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Successful

Economic and Management Sciences

TEACHER'S GUIDE

Jan Bronkhorst
Susan King

GRADE

7

WITH EXAM INFO AND EXEMPLAR PAPERS

Review Copy

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How this course works

This Economic and Management Sciences (EMS) course is part of a series that meets the requirements of the Curriculum and Assessment Policy Statement (CAPS) for the Senior Phase. The series consists of two core components each for Grades 7, 8 and 9: a Learner's Book and a Teacher's Guide.

The Learner's Book

The Learner's Book provides content knowledge, core concepts and skills development. It includes activities for learners to develop, practise and consolidate their knowledge and skills. Teachers receive guidance on how to teach important concepts. Written texts are supported by illustrations that help to explain content. All examples, activities and illustrations are representative of all cultural groups.

Activities steadily become more challenging so that learners progressively develop their understanding of concepts.

The Teacher's Guide

The Teacher's Guide provides you, the teacher, with all the planning, teaching and assessment tools you need to successfully teach this subject.

How this Teacher's Guide should be used

The Teacher's Guide supports you by:

- defining subject, the National Curriculum and Assessment Policy Statement (CAPS) and teaching terminology
- indicating pacing, content and resources in content *overviews*, and structuring the course into lessons with *clear teaching guidelines* according to the CAPS
- providing *background information* (prior knowledge and skills covered in previous grades and/or interesting subject/topic background)
- providing suitable *remediation and extension* activities for each lesson
- providing *suggested answers* for every activity
- providing Formal Assessment Tasks and *marking guidelines and rubrics* as required by the CAPS
- providing the chapter and unit at the bottom of the page to enable easy referencing between components
- offering additional resources that support core content.

Five easy-to-navigate sections

Section A: Introduction

- How this course works
- An overview of the EMS Curriculum and Assessment Policy Statement

Section B: Planning and assessment in the Senior Phase

- Planning tools and teaching plans
- Types of assessment, including the Formal Programme of Assessment for EMS
- Recording and reporting assessment

Section C: Teaching and learning EMS

- Teaching EMS in the Senior Phase
- Inclusive teaching
- Metacognitive strategies in teaching

Section D: Term plans for teaching EMS

Section E: Resources for teaching EMS

An overview of the EMS Curriculum and Assessment Policy Statement

This series is based on the *National Curriculum Statement Grades R–12* (NCS, January 2012) which is the policy document for learning and teaching in South Africa. The NCS consists of three documents, namely:

- Curriculum and Assessment Policy Statements (CAPS) for all approved subjects for Grades R–12
- *National Policy pertaining to the Programme and Promotion Requirements of the National Curriculum Statement Grades R–12*
- *National Protocol for Assessment Grades R–12* (January 2012).

The CAPS document for EMS has four sections:

- Section 1 – Introduction to the Curriculum and Assessment Policy Statements
- Section 2 – Overview of EMS, time allocations and requirements to offer it as a subject
- Section 3 – Overview of topics, annual teaching plan and content clarification
- Section 4 – Assessment guidelines in EMS.

Sections 2, 3 and 4 of the CAPS document, together with the National Policy pertaining to the Programme and Promotion Requirements of the NCS, represent the norms and standards of the *National Curriculum Statement Grades R–12*. Together these documents are the basis for determining minimum outcomes, processes and procedures for the assessment of learner achievement in public and independent schools.

An overview of EMS

The overview of content given in Section 2 of the EMS CAPS provides a useful summary of what EMS as a subject aims to teach learners:

- the needs and wants of different communities in societies;
- the nature, processes and production of goods and services, and business activities within the different sectors

- financial management, accounting as a tool for management of a business, and record keeping
- the influence of demand and supply, and pricing
- the flow of money, goods and services between households, business and government, and the rights and responsibilities of the different roles players in the economy
- the way in which to achieve sustainable growth, reduce poverty and dispute wealth fairly, while still pursuing profitability
- entrepreneurial skills and knowledge needed to manage self and the environmental effectively
- basic aspects of leadership and management
- the role of savings in sustainable economic growth and development
- trade unions and their influence in the economy
- the importance of using resources sustainably, effectively and efficiently
- functioning of both formal and informal businesses.

Source: Curriculum and Assessment Policy Statement, Economic and Management Sciences Grades7–9, 2011

Instructional time allocation

The instructional time in the Senior Phase is as follows:

Subject	Teaching hours per week	Total per term
Home Language	5	50
First Additional Language	4	40
Mathematics	4,5	45
Natural Sciences	3	30
Social Sciences	3	30
Technology	2	20
Economic and Management Sciences	2	20
Life Orientation	2	20
Creative Arts	2	20
Total	27,5	275

This table shows that the teaching time for EMS is two hours per week.

Requirements for teaching and learning EMS

At the end of Section 2, the CAPS for EMS specifies that each learner should be equipped with a textbook, a calculator and an exercise book. Learners in Grades 8 and 9 should also have a Cash Journal exercise book and a General Ledger exercise book. Every teacher must have a textbook and a teacher's guide.

This course provides the Learner's Book as the textbook for learners and teachers. This guide is the accompanying teacher's guide for teachers. In the term plans for teaching EMS (Section D of this guide) we suggest additional resources that teachers will find useful in the classroom to teach the subject.

Review Copy

Overview of EMS Topics

There are 28 topics in the EMS curriculum. These topics are organised into three main topic areas: The Economy, Financial Literacy and Entrepreneurship. The following table shows how the topics are spread across Grades 7, 8 and 9:

Topic areas	Grade 7	Grade 8	Grade 9
The Economy (weighting of 30%)	Term 1 History of money Needs and wants Goods and services	Term 1 Government National Budget Standard of living	Term 1 Economic systems The circular flow
	Term 2	Term 2 Markets	Term 2 Price theory
	Term 3 Inequality and poverty	Term 3	Term 3 Trade unions
	Term 4 The production process	Term 4	Term 4
Financial literacy (weighting of 40%)	Term 1	Term 1 Accounting concepts Source documents	Term 1 Cash Receipts Journal and Cash Payments Journal (sole trader) General Ledger and trial balance (sole trader)
	Term 2 Accounting concepts Income and expenses Budgets	Term 2 Overview of the accounting cycle Cash Receipts Journal (service)	Term 2 Credit transactions – debtors
	Term 3	Term 3 Cash Receipts Journal (service) Cash Payments Journal (service)	Term 3 Credit transactions – debtors Credit transactions – creditors
	Term 4 Savings	Term 4 General Ledger and trial balance (service)	Term 4 Transactions – cash and credit
Entrepreneurship (weighting of 30%)	Term 1 Businesses	Term 1	Term 1
	Term 2	Term 2 Factors of production	Term 2 Sectors of the economy
	Term 3 The entrepreneur Starting a business Entrepreneur's Day	Term 3 Forms of ownership	Term 3 Functions of a business
	Term 4	Term 4 Levels and functions of management	Term 4 Business Plan

Teaching plan for EMS Grade 7

This teaching plan shows:

- the pacing of the topics for the course by term
- where to find the relevant content and activities in the Learner's Book
- when Formal Assessment takes place, cross-referenced to suitable activities in the Learner's Book.

Term and Pacing	Topics	Learner's Book and Teacher's Guide	Activities and assessment
Term 1	The economy		
Weeks 1–3	History of money Traditional societies Bartering Promissory notes Coins Paper money Electronic banking The role of money	Unit 1 Learner's Book: pages 8–15 Teacher's Guide: pages 24–26	Activities 1–3
Weeks 4–5	Needs and wants Basic needs of individuals, families, communities and countries Primary and secondary needs Unlimited wants Limited resources to satisfy needs and wants	Unit 2 Learner's Book: pages 16–23 Teacher's Guide: pages 27–29	Activities 1–5
Weeks 6–7	Goods and services Goods and services Examples of goods and services Producers and consumers The role of households as producers and consumers Using goods and services efficiently and effectively How to recycle and reuse goods to satisfy needs and wants	Unit 3 Learner's Book: pages 24–31 Teacher's Guide: Pages 29–32	Activities 1–3
Term 1	Entrepreneurship		
Weeks 8–10	Businesses Formal and informal businesses Types of businesses (trading, manufacturing and service) that are both formal and informal Advantages and disadvantages of formal and informal businesses The role of formal and informal businesses as producers and consumers The effect of natural disasters and health epidemics on formal and informal businesses	Unit 4 Learner's Book: pages 32–39 Teacher's Guide: pages 33–36	Activities 1–3 Formal assessment: Assignment page 35 in Teacher's Guide Controlled test, page 42

Term and Pacing	Topics	Learner's Book and Teacher's Guide	Activities and assessment
Term 2			
Week 1	Term 1 Revision Term 2 Overview	Learner's Book: pages 44–47 Teacher's Guide: pages 39–40	Revision questions and answers
Term 2	Financial literacy		
Weeks 2–3	Accounting concepts Capital Assets Liability Income Expenses Profit Losses Budgets Savings Banking Financial records Transactions	Unit 1 Learner's Book: pages 48–56 Teacher's Guide: pages 42–48	Activities 1–7
Weeks 4–6	Income and expenses Personal income Personal expenses Types of personal income Personal statement of net worth Types of income that businesses receive Types of expenses that businesses have Savings and investments in businesses	Unit 2 Learner's Book: pages 57–64 Teacher's Guide: pages 49–53	Activities 1–5 Formal assessment: Case study page 53 in Teacher's Guide
Weeks 7–8	Budgets Definition of a budget Income Expenditure A personal budget Business budget	Unit 3 Learner's Book: pages 65–73 Teacher's Guide: pages 54–58	Activities 1–5
Weeks 9–10	Mid-year examination	Learner's Book: pages 75–76 Teacher's Guide: pages 58–59	Formal assessment Mid-year examination, page 75
Term 3			
Week 1	Term 2 Revision Term 3 Overview	Learner's Book: pages 78–80 Teacher's Guide: page 62	Revision questions and answers

Term and Pacing	Topics	Learner's Book and Teacher's Guide	Activities and assessment
Term 3	Entrepreneurship		
Weeks 2–3	The entrepreneur Definition of an entrepreneur Characteristics of an entrepreneur Skills of an entrepreneur Entrepreneurial actions of buying, selling, producing and making a profit	Unit 1 Learner's Book: pages 82–89 Teacher's Guide: pages 63–64	Activities 1–3
Weeks 4–5	Starting a business Needs and wants of consumers Analysis of strengths, weaknesses, opportunities, threats (SWOT) Setting goals Achieving goals The concept of advertising Media used in advertising Principles of advertising Budget for Entrepreneur's Day Use of recycled material Simple cost calculation – variable cost, fixed cost, selling price	Unit 2 Learner's Book: pages 90–99 Teacher's Guide: pages 65–68	Activities 1–6
Weeks 6–7	Entrepreneur's Day Hosting of Entrepreneur's Day Income and expenditure statement	Unit 3 Learner's Book: pages 100–106 Teacher's Guide: pages 69–71	Activity 1 Formal assessment: Project page 69 in Teacher's Guide
Term 3	The Economy		
Weeks 8–10	Inequality and poverty Causes of socio-economic imbalances Inequality in South Africa Education and skills to fight inequality and injustice Urban and rural challenges Creating sustainable job opportunities	Unit 4 Learner's Book: pages 107–113 Teacher's Guide: pages 72–74	Activities 1–3 Formal assessment: Controlled test, page 115
Term 4			
Week 1	Term 3 Revision Term 4 Overview	Learner's Book: pages 118–121 Teacher's Guide: page 79	Revision questions and answers
Term 4	The economy		
Weeks 2–4	The production process Definition of production Inputs and outputs Sustainable use of resources Meaning of economic growth Meaning of productivity	Unit 1 Learner's Book: pages 122–128 Teacher's Guide: pages 81–83	Activities 1–4

Term and Pacing	Topics	Learner's Book and Teacher's Guide	Activities and assessment
Weeks 2–4 (continued)	The effect of productivity on economic growth Technology in the production process Contribution of technology to improving productivity and economic growth	Unit 1	Activities 1–4
Term 4	Financial literacy		
Weeks 5–7	Savings Personal savings Purpose of savings History of banks The role of banks Services offered by banks Opening a savings account at a bank Community savings schemes Financial organisations Financial institutions and organisations promoting entrepreneurship Term 4 Revision	Unit 2 Learner's Book: pages 129–137 Teacher's Guide: pages 84–86 Learner's Book: pages 139–140 Teacher's Guide: page 87	Activities 1–5
Weeks 8–9	Examination preparations Revision of the year's work Study techniques Examination writing skills	Learner's Book: pages 141–146	Revision
Week 10	End-of-year examination	Learner's Book: pages 149–151 Teacher's Guide: page 88	Formal assessment: End-of-year examination, page 149

Assessment in the Senior Phase

Assessment is about collecting evidence of the learners' learning. It is an integral part of teaching and learning, and should be planned when planning the lesson content. Assessment helps to identify the needs of the learners. It also provides evidence of progress, enables teachers to reflect on what they are doing and provides for feedback and reporting to all stakeholders. Good assessment practice in EMS includes:

- assessing whether skills and aims are applied to content knowledge
- determining whether learners can apply this knowledge to procedures and problems
- providing feedback.

The four steps of assessment

1. Generating and collecting evidence of achievement
2. Evaluating the evidence

3. Recording the findings
4. Using the findings to guide future learning and teaching.

Types of assessment

Type of assessment	Description
Baseline assessment	<ul style="list-style-type: none"> Establishes whether learners meet basic skills and knowledge level required Helps teacher plan for the year and for each learner Is administered at the beginning of the year and before a particular topic Results are used as a guide for teaching and not for promotion purposes.
Diagnostic assessment	<ul style="list-style-type: none"> Informs the teacher about certain specific problem areas that may hinder performance May help determine whether a learner's problems are content or psycho-social based Appropriate interventions should follow on from diagnostic assessment Results should inform interventions and not be used for promotion purposes.
Formative assessment	<ul style="list-style-type: none"> Used to aid the learning process and not for promotion purposes Usually informal, to provide the teacher and learner with a more frequent account of where the learner is at Teachers can use this form of assessment to modify and adapt their own teaching.
Summative evaluation	<ul style="list-style-type: none"> Carried out after completion of a topic or cluster of topics Is an assessment of learning that has taken place Recorded and used for promotion This is usually formal assessment, making up the Formal Programme of Assessment.

Informal or daily assessment

Informal assessment is a daily monitoring of learners' progress. This is done through observations, discussions, practical demonstrations, learner-teacher conferences, informal classroom interactions, and so on. The Learner's Book is packed with activities that can be used for informal assessment, once learners have mastered the basic concepts.

The CAPS tells us that informal assessment should be used to provide feedback to the learners and to inform planning for teaching, but need not be recorded or taken into account for promotion. It should not be seen as separate from learning activities taking place in the classroom. Learners or teachers can mark these assessment tasks.

Self-assessment and peer assessment actively involve learners in assessment. This is important as it allows learners to learn from and reflect on their own performance. Learners often experience difficulty completing extended writing. Learners should read and write regularly, starting with sentences and paragraphs and building up to extended pieces of work. Much of this may be structured by working through activities.

Formal assessment

All assessment tasks that make up a Formal Programme of Assessment for the year are regarded as formal assessment. Formal assessment tasks are marked and formally recorded by the teacher for progression and certification purposes. All formal

assessment tasks are subject to moderation for the purpose of quality assurance and to ensure that appropriate standards are maintained.

The forms of assessment used should be appropriate for the learners' ages and developmental levels. Learners must complete formal assessments each term. Formal assessment provides teachers with a systematic way of evaluating how well learners are progressing in a grade and in a particular subject. Examples of formal assessments include tests, examinations, practical tasks, projects, oral presentations and posters. Formal assessment tasks form part of a year-long formal Programme of Assessment in each grade and subject.

Formal Programme of Assessment for EMS

Learners' marks for formal assessment are partly derived from their year mark for school-based assessment (SBA, 40%), and partly from their final examination mark (60%). This course provides a full formal Programme of Assessment aligned with the plan given on the EMS CAPS.

The table below presents the formal assessment opportunities in this Grade 7 course and shows the breakdown between SBA and the final examination:

Programme of Assessment							
	Term 1		Term 2		Term 3		Term 4
Task (Form of assessment)	Task 1 Assignment (Week 5)	Task 2 Controlled test (Week 10)	Task 1 Case study (Week 6)	Task 2 Mid-year examination (Week 9)	Task 5 Project (Week 6)	Task 6 Controlled test (Week 6)	Final examination (Week 10)
Activity in Learner's Book	Assignment (Teacher's Guide page 35)	Exemplar controlled test, page 42 (Learner's Book)	Case study (Teacher's Guide page 53)	Exemplar mid-year examination, pages 75–76 (Learner's Book)	Project (Teacher's Guide page 69)	Exemplar controlled test, page 115 (Learner's Book)	Exemplar end-of-year examination, page 149 (Learner's Book)
Assessment tool	Rubric	Memo- randum	Rubric	Memo- randum	Rubric	Memo- randum	Memo- randum
Total marks	30 marks	50 marks (60 minutes)	30 marks	75 marks (60 minutes)	30 marks	100 marks (90 minutes)	150 marks (120 minutes)
Percentage of year mark	Tasks 1–6 make up the school-based assessment (SBA): 40%						Final examination mark: 60%

Practical guidelines for assessing the forms of formal assessment for EMS

Assessment tasks should be designed to cover the content and concepts of the subject and include a variety of activities selected to assess the identified aims and skills. Before handing out an assessment task to learners, teachers should ensure that they are able to answer all the questions themselves. When teachers set an assessment task,

they should draw up a memorandum of answers and/or a rubric or the assessment. Refer to the seven-point rating code or scale of achievement in this Teacher's Guide when constructing a rubric.

Feedback should acknowledge strengths and identify areas of weakness for learners' developmental needs. Action plans on how learners will be supported should accompany this feedback. It is important that the feedback provided to learners encourages them to do better, and builds their self-confidence.

Types of formal assessment for EMS

Tests and examinations

These are individual assessment tasks. Tests and examinations for formal assessment should be conducted under controlled conditions. This means that they should be completed by all classes in the same grade on the same day, and that all learners in the same grade write the same EMS paper under examination conditions. All questions must comply with the year-end examination standards.

