

**ECONOMIC AND MANGEMENT SCIENCES**

**GRADE 8 – 2023**

**TERM 2 – MID-YEAR CONTROLLED TEST**

**PAPER 1: FINANCIAL LITERACY**

**MARKS: 50**

**DURATION: 60 MINUTES**

**QUESTION PAPER**

**INSTRUCTIONS AND INFORMATION**

This question paper consists of Section A and B based on the prescribed content framework in the CAPS amendment document.

**SECTION A: ACCOUNTING CONCEPTS**

QUESTION 1	Multiple choice	(12)
		<b>[12]</b>

**SECTION B: ALL TOPICS**

QUESTION 2	Source documents	(8)
QUESTION 3	Accounting Cycle	(5)
QUESTION 4	Accounting Equation	(6)
QUESTION 5	Cash Receipt Journal	(19)
		<b>[38]</b>

1. All questions are compulsory.
2. Answer all questions in the ANSWER BOOK provided.
3. Write neatly and legibly.

**SECTION A: ALL TOPICS**

**QUESTION 1**

**1.1 MULTIPLE-CHOICE QUESTIONS**

Various options are provided as possible answers to the following questions. Choose the answer and write only the letter (A – D) next to the question number (1.1.1. – 1.1.6) in the ANSWER BOOK provided.

1.1.1 Money paid out for the daily running of the business is known as... (2)

- A. Assets
- B. Expenses
- C. Income
- D. Profit

1.1.2 Land and buildings, vehicles and equipment are examples of... (2)

- A. Trading inventory
- B. Fixed Assets
- C. Current assets
- D. Investments

1.1.3 Money that the owner invests in a business is known as... (2)

- A. Capital
- B. Income
- C. Transactions
- D. Profit

1.1.4 The left-hand side of a T-account in the General Ledger is known as the ..... -side. (2)

- A. Balance
- B. Credit
- C. debit
- D. Analysis of receipts

1.1.5 Which of the following businesses will most likely operate as a sole trader? (2)

- A. Abdo & Abdo Legal Advisors
- B. Helena's Supermarket.
- C. President Hyper
- D. Mugg and Bean Restaurant



1.1.6 This section of the General Ledger consists of all the income and expense accounts. (2)

- A. Nominal Account Section
- B. Balance Sheet Section
- C. Trial Balance
- D. Owner's Equity Section

[12]

## SECTION B – ALL TOPICS

### QUESTION 2 – SOURCE DOCUMENTS

2.1 What does the acronym **EFT** stand for? (1)

2.2

<b>Source Document A</b>	No. 12
	Date: 18 March 2023
Received from: <u>Patsy Steenkamp</u>	
For: <u>Rent</u>	
The amount of: <u>Four Thousand Five Hundred rands</u>	
<u>nil</u> cent	
	<i>E. Olivier</i>
	Goulden Traders

2.2.1. Identify *Source Document A*. (1)

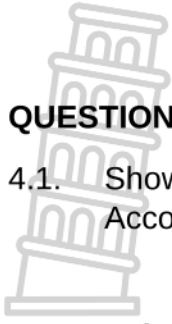
2.2.2 Why do you think is it necessary to issue *Source document A* to a client? (2)

2.3 Name any TWO other source documents in a business. (4)  
[8]

### QUESTION 3 – ACCOUNTING CYCLE

3.1 Draw an Accounting Cycle (Step 1 – 5) to illustrate your understanding of the accounting process. (5)

[5]



#### QUESTION 4 – ACCOUNTING EQUATION

4.1. Show the effect of the following transactions of *Pretty Beauty Salon* on the Accounting Equation for June 2023.

##### Transactions:

1. Pretty Curls increases her capital contribution to the business by depositing R12 000 in the business's current bank account. Issue receipt 01.
10. Cash received for services rendered, R5 500.
21. The business receives R2 500 as donation for outstanding service delivery.

(6)  
[6]

#### QUESTION 5 – CASH RECEIPTS JOURNAL

Use the information given below to draw up the Cash Receipts Journal of *Limehouse Cleaners* for August 2022.

Use analysis columns for Analysis of Receipts, bank, current income and sundry accounts.

