



ECONOMIC AND MANAGEMENT SCIENCES

GRADE 8

TERM 3 PROJECT:

Name and surname: _____

Grade 8: _____

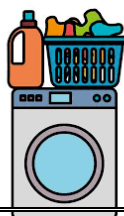
Date: _____

	CRJ	CPJ	Forms of Ownership	TOTAL
Maximum marks:	13	12	25	50
Mark obtained:				

Feedback to learner: _____



Tiny Bubbles Laundromat





Ms. Rose started Tiny Bubbles Laundromat after she realised the need for this specific service in her area.

Ms. Rose is very diligent but have no idea about numbers and money, not even mentioning accounting. You applied for a part time position as an accountant at Tiny Bubbles Laundromat, and this was what you received back

Congratulations on your appointment as accountant in a part time position at Tiny Bubbles Laundromat. Can't wait for you to meet our team!

Ms Petals Rose



Question 1:

The first task you will be required to do is setting up and completing the subsidiary journals for Tiny Bubble Laundromat.

You received the following information:

Complete the following Cash Receipts Journal and Cash Payments Journal of **Tiny Bubbles Laundromat for May 2023**.

- Use the following Analysis columns for the CRJ: Analysis of Receipts, Bank, Current Income and Sundry Accounts.
- Use the following Analysis columns for the CPJ: Bank, Equipment, Wages and Sundry Accounts

- Close off the journals at the end of the month.

Transactions: May 2023

- 2 The owner, Ms. Rose Petals, contributed R80 000 as capital contribution. Issued receipt no. 57.
- 3 Ms Petals purchased laundry machines from Machine Repairs and Suppliers to the value of R23 000 and paid by EFT
Paid Krugersdorp News R1 200 for the advert in the classifieds (EFT)
- 6 According to the cash register roll, the business received R5 300 for services rendered.
- 9 The Business Council donated R1 000 to the business as part of their community project. Issue a receipt.
- 12 Services rendered for the day, R4 560 as per cash register roll.
- 15 Bought washing liquid and softener from Sunshine Wholesalers, R6 200 and paid by EFT
- 18 The business received R2 400 for the washing and ironing of clothes.

Mr. Lily White paid the business R3 190 for the rent of part of the building. Issue a receipt.
- 21 Paid Machine Repairs and Suppliers, R 800. R600 was for the new irons and R200 for the repair of a washing machine.
- 26 Received R2 500 from Mr. Crinkly Cut for the washing and ironing of his laundry for the month.



CASH RECEIPTS JOURNAL OF _____ for _____ 20____ CRJ_____

Doc No.	Day	Details	Analysis Of Receipt	Bank	Current Income	Sundry Accounts		
						Amount	Fol	Details



CASH PAYMENTS JOURNAL OF _____ for _____ 20____ CPJ____

Doc No.	Day	Name of Payee	Bank	Equipment	Wages	Sundry Accounts		
						Amount	Fol	Details

Question 2

Scenario 1

Shakes Moloi has a small clothes shop in Pretoria. She is still a sole trader. Her biggest problem has been to raise capital to expand. Her only options have been to use her existing savings or go to the bank and borrow money but this costs interest as well. She is also aware that if she builds up debts she could suffer from unlimited liability. This means that she could lose her house as she is responsible for the debts. She has however really enjoyed the ability to make her own decisions. Nobody is telling her what to do. Also as the sole owner, after she has paid her bills, she can keep all of the profits.

Scenario 2

The Power Ltd is a public limited company; it has tens of stores across SA. It is still looking to expand. It recently raised R20million, through the issue of shares to new shareholders. This was useful for its recent expansion. The owners and shareholders are also confident because they have limited liability. This means that they can't lose their houses but only the value of their shares. The owners of The Power Ltd do face some problems. They now have to ask all the shareholders for permission on most key decisions, e.g. should we expand abroad. They also recently paid out 20% of their profits in dividends in order keep their shareholders happy. Last year they paid out low dividends, many shareholders were not happy. They sold their shares and the share price fell. They are worried that if their share price falls much lower they could become a target of a takeover by other companies.