Tests are written in Terms 1 and 3 and each must cover work done in the particular term. In Grade 7, learners must be given an hour to complete the Term 1 test out of 50 marks. The Term 3 test is out of 100 marks and 1,5 hours long. Learners write an hour-long mid-year examination in Term 2. This examination must cover work done in Terms 1 and 2. The final examination at the end of Term 4 is based on the year's work. This examination is out of 150 marks in Grade 7 and learners must be given two hours to complete it.

Tests and examinations should include a variety of question styles. The CAPS for EMS presents a detailed format for the final examination. This format shows that Section A should cover all topics and include a variety of short question styles such as multiple-choice questions, matching exercises and filling in missing words. After Section A there should be separate sections on each of the topic areas covered in the teaching period being tested or examined. For example Section B of the final examination must only have two or three questions on The Economy. A variety of question types for these sections are also suggested: short-answer questions, paragraph-style questions, diagrams, cartoons, graphs, scenarios and case studies.

All tests and examinations should take their lead from this format for the final examination in the CAPS. This will help learners gain confidence while developing and consolidating examination writing skills. In the Learner's Book under 'Examination Preparations', this course provides learners with general examination writing skills and advice on how to approach particular question types.

Each test and examination must cater for a range of cognitive levels in the correct allocation (see the table below).

Cognitive level	Description of skill to be demonstrated	Weighting %
Lower order	Assessing knowledge and remembering	30
Middle order	Assessing understanding and application	40
Higher order	Analysing, evaluating and creating	30

In the 'Examination Preparations' section of the Learner's Book as well as in Section E of this guide, this course presents the terminology that will help to introduce questions pitched at the appropriate cognitive level. Learners should get as much exposure to these words as possible before tackling formal assessments. The activities of the Learner's Book are all structured using these instruction verbs. Their definitions on first use in each unit are explained on the page to help grow learners' familiarity with the terminology which they will encounter in formal assessments.

Projects

Learners complete *one* project in EMS in each grade. Projects are of a longer duration than other assessment tasks and learners need to be given enough time to complete them. Learners should be given the necessary guidance before they start with the project and their progress must be monitored throughout the project.

Be wary of prescribing projects that are beyond the cognitive level of the learners, or that will simply involve duplicating facts and data from reference material. The teacher should give clear criteria and instructions to guide learners. Determine which resources will be required and ensure that learners will have access to those resources. Learners must know the due date and how marks will be assigned.

Projects can be used to test a range of skills and competencies. A project should require learners to solve a problem. Learners will need to show these skills:

- planning, preparation, investigation and researching
- performing the task to a set of criteria
- producing a product such as a presentation or a written report with introduction, main body, conclusion and recommendations
- some application of their knowledge, innovation and creativity.

Assignments

An assignment is an individual task, similar to tests and examinations. However, the assignment should be an extended piece of work with a focus on more demanding work than that covered in class. The assignment can include past questions, but should also include more challenging aspects encouraging the learner to use additional material to help them. The assignment can be completed at home.

Case studies and data responses

With case studies learners are presented with a real-life situation, a problem or the description of an incident related to the topic. The text for case studies can come from various media sources such as newspaper and magazine articles, television or radio presentations. Case studies are a very good way of keeping the subject up to date and relevant.

Learners have to read or listen to the case study before answering the questions that are both based on and related to the content. Questions can be from lower order questions when learners respond to or provide direct quotes from the article, to higher order questions when they are asked to analyse comments and possibly make suggestions based on their own experience.

Other forms of data response questions can be cartoons, graphs, advertisements, and so on that learners are expected to engage with before answering a set of questions.

Inclusive assessment

Teachers need to develop adaptive and alternative methods to assess learners with barriers to learning, so that learners are given opportunities to demonstrate competence in ways that suit their needs. Here are some examples of how to assess these learners, while still maintaining the validity of the assessment:

- Some learners may need concrete apparatus for a longer time than their peers.
- Assessment tasks, especially written tasks, may have to be broken up into smaller sections for learners who cannot concentrate or work for a long time, or short breaks may be given during the tasks. Learners can also be given extra time to complete tasks.
- Some learners may need to do their assessment tasks in a separate venue to limit distractions.
- A variety of assessment instruments should be used, as a learner may find that a particular assessment instrument does not allow them to show what they can do.
- Learners who cannot read can have tasks read to them and they can orally dictate answers. Assessment can also include a practical component in which learners can demonstrate their competence without having to use language.
- A sign-language interpreter can be used.
- Assessment tasks can be available in Braille or enlarged with bolded text.
- Assessment can include the use of dictaphones or computers with voice synthesisers.
- The forms of assessment used should be appropriate for age and developmental levels. The design of these tasks should cover the content of the subject and include a variety of tasks designed to achieve the objectives of the subject.

Recording and reporting assessment

Recording

Recording documents the level of a learner's performance in a specific assessment task. It indicates learner progress towards the achievement of the knowledge as prescribed in the curriculum. Records of learner performance should be used to verify the progress made by teachers and learners in the teaching and learning process.

Reporting

Learners' performance can be reported in a number of ways. These include report cards, parents' meetings, school visitation days, parent-teacher conferences, phone calls, letters, class or school newsletters, and so on. Teachers in all grades report in percentages against the subject. The various achievement levels and their corresponding percentage bands are as shown in the table below.

Rating code	Description of competence	Marks %
7	Outstanding achievement	80–100
6	Meritorious achievement	70–79
5	Substantial achievement	60–69
4	Adequate achievement	50–59
3	Moderate achievement	40–49
2	Elementary achievement	30–39
1	Not achieved	20–29

Teaching EMS in the Senior Phase

Grade 7 is usually the final year in primary school, though it is the beginning of the Senior Phase. The Grade 7 learners are the 'senior' learners in the school and as such they feel quite important. Learners must be challenged to think abstractly and critically, and not to merely copy information.

The transition to Grade 8 is an important one, and a *big* step. For many learners, for many different reasons, going to 'high school' is a combination of being exciting, yet challenging and even stressful. The writing of formal tests and examinations becomes even more important. The EMS teacher must spend time developing exam techniques which include unpacking terminology used in examinations, such as *determine, identify, deduce, predict, present, summarise, expand, suggest, illustrate*, and so on. The Learner's Book provides many built-in opportunities for learners to engage with these. Section E of the Teacher's Guide also provides a list of important terminology.

Presenting answers, time management, exam stress management, and so on are all important areas in which learners must receive constant coaching. EMS teachers should work very closely with Life Orientation teachers in order to support learners with these issues.

The volume of work increases in Grade 8, and the expectations are higher. Learners are also expected to mark their own work (from the board) and this is new to many Grade 8 learners.

Grade 9 is the most challenging grade in this phase. While being on the cusp of the final and another extremely important phase of their high school career, learners are also dealing with other issues important to them, such as sexuality. Girls develop faster than boys. Some schools separate the boys and girls in Grade 9 in order to address this issue.

Grade 9 is a crucial year in the teaching of EMS: learners are required to make a choice between content subjects in Grade 10. One of these subject choices will be Accounting. Learners will choose this subject based on their career aspirations, experience and level of success achieved in EMS in Grade 9. It is very important that teachers lay a good foundation for basic accounting skills in Grades 8 and 9 in order to facilitate suitable and appropriate subject choice.

Inclusive teaching

What is inclusive teaching?

In the Senior Phase, it is crucial that learners find themselves in an environment where they can develop an interest in learning and the belief that they can learn. Inclusive education is defined as a learning environment that promotes the full personal, academic and professional development of all learners irrespective of race, class, gender, disability, religion, culture, sexual preference, learning styles and language.

Inclusion is about acknowledging and respecting that:

- all children have the right to learn
- all children are able to learn
- all learners need support
- all learners are unique and have different, but equally valued, learning needs
- all learners need the opportunity to build on their own unique strengths
- the learner is the centre of the teaching and learning process
- there are differences in learners, for example, age, gender, language, culture, learning styles, disabilities, HIV status and so on.

Inclusion is also about:

- enabling educational structures, systems and learning methodologies to meet the needs of all learners
- more than just formal schooling – it embraces learning that occurs in the home, community and so on
- changing attitudes, behaviour, methodologies and environments to meet the needs of all learners
- ensuring maximum participation of all learners in the culture and curriculum of all educational institutions
- identifying and minimising barriers to learning that can occur at any level of the system.

Some of the learners in your class may already suffer from exclusion or think negatively about education. There is no reason for their exclusion from class activities. It is the responsibility of the teacher to ensure the inclusion of these learners. This means adapting activities to suit their needs and capabilities. It is equally important that the class is not divided because of this. Rather, learners with these challenges should be accepted and helped where possible by their peers. Learners should at all times be discouraged from teasing, bullying or ignoring learners with special needs. When these attitudes are directed towards a learner, they create a barrier to learning in that learner.

Practical guidelines for inclusive teaching

- Have a true understanding of each learner's background, strengths, unique abilities, needs and barriers. Then use this information to inform your planning and give a clearer focus.
- Remember that the teacher is a facilitator of learning.
- Keep the content and material as relevant as possible.
- Break down learning into small, manageable and logical steps. Keep instructions clear and short (plan beforehand).
- Grade activities according to the different levels and abilities of learners. Try to ensure that learners remain challenged enough without undue stress.
- Develop a balance between individual teaching, peer tutoring, cooperative learning and whole-class teaching.
- Use learners to help one another in the form of group types, peer-assisted learning, buddy systems and so on. Ensure that learners feel included and supported in the classroom by both the teacher and their peers.

- Set up pairs and groups of learners where members can have different tasks according to strengths and abilities. Promote self-management skills and responsibility through group roles and the types of tasks you set.
- Motivate learners and affirm their efforts and individual progress. Build confidence. Encourage questioning, reasoning, experimentation with ideas and risking opinions.
- Determine the learner's 'Zone of Proximal Development' (ZPD) and use it for effective teaching and learning. The ZPD has been described as the distance between what the learner already knows and understands and what they can understand with adult support. Learning is thus a social interaction as the teacher mediates and supports the learner as they understand a new concept.
- Spend time on consolidating new learning. Use different ways to do this until all learners understand the concept. Make time to go back to tasks so that learners can learn from their own and others' experiences and methods.
- Use and develop effective language skills (expressive and receptive, verbal and non-verbal).
- Experiment with a variety of teaching methods and strategies to keep learners interested and to cater for and develop different learning styles. Use games, cooperative group work, brainstorming, problem-solving, debates, presentations and so on.

Learners with barriers to learning

A barrier to learning is anything that prevents a learner from participating fully and learning effectively. This includes learners who were formerly disadvantaged and excluded from education because of the historical, political, cultural and health challenges facing South Africans. Some other examples of barriers to learning may be learners who are visually or hearing impaired, or learners who are intellectually challenged. Barriers to learning cover a wide range of possibilities and learners may often experience more than one barrier. Some barriers, therefore, require more than one adaptation in the classroom and varying types and levels of support.

These learners may require and should be granted more time for:

- completing tasks
- acquiring thinking skills (own strategies)
- assessment activities.

Teachers need to adapt the number of activities to be completed without interfering with the learners gaining the required language skills.

Metacognitive strategies in teaching

What are metacognitive strategies and how can I use them?

Metacognition is the process of thinking about how you think. Adults often do this automatically. Before taking on something new, we may ask ourselves: What do I already know about this? What will help me understand it better? How is it structured? As we engage with a text or action, we may ask ourselves: Did I

understand that? Why do I think that? How does this connect with what I already know? How could I apply this in my life? Then we evaluate what we have learnt or done by asking questions like: Did I understand that well? What strategies helped and what strategies did not help? What should I do the next time I take on a task like this?

Learners, however, are often unaware of how they think and engage with learning material. You help learners to learn independently by explicitly guiding them to plan, monitor, and evaluate their reading and learning strategies. This is particularly effective for those learning in English as a second language and for learners who are struggling. It can dramatically improve their performance.

You teach metacognitive skills by asking learners to explain what they are thinking and what strategies they are using to understand material. This is best done in small groups. You can also use ‘think aloud’ strategies when engaging with texts and images. ‘Think alouds’ are often effective when reading texts to learners, and during small-group and pair reading exercises.

Here is an example of how to teach metacognitive strategies using a ‘think aloud’:

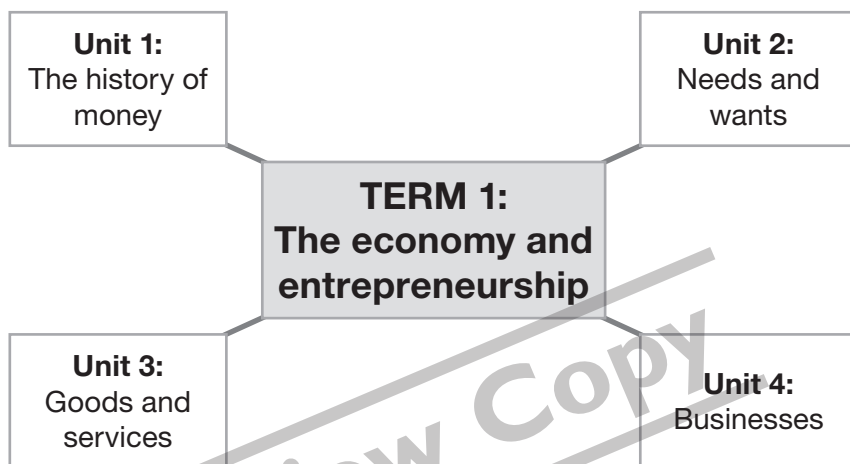
1. Choose a short piece of text and note where you will stop during reading to model your thought processes.
2. Things to include in this planning stage could be:
 - reading the text title and the table of contents
 - looking at the images and predicting what the text may be about
 - skim-reading the text looking for headings, words in bold, and summaries. As you skim read, think about what you already know about the subject and what more you would like to know.
3. In class, explain what you will be doing to the learners. Start by explaining how you planned before reading the text.
4. To monitor understanding during reading, you can explain where you stopped to ask yourself whether you understood the content. If the text has a long or complex sentence, describe how you divided it up to understand it. Find places where you could ask questions such as:
 - Why would this ...?
 - Is this similar to ... ?
 - How can I figure out what this new word means?
 - What does the writer want me to know?
 - What do I think will happen next? Why do I think that?
 - Do I need to re-read this for detailed information?
5. Now show learners how to evaluate their metacognitive strategies by asking and answering questions such as:
 - Did I read and understand this well?
 - What helped me to understand? What did not help?
 - What should I do next time I read about this topic?
 - What will help me remember what I read?

By engaging with how learners think, you can better prepare them for their lives and learning in the future. Consider how to include this aspect of learning into your teaching style.

Term 1

The economy and entrepreneurship

Core concepts covered



Term overview

During the course of this term learners are introduced to the history of money as it has developed from early forms of bartering, promissory notes, coins and paper money, to modern electronic banking and the role money plays in the economy. They learn about the needs and wants of people, and how they try to satisfy them. This leads to a comparison of goods and services, producers and consumers, and formal and informal businesses.

Content				
Unit No.	Content	Pacing (Time allocation)	LB page	TG page
1	The economy: The history of money	6 hours	8	24
2	The economy: Needs and wants	4 hours	16	27
3	The economy: Goods and services	4 hours	24	30
4	Entrepreneurship: Businesses	6 hours	32	33

Assessment

The following activities in this term are suitable for formal assessment:

Activity				Assessment	
Type of activity	Activity	LB page	TG page	Assessment tool	TG page
Assignment	Develop a business idea for Entrepreneur's Day	39	34	Memorandum	–
Controlled test	Term 1 Exemplar controlled test	42	–	Memorandum	35

Resources

Grade 7 Learner's Book, copies of local and Sunday newspapers, magazines

Unit 1 History of Money

Learner's Book pages 8–15

Unit overview

This unit focuses on the history of money. It first looks at traditional societies and how they met their needs and wants by bartering. Learners will also discover how money has changed over time. They will look at money in the present day and consider the role that money plays in society and the economy.

Additional resources

World map, examples of coins and notes (different currencies, if obtainable)

Teaching guidelines

It is important that the learners understand the relationship between money, needs and wants, and purchasing power. The four units in this term are all interrelated. Learners will find the topic far more interesting and easy to remember if they can understand how it relates to their lives.

You may want to divide the class into four groups. Allocate each group one unit. They must put together an A3 wall chart that has something to do with the work they are studying, for example, newspaper articles, photos, mind map. These can be put up on the classroom wall. At the end of the term – and year – you will be able to use these to assist the learners with revision.

Activity 1 Practise bartering

Learner's Book page 10

Guidelines to implement this activity

- This is a group activity.
- Each learner is expected to bring something of low value that he or she is willing to barter in exchange for something else from another learner in the class. Your class is likely to get quite noisy while learners are moving around the class and conducting bartering negotiations with each other. Allow 10 minutes for this process.

- You may want to hold a class discussion about the activity to get feedback from learners on what they think of bartering as a means of exchange and in contrast to paying the asking price of an item.

Suggested answers

As an introductory activity, it is important that learners at least realise that the exchange of goods is very difficult when:

- you can't assign a value to an item
- you are unable to find someone with something you want and who also wants what you have for exchange

Assessment guidelines

- This activity is intended for informal assessment.
- You are likely to get a range of answers from learners as they list points related to their experience of bartering for something they wanted.
- Use the checklist below to assess learners. Give learners feedback on their performance to prepare them for formal assessment.
- As this is an introductory activity that involves role play and class discussion, there are no formal mark allocations.

5.1 Advantages of bartering: flexible; goods only produced to meet needs so no waste; economic power is shared; natural resources only used to meet needs so no waste. Disadvantages of bartering: difficult to value goods; products will not have a warranty; differences in value of products.

Criteria	Yes	Partly	No
The learner(s):			
• followed the instructions in the Learner's Book and understood what to do in the class bartering activity			
• participated fully in the class discussion about the bartering experience			
• listed the problems experienced in bartering for something he/she wanted			

Activity 2 Investigate electronic banking

Learner's Book page 14

Guidelines to implement this activity

- This is an individual activity.
- Learners should discuss the activity with someone who uses electronic banking or visit a bank to find answers.

