



Noah's Ark Independent Primary School

Subject: EMS	Examiner: Dugunye, G
Type: Mid-year exam	Moderator: Rwizi, A.
Date: 27 May 2019	Grade: 7
Marks: 100 Marks	Time: 1 hour 30 minutes

Name: _____

Instructions:

Read the questions carefully before you start writing.

Make sure you answer ALL the questions.

Write neatly and legibly.

Show calculations neatly where required.

Section A

1. State whether the following statements are true or false. (5)

a. In traditional societies, people were reliant on the environment.

b. One of the advantages of bartering was that all goods could be divided into smaller units.

c. Needs are exactly the same as wants.

d. Basic needs of communities and countries include health services and education services.

e. A person can only fulfil secondary needs once the primary needs are met.

2. Match the words in column A to the correct meaning in column B.

Write your answer in the space provided. (3)

Column A	Answer	Column B
Consumer		a) Rots easily and quickly.
Capital goods		b) Goods that are bought that will be consumed fairly quickly.
Perishable		c) A person who buys products from an individual or business.
		d) Goods which are usually quite expensive, that are used by businesses to make their own products to sell.

3. Use the word bank below to fill in the missing words in the following passage. (7)

Word bank			
primary	home	cooperation	survive
motivated	satisfy	physical	

Having a need makes a person want to take action to _____ it. The basic individual needs are _____ needs that include food and water. These needs must be satisfied in order for people to _____. If you are hungry you will be _____ to find something to eat.

Families need enough resources to be able to have a _____. the most basic of a community is the _____ of the people within the community so that together they can work out how to satisfy their _____ needs.

4. Define the term accounting: (2)

5. List three types of personal income you know. (3)

Section B

1. Read the case study below and answer the questions that follow.

Nomzano's informal business

Nomzano has an informal business near East London in a township called Mdantsane. She hires out chairs, tables and tents that are used mainly for ceremonies. She stores all her furniture at the back of her house and owns an old truck an old truck that she uses to deliver and fetch the equipment. She employs a driver who helps her to fetch the equipment. She employs a driver who helps her fetch and carry the furniture. Her aunt, Vuyiwe, helps her clean and repair the equipment.

- a. What products or service does Nomzano sell? (1)

- b. Who are Nomzano's customers? (1)

- c. Explain two ways in which Nomzano's business has a positive effect ton the local community in which she operates. (2)

d. List two problems that you think Nomzano could have in trying to manage and grow her business. (2)

2. Name one benefit specialisation brought to modern day society. (1)

3. Explain what you understand by the phrase “economic problem”. (4)

4. Traditional societies had disadvantages. Explain at least three of these disadvantages. (6)

5. Evaluate money as a medium of exchange. (4)

6. Differentiate between a payer and a payee. (3)

7 Briefly summarise the topic Needs and Wants by means of designing a mind map including the most important concepts covered in the topic. (6)

Section C

1. Define what profit means. (2)

2. Is the following an asset, liability, income or expense? (1)

Mortgage loan: -----

b. From the profit or loss you calculated, justify if Alice will be happy with how much her business made. (2)

c. How much profit did she make from selling shampoo? (2)

d. Advise Alice on how she can increase her profit.
Give four suggestions. (4)

5. Describe two types of business expenses. (4)

8. Describe employees who receive wages. (2)

9. Sphiwe is interested in preparing a budget to help her manage her finances but has no idea how to prepare a budget. Advise her on the information she needs to prepare a budget. (3)

10. Mr Mabaso has just won the sum of R 2 000 000 in the latest power ball competition sponsored by lotto. He is contemplating between renting his dream house or buying it. The cost of buying the house is R 2 500 000 and if he were to rent the house he would pay R 14 000 per month. Recommend which of the two options is most beneficial in your own opinion and motivate your answer. (3)

11. Mrs Smith recently retired from her job as a nurse from a local hospital and she received a lumpsum of R 1 000 000. Recommend to her how she can invest it, justify why you recommend that type of investment. (4)

12. Suppose Mrs Smith decides to invest in a fixed deposit that earns her compound interest. Evaluate the appropriateness of her choice. (4)

13. Fill in the missing words of the following statements. (2)

a. Selling goods/ products is a type of business

b. Advertising is a type of business -----.

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