

SMARTWIZ

GRADE 8 EMS EXAM

MARKS: 50

MARKS	

TIME: 2 hours

SCHOOL _____

CLASS (e.g. 4A) _____

SURNAME _____

NAME _____

MYST PATHWORKS

Instructions for Students:

- > Read all instructions carefully before beginning the exam.
- > Write your name and student ID clearly on the answer sheet/booklet.
- > Answer all questions unless otherwise stated.
- > Show all your work/calculations where applicable.
- > Write clearly and legibly.
- > Use blue or black ink only. * Do not use correction fluid/tape.
- > No electronic devices (calculators, phones, etc.) are allowed unless explicitly permitted.
- > Raise your hand if you have any questions.
- > Do not talk to other students during the exam.
- > Any form of cheating will result in disqualification.

This test consists of 5 pages, excluding the cover page.

SECTION A: ECONOMICS AND THE ECONOMY

(15 Marks)

1.1 Explain the difference between **needs** and **wants**. (4)

1.2 Name and describe the **three economic resources**. (6)

1.3 What does **scarcity** mean in economics? Give one example. (3)

1.4 Identify whether the following statements are **True** or **False**. Write T or F. (2)

- a) Consumers produce goods and services. _____
- b) Entrepreneurs take risks to start a business. _____

SECTION B: FINANCIAL LITERACY

(20 Marks)

2.1 What is a **budget**? Why is it important? (4)

2.2 Study the table below showing Sipho's monthly income and expenses, then answer the questions:

Income and Expenses	Amount (R)
Salary	6000
Rent	1500
Electricity	600
Groceries	1200
Transport	400
Entertainment	300

2.2.1 Calculate Sipho's **total expenses**. (2)

2.2.2 Calculate Sipho's **savings** (Income minus expenses). (2)

2.3 Define the following terms: (4)

- a) Debt: _____
- b) Interest: _____

2.4 Give two advantages and two disadvantages of using credit. (4)

Advantages:

1. _____
2. _____

Disadvantages:

1. _____
2. _____

SECTION C: ENTREPRENEURSHIP

(15 Marks)

3.1 What is the **purpose** of a business plan? (3)

3.2 List and explain **two forms of business ownership**. (4)

3.3 Thabo wants to start a business selling homemade crafts. Answer the following:

3.3.1 Name two **marketing strategies** he could use. (2)

3.3.2 What is one **challenge** he might face as a new entrepreneur? (2)

3.3.3 Why is it important for Thabo to keep good **financial records**? (2)

3.4 Explain what **customer service** means and why it is important in business. (2)

TOTAL: 50 MARKS

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SECTION A: ECONOMICS AND THE ECONOMY (15 MARKS)

1.1 Needs are essentials required for survival (food, water, shelter). Wants are things people desire but are not essential (toys, games). (4)

1.2 Three economic resources:

- **Land:** Natural resources used to produce goods and services. (2)
- **Labour:** Human effort used in production. (2)
- **Capital:** Man-made resources like machines, tools, and buildings used to produce goods and services. (2)

1.3 Scarcity means there are limited resources but unlimited wants. Example: Limited water supply in drought areas. (3)

1.4 True/False:

- a) Consumers produce goods and services. – False (1)
 b) Entrepreneurs take risks to start a business. – True (1)

SECTION B: FINANCIAL LITERACY (20 MARKS)

2.1 Budget is a plan of expected income and expenses over a period of time. It is important to manage money well and avoid overspending. (4)

2.2 Sipho's Income and Expenses:

2.2.1 Total expenses = $1500 + 600 + 1200 + 400 + 300 = \text{R}4000$ (2)

2.2.2 Savings = Income – Expenses = $6000 - 4000 = \text{R}2000$ (2)

2.3 Definitions:

- a) Debt: Money owed to someone else. (2)
 b) Interest: Extra money paid when borrowing money or earned on savings. (2)

2.4 Advantages and Disadvantages of credit:

Advantages:

1. Can buy goods immediately even without cash. (1)
2. Builds credit history if paid on time. (1)

Disadvantages:

1. Interest charges increase the cost of goods. (1)
2. Risk of debt if payments are not made on time. (1)

SECTION C: ENTREPRENEURSHIP (15 MARKS)

3.1 Purpose of a business plan:

- To plan the goals and steps for the business.
- To attract investors or get loans.
- To manage the business better. (3)

3.2 Forms of business ownership:

- **Sole Proprietorship:** One person owns and runs the business. (2)
- **Partnership:** Two or more people share ownership and responsibilities. (2)

3.3 Thabo's business questions:

3.3.1 Marketing strategies:

- Using social media to advertise. (1)
- Selling at local markets or fairs. (1)

3.3.2 Challenge:

- Competition from other sellers. (2)

3.3.3 Importance of financial records:

- To track income and expenses.
- To know if the business is making profit. (2)

3.4 Customer service means helping customers with respect and friendliness. It is important because happy customers return and recommend the business. (2)

TOTAL: 50 MARKS