Suggested answers

1. An ATM is an Automatic Teller Machine ✓ where you use a bank card ✓ and your secret PIN ✓ to draw and deposit money ✓, buy airtime, pay accounts and so on, during and after normal banking hours. ✓ (4)
2. You do not need to worry about carrying cash to pay accounts. ✓ It is very convenient as you can do any bank transactions in your own time. ✓ The bank

service is available 24 hours every day of the year so you do not have to wait in queues at the bank. ✓ Banking is stress free as there is no rush to get to the bank before it closes. ✓ Accounts can be paid easily without using cash. ✓ Bank transactions are faster than using an ATM or going to the bank. ✓ It is efficient as all your bank accounts can be managed in an orderly manner. ✓ You can do all bank transactions except withdraw and deposit money without actually going to the bank. ✓ (any 8)

3. You need access to a computer and a safe, secure internet connection. ✓ Your password can be stolen and all your money taken out. ✓ It is very impersonal as there is no face to face contact with bank staff. ✓ The speed of the transaction will depend on the speed of your internet connection. ✓ Phishing is a problem as criminals try to obtain your bank details without your permission. ✓ (any 4)

Assessment guidelines

- This activity is intended for informal assessment.
- Use the checklist below to assess learners. Give learners feedback on their performance to prepare them for formal assessment.

Criteria	Yes	Partly	No
The learner(s):			
• followed the instructions in the Learner's Book and understood what to do			
• were able to establish the information required			

Activity 3 Think about the importance of money

Learner's Book page 15

Guidelines to implement this activity

- This is a pair activity.
- Allow learners to partner with their neighbours.
- Remember, they need to be able to discuss their answers and so the class could get noisy. The learners need to learn social skills of how to discuss a topic, agree or even disagree with each other without animosity. Learners in pairs do not have to have the same answer. They can disagree and write their own opinion. The main objective of working in pairs is to encourage thinking and discussion on the topic.

Suggested answers

1. 1.1 They bartered ✓ – exchanged goods they had for goods they wanted using negotiation. ✓ (2)
- 1.2 Coins and notes, ✓ promissory notes, ✓ EFT (electronic funds transfers). ✓ (3)
- 1.3 Learner's opinions – likely to prefer modern payment methods to bartering. ✓✓ (2)
2. People work for money in order to purchase goods and services to satisfy their needs and wants. ✓✓ Businesses are motivated to generate profit which the owners use to satisfy their needs. ✓✓ People save money to provide for future needs and wants. ✓✓ (max 8) (8)

3. Money is easier to use than bartering because it has a recognisable value, ✓ is accepted by almost everyone, ✓ is easy to carry around, ✓ and it makes it possible to put a fair price on items. ✓ (Any 4) (4)

[19]

Total: 19 marks

Unit 2 Needs and wants

Learner's Book pages 16–23

Unit overview

This unit focuses on society's needs and unlimited wants. Learners look at the basic needs of individuals, families, communities, and countries. They learn about primary and secondary needs, unlimited wants, and the limited resources available to satisfy needs and wants in society.

Additional resources

Current magazines and newspaper advertisements

Teaching guidelines

You may want to start the lesson with a selection of newspaper and magazine advertisements for various goods and services that the learner may or may not want to purchase. Discuss which of the products are essential to their lives and get the learners to say why they think they are important. Make sure you have an advertisement or picture of a mobile phone. This will lead to an interesting discussion. Make sure you do not get sidetracked and take too much time on this introduction.

Photostat a number of pictures of products on a sheet of paper. Ask the learners to divide these into needs and wants. Let them discuss their selection and give reasons for their decisions.

Activity 1 Identify basic needs of families and individuals

Learner's Book page 17

Guidelines to implement this activity

- This is an individual activity.
- After the learners have completed the activity, discuss their answers.
- Discuss the difference between people's needs and wants based on the area where they live, income, lifestyle, social group, and so on.

Suggested answers

1. Individual needs: clothes, food, water, recreation ✓✓✓✓
Family needs: emotional, social, spiritual, creative ✓✓✓✓ (8)
6. Learners give examples of how their families' needs are met. [4]

Total: 12 marks

Assessment guidelines

- This activity is intended for informal assessment.
- Use the suggested answers supplied above to assess learners informally. Allocate learners a mark for question 3 and give them feedback on their discussion to prepare them for formal assessment.
- Note that the answers to questions 4–6 above are likely to vary among learners.

Activity 2 Identify your wants and needs

Learner's Book page 19

Guidelines to implement this activity

- This is an individual activity.
- You may want to speak to the teacher in charge of geography to see whether you can link up and combine information with this section.

Suggested answers

Learners' answers will vary. Check that they understand the difference between needs and wants.

Assessment guidelines

- This activity is intended for informal assessment.

Activity 3 Analyse basic (primary) and secondary needs

Learner's Book page 22

Guidelines to implement this activity

- This is an individual activity.
- After studying the sketch carefully, they should discuss the purchases people are making and whether or not it is an easy matter to decide whether various items satisfy needs or wants.
- Circulate in the class, listening to the discussions and offering questions or suggestions if this seems necessary to give a discussion some direction.

Suggested answers

This activity does not need to be assessed.

Learners will realise that it is not always an easy matter to decide whether a particular good or service is a need or a want. For example, a cell phone is a want for most people, but a salesperson or doctor on call finds that they really need one to make their work more efficient. In the case of a doctor, it could be a life or death matter, which makes it a primary need.

Clothes	Food	Shelter	Communication	Learning and fun	Religion and culture
Jeans and T-shirts – basic clothing, can be seen as a need (primary)	Child leaning towards sweets – a want	Building materials – a need to construct or improve dwelling (primary)	Laptop – depending on nature for which it is used, it can be classified as a want or a need, e.g. for work or for games	Weber braai – a want for entertainment and recreation	Books (depending on type) – a need (secondary)
Girl holding high-heeled shoes – can be seen as a want	Mother buying fruit and vegetables – a need (primary)	Man holding a hot water bottle – a need to keep warm		Flat screen – a want (secondary need)	
	Buying ice-creams – a want	Man looking at heater – a need to keep warm		Standard television – also a want (secondary need)	
		Stove – a need for equipment to cook food		Books – depending on the type of book, can be classified as a need (secondary)	
		Door – a need for shelter (primary)		Tennis racquet – a want (secondary need)	
		Lawnmower – accept either		Bicycle – depending on what it is used for it can be a want or a need, e.g. if it is used by the child to get to school it is a need (secondary need)	

Assessment guidelines

This activity has not been allocated marks. The learners must be given opportunities to answer questions without the pressure of mark allocation. They will be freer with their answers and be more prepared to try and make mistakes and learn from these without fear of failure or giving the incorrect answer. This will give them more confidence when they have their formal assessments.

Activity 4 Discuss why wants are unlimited

Learner's Book page 22

Guidelines to implement this activity

This is an individual activity.

Once the learners have completed the activity, get them to discuss the answers as a class.

Suggested answers

1. Unlimited wants means that there is always something else that people would like to have.
2. Answers will vary but they should understand that advertising is designed to create wants in society.
3. Learners discuss, opinions will vary.

Assessment guidelines

This activity is intended for informal assessment.

Activity 5 Identify limited resources

Learner's Book page 23

Guidelines to implement this activity

This is a group activity.

Suggested answers

1. Answers will vary.
2. Learners should identify that municipalities provide resources such as electricity, water, and infrastructure, while businesses provide resources such as clothing, stationery, and food.
3. Answers will vary.
4. Display and discuss posters.

Assessment guidelines

- This activity can be used for formal assessment.
- You can use the following mark allocations to evaluate learners:
Research: 10 marks
Content: 10 marks
Presentation: 10 marks
Total marks: 30

Unit 3 Goods and services

Learner's Book pages 24–31

Unit overview

This unit focuses on the concept of goods and services, and explains what they are. Learners will consider the producers and consumers of goods and services, and the role of households in these activities. They also learn about using goods and services efficiently and effectively, and how to recycle and reuse goods to satisfy needs and wants.

Additional resources

- If you have learners with parents who are in a trading, manufacturing or service business you could ask one of them to give a short talk about their industry to the class. Remember to give the parent good notice and be specific about how long you wish them to speak.
- If you have a farm or manufacturing business in the area, you may want to take the learners on an excursion. Remember to draw up a worksheet or set a 'test' when they return to the classroom. You may be able to link the excursion with another subject the learners are doing.

Teaching guidelines

- It is important that the learners know the difference between a producer and a consumer.
- They also need to be clear that a person or business can be both a producer and consumer.
- This may be difficult for them to grasp and you may need to use role play or visual aids such as pictures to assist them.

Activity 1 Identify local goods and services

Learner's Book page 25

Guidelines to implement this activity

- This is a pair activity.
- Get learners thinking about businesses in your area that provide them and their families with goods and services.
- The purpose is to realise how their own needs and wants are met by local businesses.

Background knowledge

Your own knowledge of your local shopping area will place you in a position to judge whether learners are on the right track and understand the basic concepts involved in this unit.

Suggested answers

- Answers will vary.
- Learners will present their discussions in class.

Assessment guidelines

- This activity is intended for informal assessment.

- Use the suggested answers supplied above to assess learners informally. Give them feedback on their performance to prepare them for formal assessment.

Activity 2

Understand the role of households as producers and consumers

Learner's Book page 27

Guidelines to implement this activity

- This is an individual activity for the written answers, followed by a class discussion.
- Guide the learners to follow the questions in their text books when discussing the household role as producers.

Suggested answers

1. Goods: Individual answers✓✓. Services: individual answers✓✓ (4)
2. Individual answers ✓ (1)
3. Individual answers ✓ (1)
4. Individual explanations ✓✓ (2)

[10]

Total: 10 marks

Assessment guidelines

- This activity is intended for informal assessment.
- Use the suggested answers supplied above to assess learners informally. Allocate learners a mark out of 10 and give them feedback on their performance to prepare them for formal assessment.

Challenge activity 3

Start recycling now!

Learner's Book page 31

Guidelines to implement this activity

- This is an individual activity which learners need to carry out at home, followed by a class activity where learners report back on their home activity.
- Guide the class discussion and investigation into setting up a recycling depot at the school if you don't already have one.
- During the class brainstorming session, get a learner to volunteer to record ideas for recycling on the board. Learners should make notes of the best practical ideas and try them out at home.
- Arrange a date for learners to bring their goods made from recycled materials to class for the 'show and tell'.

Suggested answers

- Use the checklist below to assess learners. Give learners feedback on their performance to prepare them for formal assessment.

Criteria	Yes	Partly	No
The learner(s):			
• followed the instructions in the Learner's Book and carried out the homework tasks			
• held an enthusiastic and thorough discussion and investigation of the requirements for setting up a recycling depot at the school			
• had a good brainstorming session in class and came up with good ideas for products from recycled materials			
• brought useful and interesting samples to a class 'show and tell' session			

Unit 4 Businesses

Learner's Book pages 32–39

Unit overview

In this unit we examine the various kinds of business operating in South Africa. Learners look at some of the advantages and disadvantages attached to different types of business. They will look at the roles businesses play as producers and consumers. Finally, the unit touches on the effects of natural disasters and health epidemics on formal and informal businesses.

Additional resources

Business magazines, for example *Success*.

[Reference sources: <http://www.blurtit.com/q627744.html> and http://en.wikipedia.org/wiki/Informal_sector]

Teaching guidelines

- Every day we pass a business of some sort.
- Suggest the learners make a list of any businesses they pass on their way home from school and back to school the next day. This will include businesses whose names are seen in advertisements, television, on vehicles, trains, buses and taxis.
- Have a competition to see which learner collects the most names.
- Let the learners try and divide these into the three sectors, discuss what they sell and who they sell to. Put these lists up on the board for a day or two.

Tip!

Try and make your lesson as visual as possible. The learners live in a visual world – television, mobile phone, iPads, which are all colourful with sound effects and movement. They will respond to stimulation. Now and then play instrumental music very, very softly in the background to change the atmosphere in the classroom and make it more interesting.

Activity 1 Identify formal and informal businesses

Learner's Book page 34

Guidelines to implement this activity

- This is an individual activity.

Suggested answers

1. Learners must correctly categorise car wash and supermarket pictures as formal and informal. (4)
2. Individual answers depending on the business chosen, but something along the following lines: This formal business could be transformed into an informal business if a sole trader decided to run a similar business on a smaller scale, perhaps from home. ✓✓ (2)
3. Individual answers depending on the business chosen, but something along the following lines: This informal business could be transformed into a formal business if more money were invested in it, it moved to larger premises, and increased its range of goods (or services) on offer. ✓✓ (2)

[8]

Total: 8 marks

Assessment guidelines

- This activity is intended for informal assessment.
- Use the suggested answers above to assess learners informally. Allocate learners a mark out of 8 and give them feedback on their performance to prepare them for formal assessment.

Activity 2 Classify local businesses

Learner's Book page 36

Guidelines to implement this activity

- This is a pair activity.
- Each pair will work together to identify local businesses. They must discuss and agree whether these are formal or informal businesses.

Suggested answers

Answers will depend on the businesses in your area with which the learners are familiar.

Assessment guidelines

- This activity is intended to reinforce the concepts of formal and informal businesses and does not require marking.
- You could have a brief class discussion of random classification lists to check that learners have grasped the difference between a formal business and an informal business.

Activity 3 Discuss natural disasters

Learner's Book page 38

Guidelines to implement this activity

- This is a group activity.
- Ask the class to form groups of 4 or 5 for their discussions and to work on their group posters. It may be an idea to push three or four desks together for this purpose.

Additional resources

- Use an Internet search engine such as Google for reference sources for any recent natural disasters and health epidemics around the world to give your learners some additional background material and examples to work from.
- If you are able to download pictures, you could pin these up in class as illustrations of the hardships people experience in these situations.
- Invite a factory manager or business owner in your area to speak to your class on this topic and how their particular business has been affected and how the results.
 - 1.1 Agriculture and farming ✓ Property damage: hotels, restaurants, construction industry ✓
 - 1.2 Farming: loss of revenue due to crop damage ✓; property damage to hotels and restaurants: loss of revenue if they have to close for repair ✓
 - 1.3 If they were insured they could claim for damages; ✓ plant alternative crops; ✓ find temporary premises and so on. ✓ Accept any reasonable answers.

Assessment guidelines

- This activity is intended for informal assessment.
- Learners are asked to create posters to show the results of their discussions.
- You could get groups to stick their completed posters on the wall and get the class to vote for the best representation of how natural disasters and/or health epidemics are affecting your own community.

Assignment Research South Africa's new currency

PoA

1. Review what you have learned about the development of coins and money, particularly in South Africa, in Unit 1.
2. Research the current range of coins and bank notes produced in South Africa at your local library, on the Internet or at a local bank.
3. Makes notes of all the important features of the notes and coins that aid the blind in recognising the various denominations and protect wise consumers from being given forgeries.
4. Create a poster report on the features of South African currency, showing sketches, cut out newspaper or magazine pictures or photocopies of the range of coins and bank notes in current circulation.

Guidelines to implement this activity

- This is an individual activity

Suggested answers

Learners must each produce a report in poster format, in which they have the following:

- Pictures or sketches of coins and banknotes currently in circulation (5c, 10c, 20c, 50c, R1, R2, R5, R10, R20, R50, R100, R200) (12)
- Note: important features of the notes that protect consumers from being given forgeries (e.g. a watermark formed within the paper - When held up to the light, the image is visible and will not produce on colour copiers; a security thread running through the banknote paper - a special thread is woven into the paper. On the front it appears a silvery stripe. When held up to direct light, it appears as a continuous line on which the letters "SARB" can be seen. High quality paper – members of the public report that they recognise a banknote as a counterfeit by the texture of the paper; and Print quality - the fineness of the print quality on a genuine banknote is difficult for current scanning equipment to resolve properly. Intaglio printing, where thick ink lends a raised surface to the print surface, is difficult to reproduce cheaply. – from <http://www.resbank.co.za/AboutUs/PublicAwareness/Pages/Security-features-of-banknotes.aspx>) (Max 10)
- Any additional information they can come up with to make a comprehensive report (e.g. features of coins, such as the two metals used in the R5; and the different sizes and edging ridges that help poor-sighted people to distinguish the denomination of the coin etc.), and presentation. (Max 8) [30]

Total: 30 marks

Assessment guidelines

- This activity is intended for formal assessment.
- Use the memorandum supplied above to assess learners. Allocate learners a mark out of 30 and record the marks for formal assessment.

Activity 4 Discuss health epidemics

Learner's Book page 36

Guidelines to implement this activity

- This is an individual activity.

Suggested answers

1. Tuberculosis ✓ Cholera ✓ HIV and AIDS ✓ Certain strains of influenza ✓ (any 3)
2. Productivity suffers ✓ while people are away from work due to illness ✓ (2)
3. Consumers will have to spend money on health care ✓ and consequently cut down on the amount they spend on goods and services ✓ (2)

Assessment guidelines

- This activity is intended for informal assessment.
- Answers may be discussed in class.

MEMORANDUM

Question 1

- 1.1 manufacturing ✓✓
- 1.2 community ✓✓
- 1.3 promissory note ✓✓
- 1.4 limited ✓✓
- 1.5 secondary ✓✓

(5 × 2 marks) [10]

Question 2

- 2.1 True ✓
- 2.2 False – produced in China ✓
- 2.3 True ✓
- 2.4 False – primary needs ✓
- 2.5 True ✓
- 2.6 False – producers and consumers ✓
- 2.7 True ✓
- 2.8 True ✓

(8 × 1 mark) [8]

Question 3

- 3.1 A need is something we must have in order to live a healthy, well-balanced life ✓✓, for example food (primary) or contact with other people (secondary). ✓✓
A want is something we would like to have but that we could live without ✓✓, for example designer jeans. ✓ [6]
- 3.2 Tribal system ✓, self-sufficient ✓, few possessions ✓, simple standard of living ✓, consume and produce to satisfy basic needs ✓, transport by human or animal energy ✓, use system of bartering ✓ [any 4]
- 3.3 Producers play an essential role in an economy ✓ by producing goods and services needed by consumers ✓, in this way providing jobs and income for people ✓ and contributing to the wealth of a country by paying taxes. ✓ [4]
- 3.4 Save water by fixing leaky taps ✓; recycle plastic, glass, waste paper ✓; save energy by turning off unused lights and appliances ✓; walk or cycle to the shop instead of using a car ✓; reuse plastic bags, bottles, jars ✓ [any 4]
[18]

Question 4

- 4.1 A natural disaster such as a flood can destroy the informal business's premises or goods and prevent it from providing its services or making sales ✓; roads could be washed away, making it impossible for customers or workers to get to the business ✓; if crops are destroyed and the business sells fresh produce, it will not have stock to sell. ✓ [3]

- 4.2 A health epidemic can reduce the number of workers able to work ✓ and the business would be unable to operate ✓; new workers will have to be trained to replace the sick ones ✓, resulting in lower productivity and sales; the cost of health care will increase. ✓ [3]
- 4.3 Answers must be supported by logical, practical reasons that compare the advantages and disadvantages of formal and informal businesses (at least 4 points for full marks).
Advantages of a formal business: able to access business loans, can access larger consumer markets, can attract better workers. *Disadvantages of a formal business:* cost of registration, more administration, income tax and levies increase business costs. *Advantages of informal business:* no establishment costs, not registered for income tax. *Disadvantages of informal business:* difficult to get financial loans, little prospect of growth or stability.

