

# SMARTWIZ

## GRADE 5 EMS EXAM

**MARKS: 60**

MARKS	

**TIME: 1 hour 30 Minutes**

**SCHOOL** \_\_\_\_\_

**CLASS (e.g. 4A)** \_\_\_\_\_

**SURNAME** \_\_\_\_\_

**NAME** \_\_\_\_\_

### Instructions for Learners:

- >Read all instructions carefully before beginning the exam.
- >Write your name and student number clearly on the answer sheet or booklet.
- >Answer all questions unless otherwise indicated.
- >Show all workings/calculations where applicable.
- >Write clearly and legibly.
- >Use only blue or black ink. \* Do not use correction fluid or tape.
- >No electronic devices (such as calculators, cellphones, etc.) are allowed unless specifically permitted.
- >Raise your hand if you have a question.
- >Do not talk to other learners during the exam.
- >Any form of dishonesty will result in disqualification.

**This exam consists of 8 pages, including the cover page.**

**SECTION A: UNDERSTANDING KEY TERMS (10 MARKS)**

Provide definitions for the following terms:

Income : \_\_\_\_\_

Budget : \_\_\_\_\_

Wants : \_\_\_\_\_

Informal trader : \_\_\_\_\_

Bank : \_\_\_\_\_

(5 x 1 = 5 marks)

Choose the correct word from the box below to complete the sentences

.(Profit, Loan, Needs, Consumer, Advertising)

A \_\_\_\_\_ is borrowed money that must be paid back.

\_\_\_\_\_ helps businesses sell their products.

Water, food, and shelter are basic \_\_\_\_\_.

A \_\_\_\_\_ buys goods or services.

\_\_\_\_\_ is the money made after all expenses are subtracted from income.

(5 x 1 = 5 marks)

**SECTION B: MULTIPLE CHOICE (6 MARKS)**

Circle the correct letter.

Which of the following is a service?

- A. Pencil
- B. T-shirt
- C. Haircut
- D. Sandwich

Why do people save money?

- A. To throw it away
- B. To spend it immediately
- C. To use it for emergencies or future needs
- D. To lend it to others

Which of the following is NOT an income?

- A. Salary
- B. Pocket money
- C. Loan
- D. Gift

What is a bank used for?

- A. Selling clothes
- B. Keeping money safe
- C. Making food
- D. Giving away prizes

Which of the following is a capital good?

- A. Oven in a bakery
- B. Employee
- C. Water
- D. Cellphone airtime

Who produces goods?

- A. Consumers
- B. Teachers
- C. Producers
- D. Government

**SECTION C: INTERPRETATION (10 MARKS)**

Study the image and answer the questions:

Two learners are running a lemonade stand on a hot day.



What type of business is shown? (1)

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Name ONE reason why they might have started this business. (1)

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Suggest ONE capital item they are using. (1)

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What can they do with the profit they make? (2)

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Suggest TWO ways to improve their business. (2)

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Is this a formal or informal business? Give a reason. (3)

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**SECTION D: BUDGETING ACTIVITY (12 MARKS)**

Sipho's Monthly Budget	
Item	Amount (R)
Transport	60
School lunches	70
Savings	40
Airtime	30
Total Income	220

What is the total amount Sipho spends? (2)

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Does he spend more or less than his income? Show your calculation. (3)

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Which item costs the most? (1)

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Suggest ONE way to reduce expenses. (2)

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Why is savings an important part of a budget? (2)

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Give one possible consequence of not budgeting. (2)

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### **SECTION E: SHORT QUESTIONS (12 MARKS)**

List TWO reasons why people start businesses. (2)

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What is a wage and how does it differ from a salary? (2)

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Name TWO ways a business can attract customers. (2)

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Explain why honesty is important in business. (2)

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What is the purpose of a receipt? (2)

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Give ONE example of how technology helps businesses. (2)

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**SECTION F: PARAGRAPH WRITING (10 MARKS)**

Write a paragraph of 6–8 sentences on the topic:

**"Why it is important to make good choices with money."**

Your paragraph should include:

-Examples of good and bad choices

-Effects of poor spending

-How saving helps

-Importance of planning and budgeting

[10 Marks]

**TOTAL : 60**



**SECTION A: UNDERSTANDING KEY TERMS (10 MARKS)**

Definitions:

Income – Money received for work done or from investments. (1)

Budget – A plan for how to spend and save money. (1)

Wants – Things we would like to have but do not need to survive. (1)

Informal trader – Someone who sells goods/services without a registered business. (1)

Bank – A place where people keep money and take out loans. (1)

Fill in the blanks:

6. Loan

7. Advertising

8. Needs

9. Consumer

10. Profit

(5 x 1 = 5 marks)

**SECTION B: MULTIPLE CHOICE (6 MARKS)**

C. Haircut

C. To use it for emergencies or future needs

C. Loan

B. Keeping money safe

A. Oven in a bakery

C. Producers

**SECTION C: INTERPRETATION (10 MARKS)**

Informal business (1)

To make money, raise funds, or gain experience (1)

Table, jug, sign (any capital item) (1)

Reinvest in business or save it (2)

Use colourful signs, give discounts, improve taste (2)

Informal – It is not registered and operates from the street (3)

#### **SECTION D: BUDGETING ACTIVITY (12 MARKS)**

$60 + 70 + 40 + 30 = R200$  (2)

Income = R220; Expenses = R200  $\rightarrow R220 - R200 = R20$  leftover (3)

School lunches (1)

Pack lunch instead of buying or reduce airtime (2)

It helps you plan, avoid debt, and prepare for the future (2)

May run out of money or go into debt (2)

**SECTION E: SHORT QUESTIONS (12 MARKS)**

To earn income, solve problems, be own boss (any 2) (2)

Wage = paid daily/weekly; Salary = monthly (2)

Advertising, promotions, good service (2)

Builds trust and keeps customers (2)

Proof of purchase and payment (2)

Online sales, card machines, apps (any reasonable answer) (2)

**SECTION F: PARAGRAPH WRITING (10 MARKS)**

Mark according to the following rubric (up to 2 marks per bullet):

Mentions good money choices (e.g., saving, spending wisely)

Gives examples of poor choices (e.g., spending all at once)

Explains consequences (e.g., having no money later)

Mentions saving and its benefits

Talks about budgeting and planning

Language, grammar, sentence structure

[10 Marks]

**TOTAL: 60 MARKS**

