

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: THE ECONOMY AND BUSINESS ENVIRONMENT

(15 marks)

1.1 Define the following terms:

- a) Consumer (2)
- b) Producer (2)

1.2 List three types of businesses and give an example of each. (6)

1.3 Explain the role of the government in the economy. (5)

SECTION B: FINANCIAL LITERACY

(20 marks)

2.1 What is the difference between fixed and variable expenses? Give an example of each. (4)

2.2 Study the following bank statement and answer the questions below:

Date	Details	Withdrawals (R)	Deposits (R)	Balance (R)
01/05/2025	Opening Balance			5,000
05/05/2025	Salary		3,500	8,500
10/05/2025	Rent	1,500		7,000
15/05/2025	Groceries	1,200		5,800
20/05/2025	Electricity	400		5,400
25/05/2025	Mobile Data	150		5,250

2.2.1 Calculate the total withdrawals in May. (2)

2.2.2 What was the balance on 25/05/2025? (1)

2.2.3 Explain why it is important to keep track of your bank statement. (3)

2.3 What is the purpose of insurance? Give two examples of insurance types. (4)

2.4 Define the term **interest**. (2)

SECTION C: ENTREPRENEURSHIP AND BUSINESS OPERATIONS

(15 marks)

3.1 Name and explain three factors of production. (6)

3.2 What is the difference between goods and services? Give an example of each. (4)

3.3 Explain two benefits of being an entrepreneur. (4)

3.4 What is a target market and why is it important? (1)

TOTAL: 50 MARKS

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SECTION A: THE ECONOMY AND BUSINESS ENVIRONMENT (15 MARKS)

1.1 Definitions:

- a) Consumer: A person who buys goods and services for personal use. (2)
 b) Producer: A person or business that makes or provides goods and services. (2)

1.2 Types of businesses and examples:

- **Sole Proprietorship:** Small local shop (2)
- **Partnership:** Law firm (2)
- **Corporation:** Large company like a bank or retailer (2)

1.3 Role of government in the economy:

- Provide basic services (roads, education, healthcare) (2)
- Regulate businesses and protect consumers (2)
- Create jobs and maintain economic stability (1)

SECTION B: FINANCIAL LITERACY (20 MARKS)

2.1 Fixed vs Variable expenses:

- Fixed expenses: Costs that remain the same each month (e.g., rent) (2)
- Variable expenses: Costs that change month to month (e.g., groceries) (2)

2.2 Bank statement questions:

2.2.1 Total withdrawals: $1,500 + 1,200 + 400 + 150 = R3,250$ (2)

2.2.2 Balance on 25/05/2025 = R5,250 (1)

2.2.3 Importance of bank statements:

- To track spending and income (1)
- To detect errors or fraud (1)
- To help with budgeting and financial planning (1)

2.3 Purpose of insurance:

- To protect against financial loss due to accidents, illness, or damage (2)
 Examples:
- Car insurance (1)
- Health insurance (1)

2.4 Interest: Extra money earned on savings or paid on borrowed money. (2)

SECTION C: ENTREPRENEURSHIP AND BUSINESS OPERATIONS (15 MARKS)**3.1 Factors of production:**

- Land: Natural resources used in production (2)
- Labour: Human effort and skills used (2)
- Capital: Tools, machinery, and money used to produce goods and services (2)

3.2 Difference between goods and services:

- Goods: Physical products you can touch, e.g., bread (2)
- Services: Activities performed for others, e.g., haircut (2)

3.3 Benefits of entrepreneurship:

- Being your own boss (2)
- Potential to earn higher income (2)

3.4 Target market:

- A specific group of people a business aims to sell products or services to (1)

TOTAL: 50 MARKS