[14]

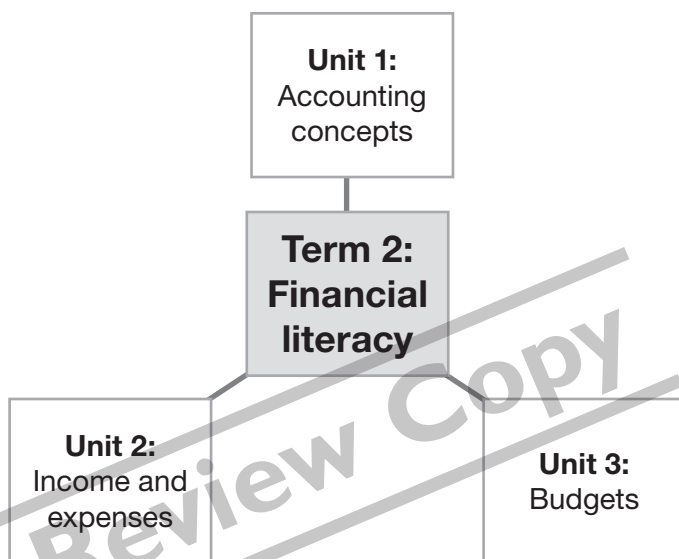
TOTAL: 50 marks

Review Copy

Term 2

Financial literacy

Core concepts covered



Term overview

Term 2 focuses on financial literacy. In Unit 1, Accounting concepts, learners are introduced to some basics: capital, assets, liabilities, income, expenses, profit, loss, budgets, saving, banking, financial records, and transactions. Unit 2, Income and expenses, focuses on personal income and expenses and a personal statement of net worth. Learners are introduced to different types of income and expenses and find out how businesses save and invest their income. Unit 3, Budgets, introduces learners to the concepts of budgets (personal and business), income, and expenditure.

Content				
Unit No.	Content	Pacing (Time allocation)	LB page	TG page
1	Accounting concepts	4 hours	48	40
2	Income and expenses	6 hours	57	47
3	Budgets	6 hours	65	51

Assessment

The following activities in this term are suitable for formal assessment:

Activity				Assessment	
Type of activity	Activity	LB page	TG page	Assessment tool	TG page
Case study	Case study: The Smith family	73	56	Memorandum	–
Mid-year examination	Term 2 Exemplar mid-year examination	75	–	Memorandum	57

Term 1 Revision MEMORANDUM

The economy

- 1 d ✓
- 2 g ✓
- 3 f ✓
- 4 e ✓
- 5 a ✓
- 6 b ✓
- 7 c ✓
- 2 Unit of value: money has a specific value so makes it easy to buy things; ✓
medium of payment: takes away need to barter; maintains a healthy economy: ✓
motivates us to work and be productive so we can earn money to buy goods and services; ✓ encourages savings: savings create purchasing power – we can save to buy things at a later stage. ✓

3	Individuals	Families	Communities	Countries
	Food ✓	Social needs ✓	Recreational ✓	Stable government ✓
	Water ✓	Spiritual needs ✓	Transport and roads ✓	Natural resources ✓
	Clothing ✓	Intellectual ✓	Education ✓	Land that can be farmed ✓
	Shelter ✓	Cultural ✓	Housing ✓	Money for infrastructure ✓
			A sense of belonging ✓	Trained labour force ✓
			Safety and social security ✓	
			Electricity ✓	

- 4 Primary needs are essential for our survival. ✓ They are basic needs such as food and clothing. ✓ Secondary needs are also known as wants ✓ – they are things that would be nice to have such as luxury cars, expensive holidays, and designer clothing.
- 5 Needs: Food ✓, clothing ✓, warmth ✓ (for example the hot water bottle could be classified as a need and so could the heater); shelter: ✓ door in the hardware section, stove. Wants: luxury ✓ food items for example sweets and ice-creams, bicycle ✓ (although this could be a need if it is used by the child to get to school); weber ✓ braai, books ✓, flat-screen TV ✓, lawnmower ✓

- 6 We always want more than we need ✓. We are influenced by shops and advertisements for goods and services ✓ and with technology there is ✓ always something bigger and better to buy ✓. Some wants will never be met simply because there are not enough resources ✓. [5]
- 7 Goods are products that you can see and touch ✓, such as shoes and food ✓. Services are actions that businesses perform for you ✓, such as a laundry or garden clearing service. ✓ [4]
- 8 Efficient and effective use of goods and services means using them in a sustainable way ✓ – in a way that reduces how much water and electricity we use and in a way that preserves our limited natural resources. ✓ [2]

Entrepreneurship

- 9.1 tertiary ✓
- 9.2 consumer ✓
- 9.3 producers ✓
- 9.4 production ✓ [4]
- 10 Formal businesses have normal hours, regular wages and pay income tax ✓, for example a supermarket ✓ or a hairdresser ✓. An informal business does not keep regular hours or pay regular wages and does not pay income tax ✓, for example a vendor ✓ or a spaza ✓ shop. [6]
- 11 Car wash ✓, supermarket ✓, hairdresser ✓ [3]
- 12 Advantages of a formal business: access to loans ✓, access to larger consumer markets ✓, attracts better workers ✓; advantages of informal business: no establishment costs ✓, not registered for income tax ✓. [4]
- 13 All businesses produce something ✓ – a good or a service ✓. They are consumers because they buy goods and services ✓ such as office furniture and office cleaning services. ✓ [4]
- 14 The lady on the right is selling a cake. She has an informal business ✓. You can tell this because this is obviously a home industry ✓ – she bakes, sells and delivers her product on her own. ✓ [3]
- 15 15.1 Floods, droughts ✓✓ [2]
- 15.2 Peril means danger ✓✓ [2]
- 15.3 Their stock could get damaged ✓; furniture could get damaged ✓; loss of business if roads around them are washed away ✓; building could get damaged ✓; could go bankrupt if unable to replace stock ✓ [3]
- 15.4 Buildings ✓, stock ✓ and private practice ✓ [2]
- 15.5 Tsunamis ✓, volcanoes ✓, earthquakes ✓, droughts ✓, fires ✓, floods ✓ and epidemics ✓ (any 4) [4]
- 15.6 Services ✓ [1]
- 15.7 Business interruption insurance ✓✓ [2]
- 16 Skilled workers will have to be given paid time off ✓; new workers will have to be trained to temporarily take over ✓ [2]

Unit 1 Accounting concepts

Learner's Book pages 48–58

Unit overview

This unit focuses on the language of accounting. Concepts such as capital, assets, liabilities, income, expenses, profit, and loss are explained. This unit also looks at budgets and saving, as well as banking, financial records, and transactions.

Resources

Magazines, talking to parents and family members, websites

Teaching guidelines

- When teaching the accounting concepts, let the learners paste or draw pictures of the concepts in their work books; for example, when explaining assets, get them to find or draw pictures of vehicles, buildings, cash, and so on.
- Understanding accounting concepts is the foundation of accounting, so make sure learners understand and can differentiate between the various concepts.
- It is important for the learners to know that assets and liabilities can be current and non-current. Use time-based examples to help them understand these concepts.
- For the learners to draw up a statement of net worth it is important that they are familiar with the concepts required to draw up a statement of net worth, so make sure they grasp these concepts.

Background knowledge

The learners must know the difference between a need and a want.

Vocabulary

- asset: anything belonging to a person or business
- budget: a plan of how much money a person or business will have and how it will be spent
- balance sheet: summary of the financial position of a business on a specific date
- capital: the money that a business owner has to spend on starting and running a business
- creditor: a person or business to whom money is owed
- current asset: cash belonging to a person or business or any other possession easily converted to cash within twelve months
- current liability: an amount owed to another person or business that must be paid back within twelve months
- debtor: a person or business who owes money to another person or business
- expenses: payments made for goods and services required by a person or business
- fixed asset: a possession of a person or business that is not easily converted to cash, has a relatively long lifespan, was not bought to be resold, and assists in generating income for the business
- income: money earned (salary, wages) by a person or received (receipts) from the running of a business
- liability: amount owed to another person or business

- loss: occurs when income is less than expenses; $\text{loss} = \text{income} < \text{expenses}$
- non-current asset: possession of a person or business that cannot easily be converted to cash within twelve months
- non-current liability: an amount owed to another person or business that must be paid back over a period longer than twelve months
- payments: all amounts paid out by a person or business, in cash or by cheque drawn on a current account or by credit card
- personal statement of net worth: summary of the financial position of a person on a specific date
- profit: occurs when income is more than expenses; $\text{profit} = \text{income} > \text{expenses}$
- receipts: all sums of money received by a business and deposited in the current bank account of the business
- savings: money left over after all expenses have been paid that can be put aside for future use
- transaction: action or event involving an exchange of goods or services for monetary value, the details of which are recorded by date in the books of account of the business.

Activity 1 Think about starting your own business

Learner's Book page 49

Guidelines to implement this activity

- This is an individual activity.
- The aim of the activity is to see if learners can identify different sources of capital contribution to start a business.
- It is important that the amounts they use are realistic for the type of business they want to start.

Background knowledge

The learners need to know the difference between a need and a want and be able give examples.

Suggested answers

Answers of learners will differ but consider the following guidelines:

- The type of business a learner can start will depend on the capital contribution. Where did the learner get the money from? Was only money required or other assets as well? ✓✓
- Is it a service or retail business? ✓✓
- What assets is the learner wanting to buy, for example premises, equipment, a vehicle? ✓✓
- Expenses will depend on the type of business. Make sure they are realistic. ✓✓
- Income earned will depend on the type of business. Make sure it is realistic. ✓✓

Assessment guidelines

- This is an informal assessment.
- Assess the learners out of a mark of 10. See guidelines above for mark allocations.

Use the checklist below to assess learners. Give learners feedback on their performance to prepare them for formal assessment.

Criteria	Yes	Partly	No
The learners knew how to:			
• identify the type of business they want to start			
• source the capital contribution to start the business			
• decide what assets to purchase to start the business			
• estimate income they are going to earn in the first month			
• estimate expenses they need to pay out in the first month			

Activity 2 Identify assets in a business

Learner's Book page 50

Guidelines to implement this activity

- This is a class activity.
- Explain the concepts 'assets', 'fixed assets', 'non-current assets' and 'current assets'.
- The purpose of the activity is for you to see if learners have a clear understanding of assets.

Background knowledge

Show the learners pictures of assets to help them understand the concept.

Suggested answers

Answers will differ.

Some examples:

- fixed assets: ✓ factory and administration building = land and buildings ✓
- non-current assets: ✓ long-term investments ✓
- current assets: ✓ trading stock, money in the bank, debtors. ✓

Assessment guidelines

- You can assess learners out of a mark of 6. See above for guidelines regarding mark allocations.
- You can also use the checklist below to assess learners. Give learners feedback on their performance to prepare them for formal assessment.

Criteria	Yes	Partly	No
The learners knew how to:			
• identify what an asset is			
• differentiate between a fixed asset and current asset by giving examples			

Activity 3 Classify assets

Learner's Book page 51

Guidelines to implement this activity

- This is an individual activity.

- Let the learners do the matching activity and discuss their answers.
- Case study: help the learners with the research and the classifying of the assets.

Background knowledge

The learners need to know what an asset is and be able to differentiate between a fixed asset and a current asset.

Suggested answers

- | Column A | Column B |
|--|----------------------|
| Money contributed to start a business | Capital ✓✓ |
| Goods for sale to customers | Trading inventory ✓✓ |
| Person who owes money to a business | Debtor ✓✓ |
| Money in a cash register to give change to customers | Cash float ✓✓ |
- Answers will differ. Make sure the learners can differentiate with their examples between fixed, non-current, and current assets.

Assessment guidelines

Use the checklist below to assess learners. Give learners feedback on their performance to prepare them for formal assessment.

Criteria	Yes	Partly	No
The learners:			
• followed the instructions in the Learner's Book and understood what to do			
• were able to differentiate between the various classes of assets identified			

Activity 4 Identify investment options

Learner's Book page 52

Guidelines to implement this activity

- This is a pair activity.
- Ensure each pair is a boy and a girl to get different points of view.
- Let one learner read the case study.
- Give the learners 15 minutes to answer the questions and let one of each pair report back.
- Not all the pairs need to report back; you can decide and it depends on the time available.
- Ask pairs who did not report back if they have different, possibly valuable, input.

Background knowledge

Learners need to know about investments, a retail business, and a service business.

Suggested answers

- 1.1 interest ✓ (1)
- 1.2 money received from rendering a service = services rendered ✓ (1)
- 1.3 money received from buying and selling = sales ✓ (1)

- 1.4 expenses such as shampoo ✓, conditioner ✓, water ✓ and electricity ✓, wages ✓, and so on (any 3) (3)
- 1.5 expenses such as rent ✓, water ✓ and electricity ✓, trading inventory ✓, stationery ✓, and so on (any 3) (3)
- 1.6 Sophie does not get a fixed salary ✓, she carries all the responsibility and risk ✓, and has to work long hours to earn enough to cover business expenses and her own cost of living ✓. Any valid explanation along these lines. (2)
- 1.7 Any valid explanation which takes account of all the factors. ✓✓ (2)

Total: 12 marks

Assessment guidelines

- This activity is intended for informal assessment.
- Use the suggested answers supplied above to assess learners informally.
- Use the checklist below to assess learners. Give learners feedback on their performance to prepare them for formal assessment.

Criteria	Yes	Partly	No
The learners understand:			
• how to invest money			
• how to begin a service business			
• how to begin a retail business			

Activity 5 Calculate profit or loss

Learner's Book page 54

Guidelines to implement this activity

- This is an individual activity.
- Let the learners complete the activity and give one learner a chance to write the answers on the board.
- Show the learners how you will allocate marks if they were doing an exam paper.

Background knowledge

The learners need to know what income, expenses, profit, and loss are.

Suggested answers

1.	Business	Income	Expenses	Profit/loss and amount
	Example	R250 000	R200 000	Profit of R50 000
	A	R540 000	R380 000	Profit of R160 000 ✓✓
	B	R210 000	R240 000	Loss of R30 000 ✓✓
	C	R380 000	R275 400	Profit of R104 600 ✓✓
	D	R310 800	R310 800	Neither profit nor loss = break-even

2.	Income		86 000 ✓✓
	Expenses		-71 300 ✓

Material cost	36 200 ✓	
Water and electricity	12 400 ✓	
Telephone	3 800 ✓	
Sundry expenses	18 900 ✓	
Profit		14 700 ✓

3. Income		45 700 ✓
Expenses		-57 500 ✓
Material cost	28 500 ✓	
Telephone	4 600 ✓	
Sundry expenses	24 400 ✓	
Loss		-11 800 ✓

Total: 25 marks

Assessment guidelines

- This activity is intended for informal assessment.
- Use the suggested answers supplied above to assess learners informally. Allocate learners a mark out of 25 and give them feedback on their performance to prepare them for formal assessment.

Activity 6 Work out budgets and savings

Learner's Book page 55

Guidelines to implement this activity

- This is a pair activity.
- Question 2 case study: let the learners work together to prepare the budget and do the calculations.

Background knowledge

Learners need to know that income, expenses, and savings details are required in preparing an accurate budget to achieve financial goals.

Suggested answers

1. 1.1 Prepare a budget to establish the family's monthly income and expenses. ✓✓ (2)
- 1.2 Subtract their total expenses from total income per month. ✓✓ (2)
- 1.3 Savings. ✓ (1)
- 1.4 Sample answer: Open a savings account ✓ and deposit their savings every month. Use discretion with the learners' answers as they have been asked for their opinion. (2)

Assessment guidelines

- This activity is intended for informal assessment.
- Use the suggested answers supplied above to assess learners informally.

- Use the checklist below to assess learners. Give learners feedback on their performance to prepare them for formal assessment.

Criteria	Yes	Partly	No
The learners:			
• followed the instructions in the Learner's Book and understand what to do			
• are aware of different ways to save			
• know how to prepare a personal budget			

Activity 7 Revise accounting concepts

Learner's Book page 56

Guidelines to implement this activity

- This is an individual activity.
- Let the learners do the activity and give them the marking memo.
- Give them feedback on their performance.

Background knowledge

Learners need a good grasp of all the concepts dealt with in this unit.

Suggested answers

1. 1.1 Financial institution ✓ such as a bank. ✓
- 1.2 Nedbank, ABSA, FNB, and so on. ✓✓
- 1.3 Any financial institution. ✓✓
- 1.4 Internet or online banking ✓✓
- 1.5 An action or event involving an exchange of goods or services for monetary value, the details of which are recorded by date in the books of account of the business. ✓✓
- 1.6 To keep a record of vitally important information of all their transactions. ✓✓
- 1.7 A service business renders a service to clients; examples are doctors, taxis, plumbers, cell phone repair shops, and so on. ✓✓
A retail business sells goods to customers; examples are supermarkets, clothing stores, furniture stores, motor car dealers, and so on.
- 1.8 $R240/3 = R80$. ✓✓✓

Total: 17 marks

Assessment guidelines

- This activity is intended for informal assessment.
- Use the suggested answers supplied above to assess learners informally. Allocate learners a mark out of 20 and give them feedback on their performance to prepare them for formal assessment.

Unit 2 Income and expenses

Learner's Book pages 57–64

Unit overview

This unit looks at personal income and personal expenses. Learners prepare a personal statement of net worth. They then go on to look at different types of business income and expenses. Lastly, they learn about how businesses save and invest their income.

Resources

Books and journals.

Teaching guidelines

- Use pictures to show the learners different types of income and expenses.
- For preparing the personal statement of net worth learners need to be familiar with the concepts of assets and liabilities.

