



Subject: Grade 9 Economic and Management Sciences

Topic: EMS: Term 2 - Exam 1

Total: 96 Marks

1. 29 700 | 19 500

4 marks

Explanation:

(A) = 29 700 as the amounts between the balancing lines on both sides are the same.

(B) = 19 500 as the Balance c/f is the same as the Balance b/d.

2. C: The method of production

4 marks

Explanation:

The **method of production** does not impact the demand of a product, but rather the supply of the product.

3. factor market | goods and services market

4 marks

Explanation:

The **factor market** (A) is where individuals (households) sell their factors of production.

The **goods and services market** (B) is where businesses sell their products and services to customers.

4. false

2 marks

Explanation:

An economic system is a system that the **government** (not businesses) of a country use to solve the economic problems of the country.

5. 27000 | 27000. | R27000 | R27000.

3 marks

Explanation:

The Sales amount is R27 000.

The Trial Balance must balance to R30 000 on the debit side and credit side.

R30 000 – R3 000 – R27 000

6. direct | supplied

4 marks

Explanation:

The law of supply states that there is a **direct** relationship between the price of a product and the quantity **supplied** by businesses. The higher the price, the higher the quantity supplied.



7. mark up | mark up. | mark-up | mark-up.

3 marks

Explanation:

The **mark-up** is the amount added to the cost price.

$$\text{Cost Price} + \text{Mark-up} = \text{Selling Price}$$

8. C: Cost of Sales increases on the credit side.

4 marks

Explanation:

Cost of Sales is an expense account. Expenses accounts increase on the debit side.

9. B: Manufacturing sector

4 marks

Explanation:

The **manufacturing sector** is not correct. The secondary sector is where the manufacturing process takes place.

10. Bank | Debtors Control

4 marks

Explanation:

When the business receives a payment, the money is deposited into the bank account. **Bank** therefore increases by R500 **(A)**.

The debt owed by the Debtor will decrease, therefore **Debtors Control** will decrease by R500 **(B)**.

11. false

2 marks

Explanation:

The Cost of Sales is R320.

$$\begin{aligned}\text{Cost of Sales} &= \text{Selling Price} \times \frac{100}{125} \\ &= \text{R320}\end{aligned}$$

12. government | no

4 marks

Explanation:

In a planned economy, the **government** makes all the economic decisions. There is **no profit motive** in a planned economy.

13. factors of production | factors of production.

3 marks

Explanation:

Individuals (households) sell their **factors of production** (land, labour, capital, entrepreneurship) to businesses through the factor market.

14. C: Trading stock will increase on the debit side by R350. 4 marks

Explanation:

Trading Stock has been sold, so the business has less stock so the amount must **decrease**. It will decrease on the **credit side** by R350.

15. invoice | invoice. | duplicate invoice | duplicate invoice. 3 marks

Explanation:

The **duplicate invoice** is used to capture transactions into the Debtors Journal. The business keeps the duplicate and the Debtor keeps the original invoice.

16. A: The Debtors Allowances Journal records all credit purchases. 4 marks

Explanation:

The Debtors Allowances Journal records all returns by Debtors or any Debtor that has been over-charged.

17. true 2 marks

Explanation:

The **secondary sector** takes inputs (raw materials from the primary sector) and **manufacturers them into outputs** (final products that can be sold to customers in the tertiary sector).

18. Cash | 400 4 marks

Explanation:

(A) is **Cash** (we do not know the customers name as the transaction is from the cash register (CRR)). (B) is 400. The sales price is deposited into the bank, not the Cost of Sales.

19. false 2 marks

Explanation:

Demand is the quantity of goods and services that consumers are willing and able to buy at different price points.

Customers must have the money to be able to purchase the goods they want to buy.

20. debtors allowances journal | debtors allowances journal. 3 marks

Explanation:

The **Debtors Allowances Journal** is used to capture transactions that will reduce the amount owed by the Debtor due to returning goods (if they were damaged / incorrect items).

21. false 2 marks

Explanation:

Credit sales is when a business **sells** goods on credit. The customers who purchase the goods on credit are called Debtors.

22. true 2 marks

Explanation:

The government **provides** households and businesses with goods and services (essential services such as healthcare and education). They also **buy** factors of production from households.

23. D: Current asset 4 marks

Explanation:

Trading Stock is a **current asset**. It is something of value that the business owns that can be converted to cash within 12 months.

24. B: Mixed free market economy 4 marks

Explanation:

A **mixed free market economy** is incorrect. The three main systems are:

- Planned economy
 - Free market economy
 - Mixed economy
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25. economy | the economy. | economy. | the economy 3 marks

Explanation:

The **economy** is the environment where consumers and businesses come together to exchange goods and services with scarce resources.

26. false 2 marks

Explanation:

The **name of the Debtor** must be captured in place of the **(A)**.

27. scarcity | scarcity. 3 marks

Explanation:

Scarcity is when there are not enough resources available to satisfy all the wants and needs.

The problem of scarcity means that people **must choose** how to use their scarce resources and decide which of their **wants and needs** they wish to satisfy as they can't satisfy them all.

28. true

2 marks

Explanation:

A **trading business** sells products to customers. A **service business** renders services to customers.

29. tertiary | link

4 marks

Explanation:

The **tertiary** sector offers services and acts as a **link** to the other sectors. The primary and secondary sectors rely on the tertiary sector for services such as banking and transportation.

30. equilibrium | equilibrium price | market equilibrium price | equilibrium point | equilibrium. |
equilibrium price. | market equilibrium price.

3 marks

Explanation:

Market equilibrium price is the price where the supply of a good/service is the same as the demand of the good/service.

Total: 96 Marks

