



# education

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Department:  
Education  
North West Provincial Government  
**REPUBLIC OF SOUTH AFRICA**

## PROVINCIAL ASSESSMENT

**GRADE 7**

**ECONOMIC AND MANAGEMENT SCIENCES  
JUNE 2024**

**MARKS: 100**

**TIME: 1½ hours**

**This question paper consists of 12 pages.**

**INSTRUCTIONS AND INFORMATION**

Read the instructions for each question carefully. Take note of what is required.

1. This question paper consists of SECTION A, B and C.
2. Answer ALL the questions in SECTION A, B and C on this question paper.
3. Write neatly and legibly.

**SECTION A****QUESTION 1**

1.1 Various options are provided as possible answers to the following questions. Circle the answer.

1.1.1 A cause of socio-economic imbalances that relates to the location of urban and rural challenges

- A Poverty and unemployment
- B Geographic distribution of resources
- C Health care facilities
- D Government distortion of resources (1)

1.1.2 An example of consumable goods

- A Wood
- B Cutlery
- C Milk
- D Furniture (1)

1.1.3 Statement of Net worth is determined as follows:

- A Owner's equity – Assets
- B Liabilities + Assets
- C Assets – Liabilities
- D Owner's equity – Liabilities (1)

1.1.4 Money or other assets contributed by the owner to start a business

- A Capital
- B Budget
- C Saving
- D Stokvel (1)

1.1.5 Money received for sale of goods

- A Expense
- B Profit
- C Loss
- D Loan (1)

**[5]**

**QUESTION 1.2**

Match the description in COLUMN B that best suit the word/s in COLUMN A. Write only the correct LETTER in the space provided.

	<b>COLUMN A</b>		<b>COLUMN B</b>	<b>ANSWER</b>
1.2.1	Loan	<b>A</b>	The possessions of the business which is not sold to the customers	
1.2.2	Internet	<b>B</b>	The plan that helps a business to estimate how much money it will receive and spend	
1.2.3	Fixed Assets	<b>C</b>	The money that the business borrow from different financial institutions	
1.2.4	Currency	<b>D</b>	The platform through which electronic banking is done	
1.2.5	Business budget	<b>E</b>	The official system of money used by a country, e.g. rand in SA or dollar in USA	
		<b>F</b>	When money is put away in an account to use later	

**[5]****QUESTION 1.3**

Indicate whether the following statements are TRUE or FALSE. Write only TRUE or FALSE in the space provided.

<b>Question</b>	<b>Statement</b>	<b>True Or False</b>
1.3.1	Traditional society – Use technology like machines to produce products and sell them on different markets.	
1.3.2	The abbreviation ATM stands for Automatic Teller Machine.	
1.3.3	Capital is the money that the owner used to start the business.	
1.3.4	Income is the money that is paid by the business to the customer every month.	
1.3.5	Telephone and Stationery are the expenses of the business.	

**[5]**

**QUESTION 1.4**

Choose the correct answer from the word bank provided.

borrowed; unemployment; bartering; Electronic Transfer Funds(EFT);  
income; savings; realistic;

- 1.4.1 The exchange of one good for another is called \_\_\_\_\_
- 1.4.2 The money that the business earns is called \_\_\_\_\_
- 1.4.3 \_\_\_\_\_ is putting money away for future use.
- 1.4.4 One of the causes of socio-economic imbalances is \_\_\_\_\_
- 1.4.5 Two different types of capital used if a person wants to start a business is own  
and \_\_\_\_\_ capital.

**[5]**

**TOTAL SECTION A: 20**

**SECTION B: THE ECONOMY****QUESTION 2****QUESTION 2.1: HISTORY OF MONEY**

Use the information in the scenario below to complete the Promissory note.

Lebo Sekgobela owes Stella Ngobeni an amount of R15 000. Lebo promises to pay Stella the full amount that he owes her on 15 September 2023. Lebo promises that the amount will be paid with an interest of 5%. Stella will get her money from Lebo's office which is at 95 Ametis Street in Stilfontein.

Complete a promissory note that will be given to Stella on the 1<sup>st</sup> September 2023 in Stilfontein.