Background knowledge

Learners need to know what income and expenses are.

To prepare the personal statement of net worth, learners need to understand the concepts of assets and liabilities.

Vocabulary

- current asset: cash belonging to a person or any other possession easily converted to cash within twelve months
- current liability: an amount owed to another person that must be paid back within twelve months
- expenses: payments made for goods and services required by a person
- fixed asset: a possession of a person that is not easily converted to cash, has a relatively long lifespan, was not bought to be resold, and assists in generating income
- income: money earned (salary, wages) by a person
- liability: amount owed to another person or business
- personal statement of net worth: summary of the financial position of a person on a specific date

Activity 1 Think about expenses

Learner's Book page 58

Guidelines to implement this activity

This is an individual activity.

Suggested answers

- 2.1 Not an expense; you will get some value back if you sell it. ✓✓
- 2.2 An expense; you will get no value back. ✓✓
- 2.3 An expense; you will get no value back. ✓✓
- 2.4 Not an expense; you will get some value back if you sell it. ✓✓

Assessment guidelines

- This activity is intended for informal assessment.
- Use the suggested answers supplied above to assess learners informally. Use can assess the learners out of a mark of 8. See the suggested answers for mark allocations.
- Use the checklist below to assess learners. Give learners feedback on their performance to prepare them for formal assessment.

Criteria	Yes	Partly	No
The learner(s):			
• followed the instructions in the Learner's Book and understood what to do			
• could differentiate between an expense and an asset			

Activity 2 Identify personal income

Learner's Book page 59

Guidelines to implement this activity

- This is an individual activity.

Background knowledge

Understanding of various types of income.

Suggested answers

2.	Occupation	Type of personal income
	A secretary gets R20 000 every month	Salary ✓✓
	A domestic worker earns R500 per week	Wages ✓✓
	A street hawker earns R200 per day	Sales ✓✓
	A sales representative earns R300 for every vacuum cleaner she sells	Commission ✓✓

3. Answers will differ. Some examples:

Informal business	Income	Expenses
Washing cars over a weekend ✓	Money received for washing cars ✓✓	Car shampoo, cloths, bucket ✓✓
Baking cookies	Money received from selling cookies	Ingredients, packaging
Working in the garden	Money received for working in the garden	Tools, petrol for lawnmower

Assessment guidelines

- This activity is intended for formal assessment.

Activity 3 Present a personal statement of net worth

Learner's Book page 60

Guidelines to implement this activity

- This is an individual activity.

- Classify each item under the headings 'fixed asset', 'current asset', 'non-current liability' and 'current liability'.
- Add up the value of all the assets.
- Add up the value of all the liabilities.
- Subtract total liabilities from total assets to calculate the relative's net worth and how much you have inherited (the wealth you have gained).

Background knowledge

The learners need to differentiate between assets and liabilities.

Suggested answers

ASSETS		
Fixed assets		1 155 000✓
Land and buildings	650 000✓	
Vehicles	240 000✓	
Equipment (180 000✓ + 85 000✓)	265 000✓	
Fixed deposit / Money market / Notice deposit		45 000✓
Current assets		8 000✓
Debtor	8 000✓	
TOTAL ASSETS✓		1 208 000✓
LIABILITIES		
Non-current liability		100 000✓
Current liabilities		44 600✓
Creditor	14 600✓	
Bank overdraft	30 000✓	
TOTAL LIABILITIES✓		144 600✓
NET WORTH✓✓		1 063 400✓

Total: 20 marks

Assessment guidelines

- This activity is intended for informal assessment.
- Use the suggested answers supplied above to assess learners informally. Allocate learners a mark out of 20 and give them feedback on their performance to prepare them for formal assessment.

Activity 4 Identify income and expenses in a business

Learner's Book page 62

Guidelines to implement this activity

- This is an individual activity
- Let the learners complete the sentences using the word bank for answers.

Suggested answers

1. 1.1 Operating expenses ✓✓
- 1.2 Cost of sales ✓✓
- 1.3 Rent income ✓✓
- 1.4 Material costs ✓✓
- 1.5 Sales ✓✓
- 1.6 Telephone ✓✓
- 1.7 Current income ✓✓
- 1.8 Stationery ✓✓

Total: 16 marks

Assessment guidelines

- This activity is intended for informal assessment.
- Use the suggested answers supplied above to assess learners informally
- Use the checklist below to assess learners. Give learners feedback on their performance to prepare them for formal assessment.

Criteria	Yes	Partly	No
The learner(s):			
• followed the instructions in the Learner's Book and understood what to do			

Activity 5 Identify assets, liabilities, expenses, and income

Learner's Book page 63

Guidelines to implement this activity

- This is an individual activity
- Let the learners copy the activity in their work book and make a tick (✓) in the correct column. There can be only one correct answer.

Background knowledge

Learners need to differentiate between an asset, a liability, income, and expenses.

Suggested answers

	Asset	Liability	Expense	Income
1. You made R250 profit from selling boerewors rolls at rugby match.				✓
2. You own a bicycle.	✓			
3. You pay R110 every week to catch the train to school.			✓	
4. You owe your friend R20.		✓		
5. You pay R50 to join the fitness club at school.			✓	
6. You buy a skateboard.	✓			
7. You get R40 for washing your father's car.				✓

		Asset	Liability	Expense	Income
8.	You buy a packet of chips at the school tuck shop.			✓	
9.	You have a R10 fine at the local library.		✓		

Total: 9 marks

Assessment guidelines

- This activity is intended for informal assessment.
- Use the suggested answers supplied above to assess learners informally.
- Use the checklist below to assess learners. Give learners feedback on their performance to prepare them for formal assessment.

Criteria	Yes	Partly	No
The learner(s):			
• followed the instructions in the Learner's Book and understood what to do			

PoA

Case study Discuss a business

Work with a partner.

Read the case study below. Help Samantha Stores to save its money by answering the questions that follow.

Case study: Samantha Stores

Samantha Dlamini owns Samantha Stores, which sells groceries. Her business is in a rural area. She wants to buy three new cash registers with scanners in five months' time, costing R15 000. She is planning to expand the business in two years' time by building on to her store. She inherited R100 000 from her father and deposited the money in the business current bank account in March 20.8. For the past three months, the balances in the current bank account were as follows:

- February 20.8, R25 000
 - March 20.8, R145 000
 - April 20.8, R155 000
1. Define what you understand by 'current bank account'. (2)
 2. What do you call the money Samantha Stores puts aside to buy the three cash registers and scanners in five months' time? (2)
 3. What do you call the money Samantha Stores puts aside to expand the business in two years' time? (2)

Guidelines to implement this activity

- This is an individual activity
- Let the learners read through the case study and then answer the questions.

Suggested answers

1. cheque account ✓✓
2. savings ✓✓
3. The money she put aside is an investment, such as a fixed deposit, notice deposit, money market account ✓✓

Assessment guidelines

- This activity is intended for formal assessment.
- Use the suggested answers supplied above to assess learners formally.
- Use the checklist below to assess learners.

Criteria	Yes	Partly	No
The learner(s):			
• followed the instructions in the Learner's Book and understood what to do			

Unit 3 Budgets

Learner's Book pages 65–73

Unit overview

This unit explains the concept of a budget. It then looks in more detail at income and expenditure. Personal and business budgets are explained.

Additional resources

Examples of budgets in real life situations and talking to family members/parents.

Teaching guidelines

- The learners must bring calculators to class as there are many calculations in this unit.
- Do a few calculations with the learners with a calculator to see if they can do basic calculations.

Background knowledge

Learners need to know what income and expenses are and be able to differentiate between them.

Vocabulary

- budget: a plan of how much money a person or business will have and how it will be spent

Activity 1 Calculate your costs

Learner's Book page 66

Guidelines to implement this activity

- This is an individual activity.
- Tell the learners that all expenses must be divided by two because they will be sharing expenses with a friend.
- Answers will differ, but make sure the expense amounts are realistic.
- A suggested layout is given in the following work sheet:

	Month 1	Month 2	Month 3
Income	R9 000	R9 000	R9 000
Minus expenses			
Rent			
Water and electricity			
Food			
Amount available for savings/investment			

Background knowledge

Learners need to be familiar with different types of expenses.

Suggested answers

- Answers will differ. As long as the layout is Income (R9 000) minus Expenses (this will differ and amounts will differ) = Surplus (amount available for savings/investments).
Make sure expense amounts are realistic. ✓✓✓
- Savings at any financial institutions such as ABSA, Capitec, and so on. ✓✓
Investments at any financial institution such as fixed deposit or unit trusts, and so on.

Assessment guidelines

- This activity is intended for informal assessment.
- Use the checklist below to assess learners. Give learners feedback on their performance to prepare them for formal assessment.

Criteria	Yes	Partly	No
The learner(s):			
• followed the instructions in the Learner's Book and understood what to do			
• calculated the expenses to be paid out per month			
• understood Income minus Expenses = Surplus (for saving/investment)			

Activity 2 Think about budgets

Learner's Book page 68

Guidelines to implement this activity

- This is an individual activity.
- Let the learners complete the activity and let some of the learners give the answers.
- Make sure that their expenses are realistic.

Background knowledge

Learners need to know the difference between a need and a want and be able give examples.

Suggested answers

1. A plan of how much money you will have and how you will spend it. ✓✓
2. Answers will differ. Make sure the amounts are realistic. ✓✓✓✓
3. Answers will differ, depending on what their expenses are. ✓✓
4. Answers will differ, depending on the expenses they mentioned; check that they can differentiate between needs and wants. ✓✓✓✓
5. So that people can manage their expenses/to save/any reasonable answer. ✓✓

Assessment guidelines

- This activity is intended for informal assessment.
- Use the checklist below to assess learners. Give learners feedback on their performance to prepare them for formal assessment.

Criteria	Yes	Partly	No
The learner(s):			
• followed the instructions in the Learner's Book and understood what to do			
• can differentiate between a need and a want			
• know what a budget is			
• know how to calculate an amount available for savings			

Activity 3 Identify income and expenses

Learner's Book page 70

Guidelines to implement this activity

- This is an individual activity.
- Give examples so the learners can differentiate between income and expenses.

Background knowledge

Learners need to understand the difference between income and expenses.

Suggested answers

1.	Items in the budget	Income		Expenses		
		Main income	Other income	Fixed expenses	Variable expenses	Occasional expenses
	Salary that your father receives	✓✓				
	Insurance premium on the house			✓✓		
	Visit to the dentist					✓✓
	Your mother is baking cookies for extra income		✓✓			
	School fees			✓✓		
	Water and electricity bill for the month				✓✓	
	Savings		✓✓			
	Giving all three children pocket money			✓✓		
	Paying for repairs on the fridge					✓✓

(18)

2. Service business ✓ (providing a service) = services rendered ✓
Retail business ✓ (selling goods) = sales ✓
3. Telephone, water and electricity, wages, salaries, insurance, rent, and so on. (any 3)

Assessment guidelines

- This activity is intended for informal assessment.
- Use the suggested answers supplied above to assess learners informally.
- Use the checklist below to assess learners. Give learners feedback on their performance to prepare them for formal assessment.

Criteria	Yes	Partly	No
The learner(s):			
• followed the instructions in the Learner's Book and understood what to do			
• can differentiate between main income and other income			
• can differentiate between fixed expenses, variable expenses, and occasional expenses			
• can identify income for a service business and retail business			

Activity 4 Understand a personal budget

Learner's Book page 71

Guidelines to implement this activity

- This is a pair activity.
- The learners need a calculator to do this activity.
- Move around the class when learners do this activity to ensure that both partners work on all the questions.

Background knowledge

Learners need to know what income, expenses, and savings are.

Suggested answers

2. 2.1 $R450✓ + R50✓ = R500✓$
- 2.2 $R130✓ + R110✓ + R200✓ = R440✓$
- 2.3 $R500✓ - R440✓ = R60✓$
- 2.4 $R180✓ / R60✓ = 3 \text{ months}✓$
- 2.5 He has a savings account. ✓✓

Total: 15 marks

Assessment guidelines

- This activity is intended for informal assessment.
- Use the suggested memorandum supplied above to assess learners informally. Allocate learners a mark out of 15 and give them feedback on their performance to prepare them for formal assessment.

Activity 5 Prepare a cash budget of a business

Learner's Book page 72

Guidelines to implement this activity

- This is an individual activity.
- The learners need a calculator to complete this activity.
- Let the learners do one question and mark it with them and then the following question and mark it with them – they use the answer in the first question to go on with the activity.

Background knowledge

Learners need to know what income and expenses are.

Suggested answers

1. 1.1 $34\,500 + 21\,800 + 2\,000 = 58\,300$ ✓✓✓✓
- 1.2 $28\,400 + 3\,000 + 1\,200 + 12\,000 + 3\,000 = 47\,600$ ✓✓✓✓✓✓
- 1.3 $58\,300 - 47\,600 = 10\,700$ (surplus) ✓✓✓
- 1.4 $10\,700 + 45\,200 = 55\,900$ ✓✓✓

Assessment guidelines

- This activity is intended for informal assessment.
- Use the suggested answers supplied above to assess learners informally.
- Use the checklist below to assess learners. Give learners feedback on their performance to prepare them for formal assessment.

Criteria	Yes	Partly	No
The learner(s):			
• followed the instructions in the Learner's Book and understood what to do			
• can calculate the income of the business from the information provided			
• can calculate the expenses of the business from the information provided			
• can calculate the surplus/deficit of a business			

Case study The Smith family

Learner's Book page 73

1. Statement of net worth

Statement of net worth of the Smith family on 30 June 20.8

ASSETS		
Non-current assets		1 464 900 (✓)
<i>Fixed assets</i>		
Land and buildings	950 000 ✓	
Vehicles	375 000 (✓)	
Equipment	139 900 (✓)	
Current assets		128 000 (✓)

Bank	128 000 ✓	
TOTAL ASSETS		1 592 900
NET WORTH AND LIABILITIES		
Net worth (see calculation)		1 380 200
Non-current liabilities		200 000 (✓)
Loan	200 000 ✓	
Current liabilities		12 900 (✓)
Creditors	12 700 ✓	
TOTAL NET WORTH AND LIABILITIES		1 592 900 (✓)

Calculation = 1 592 900 ✓ – 212 700 ✓ = 1 380 200 (✓)

2. Budget

2.1 27 000 ✓ + 12 000 ✓ = 39 000 (✓)

2.2 12 700 ✓ + 2 140 ✓ + 1 860 ✓ + 1 580 ✓ + 8 000 ✓ + 8 400 ✓ + 2 000 ✓ + 1 000 ✓ = 37 680 (✓)

2.3 39 000 (✓) – 37 680 (✓) = 1 320 (✓)

2.4 Any valid suggestion for example the Smith family can go away once a month and they save R4 000. ✓✓✓

Total: 30 marks

Term 2: Exemplar mid-year examination memorandum

Question	Topics			Cognitive levels			Total
	Economy	Fin Lit	Entrep	1	2	3	
1	4	4	2	10			20
2	2	4	4	10			
3	16			4	6, 6		16
4		25		3	4, 8	10	25
5			14		4	10	14
Total	22	33	20	28	30	20	75
Percentage	29.3%	44%	26.6%	37%	40%	26.6%	
Required total	22.5	30	22.5	22.5	30	22.5	
Required %	30%	40%	30%	30%	40%	30%	

SECTION A

Question 1

1.1 C – land, buildings, bank, trading stock

1.2 D – salary

1.3 A – spaza, hawker, market gardener

1.4 E – electricity, stationery, telephone

1.5 B – makes democratic decisions

[5 × 2 = 10 marks]

Question 2

- 2.1 A – education, recreation, entertainment
- 2.2 C – formal
- 2.3 B – converts raw materials into finished products
- 2.4 B – profit
- 2.5 D – wage

[5 × 2 = 10 marks]

SECTION B: Economy

Question 3

- 3.1 Food, water, shelter, clothing, recreation (any four × 1 mark)
 - 3.2 Money has an important role:
 - It is a unit of value so that it is easier and quicker for consumers to buy goods and services. (2)
 - It is a means of payment which takes away the need to barter. (2)
 - It maintains a healthy economy as it motivates people to work and be productive in order to be able to buy goods and services. (2)
 - It encourages saving, which increases purchasing power for future use. (2)
- Max 6
- 3.3 Use discretion. Learner must indicate it is a household (1), and give an example or explanation of producer (2) and consumer (2).
 - 3.3.1 A household can be a producer because they supply labour to business and also produce food for their own consumption. ✓✓ E.g. workers for local business and factories ✓ (max 3)
 - 3.3.2 A household can be a consumer as they purchase goods and services. ✓✓ e.g. water from the municipality ✓, purchase goods e.g. motor vehicle (max 3)

SECTION C: Financial literacy

Question 4

- 4.1 Income (1) minus expenses (1) = Profit (1)
- 4.2 Income (R2 500 × 4) ✓ R10 000 ✓ – R9 500 ✓ = R500 profit ✓
- 4.3 Important planning tool for controlling money in a business; ✓ helps business to identify if there are any problems; ✓ cash flow is important ✓ so a business must plan a cash budget, ✓ which is a forecast of how much cash a business has on hand ✓ and how much it will need to meet expenses. ✓ A cash budget will show shortages ✓ and surpluses. ✓
- 4.4 Learners' own answers but they will probably say that if she starts her own business she can make a better return than 5%.

