education

Department of Education
FREE STATE PROVINCE

GRADE 7

ECONOMIC AND MANAGEMENT SCIENCES

MID-YEAR CONTROLLED TEST

JUNE 2024

TIME: 90 MINUTES

[09:00 – 10:30]

MARKS: 100

This question paper consists of 07 pages.

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INSTRUCTIONS

1. Read ALL instructions carefully.
2. Answer ALL questions.
3. A special ANSWER BOOK is provided in which to answer ALL questions.
4. You may use a non-programmable calculator.
5. Use only black or blue ink.
6. Write neatly and legibly.

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SECTION A: THE ECONOMY AND FINANCIAL LITERACY

QUESTION 1

Complete the following statements by using the word(s) provided in the list below. Write only the word(s) next to the question numbers (1.1 to 1.5) in the ANSWER BOOK.

money	small	temporary	goods	modern societies	traditional societies
paper	bank	Africans	goldsmith	representative	precious stones

1.1 … are also people who have not changed from their very old lifestyle.

1.2 Nomads stayed in ... shelters because they were always moving around.

1.3 In bartering people exchange … for goods.

1.4 Traditional societies took their precious stones to the … for safekeeping.

1.5 … money is money backed by an equal amount of gold or silver held by a government.

(1 x 5) (5)

QUESTION 2

Various options are provided as possible answers to the following questions. Choose the correct answer and write only the letter (A–D) next to the question number (2.1 – 2.5) in the ANSWER BOOK.

2.1 Profit is …

A extra money.
B business income minus expenses.
C expenses minus income.
D assets minus liabilities.

2.2 The two main items in a budget are …

A Assets and liabilities.
B Income and expenses.
C Surplus and deficit.
D Salary and grocery.

2.3 An economic definition of savings is …

A money not spent.
B money in a fixed deposit account.
C money in an investment account.
D money in a savings account.

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2.4 Banks give … to people who need houses when they apply.

A money
B mortgage bonds
C building materials
D capital

2.5 … is one example of a financial record.

A A laptop
B A bank statement
C A notebook.
D A record book.

(1 x 5) (5)

TOTAL SECTION A: 10

SECTION B: THE ECONOMY

QUESTION 3

3.1 Give the name of the division of the South African Reserve Bank that is responsible for the minting of coins. (1)

3.2 Mention any **THREE** electronic banking facilities. (3)

3.3 Identify the role of money as used in the **THREE** scenarios below.

3.3.1 The price of a 12.5 kg of maize meal is R100. (2)

3.3.2 Paul used a R20 bank note to buy a loaf of bread. (2)

3.3.3 Teboho deposited his money in an investment account at the bank. (2)

[10]

QUESTION 4

Read the case study below and answer questions that follow. Write the correct answers next to the question numbers (4.1 – 4.8) in the ANSWER BOOK.

Poverty is the biggest problem in South Africa. Most people are unemployed and do not have an income that they need to satisfy their basic needs. In rural areas of South Africa children are brought up by grandparents because their parents go to the cities to look for jobs. Most children who do not stay with their parents struggle with their schoolwork because there are no parents at home to guide and support them. The biggest challenge in rural areas is that there are no libraries where school children can be helped with their studies. Most people want to leave rural areas to go and stay in cities.

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4.1 Mention **TWO** causes of socio-economic imbalances that are mentioned in the case study. (2)

4.2 Identify **ONE** example of basic needs of families that is stated in the case study. (1)

4.3 Give **TWO** basics needs of communities that are mentioned in the case study. (2)

4.4 What are the **FOUR** basic needs of individuals. (4)

4.5 If you were to advise people from rural areas not to move to cities, what would you say? Justify your answer by giving **THREE** reasons. (6)

[15]

TOTAL SECTION B: 25

SECTION C: FINANCIAL LITERACY

QUESTION 5

Classify the following items and say if they are assets, capital, liability, or transaction. Make a tick (X) in the correct column of the table in the ANSWER BOOK.

Items		**Asset**	**Capital**	**Liability**	**Transaction**
5.1	The business bought stationery and paid in cash.				
5.2	A bank balance of R 100 000				
5.3	The owner contributed his money, building and vehicle to start a business.				
5.4	Overdraft balance of R10 000.				
5.5	Trading stock valued at R6000				

(5 x 2) **(10)**

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QUESTION 6

Study the following scenarios and say whether a Capital Investment or a Financial Investment was made. Categorise the investments in these scenarios into Capital Investment or Financial Investment. Write your answers by completing the table in the ANSWER BOOK.

	SCENARIOS	TYPE OF INVESTMENT
6.1	The Grade 7 learners started a business with savings from their pocket money.	
6.2	Keke's father bought a new taxi.	
6.3	Mr Mokoena is building rooms for rental.	
6.4	Sipho opened a fixed deposit account for his business.	
6.5	Dudu's car wash business has shares in Pick n Pay.	

(5 x 2) **(10)**

QUESTION 7

The table below gives a list of expenses and income of Sipho's Security Services business from the month of January to May. Calculate the profit or loss that Sipho's Security Services made in each month. If the business made a profit, write the **amount of profit** in the PROFIT COLUMN. If the business made a loss, the **loss amount** must be written in the LOSS CLOUMN. Write your answers by completing the table in the ANSWER BOOK.

	MONTHS	INCOME	EXPENSES	LOSS	PROFIT
7.1	January	R 37 000	R 17 000		
7.2	February	R 45 000	R 15 000		
7.3	March	R 34 000	R 35 000		
7.4	April	R 51 000	R 21 000		
7.5	May	R 42 000	R 42 500		

(5 x 2) **(10)**

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QUESTION 8

Look at the following list of business expenses and income. Classify and write ONLY FIVE (5) business income and business expenses in the table provided ANSWER BOOK.

Business Income and Expenses

Services Rendered, Sales, Fees Earned, Commission, Discount Received, Rent Paid, Wages, Insurance, Water and Electricity, Advertising, Cleaning Materials, Telephone, Stationery, Rent Income, Bank Charges, Fuel, Interest Income, Royalties, Profit, Donation Received.

	Business Income		Business Expenses
1		1	
2		2	
3		3	
4		4	
5		5	

(10 x 1) **(10)**

QUESTION 9

Study the following example. Calculate the difference and indicate whether the business made a surplus or deficit. Write answers in the table provided in the ANSWER BOOK.

	INCOME	**EXPENSES**	**DIFFERENCE**	**SURPULS OR DEFICIT**
EXAMPLE	***R 300***	***R 100***	***R 200***	***Surplus***
1	R 10 200	R 6 400		
2	R 5 200	R 7 800		
3	R 7 550	R 7 050		
4	R 1 900	R 1 990		
5	R 1 440	R 140		

(10 x 1) **(10)**

QUESTION 10

Read the following case study and prepare the Statement of Net Worth for Kananelo Molise on 31 March 2024. Write answers in the table provided in the ANSWER BOOK.

Kananelo Molise gave you the following information and asked you to prepare his Statement of Net Worth.

Property R150 000; Clothing accounts R4 500; Loan from uncle R2 000. **Car R75 000; Furniture R123 000; Credit Card R30 000; Computer R12 400** **Savings Account R4 000 Money in bank R1 670 Cell Phone R2 100**

(15 x 1) (15)

TOTAL SECTION C: 65

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