner of a hair salon in Randburg. She is a talented hairdresser and has a lot of regular clients. She struggles with back problems and to work for 8 hours a day is very difficult. She had to retrench some of her employees during COVID 19 and she is short of employees.

She wants to expand her business because she has a lot of extra space. She is also considering starting a nail salon in part of the building. She needs to apply for a loan at the local bank to do the expansion. The outbreak of COVID-19 affected her business badly and she was forced to close during the lockdown period.

There is also another hair and nail salon down the street that offers a free head massage with every appointment. She has decided to advertise her business to get more clients but is unsure of how to design an advertisement.

[Http://www.kasimovers.co.za](http://www.kasimovers.co.za)

3.1 Use the table and do a **SWOT** analysis for the business.

(8)

STRENGTH	WEAKNESS
OPPORTUNITIES	THREATS

3.2 Name **TWO** characteristics an entrepreneur should have. (2)

3.3 The **AIDA** principle must be applied in any advertisement that a business designs. (8)
Name and explain **FOUR** elements of the **AIDA** principle.

3.4 Explain any **THREE SMARTER GOAL** techniques that can be used to set business goals. (6)

[24]

SECTION D

QUESTION 4

- 4.1 Use the information in the table below to **CLASSIFY** the account into **Assets, Owners' Equity, Liabilities, Income** and **Expenses**. You do not need to write the amounts. (10)

Houses	R300 000
Vehicle	R50 000
Loan to pay on another vehicle	R30 000
Salary	R15 000
Bank Overdraft	R3 000
Clothing account	R2 000
Savings account	R5 000
Groceries	R15 000
Furniture	R8 000
Capital	R20 000

ASSETS	OWNERS EQUITY	LIABILITIES	INCOME	EXPENSES

- 4.2 In the space provided, draw an example of a promissory note, ensure you include all aspects a promissory note should have to be valid. (10)



[20]

THE END: TOTAL 100 MARKS