SECTION D: Entrepreneurship

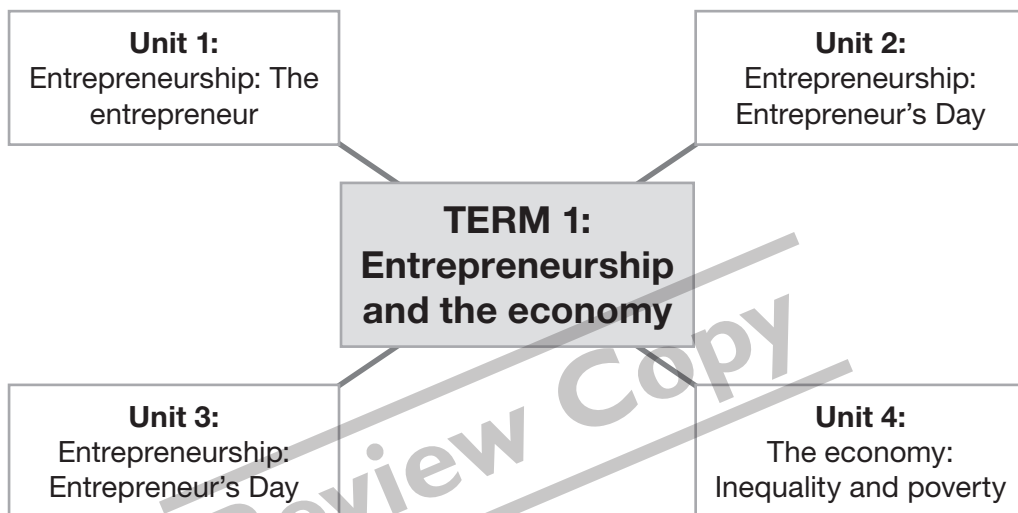
Question 5

- 5.1 Businesses no longer think HIV/AIDS is solely a medical problem because it has become so widespread. ✓ Between 12% and 25% of the workforce is affected by it ✓ and staff problems of this scale significantly affect the operation ✓ and financial standing ✓ of the business. [4]

Term 3

Entrepreneurship and the economy

Core concepts covered



Term overview

In Term 3 learners focus on what it means to be an entrepreneur, examine the characteristics and skills of successful entrepreneurs, and learn about the entrepreneurial actions of buying, selling, producing, and making a profit. They will also learn about starting a business and making a SWOT analysis, setting goals, advertising, and budgeting. They put these lessons into practice by preparing for an Entrepreneur's Day at your school. Finally, they look at the causes of inequality and poverty, urban and rural challenges in fighting these conditions, and the importance of education and creation of sustainable job opportunities.

Content

Unit No.	Content	Pacing (Time allocation)	LB page	TG page
1	The entrepreneur	4 hours	82	63
2	Starting a business	4 hours	90	65
3	Entrepreneur's Day	4 hours	100	69
4	Inequality and poverty	6 hours	107	72

Assessment

The following activities in this term are suitable for formal assessment:

Activity			Assessment	
Type of activity	Activity	LB page	Assessment tool	TG page
Project	Plan for Entrepreneur's Day	103	Memorandum	67
Controlled test	Term 3 Exemplar Control Test	115	Memorandum	73

Revision Term 2 Memorandum

Answers:

Question 1

1.1	G
1.2	D
1.3	A
1.4	J
1.5	B
1.6	I
1.7	C
1.8	F
1.9	H
1.10	E

Question 2

- 2.1 Loss ✓✓
- 2.2 Business premises ✓✓
- 2.3 Café ✓✓
- 2.4 Interest paid on a bond ✓✓
- 2.5 Bond ✓✓

[5 × 2 = 10 marks]

Question 3

- 3.1 A want is something that a person can live without. A person can live without a big screen television set.
- 3.2 Personal income.
- 3.3 To control their expenses and to help them to save.
- 3.4 The mother loves cooking and baking so she can bake cakes to sell.
Any valid answer.
- 3.5 The father is the only person who brings in an income into the family.
- 3.6 Savings is money that is left over after all expenses have been paid, and an investment is money invested for a long period, normally longer than a year.

Question 4

Statement of net worth for Pieter on 31 October 20.9

Assets: (Possessions) ✓		✓R1 493 500
Town home	✓ 850 000	
Car	✓ 340 000	
Motor bike	✓ 65 000	
Furniture	✓ 120 000	
Electrical appliances	✓ 54 000	
Money in the bank	✓ 12 500	
Fixed deposit	✓ 40 000	
Money owed by his brother	✓ 12 000	
Liabilities (debts) ✓		✓ 288 600
Money owed on bond	✓ 280 000	
Clothing account	✓ 8 600	
Net worth ✓		✓✓R1 204 900

(17)

Unit 1 The entrepreneur

Learner's Book pages 82–89

Unit overview

This unit explores what it means to be an entrepreneur. Learners look at the skills and characteristics of someone who recognises a need and starts a business to meet that need, and also the entrepreneurial actions of buying, selling, producing, and making a profit.

Additional resources

Newspapers, magazines, discussions with local entrepreneurs

Teaching guidelines

- A case study introduces concepts relevant to entrepreneurs.
- Use the questionnaire to establish whether the learners have any of the characteristics of a typical entrepreneur.
- Producing the poster and leaflet is an opportunity for learners to show creativity and have fun.

Guidelines to implement this activity

- Read through the case study with the learners before they start the activity.
- This is a pair activity and a class activity. Once the learners have discussed the meaning of the words in question 2, write the most correct definitions on the board.
- For question 4, ask each pair of learners to write a characteristic of an entrepreneur on the board and to say whether they think it is a skill or attitude.

Suggested answers

- 2 Learners' own answers.
- 3 Learners' own answers.
- 4 Suggested answers:
 - Richard spent a lot of time in his father's store
 - the experience gave Richard a natural business background
 - Richard's father gave them a lot of advice
 - Kamalose Dube was entrepreneurial
 - They could use Richards fathers wholesale discount card and bakkie
 - They received help from their Accounting teacher

Assessment guidelines

This activity is intended for informal assessment. Give learners feedback on their discussions and input in the class discussion.

Guidelines to implement this activity

- This is an individual activity.
- Explain to the learners that in order for the questionnaire to work, they must be completely honest with themselves and choose the option that best describes them.
- You can discuss the questionnaires as a class. Do not force the learners to say what they scored. Allow them to share with the rest of the class only if they want to.

Suggested answers

- 2 Learners complete the questionnaire in the Learner's Book, count up their answers and find their score.

Assessment guidelines

This activity is not intended for assessment.

Activity 3 Prepare a poster and information leaflet

Learner's Book page 89

Guidelines to implement this activity

- First read through the activity with the learners so that they understand what they need to do for each element.
- Emphasise to the learners that the case studies they write up about members of their community need only be about 30 words.
- Discuss the difference between an information leaflet and a poster.

Suggested answers

Learners' own work.

Assessment guidelines

You can use the following rubric to formally assess the learners' posters and leaflets.

Criterion	Yes	No	Partly
The information is presented clearly and is easy to read.			
The poster and leaflet clearly state what an entrepreneur is.			
There is enough information about entrepreneurs.			
The poster and leaflet clearly show the characteristics, skills and actions of entrepreneurs.			

Unit 2 Starting a business

Learner's Book pages 90–99

Unit overview

This unit focuses on starting a business. Learners look at the needs and wants of consumers; they examine ways to assess strengths and weaknesses, opportunities and threats; and they consider setting and achieving goals. The unit also covers the concept of advertising and the various media available for advertising. Learners are shown how to budget for an Entrepreneur's Day at school, use recycled materials, and make a simple cost of product calculation.

Additional resources

Newspapers, magazines

Teaching guidelines

- Case studies introduce many of the ideas that are covered in this unit. They also introduce learners to what might be new words and concepts.
- If learners seem to have difficulty with the case studies, you could read them with the class first, checking for understanding as you do so.

Guidelines to implement this activity

- This is a pair activity.
- Learners should discuss the case study in pairs and agree on their answers.
- They can make notes in their workbooks individually for revision purposes.

Suggested answers

2 Many people would be drawn to the centre by the supermarket ✓, so there would be good passing trade from which to attract customers ✓; (2)

3 Individual answers.

Assessment guidelines

- This activity is intended for informal assessment.
- Use the suggested answers supplied above to assess learners informally. Give learners feedback on their performance to prepare them for formal assessment.

Guidelines to implement this activity

- This is an individual activity.

Suggested answers

2 and **3**

Strengths ✓ <ul style="list-style-type: none"> • Position in a new shopping mall that will attract lots of customers • Good selection of medium-priced clothing and shoes 	Opportunities ✓ <ul style="list-style-type: none"> • Grow the business by being established in the centre before other clothing businesses • Arrange joint marketing efforts with other businesses in the centre to save on advertising costs
Weaknesses ✓ <ul style="list-style-type: none"> • Lack of trained sales staff for the bigger premises • Poor cash flow at the beginning because of increased expenses in getting established in bigger premises 	Threats ✓ <ul style="list-style-type: none"> • Competition from other businesses that want to take advantage of the position • Rents and services may increase once all the new shops are filled; this would increase pressure on cash flow

(4) + (4 × 2) (8)

[12]

Total: 12 marks

Assessment guidelines

- This activity is intended for informal assessment.
- Use the suggested answers supplied above to assess learners informally. Note that these answers are suggestions only; learners may suggest any logical strengths, weaknesses, opportunities, and threats in their table. Give learners feedback on their performance to prepare them for formal assessment.

Activity 3 Discuss advertising a product

Learner's Book page 94

Guidelines to implement this activity

- This is a pair activity.

Suggested answers

- 1.1 Teenage boys and girls.✓✓ (2)
- 1.2 Yes, because it is a national business; and teenagers all over the country are aware of their appearance and will be interested in the product. (2)
- 1.3 Newspaper inserts,✓ local radio station,✓ leaflets dropped at schools✓ to focus on the target market in the specific local area;✓ television and national newspapers for national.✓ (5)

Total: 9 marks

Assessment guidelines

- This activity is intended for informal assessment.
- Use the suggested answers supplied above to assess learners informally. Give learners feedback on their performance to prepare them for formal assessment.

Activity 4 Analyse Rebecca's Entrepreneur's Day plan

Learner's Book page 95

Guidelines to implement this activity

- This is an individual activity.

Suggested answers

- 1.1 Designer pens;✓ because they were popular gifts. ✓ (2)
- 1.2 Expenses
 - Pens: R27,00✓
 - Cake: R25,00✓
 - Total: R52,00✓ (3)
- 1.3 Income
 - Pens: R114,00✓
 - Cake: R32,00✓
 - Total: R146,00✓ (3)
- 1.4 It was a successful day because Rebecca sold her stocks✓ and made R56,40✓ after expenses. (2)
- 1.5 Learner's individual answers. (1)

[11]

Total: 11 marks

Assessment guidelines

- This activity is intended for informal assessment.
- Use the suggested answers supplied above to assess learners informally. Give learners feedback on their performance to prepare them for formal assessment.

Activity 5

Calculate total cost

Learner's Book page 99

Guidelines to implement this activity

- This is an individual activity

Suggested answers

Variable cost of 1 T-shirt: $R15,00 + R12,50 + R2,00 + R1,30 + R0,20 = \textbf{R31,00}$ (6)
Fixed costs: $R8,00 + R7,00 + R80,00 + R50,00 = R145,00$ to be divided between the 10 T-shirts made in one week = **R14,50** per T-shirt (7)
Total cost = Variable cost + fixed cost per T-shirt = $R31,00 + R14,50 = \textbf{R45,00}$ (3)

[16]

Total: 16 marks

Assessment guidelines

- This activity is intended for informal assessment.
- Use the suggested answers supplied above to assess learners informally. Allocate learners a mark out of 16 and give them feedback on their performance to prepare them for formal assessment.

Activity 6

Calculate selling price

Learner's Book page 99

Guidelines to implement this activity

- This is a group activity.
- Allow learners to organise themselves into groups of 5 or 6, depending on class numbers.

Suggested answers

- 2 Selling price is entrepreneur's decision, but should be market-related. Learners should take their total cost price from the previous answer and add a percentage, say: $20\% + R45,00 = R9,00 + R45,00 = R54,00$.
- 3 Individual answers.

Assessment guidelines

- This activity is intended for informal assessment.
- Use the checklist below to assess learners. Give learners feedback on their performance to prepare them for formal assessment.

Criteria	Yes	Partly	No
The learner(s):			
• followed the instructions in the Learner's Book and understood what to do			

Criteria	Yes	Partly	No
• each learner contributed to the group discussion			
• each learner contributed to the selling price decision of his or her particular group.			

Unit 3 Entrepreneur's Day

Learner's Book pages 100–106

Unit overview

In this unit we look at hosting an Entrepreneur's Day and the process involved in planning for a successful business event. The unit also explains how to draw up an income and expenditure statement for a business, so that learners will know how much profit (or loss) they would make as a reward for their efforts.

Additional resources

A3 sheets of paper for posters (or 2 × A4 sheets, carefully taped together)

Teaching guidelines

- This unit takes learners through the practical steps of preparing for an Entrepreneur's Day.
- Learners will need time to complete some market research amongst learners outside their class, perhaps during break times.
- Learners will also need time to research sources and prices for the items they plan to offer.
- Alert learners to what they will need to do before the next EMS lesson to prepare for any class activity. For example, before they are expected to complete Activity 1, ask learners to decide on a product or service and do the research on what resources and costs are involved, for homework.

PoA

Project

Entrepreneur's Day

Part 1

Work on your own.

- 1 Decide on a product or service that you can make or offer at an Entrepreneur's Day.
- 2 Work out what it will cost you to produce the goods, or to offer the service.
- 3 Decide on an ideal selling price.
- 4 Do some market research at your school, following the suggestion in the text, to check that there is a market for your idea.
- 5 Also check that your ideal price is realistic. (Will customers pay this price for your good or service?)

Part 2

Find out whether any other learners in your class are thinking of doing the same thing as you for Entrepreneur's Day. Form small groups that want to work on similar things for the Entrepreneur's Day.

Draw up a checklist and timeline for the actions you must take to get everything ready in time for Entrepreneur's Day.

List the resources you will need for your goods or services. Remember to include the costs of packaging your goods attractively. Find out and write the prices next to each item.

Calculate your selling price using the same method as on page 99 in Unit 2. Build in a reasonable profit to reward your effort.

If your schools decides to hold an Entrepreneur's Day, then adjust your dates and deadlines on your checklist according to the actual date. Make sure your goods/ services are ready for the day.

Guidelines to implement this activity

- Part 1 is an individual activity.
- Part 2 could continue as an individual activity, pairs, or group work. You will need to help your learners find out whether anyone else in the class plans to offer similar goods or services to the one they propose, so that they could work together as a team, rather than in competition with one another.
- However, if any learners choose to 'go it alone' and create some friendly competition, this could be a good opportunity to practice some of the principles of marketing that they have learned!

Assessment guidelines

- This activity is intended for informal assessment.
- The work for this activity will depend on each learner's choice of product or service he or she has chosen for an Entrepreneur's Day event.
- Use the checklist below to assess learners. Give learners feedback on their performance to prepare them for formal assessment.

Criteria	Yes	Partly	No
Each learner has:			
• chosen a product or service for Entrepreneur's Day			
• listed and researched the costs of the resources required			
• calculated a selling price			
• completed some market research among at least five non-Grade 7 learners			
• created a checklist per guidelines			
• outlined a simple marketing strategy (packaging, display materials, poster)			

Activity 1 Draw up an income and expenditure statement

Learner's Book page 106

Guidelines to implement this activity

- This is an individual activity
- Learners will need to draw up a simplified income statement according to the example in the Learner's Book and complete it, using the information given, in their workbooks.

Suggested answers

1.

Income and Expenditure Statement		
	Amount (Rs)	
Income		
Sales	R685,00✓	
Other income		
Total income	R685,00✓	R685,00
Expenditure		
Supplies	R150,00✓	
Equipment	R 50,00✓	
Transport	R 30,00✓	
Other Direct Costs (advertising✓, paid help✓)	R 75,00✓	
Total Direct Expenditure	R305,00✓	
Indirect costs (hire of equipment✓, electricity✓, interest on loan✓)	R 65,00✓	
Total Expenditure	R370,00✓	R370,00
Balance (Profit✓)		R315,00✓

- 2 Total income = R685,00✓ and Total expenditure = R370,00✓ (16)
- 3 The balance is a profit of R315,00✓ because sales income exceeds✓ total expenditure. (2)

[20]

Total: 20 marks

Assessment guidelines

- This activity is intended for informal assessment.
- Use the suggested answers supplied above to assess learners informally. Allocate learners a mark out of 20 and give them feedback on their performance to prepare them for formal assessment.

Unit 4 Inequality and poverty

Learner's Book pages 107–113

Unit overview

This unit looks at causes of socio-economic imbalances and inequality in South Africa. The unit also examines how education and skills can fight inequality and injustice. There are many rural and urban challenges and a need to create sustainable job opportunities for the many people who are unemployed.

Additional resources

Newspapers and magazines with illustrative articles

Activity 1 Discuss socio-economic imbalances

Learner's Book page 108

Guidelines to implement this activity

- This is a class activity.
- You could ask a learner to write a summary of the imbalances the class identifies on the board.
- Learners can record the summaries in their workbooks for revision purposes.

Suggested answers

1. **Geographic distribution of resources:** People are able to live comfortable lives in areas that are rich in natural resources, such as water, fertile soil, fishing grounds, and so on. People living in areas that lack natural resources live difficult and more basic lives, such as desert nomads.

Standards of education: High standards of education prepare learners to take their places in a modern, dynamic society, doing a range of specialised work. Low standards of education result in individuals being unable to find work other than as labourers or in similar low-level employment.

Poverty: Poverty negatively affects the health, morale and self-esteem of individuals, while sufficient money allows individuals to support themselves adequately, take care of their health, mental and social needs, and make a positive contribution to society.

Access to adequate health care: Adequate health care ensures that individuals stay healthy and productive. Poor or non-existent health care results in a society plagued by epidemics and early death.

Government laws that control the distribution of these resources: Many governments control the ownership and use of natural resources, which results in a privileged few having access and earning wealth from those resources, while the majority of that society is denied the benefits of the controlled resources.

Total: 20 marks

Assessment guidelines

- This activity is intended for informal assessment.
- Use the checklist below to assess learners. Give learners feedback on their performance to prepare them for formal assessment.

Criteria	Yes	Partly	No
The learners:			
• participated well in the class discussion			
• identified a minimum of two ways in which each of the five mentioned causes creates socio-economic imbalances			

Activity 2 Identify the advantages of a good education

Learner's Book page 109

Guidelines to implement this activity

- This is a group activity.
- Organise learners into groups of 4 or 5, depending on the numbers in your class.

Suggested answers

1. Inadequate school buildings, desks, books, school equipment; ✓ poor levels of teacher education and training; ✓ low levels of motivation on the part of teachers and pupils ✓ (3)
2. Learner's own answers. (4)

Assessment guidelines

- This activity is intended for informal assessment.
- Use the checklist below to assess learners. Give learners feedback on their performance to prepare them for formal assessment.