##### Transactions:

- 3 The owner, Betty Butter, won R16 000. He decided to invest half of the winnings in his cleaning business. The amount was deposited into the current bank account of the business. Receipt 001 was issued.
- 8 Cash received for services rendered, R1 600.
- 15 Received an EFT payment from the Sunshine Preschool for the following services rendered:  
  
15 blankets dry-cleaned at R20 each.  
10 towels washed and dried at R15 each
- 22 Received R5 800 from Thelma Botha for the rent of part of the building.  
  
Cash received for services rendered, R2 500.
- 28 The business received a R800 donation from a local investor, Mr. B. Spice.



**TOTAL SECTION B: 38**  
**GRAND TOTAL: 50**

**[19]**

**ECONOMIC AND MANGEMENT SCIENCES**

**GRADE 8 – 2023**

**TERM 2 – MID-YEAR CONTROLLED TEST**

**PAPER 1: FINANCIAL LITERACY**

**MARKS: 50**

**TIME: 60 MINUTES**

**MARKING GUIDELINES**

**SECTION A: ALL TOPICS**

**QUESTION 1**

1.1.1.	B □□
1.1.2	B □□
1.1.3	A □□
1.1.4	C □□
1.1.5	B □□
1.1.6	A □□

**( 6 x 2 = 12)**

**SECTION B – ALL TOPICS**

**QUESTION 2 – SOURCE DOCUMENTS**

2.1	Electronic Funds Transfer □	(1)
2.2.1	Receipt □	(1)
2.2.2	To keep as evidence that the transaction took place. □□	(2)

	<p>Completed source documents must have all the information that you will need later to make accurate entries in the accounting records of the business. As a proof that the money has been received.</p>	
2.3.	<p>Electronic Funds Transfer ☐☐ Bank Statement☐☐ Deposit Slip Cash register slips Cash invoices 2</p> <p>(Any TWO) 2 x</p>	(4)

[8]

**QUESTION 3 – ACCOUNTING CYCLE**

3.1	<p>Draw an Accounting Cycle (Step 1 – 5) to illustrate your understanding of the accounting process.</p> <pre> graph TD     1["1. Transaction ✓"] --&gt; 2["2. Source document ✓"]     2 --&gt; 3["3. Journal ✓"]     3 --&gt; 4["4. Posting to the Ledger ✓"]     4 --&gt; 5["5. Trial Balance ✓"]     5 --&gt; 6["6. Income statement"]     6 --&gt; 7["7. Balance Sheet"]     7 --&gt; 1 </pre>	(5)
-----	----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-----

[5]

## QUESTION 4 – ACCOUNTING EQUATION

4.1. Show the effect of the following transactions of *Pretty Beauty Salon* on the Accounting Equation for June 2023.

### Transactions:

1. Pretty Curls increases her capital contribution to the business by depositing R12 000 in the business's current bank account. Issue receipt 01.
10. Cash received for services rendered, R5 500.
21. The business receives R2 500 as donation for outstanding service delivery.

Day	Assets		=	Owner's Equity		+ Liabilities	
	Effect	Reason		Effect	Reason	Effect	Reason
1	+ 12 000	Bank increases assets □		+ 12 000	Increase in capital increases owner's equity □	0	
10	+ 5 500	Bank increases assets □		+5 500	Current income increases owner's equity □	0	
21	+ 2 500	Bank increases assets □		+ 2 500	Donations received increases owner's equity □	0	

[6]





**QUESTION 5 – CASH RECEIPTS JOURNAL**

CASH RECEIPTS JOURNAL OF Limehouse Cleaners for August 2022

CRJ 8

Doc No.	Day	Details	Analysis Of Receipt	Bank	Current Income	Sundry Accounts		
						Amount	Fol	Details
001	1	Betty Butter		8 000		8 000		Capital
CRT	8	Serviced rendered	1 600	1 600	1600			
002	15	Sunshine Preschool	450	450	450			
003	22	Thelma Botha	5 800			5 800		Rent income
CRT		Services rendered	2 500	8 300	2 500			
004	28	B. Spice	800	800		800		Donation
				<b>19 150</b>	<b>4 550</b>	<b>14 600</b>		

**[19]**  
**TOTAL SECTION B: 38**

