Term 2: Additional exemplar controlled test

SECTION A

Question 1: Matching columns

	Column A		Column B
1.1	Accounting cycle	A	The quantity of goods and services that will be purchased at a particular price.
1.2	Accounting equation	B	It is the price where the supply is exactly the same as the demand.
1.3	Demand	C	Indicates the order in which tasks must be done.
1.4	Equilibrium	D	The quantity of goods and services that will be sold at a particular price.
1.5	Supply	E	Indicates the effect transactions have on the business.

(5 × 2 = 10)

Question 2: True or false

2.1 Demand is the price of the products that the customer demands.
2.2 The insurance and financial industry assists businesses to get their products to the customer.
2.3 The trial balance is not part of the accounting cycle.
2.4 Only the primary sector is able to impact the use of resources in a sustainable way.
2.5 Highly skilled workers are only used in the tertiary sector.

(5 × 2 = 10)

Question 3: Multiple choice

3.1	Unskilled workers will find most work in the ... sector.	
	A	Primary
	B	Tertiary
	C	Secondary
	D	Market
3.2	When a customer asks for a reduction on their invoice, the ... are affected.	
	A	Sales, cost of sales
	B	Trading stock, sales, debtors control
	C	Trading stock, sales, debtors control, cost of sales
	D	debtors control, Trading stock
3.3	When a customer asks for a reduction on their invoice, a ... is issued.	
	A	invoice
	B	duplicate invoice
	C	credit note
	D	duplicate credit note
3.4	The ... is a list of the quantity of goods and services that a customer will buy at different prices.	

© Oxford University Press, Southern Africa 2013

3.1	Unskilled workers will find most work in the ... sector.	
	A	price list
	B	demand schedule
	C	demand
	D	supply
3.5	A transport company is part of the ... sector.	
	A	Primary
	B	Tertiary
	C	Secondary
	D	Market

(5 × 2 = 10)
[30]

SECTION B: The economy

Question 4

4.1 Identify TWO things other than price that could cause a change in the quantity of goods demanded or supplied. (2)
4.2 Explain the purpose of plotting a demand curve. (4)
4.3 Discuss how changes in the price of a product affects the supply and demand. (8)
4.4 Describe the law of demand. (6)
[20]

SECTION C: Financial literacy

Question 5

5.1 List TWO money columns, other than analysis of receipts and bank, in a Cash Receipts Journal for a trading business. (2)
5.2 Explain the purpose of calculating cost of sales. (6)
5.3 Describe the purpose of a Debtors Allowances Journal and explain how it is used. (8)
5.4 Quanile is the owner of a computer and television store that offers credit. If the customer does not pay their account, he goes and collects the item and other stuff to cover the debt. His credit agreements have a lot of very fine print that explains this. If the customer is late paying their account he charges 5% interest per month. This is also in fine print.
Comment on his way of doing business and how the National Credit Act will affect his methods. (14)
[30]

Section D: Entrepreneurship

Question 6

6.1 Identify the main difference between the primary and secondary sector of the economy. (4)
6.2 Discuss the role of the tertiary sector in the economy. (4)
6.3 Sustainable use of resources is becoming an essential part of the primary sector. Do you agree with this statement? Give reasons for your answer. (12)
[20]

Total: 100 marks

© Oxford University Press, Southern Africa 2013

Term 2: Additional exemplar controlled test memorandum

Section	Question		Topic		Cognitive levels			Marks
			Fin Lit	Entrep	1	2	3	
A	1	2, 2, 2	2, 2		10			
	2	2	2	2, 2, 2	10			
	3	2	2, 2	2, 2	10			30
B	4	20			2	4, 8, 6		20
C	5		30		2	6, 8	14	30
D	6			20		4, 4	12	20
Total		30	40	30	34	40	26	100
					34%	40	26%	
Required		30	40	30	30%	40%	30%	

SECTION A

Question 1

1.1 C – indicates the order in which tasks must be done
1.2 E – indicates the effect transactions have on the business
1.3 A – the quantity of goods and services that will be purchased at a particular price
1.4 B – It is the price where the supply is exactly the same as the demand
1.5 D – The goods and services that will be sold at a particular price (5 × 2 = 10)

Question 2

2.1 False
2.2 False
2.3 False
2.4 False
2.5 False (5 × 2 = 10)

Question 3

3.1 A – primary
3.2 D – debtors control and trading stock
3.3 C – credit note
3.4 B – demand schedule
3.5 B – Tertiary (5 × 2 = 10)

[30]

© Oxford University Press, Southern Africa 2013

SECTION B: The economy

4.1 Income of consumers;✓ prices of other similar goods;✓ preferences of the consumers✓ (2)

4.2 The demand curve shows the relationship between the price of a product✓✓ and the amount of it that consumers are willing to buy.✓✓ (4)

4.3 If the price is lower, consumers will purchase more goods and services.✓✓ If the price is higher, they will purchase less. ✓✓ As the price increases the quantity demanded decreases.✓✓ As the price decreased the quantity demanded increases.✓✓ (8)

4.4 The law of demand is the quantity of goods and services that will be purchase at a particular price.✓✓ It states that consumers will buy more products and services when the price is low✓✓ and less when the price is high.✓✓ ✓ (6)

[20]

SECTION C: Financial literacy

5.1 Sales,✓ cost of sales✓ (2)

5.2 To calculate the cost price of the goods that should be in the shop.✓✓ The cost price of goods purchased minus the cost price of goods sold✓✓ is the value of the physical stock that should be in the shop and store room.✓✓ (6)

5.3 The Debtors Allowances journal is used to record any goods that are returned by the customer for a variety of reasons✓✓ e.g. damaged, incorrect, incorrect size, quality not up to standard etc. It is also used when a customer requests a discount or reduction on the selling price on the invoice.✓✓ Each time goods are returned by the customer the credit note is issued and the duplicate is used to enter the transaction in the DJ.✓✓ The selling price of the goods is entered in the sales column and the cost of sales of those goods is calculated and written in the cost of sales column.✓✓ If goods are not returned the cost of sales is not calculated.✓✓ (8)

5.4 The learners must recognise that Quanile is not complying with the National Credit Act.

- All credit agreements must be written in simple, easy to understand language
- customers must be made aware of all the costs involved in accepting the credit
- the maximum interest that can be charged on overdue accounts is set in the National Credit Act.✓✓
- Goods may not be reclaimed without following the correct procedure as laid down in the National Credit Act✓✓
- If Quanile offers credit to a person who is unable to repay the debt, he may not be able to claim the money or compensations.✓✓ This is to stop reckless credit lending.✓✓
- Quanile will be fined if he is acting against the law.✓✓ (max 14)

[30]

SECTION D: Entrepreneurship

6.1 Primary sector deals with taking raw material from the earth e.g. farming✓✓ Secondary sector deals with manufacturing or turning raw materials into a product.✓✓ (4)

6.2 The tertiary sector is involved in moving the goods from the primary sector eventually to the customer.✓✓ It involves banking, insurance, transport etc.✓✓ (4)

6.3 Use discretion with the learners answers. They must give their opinion and apply their knowledge to give valid, logical reasons to support their opinion. Allocate✓✓ for each fact written in a full sentence. (12)

[20]

Total: 100 marks

© Oxford University Press, Southern Africa 2013