Use the above case studies to draw up a list of:

- 2.1 Five characteristics of a sole trader. (5)
- 2.2 Seven characteristics of a public company. (6)
- 2.3 Explain how business can contribute to the sustainable use of natural resources. (8)
- 2.4 Explain how businesses can contribute to the sustainable job creation. (6)

GRAND TOTAL: 50 marks



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MARKING GUIDELINE



Question 1

CASH RECEIPTS JOURNAL OF *Tiny Bubbles Laundromat* for May 2023

CRJ 5

Doc No.	Day	Details	Analysis Of Receipt	Bank	Current Income	Sundry Accounts		
						Amount	Fol	Details
57	2	Rose Petals ✓	80 000	80 000 ✓		80 000		Capital ✓
CRR	6	Services rendered	5 300	5 300	5 300 ✓			
58	9	Business Council ✓	1 000	1 000		1 000		Donation ✓
CRR	12	Services rendered	4 560	4 560	4 560 ✓			
CRR	18	Services rendered	2 400		2 400			
59		Lily White ✓	3 190	5 590 ✓✓		3 190		Rent income ✓
CRR	26	Services rendered	2 500	2500	2500 ✓			
				98 950 ✓	14 760	84 190		

✎ - Method mark – allocate the mark for the total, even if incorrect.

(13)

CASH PAYMENTS JOURNAL OF *Tiny Bubbles Laundromat* for May 2023

CPJ 5

Doc No.	Day	Name of Payee	Bank	Equipment	Wages	Sundry Accounts		
						Amount	Fol	Details
01	3	Machine Repair and Suppliers✓	23 000	23 000✓				
02		Krugersdorp News✓	1 200			1 200		Advertising✓
04	15	Sunshine Wholesalers✓	6 200			6 200		Material cost✓
05	21	Machine Repairs and Suppliers	800✓	600✓		200		Repairs✓
			31200 ✎	23600 ✎	2 000	9 600		

✎ - Method mark – allocate the mark for the total, even if incorrect, but correct for the amounts entered **(12)**

2.1 CHARACTERISTICS OF A SOLE TRADER

- Owner provides capital alone. ✓
- Owner takes all profits alone, suffers losses alone. ✓ - The owner has unlimited liability. ✓
- Has a limited continuity. ✓
- Owner must pay income tax on business profit. Any five (5)

2.2 CHARACTERISTICS OF A PUBLIC COMPANY

- Limited (Ltd) at the end of business name. ✓
- Appoint a minimum of seven directors. ✓
- The public buy shares to contribute to capital. ✓
- Shares are freely transferable. ✓
- Shareholders have limited liability. ✓
- Profits are shared amongst shareholder as dividends. ✓ Any six (6)

2.3 ROLE IN SUSTAINABLE USE OF NATURAL RESOURCES

- Products need to be designed with resources use in mind - Less packaging or packaging that is recyclable, smaller quantities of materials. . ✓✓
- Business operations' and factories need to use fewer resources - Such as water, paper, and electricity. Make sure that air conditioners, lights and machinery are not overused. . ✓✓
- Businesses need to make sure that people can dispose of their products safely or recycle them. . ✓✓

- Businesses should try to reduce their distances over which their products and raw materials are transported. . ✓✓
- Businesses need to find ways of generating less waste. . ✓✓
- Businesses should employ leaders who know about sustainability and are committed to making it work. . ✓✓ Any four (8)

2.4 THE ROLE IN SUSTAINABLE JOB CREATION

- Unemployment is a major problem in South Africa. The unemployment rate in South Africa was 35, 3% in the fourth quarter of 2021. . ✓✓
- Skill shortage is another big problem in South Africa. . ✓✓
- Unemployment is bad for the economic growth. Today 41% of companies say that a shortage of skills is the biggest reason why they cannot grow their businesses. . ✓✓
- Job creation is an important part of reducing inequality and poverty by getting more people to participate in the economy. . ✓✓
- For job creation to continue to have positive effects on the economy, it has to be sustainable. . ✓✓ Any three (6)

GRAND TOTAL = 50 marks