Criteria	Yes	Partly	No
The learners:			
• participated well in the group discussions			
• produced clear mind maps			
• drew up lists of at least five advantages of a good education			
• contributed well in the class discussion of these advantages			

Activity 3 Work out a puzzle

Learner's Book page 113

Guidelines to implement this activity

- This is an individual activity
- Learners should list the words in their workbooks as they find them, leaving space to fill in their explanatory sentences.
- They can then go back and write their sentences explaining (1) the meaning of the word or term, and (2) explain why it is important next to each term.

Suggested answers

A	Y	I	L	R	E	W	Q	A	S	G	H	V	N	B	C	X	L	J	Y
B	U	P	O	V	E	R	T	Y	P	O	U	Y	T	R	E	W	Q	S	U
D	N	R	K	D	T	L	W	R	T	E	Q	Z	B	N	W	L	K	D	R
G	I	O	L	S	R	J	H	A	S	A	T	A	B	N	I	N	N	P	B
J	N	D	R	A	L	K	G	R	E	E	N	T	E	C	H	O	M	L	A
I	J	U	U	E	D	Y	L	T	G	H	J	K	L	P	I	U	M	A	N
P	U	C	R	R	S	U	S	T	A	I	N	A	B	L	E	O	N	G	C
L	S	E	A	G	H	I	A	A	S	U	O	A	S	F	D	H	G	T	H
M	T	R	L	H	J	O	S	I	N	E	Q	U	A	L	I	T	Y	Z	A
N	I	S	C	O	N	S	U	M	E	R	S	G	H	A	S	J	L	Y	L
V	C	N	H	J	K	P	S	I	J	H	O	U	S	E	H	O	L	D	L
C	E	O	A	M	L	D	A	P	K	J	I	L	A	N	J	S	D	L	E
Z	X	L	L	N	S	K	I	L	L	S	W	K	D	E	H	F	A	H	N
X	D	K	L	V	M	L	N	O	I	M	R	J	S	R	L	R	E	G	G
A	F	M	E	C	W	X	B	P	U	M	Q	H	F	G	K	W	I	A	E
Q	H	P	N	X	S	Z	D	A	W	E	T	V	B	Y	C	X	A	S	S
R	J	Y	G	S	A	G	H	F	B	V	N	P	Y	J	K	F	D	R	P
W	B	R	E	S	O	U	R	C	E	S	V	X	R	Y	U	P	N	T	Y
D	V	T	S	A	G	H	N	B	J	W	Q	R	S	B	N	I	V	E	L
F	A	W	C	V	F	E	N	V	I	R	O	N	M	E	N	T	Z	A	S

Poverty means being poor, without adequate food or money. Poor people are not able to feed and care for themselves adequately and are therefore often in poor health.

Urban challenges are about special difficulties related to living in a town or city. The difficulties of providing sufficient housing, water, waste disposal, transport, food, work, and so on, in an urban area have to be resolved to give everyone the opportunity to live a decent life.

Injustice relates to any practice or condition that is unjust or unfair. In terms of South Africa's constitution, any unjust practice is illegal and has to be eliminated.

Producers are individuals and organisations that produce goods and services for consumption. They are important because they help everyone to meet their needs and wants.

Rural challenges are about specific difficulties related to living in the country. It is important that people are able to meet their basic needs and some wants, to have a decent life, no matter where they choose to live. And society needs people living in rural areas to produce agricultural products for food supplies.

Greentech refers to practices that use sustainable technology. It is important to use greentech technology because products are made using less energy and materials, with less waste and toxins.

Sustainable means to maintain or prolong the use of something. To be sustainable in terms of the Earth's natural environment is important because once any resource becomes extinct, we have no means of replacing it.

Inequality means that conditions and circumstances for all people are not equal. It can deprive people of basic needs such as good education, adequate housing, and proper medical facilities.

Consumers are the individuals and businesses that use goods and services provided by economic activities. Consumers are important because they motivate individuals and businesses to produce the goods and services we all need to meet our needs and wants.

Household is an economic term that covers all the people living together in one house. As an economic term, the importance of a household relates to its contribution to the labour force of the country and its activities as consumers and producers.

Energy is the capacity or tendency for intense activity or work. Energy is important because it is the driving force that produces actions, resulting in goods and services.

Skills are special abilities individuals have naturally or have learned. Skills are important because they enable individuals to carry out specialised jobs that create complex goods or services and increase their ability to earn a living.

Resources are all the factors of production – raw materials, capital, labour and entrepreneurship. Resources are important needs for the creation of any good or service.

Environment relates to the external conditions or surroundings of something. The natural environment is extremely important for the welfare of all humankind as it provides the source of all our basic needs and our wants.

Award one mark for each definition and one mark for each explanation of its importance.

(14 × 2 max.) (28)

[28]

Total: 28 marks

Assessment guidelines

- This activity is intended for informal assessment.
- Use the suggested answers supplied above to assess learners informally. Allocate learners a mark out of 28 and give them feedback on their performance to prepare them for formal assessment.

PoA

Term 3 Exemplar controlled test MEMORANDUM

SECTION A

Question 1

- 1.1 advertising ✓
- 1.2 SWOT ✓
- 1.3 rural ✓

(3 × 2 marks) [6]

Question 2

- 2.1 False ✓✓
- 2.2 True ✓✓
- 2.3 True ✓✓

(3 × 2 marks) [6]

Question 3

- C – the cost of raw materials and factor wages ✓✓
- D – manager's salary, insurance, rent ✓✓
- B – cost plus mark-up or profit ✓✓

(3 × 2 marks) [6]

Section A = 18 marks

SECTION B: Entrepreneurship

Question 4

- 4.1 Someone who recognises a need in a community and starts a business to meet that need. ✓✓ (2)
- 4.2 Use discretions with learners answer. Their answers must be applicable and written in full sentences. E.g. Risk taker is not a full answer and does not explain what a risk taker is.
Sample answers: An entrepreneur is innovate which means they are good at inventing things. ✓✓ They are creative, can solve problems and find solutions. ✓✓ They are enthusiastic and believe in themselves and their product or service ✓✓ They use the resources, both human and material to find solutions to their problems and improve their product or service. ✓✓ They persevere, work hard and do not give up easily. ✓✓ They do not mind working long hours as they know that it will benefit them in the long term. ✓✓ They are prepared to take risks that others would not when it comes to their business. ✓✓ Max 8
- 4.3 Five factors that entrepreneurs must take into account when planning a business:
 - Product/Service: identify a gap in the market – a product or service that people in the area really need and want
 - Customers: Ensure that there will be enough customers to buy the product at the price it will be sold
 - Location of business: decide whether business must be close to customers, close to production/factory, close to transport for workers
 - Start-up and running costs: Work out how much is needed for start-up and running costs and if financing available for start-up and running costs
 - Sources of funding: identify sources of funding and whether or not the entrepreneur qualifies for funding, e.g. a bank loan
- 4.4 Customers need shops and businesses in a certain area which will increase the development and provide more jobs. ✓✓
 - They need specific or specialised products which will open opportunities for entrepreneurs to provide these ✓✓
 - Customer needs a choice of goods and services which also allows businesses to compete for their sales

- Customer need services as well as goods ✓✓
- Customers need goods of good quality at reasonable prices. ✓✓ (10)

Section B = 36 marks

Question 5

Use discretion with learner answers. They have been asked for their opinion but it must be supported by sound, logical and relevant reasons that are applicable to the scenario given. Learners must write 5 facts in full sentences to obtain 10 marks

Sample answer: I think Mandla's business will be a success as he has already learnt from his mistakes and made a success of his current business. ✓✓ The airport has a lot of people moving through, many of whom are visiting the area from other provinces and countries. ✓✓ This will give him a steady market provided he knows what the needs and wants of this group are. ✓✓ He will have to ensure that his fixed costs are not too high as this will make his selling price too high. ✓✓ He will need to see if there are other similar businesses selling beaded products or products similar to his as this will be competition to him. ✓✓

Max 10

SECTION C: The Economy

Question 6

- 6.1 Loss of household income when people die or get sick ✓; expense of health care and funerals; ✓ lack of education as siblings take care of sick adults and other siblings; ✓ increased loans to pay for healthcare ✓ (any 3 x 1 mark)
- 6.2 A sustainable job opportunity is one where the employment is for an indefinite period of time. ✓✓ The employer will be able to increase their skills and seek promotion opportunities within the business. ✓✓ E.g. cashier, ✓✓ secretary, electrician, factory worker, accountant, nurse, teacher (any 1) Max 6
- 6.3 Use discretion with the learners answer. They must give their opinion and justify this with logical reasoning. An answer that just repeats the information from the text book should not be accepted. Accept any well-thought out explanations. Learners must write a minimum of 6 facts in full sentences showing understanding and knowledge of the subject matter.

Sample answer: Well-educated people find it easy to get employment and are also able to create employment for themselves as professionals or business consultants. ✓✓ Many people are too far away from the main city centres to take advantage of higher education and skills training. ✓✓ It is expensive and difficult for people in rural areas to reach a higher standard of education. ✓✓ People with low standards of education are unskilled. There is a surplus of unskilled workers in this country. ✓✓ Unemployed, unskilled workers become desperate and resort to theft and crime to provide the basic needs for themselves and their families. ✓✓ They join gangs get involved in various criminal activities to stop being bored. ✓✓

Max 12 marks

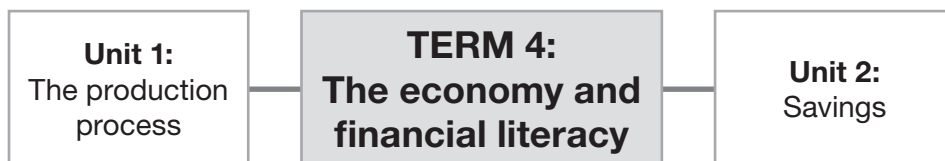
Section C = 21 marks

TOTAL: 75 marks

Term 4

The economy and financial literacy

Core concepts covered



Term overview

During the course of this term learners are introduced to the production process and the four factors of production. They learn about inputs and outputs and see how the production process shapes and affects the economy. In this term they also learn about personal savings and the purpose of saving. They discover more about the role of banks in present-day society and the services that they offer. They also learn about community savings schemes and the financial institutions and organisations that promote entrepreneurship.

Content

Unit No.	Content	Pacing (Time allocation)	LB page	TG page
1	The production process	6 hours	122	78
2	Savings	6 hours	129	80

Assessment

The following activities in this term are suitable for formal assessment:

Activity			Assessment	
Type of activity	Activity	LB page	Assessment tool	TG page
End-of-year examination	Exemplar end-of-year examination	149	Memorandum	84

Revision of Term 3

MEMORANDUM

- 1 An entrepreneur is a person who starts their own business to meet a need in the community. ✓✓ (2)
- 2 Creative, risk-taker, perseveres, decision-maker, enthusiastic, confident, hard-working (any 3 × 1 mark) (3)
- 3 Self-starter, people person, leaser, responsible, organiser, trustworthy (any 3 × 1 mark) (3)
- 4 The product; amount of capital; number of employees; where to sell the product; how it will be made; where to advertise, (any 5 × 1 mark) (5)
 - 5.1 Commission is a percentage of the selling price that is paid to the person selling the article. ✓✓ (2)
 - 5.2 Set a price that will ensure that people will buy the articles. ✓✓ (2)
 - 5.3 (a) Buying: Tom buys articles in good condition from his parents' friends. ✓✓ He also sells Chloe's fudge. ✓✓ He also spread the word to others that he would purchase articles in good condition. ✓✓ He also buys bargains at the market and car boot sale. ✓✓ (max 4)
 - (b) Selling: Tom used e-Bay a computer online auction service ✓✓; market and car boot sales to sell goods. ✓✓ He also sells from home. ✓✓ Max 4
 - (c) producing: Chloe makes fudge which Tom sells for her. ✓✓ (2)
 - (d) making a profit: He makes 10% commission which is clear profit. ✓✓ He also prices his goods so that people will purchase them but the price is still more than he paid for them. ✓✓ He buys bargains from the car boot sale and sells them at a small profit. ✓✓ (max 4)
6. If a business does not meet the needs of consumers or customers they will not be able to sell their product. ✓✓ (2)
7. A SWOT analysis identifies the strength, weaknesses, opportunities and threats of a business idea. ✓✓ It helps the entrepreneur focus on strengths and make use of opportunities. ✓✓ It also identifies possible weaknesses and potential threats so that the entrepreneur can prepare how to deal with these. ✓✓ (2) Strengths and weaknesses are internal. ✓✓ Opportunities and threats are outside the business or business idea. ✓✓ (max 8)
8. Strengths: Tom is a natural business person who is good with people and is creative. ✓
Weaknesses: may not like to keep financial records ✓
Opportunities: many people have articles in their garages they do not want. ✓
Threats: the supply of articles may run out. ✓
9. Attract attention ✓; lead to interest from the customer; ✓ creates a demand for the product ✓ and results in the customer taking action and buying the product. ✓ (4)
10. Allow learners discretion with their answer. If they have not been involved in entrepreneurs day they can use examples from the case study.
11. Wages; commission (1 × 1 mark) It is any cost that is directly related to the product. ✓✓ (3)
Fixed costs is insurance, rent, cost of a stand at the car boot sale (1 × 1 mark) It is constant and must be paid each week or month. ✓✓ It is not directly linked to the product but to running the business. ✓✓ (3) Max 6 marks

12. It lowers the amount of waste which is bad for the environment. ✓✓ It offers business opportunities. ✓✓ (4)

13 Use discretion with the learners answers. They must relate their list to their own experience.

E.g. make posters, book a table, plan manufacture of products so that they are ready on time, plan cash float, plan the layout of the table, make price tickets etc.

(8 × 1 mark)

14.1 Income and expenditure statement for Lindiwe ✓

Income:		
Sales	✓970	
Other income:		
Total income		✓✓970
Expenditure		
Supplies	✓250	
Equipment	-	
Equipment hire	✓50	
Post for advertising	✓30	
Transport	✓70	
Electricity	✓45	
Total Expenses		✓✓455
Profit ✓✓		✓✓R515

(15)

14.2 Lindiwe made a profit. ✓ Her income was higher than her expenses. ✓✓ (3)

14.3 Yes Equipment. ✓ Equipment can be reused and is not an expense. ✓✓ (3)

15 Use discretion for the learners answers. They must support their opinion with valid, logical answers that relate to the case study.

Sample answer:

Yes. Tom is a natural business person as he immediately saw a business opportunity with his Aunt and Uncles excess furniture. ✓✓ He used his resources, e.g. internet to find a way to sell the goods. ✓✓ He asked for commission instead of doing it for no payment. ✓✓ He identified the need for people to empty their homes of unnecessary furniture. ✓✓ He also discovered that other people were looking for inexpensive second hand items. ✓✓ He persevered and saved his money to expand his business. ✓✓ He negotiated space in his parents storeroom to set up his business. ✓✓

Max 10

Geographic distribution of resources; standards of education; poverty; access to adequate health care; government laws that control the distribution of resources. (any 4 × 1 mark)

(4) ✓✓

17 Allow learners to give their opinion. This must be substantiated by valid, logical reasons.

Sample answer:

Yes. Apartheid policies did not allocate resources equitably. ✓✓ They ensured that black people were prevented from obtaining good education. ✓✓ They limited

- skilled jobs to white people. ✓✓ They prevented black people from owning assets and land. ✓✓ (max 8)
- 18 Managing migration of people from rural to urban areas where they think they will find work. ✓✓
 Providing affordable housing with water, sewerage and electricity. ✓✓
 Providing better infrastructure. ✓✓
 Promoting local economic development ✓✓
 Focusing on environmental issues affecting poor people such as waste management, ✓✓
 Fighting HIV and AIDS and other diseases e.g. TB. ✓✓ (max 8)
20. Use discretion with learners answers. They must give reasons for their opinion.
Sample answer:
 Yes I do think it is correct. ✓✓ Education increases a person's ability to acquire skills which are scarce. ✓✓ It allows a person to create opportunities for themselves. ✓✓d Max 4

Unit 1 The production process

Learner's Book pages 122–128

Unit overview

This unit focuses on how the production process shapes and affects the economy. Learners find out about inputs and outputs and the sustainable use of resources. They examine the concepts of economic growth and productivity, and see how productivity affects economic growth. They learn about technology in the production process and how it can contribute to better productivity and improve economic growth.

Additional resources

Pictures and illustrations of production processes (specifically to show mass production)

Teaching guidelines

It is important that the learners understand the relationship between economic growth and productivity. Learners will find the section on technology interesting and you can encourage them to look for articles on the internet or in the library.

Activity 1 Discuss resources

Learner's Book page 125

Guidelines to implement this activity

- This is a pair activity.
- You may want to hold a class discussion about the activity to get feedback from learners on what they think they can do to contribute to the economy from the point of view that they are a natural resource.

Suggested answers

- 1 Examples of minerals are: gold,✓ diamonds,✓ platinum,✓ coal,✓ iron ore.✓
Example of main agricultural products are: maize,✓ fruit,✓ wine,✓ vegetables,✓ wool.✓ (3 + 3 = 6)
- 2 Learners' own answers. (4 marks)
- 3 Capital is an input✓ and when we refer to it as input we look at the amount of money spent on buying the resources needed and paying for the labour used directly for making a particular product.✓ This capital is part of the running costs of the business.✓ Capital is the money that a business uses to get started, to pay for running costs, and to grow.✓
- 5 An entrepreneur is someone who sees a need in a community✓ and starts a business to address that need.✓ He or she is energetic,✓ enthusiastic,✓ innovative,✓ and dedicated.✓ (any 4)

Assessment guidelines

- This activity is intended for informal assessment.
- You are likely to get a range of answers from learners for question 3. Check that they all understand the concept of a natural resource and that they have a positive role to play in the economy of the country.

Activity 2 Discuss sustainable use of resources

Learner's Book page 126

Resources

Information on recycling – for example, practical examples of how to recycle. Many magazines have features like this and you can find lots of information on the internet.

Guidelines to implement this activity

- This is an individual activity.
- You may want to ask learners to volunteer to read their paragraphs to the rest of the class. This could spark off some interesting discussions about using resources sustainably, reusing, recycling, and so on.

Suggested answers

- 1 Learners' own answers.
- 2 Learners' own answers.

Assessment guidelines

- This activity is intended for informal assessment.

Activity 3 Research a product

Learner's Book page 128

Guidelines to implement this activity

- This is a group activity.