<b>PROMISSORY NOTE</b>	
I, _____ (_____),	
Promise to pay _____ (_____)	
The amount of _____	
The date of payment is _____	
An interest of _____ will be paid on the total amount owed.	
The place where the payment will be made is _____	
Date issued: _____	
Place where issued: _____	
Signature of payer: Lebo Sekgobela	

**[10]**

**QUESTION 2.2: INEQUALITY AND POVERTY**

	Name and explain THREE challenges in rural areas	
2.2.1		(2)
		(2)
		(2)

**[6]**

**QUESTION 2.3: GOODS AND SERVICES**

2.3.1	Briefly explain recycling and give FOUR types of products or materials that can be recycled.	(2)
	Recycling -	
	FOUR types of products or materials that can be recycled	(4)

**[6]**

**TOTAL SECTION B: 22**

**SECTION C: FINANCIAL LITERACY****QUESTION 3****3.1. Read the case study below and answer the questions that follows.**

Lebo started his fruit and vegetable business with the money that he took from his savings. He bought a trolley that he uses to carry and push his stock in the streets of Mafikeng. Lebo took a loan of R1 000 from his uncle to expand his business. His business's sales income is R2 000 per week. He pays himself a wage of R200 per week and spends R50 on transport once in a week.

3.1.1	Where did Lebo get his capital?	(2)
3.1.2	Mention ONE asset that Lebo's business has.	(1)
3.1.3	What is Lebo's liability?	(2)
3.1.4	Explain the concept <i>Income</i> .	(2)
3.1.5	List 2 of Lebo's weekly business expenses.	(2)
3.1.6	Calculate his weekly profit. Give the formula, all amounts and the final answer.	(6)

**[15]**



**QUESTION 3.2**

Classify the following items and indicate if it is: Assets; capital; liability; income; expenses or profit. Make a cross (X) in the correct column.

		Assets	Capital	Liability	Income	Expenses	Profit
E.g.	Machinery	X					
3.2.1	Income – expense						
3.2.2	Money in the business's bank account						
3.2.3	Money contributed by the owner to start a business						
3.2.4	Bank loan						
3.2.5	Office furniture						
3.2.6	Electricity						
3.2.7	Insurance						
3.2.8	Money owed to creditors						
3.2.9	Business car						
3.2.10	Money received by the business						

(1 x 10) [10]

**QUESTION 4**

Prepare a Statement of Net worth of Sinaye on 31 January 2024 in order to calculate his wealth. Use the table provided.

These are the items in his possession on 31 January 2024: a Samsung galaxy tablet worth R2 000, Sony Headsets worth R1 500, and a savings account at the bank with a balance of R1 000.

He decides that he wants to buy himself Nike running shoes but he does not have enough money. His uncle agreed to lend him R900. Sam will repay this over the next few years. Sam received the R900 from his uncle but deposited this money into his account until he can make a final decision.

<b>STATEMENT OF NET WORTH OF SINAYE ON 31 JANUARY 2024</b>		
<b>ASSETS</b>	<b>R</b>	<b>R</b>
<b>TOTAL ASSETS</b>		
<b>LIABILITIES</b>		
<b>TOTAL LIABILITIES</b>		
<b>TOTAL NET WORTH</b>		

[12]

**QUESTION 5**

5.1 Use the information given below of Zee's Hair Salon to draw up a budget for his business for the month of November 2023

Expected income and expenditure for the month of November 2023 is as follows:

	<b>R</b>
Services rendered	R10 000
Sales of products	R 5 000
Rent payment	R 2 000
Wages	R 5 000
Stock	R 5 000
Water and electricity	R 2 000
Advertising	R 2 000
Cleaning materials	R 1 000

Use the table provided below to draw Zee's Hair Salon budget for the month of November 2023

<b>EXPECTED INCOME</b>	<b>R</b>
<b>Total income</b>	
<b>Less Expected Expenditure</b>	
<b>Total expenditure</b>	
<b>Surplus or Deficit</b>	

[15]

5.2.	Briefly explain THREE characteristics of a budget	
		(2)
		(2)
		(2)

[6]

**TOTAL SECTION C: 58**  
**GRAND TOTAL: 100**