

SMARTWIZ

GRADE 7 EMS EXAM

MARKS: 80

MARKS	
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TIME: 1 hour 30 minutes

SCHOOL _____

CLASS (e.g. 4A) _____

SURNAME _____

NAME _____

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 3 pages, excluding the cover page.

SECTION A: TYPES OF BUSINESSES AND ENTREPRENEURSHIP (20 marks)

1. Define a **sole proprietor**. (2)

2. Name two advantages and two disadvantages of running a sole proprietorship. (4)

3. What is a **partnership**? Give one example. (3)

4. Explain the term **social entrepreneurship**. (3)

5. Why is creativity important for entrepreneurs? (4)

6. Identify two skills an entrepreneur should have. (4)

SECTION B: MONEY MANAGEMENT (20 marks)

7. What is **financial literacy**? (2)

8. List three ways young people can manage their money wisely. (3)

9. Explain the difference between a **bank account** and a **mobile money account**. (4)

10. What is the purpose of **insurance**? (3)

11. A person earns R4500 monthly, spends R3000, and saves R500. How much money is unaccounted for? Suggest what it could have been spent on. (4)

12. Why is it important to set financial goals? (4)

SECTION C: BUSINESS OPERATIONS AND CUSTOMER CARE (20 marks)

13. What is **customer service**? (2)

14. Give two examples of good customer service practices. (4)

15. How does advertising help businesses? (4)

16. Study the following advertisement and answer the questions below:

“Super Clean Laundry Detergent!
Removes stains in one wash!
Special offer: Buy 2 kg, get 500g free!
Available at all leading stores.”



a) What product is being advertised? (2)

b) Identify two features of the product. (4)

c) How does this advertisement encourage people to buy the product? (4)

SECTION D: ECONOMY AND RESOURCES (20 marks)

17. What is the **economy**? (2)

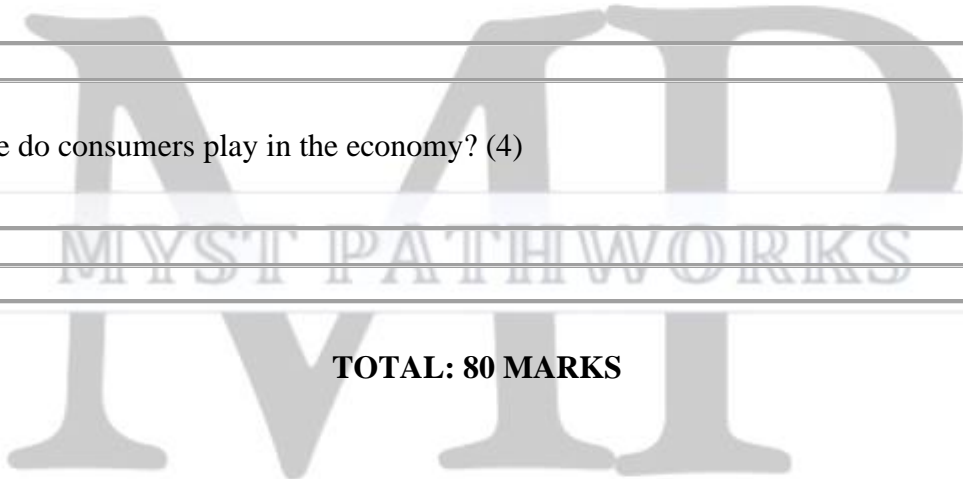
18. Name three natural resources and explain how they are used in business. (6)

19. Describe what is meant by **sustainable development**. (4)

20. How can businesses help protect the environment? Give two examples. (4)

21. What role do consumers play in the economy? (4)

TOTAL: 80 MARKS



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SECTION A: TYPES OF BUSINESSES AND ENTREPRENEURSHIP (20 marks)

1. **Sole proprietor:**

A business owned and run by one person. (2)

2. **Advantages of sole proprietorship:**

- Owner makes all decisions
- Keeps all profits

Disadvantages:

- Owner has unlimited liability
- Hard to raise capital (4)

3. **Partnership:**

A business owned by two or more people who share profits and responsibilities.

Example: A law firm or a family shop. (3)

4. **Social entrepreneurship:**

A type of entrepreneurship that focuses on solving social problems while making a profit. (3)

5. **Importance of creativity for entrepreneurs:**

Creativity helps entrepreneurs come up with new ideas, solve problems, and create unique products or services. (4)

6. **Skills an entrepreneur should have:**

- Good communication skills
- Problem-solving skills (4)

SECTION B: MONEY MANAGEMENT (20 marks)

7. **Financial literacy:**

The ability to understand and use financial information to make informed decisions. (2)

8. **Ways young people can manage money wisely:**

- Budgeting
- Saving regularly
- Avoiding unnecessary spending (3)

9. **Difference between bank account and mobile money account:**

- Bank account: A formal account at a bank with more services like loans and savings.
- Mobile money account: A digital wallet accessed via a mobile phone mainly for sending and receiving money. (4)

10. **Purpose of insurance:**

To protect against financial loss from accidents, illness, or damage to property. (3)

11. Money unaccounted for:

$R4500 - (R3000 + R500) = R1000$ unaccounted for.

Possible spending on food, transport, or entertainment. (4)

12. Importance of setting financial goals:

Helps plan and control spending, motivates saving, and achieves important purchases or investments. (4)

SECTION C: BUSINESS OPERATIONS AND CUSTOMER CARE (20 marks)

13. Customer service:

The assistance and advice provided by a business to its customers. (2)

14. Good customer service practices:

- Listening to customer needs
- Being polite and helpful (4)

15. How advertising helps businesses:

Advertising informs customers about products, attracts new customers, and encourages people to buy. (4)

16. Advertisement:

a) Product advertised: Laundry detergent. (2)

b) Two features:

- Removes stains in one wash
- Special offer: Buy 2 kg, get 500g free (4)

c) How it encourages buying:

- Promotes special offer
 - Highlights product effectiveness (4)
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SECTION D: ECONOMY AND RESOURCES (20 marks)

17. Economy:

The system of how goods and services are produced, distributed, and consumed in a country or region. (2)

18. Three natural resources and their use:

- Water: Used in factories and farming
- Timber: Used for building and furniture
- Minerals: Used in manufacturing and construction (6)

19. Sustainable development:

Using resources in a way that meets present needs without harming future generations' ability to meet their needs. (4)

20. How businesses can protect the environment:

- Recycling waste
- Using renewable energy sources (4)

21. Role of consumers in the economy:

Consumers buy goods and services, which creates demand and helps businesses grow and the economy to function. (4)

TOTAL: 80 MARKS