- Discuss with learners how long the presentation should be – for example, 10 minutes. Explain to them that each learner in the group should have a chance to talk so in a group of four they could each prepare about 2½ minutes of the presentation. Discuss with them ways in which they could illustrate their presentation – they could do a presentation using the overhead projector, a laptop, or hand-drawn illustrated poster.

Assessment guidelines

- This activity is intended for informal assessment.
- You can use the following checklist to assess the learners' presentations:

Criteria	Yes	Partly	No
The learner(s):			
• followed the instructions in the Learner's Book and understood what to do			
• choose a suitable example of a product that is made by mass production			
• explained clearly if it could or could not be made by a home industry			
• explained how technology has improved this product over time			
• presented their information clearly and logically and held the audience's attention			

Activity 4 Think about technology in production

Learner's Book page 128

Guidelines to implement this activity

- This is an individual activity.
- Once learners have completed the activity, go through the answers with them. You could let them call out their lists and take it in turns to add to one list on the board.
- Hold a class discussion on questions 2 and 3.

Suggested answers

- 1 Tractor for preparing soil for planting, crop spraying equipment (to protect fruit trees against insects), vehicles for transporting picked fruit from orchards to storage areas, storage barns to keep fruit until they are delivered to market, vehicles to transport fruit to market, packaging such as boxes, cartons, and so on, packaging equipment or machinery if fruit is packaged on the farm, vehicle to transport fruit to market
- 2 Learners' own answers
- 3 Learners' own answers.

Assessment guidelines

- This activity is intended for informal assessment.

Unit 2 Savings

Learner's Book page 129–137

Unit overview

In this unit learners focus on personal savings and the purpose of savings. They learn about the history of banks, why banks exist and the services offered by banks. Learners find out how to open a savings account and they discover community savings schemes such as stokvels and grocery clubs.

Activity 1 Focus on savings

Learner's Book page 130

Teaching guidelines

You can discuss this activity in class once the learners have completed it.

Suggested answers

1–6 Answers will differ

Assessment

This activity is intended for informal assessment.

Activity 2 Conduct a survey

Learner's Book page 132

Teaching guidelines

It is important the learners understand the concept of a survey. Guide learners as to how they should present their information.

Answers

- 1 Make sure learners put all the information in. (10)
- 3 Bank charges ✓✓ (2)

Total: 12 marks

Assessment

This activity is intended for informal assessment.

Activity 3 Perform a role play

Learner's Book page 133

Teaching guidelines

Explain to learners what a role play is. Once learners have completed their role plays you can ask two or three pairs to volunteer to do their role play for the rest of the class.

Questions that the client will ask:

- If I am 12 years old, can I open a savings account?
- Who must I bring along to open a savings account?
- How much money do I need to open a savings account?

- What are service charges?
- Can I deposit and withdraw money anytime? (any $5 \times 2 = 10$ marks)

Information that the bank employee needs:

- ID/birth certificate of client
- ID of adult
- Electronic signature (any $2 \times 2 = 4$ marks)

Assessment

This activity is intended for informal assessment.

Activity 4 Think about community savings schemes

Learner's Book page 135

Teaching guidelines

Read the case study with the learners before you start the activity.

Answers

- 1 Stokvels are informal saving clubs that allow people who cannot afford to have a savings account to save. ✓✓
- 2 Stokvels are built on trust; therefore honest people could be cheated out of their savings by untrustworthy individuals. ✓✓
- 3 Can I trust the other members?
Who is going to organise the stokvel?
How are we going to receive the money?
What is the aim of the stokvel?
What are the rules? (any $2 \times 2 = 4$ marks)
- 4 Grocery clubs help people to save money during the year so that they can receive a hamper of groceries at the end of the year when many people celebrate Christmas. ✓✓
- 5 The managers of the grocery club could use the money for themselves and at the end of the year there is no money to buy groceries for the members. ✓✓
- 6 If a family puts money into the bank to save for a funeral, they might need the money before they have saved enough, whereas a funeral society will provide the money when it is needed. ✓✓

Total: 14 marks

Assessment

This activity is intended for informal assessment.

Activity 5 Discuss financial organisations

Learner's Book page 136

Teaching guidelines

This is an individual activity.

Answers

- 1 The South African Reserve Bank ✓
- 2 The payment to beneficiaries at retirement ✓ of a lump sum or income ✓
- 3 To maintain stability ✓ in the interests of balanced and sustainable economic growth in South Africa ✓
- 4 Gives cover for accidental losses ✓ such as fire, theft and storm damage ✓

Assessment guidelines

- This activity is intended for informal assessment.

Activity 6

Research finance for entrepreneurs

Learner's Book page 137

Teaching guidelines

Get learners to display their posters in the classroom when they have finished the activity. You could also ask them to individually present and explain their poster to the rest of the class.

Answers

- 2
 - Examples: Nedbank, ABSA, FNB, Capitec
 - Old Mutual, Sanlam
 - Dial-Direct, Outsurance
- 3 Posters will differ.

Assessment

- This activity is intended for informal assessment.
- You can use the following rubric to assess learners:

Criteria	Excellent (4 marks)	Good (3 marks)	Average (2 marks)	Needs help (1 mark)
Examples of organisations	Four or more examples given	Three examples given	Two examples given	One example given
Description	All organisations are well described	Good descriptions given	Average descriptions	Poor description
Logos	All logos are correct	Three logos are correct	Two logos are correct	One logo is correct
Layout	Excellent layout	Good layout	Average layout	Poor layout
Handing in poster	Handed in on time	Handed in one day late	Handed in two days late	Handed in three or more days late

Term 4 Revision memorandum

The economy

- 1.1 E
 - 1.2 H
 - 1.3 F
 - 1.4 J
 - 1.5 G
 - 1.6 I
 - 1.7 A
 - 1.8 C
 - 1.9 B
 - 1.10 D
- 2 Learners' own answers: should mention how we can save water, electricity, use less non-renewable resources, and so on. [10]
- 3 Economic growth is the active growth of the economy, which produces more job opportunities. Sustainable economic growth is possible if there is a low inflation rate. [5]
- 4 Making it easier to start new businesses and to get business loans. Making sure that there is a high rate of employment. [2]
- 5 Machines take over the processes done by hand – produces goods more quickly and efficiently; more is produced so more can be bought. [4]

[21 marks]

Financial literacy

- 1 Purpose of saving: For things we want but don't need; for a goal we set ourselves; for unexpected expenses; for when prices go up and we need more cash to cover expenses; for further education; for retirement. [6]
- 2.1 Middle Ages
 - 2.2 interest
 - 2.3 Bank charges
 - 2.4 Building societies [4]
- 3 Banks help the economy by investing in a new business and help entrepreneurs fund projects: more goods are produced and therefore the economy grows. [2 × 2 = 4]
- 4 Savings, investments and loans [3]
- 5 Go to post office or bank with ID if you are 16. Complete paperwork and provide necessary information. [4]
- 6 A group of people get together and they each contribute a certain amount every month. They put names in a hat and each person is allocated a month. In that month they get the money. [4]
- 7 There are no fees or bank charges involved; they are social. [3]
- 8 To maintain price stability to keep the economy balanced, stable and growing. [3]
- 9 Learners' own answers. They must give valid suggestions backed up logical reasons. [10]

[41 marks]

Total: 72 marks

Term 4 Exemplar end-of-year examination memorandum

Summary of questions

Section	Q	Topics			Cognitive levels			Total
		Econ.	Fin. Lit	Entrep.	1	2	3	
A	1		10		10			10
	2		10		10			10
	3	10			2	8		10
	4			10	10			10
								40
B	5	30			3	8, 8	11	30
C	6		50		2, 4	6, 4, 10	24	50
D	7			30	2	6, 10	12	30
Total		40	70	40	40	62	47	150
&		26,6%	46,6%	26,6%	26,6%	41,3%	31,3%	
Req. %		30%	40%	30%	30%	40%	30%	

SECTION A

Question 1

- 1.1 Budget
- 1.2 personal
- 1.3 capital
- 1.4 transaction
- 1.5 bank

(10)

Question 2

- 2.1 assets
- 2.2 expenses
- 2.3 financial records
- 2.4 liability.
- 2.5 income statement

(20)

Question 3

- 3.1 True
- 3.2 True
- 3.3 False
- 3.4 False
- 3.5 False

Question 4

- 4.1 F – Coal, oil, gas, copper, diamonds
- 4.2 D – How quickly inputs can be turned into outputs without increasing expenses
- 4.3 C – Cotton, wood, meat, fruit and vegetables, oxygen

- 4.4 A – Mostly unskilled workers earning low wages
 4.5 B – Shortage of affordable housing, informal settlements

SECTION B

Question 5

- 5.1 housing, healthcare, education, water & sanitation, safety and social security, transport, roads, electricity, sense of belonging (any 3 × 1 mark)
- 5.2 Geographic distribution of resources means that people stay in different areas with different resources. People in cities cluster where there are good resources and employment but those in rural areas may not have access to shops and employment (max 4)
- Standards of education differ . Well educated people have a better chance to get employment whereas those with low education will only get unskilled jobs if they can. (max 4)
 - Poverty limits people's ability to meet their needs.)Poor people do not have money to pay for good food, health care etc.
 - Access to adequate health care for rural people is difficult. Private hospitals and clinic have highly specialised staff and charge high consultation fees which only the wealthy can afford
 - Government laws control the distribution of these resources. During apartheid years the government controlled the laws that limited resources for the majority of citizens. (Max 2 × 4 marks each = 8 marks)

5.3	Urban challenges	Rural challenges
	More job opportunities but more competition	Few job opportunities
	Higher salaries but higher cost of living	Mostly unskilled work resulting in low wages
	Long distances to travel between work, home, school etc	Long distance travel to major centers which can be expensive
	More choice in education and training facilities but these are expensive	Limited opportunities for education and training
	Social and emotional support is often not available	Language can be a barrier to getting work
	Shortage of affordable housing results in shanties and informal settlements	
	Max 4 marks	Max 4 marks

- 5.4 Use discretion and allow learners to give their opinion but it must be supported by logical reasoning and facts. I t is important that the explain recycling and reducing, give examples and also use the third leg of the triangle to give some indication of how re-using goods could be done.

Sample answer:

Yes the waste can be used differently. (1) Recycling enables waste material to be processed into new products e.g. paper (2) reducing the need for new raw materials. (2) Materials that are recycled can be taken to a collection center or collected from homes. (2) Re-using goods in a different way will extend the life of products e.g. reusing plastic carrier bags.(2) Goods can be cared for better to extend their life and others can be repaired rather than discarded. (2) Each person

could make an effort to reduce the amount of goods they use to reduce the waste. For example, only purchase what you need. (2)

SECTION C

Question 6

- 6.1 Use discretion and allow the learners to identify individual expenses or group expenses e.g. Cost of sales, operating expenses
Telephone, cost of goods purchased, stationery, wages, salaries, raw materials, fuel etc (2 × 1 mark each)
- 6.2 A statement of net worth describes the financial position of a person at a specific time or day.(2) A person’s worth is determined by their total possessions (assets) less any debts or money they owe others (liabilities). (2) Max 4 marks
- 6.3 A capital budget is a plan to replace or purchase new equipment, machinery, vehicles and other assets. (2) An operating budget is a plan to control the expenses in a business. (2) Max 4 marks
- 6.4 Bank play an important role for both the individual and business. (2) They keep our money safe (2) and pay interest to people who leave their money in bank accounts. (2) Banks contribute to the economic growth by investing in new business and funding projects. (2) They act as intermediaries between people and between businesses. (2)

Max 6 marks

- 6.5 Statement of net worth for Wendy

Assets		✓87 000
Vehicle	✓79 000	
Clothes	✓6 500	
CD's and DVD's	✓1 500	
Liabilities:		✓69 290
Wesbank	✓65 000	
Edgars	✓690	
Loan from mother	✓3 600	
		✓✓R17 710

(max 10 marks)

- 6.6 Wendy’s net worth is not very high when you consider her assets are R87 000. (2) She has too many debts and must try and pay these off as soon as possible. (2) It is important that she draws up a budget to ensure she using her money wisely. (2) Max 4 marks
- 6.7 A stokvel is a community savings scheme where each person in the group puts in a monthly amount. (2) Each person has a turn to withdraw the total amount of money. (2) This is a good way for Kwanele to start saving as he cannot withdraw the money until it is his turn. (2) A bank account is also a good option as it pays interest on the amount owing. (2) The problem is that he can withdraw the money at any stage. (2) he does not have enough at this time to put his money in a fixed deposit which will pay higher interest. (2) I suggest he starts with a

stokvel and also opens a bank account to deposit any excess money he saves or earns during the month. (2) max 10

- 6.8 Use discretion with learners answers. They may suggest either option provided they give good reasons for their answers. They will need to explain why the other suggestion is not a good options.

Sample answer:

I suggest Joseph should invest in a business provided he has a good business idea that he has researched properly and a detailed business plan.(2) If he has a successful business he will make much more money in profit that he would in a fixed deposit account.(2) However, it is important that he realises he could lose everything if the business fails. (2) . A fixed will earn interest depending on the amount of time he will leave it in the fixed deposit account. (2) He will not be able to withdraw money from this account during this time. (2) Although a fixed deposit is a guarantee of interest and the capital there is no risk and the interest is not very high. (2)

Max 10

SECTION D

Question 7

- 7.1 An entrepreneur is someone who identifies a need in a community and starts a business to meet that need.
- 7.2 Defines purpose; gives it a structure; checks financial performance of business; gives workers a sense of purpose
- 7.3 Variable costs: fabric, packaging and labels; Fixed costs: Rent and electricity
- 7.4 Learners' own answers: They will probably say that Juanne is not the right person to start her own business because she does not have the right attitude: friends are more important than her job, and so on.

Additional Term 1 control test**SECTION A****QUESTION 1: Multiple choice**

Four 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 (1.1–1.3) in your test/exercise book.

1.1 A promissory note ...

A	is a promise given from one person to another.
B	is when two people write a promise that they will do something together on a specific date.
C	is written evidence that a person will pay a specific sum of money to another on a specific date or when it is demanded from them.
D	is a promise from the bank to pay a person who presents the note, the amount written on it.

1.2 The difference between goods and services is ...

A	one is something you can physically touch and the other is something that is done for you.
B	the amount that the seller charges.
C	only a problem if a business sells both.
D	a person only pays for goods and not for a service.

1.3 Income tax is ...

A	only paid by formal businesses.
B	only paid by people who have a job.
C	paid by formal and informal businesses
D	paid by formal businesses.

(3 × 2 marks) **[6]**

QUESTION 2: Choose the correct term.

Identify the sector of the economy that each pair of photos represents, for example primary, secondary, tertiary. Write only the word/term next to the question number (2.1–2.3) in your test or exercise book.

2.1



2.2



2.3



(3 × 2 marks) [6]

SECTION B: The economy

Question 3

- 3.1 Define a traditional society. (4)
- 3.2 Give one example of how bartering takes place in a traditional society. (2)
- 3.3 Describe the coins and paper money first used when money was introduced to the Cape. (8)

[14]

Question 4

Gerald and Rashni live in a middle class area and they attend a local primary school. Both their fathers work for the local municipality and Rashni's mother is a teacher. Gerald's mother bakes cakes and biscuits for the local home industry store. Both sets of parents have joined the local neighbour watch group.

- 4.1 List TWO basic needs of the community in which Gerald and Rashni live. (2)
- 4.2 Gerald overheard one of his friends parents saying: 'My children just do not seem to realise that we have limited resources at home and in this country.' Do you agree with this statement? Give reasons for your answer. (8)

[10]

SECTION C: Entrepreneurship

Question 5

- 5.1 List TWO possible natural disasters that could affect formal businesses. (2)
- 5.2 Discuss TWO disadvantages of formal businesses. (4)
- 5.3 Ubuntu Manufacturing Company has realised that many of their skilled and semi-skilled workers are away from work due to ill health. They have investigated and think the cause is a combination of TB and HIV. Do you think this is a problem for the business? Write a paragraph explaining your answer. (8)

[14]

TERM 1: CONTROL TEST (50 MARKS)

Section	Question	Topic			Cognitive level			Marks
		Economy	Fin Lit	Entrep.	1	2	3	
A	1	2, 2		2	6			6
	2	2, 2		2		6		6
B	3	4, 2, 8			4	2, 8		14
	4	2, 8			2		8	10
D	5			14	2	4	8	14
Actual mark		32		18	14	20	16	
Req. Mark		38		13	15	20	15	
					30%	40%	30%	

Economy: 6 weeks = 38 marks

Entrepreneurship: 2 weeks = 13 marks

Term 1 Additional control test

MEMORANDUM

SECTION A

Question 1

- 1.1 C
- 1.2 A
- 1.3 A

(3 × 2 marks) [6]

Question 2

- 2.1 Tertiary
- 2.2 Secondary
- 2.3 Primary

(3 × 2 marks) [6]

SECTION B: THE ECONOMY

Question 3

- 3.1 A small community, do not use money to buy things, simple standard of living, have basic needs, self sufficient, produce goods and food for own use. (4)
- 3.2 For example: people would exchange meat for fruit and vegetables; cows in exchange for another kind of animal – accept any reasonable example. (2)
- 3.3 When Jan van Riebeeck arrived in the Cape in 1652 the Dutch East India Company used the Spanish dollar, the basic coin used in the Netherlands at the time. In 1681 the guilder was introduced. Other coins were also used such as the India rupee and English guinea.

Paper money was introduced in 1782 as a result of a shortage of coins from the Netherlands. All paper money was handwritten until 1803 because there were no printing presses until then.

[8]

[14]

Question 4

- 4.1 Any two: good quality housing, healthcare, education and access to schools, transport and roads, electricity, water, social and recreational amenities. (2)
- 4.2 Learners' own answers. (8)

[10]

SECTION C: ENTREPRENEURSHIP

Question 5

- 5.1 Any two: flood, drought, hurricanes and tornados, earthquakes, erupting volcanoes (2)
- 5.2 Any two: Cost of registration, registration means more administration, have to pay income tax and various levies, increased business costs (4)
- 5.3 Learners own answers but learners should mention that it is a problem for the business because if people stay away for any length of time, productivity suffers. Temporary workers must be trained to do their jobs and this is expensive and time-consuming. (8)

[14]

Additional mid-year examination

SECTION A

QUESTION 1: Multiple choice

1.1 Our most basic needs are satisfied by ...

A	natural resources, goods and services
B	money
C	food, clothing and recreation
D	shelter and money

1.2 Dududu Spaza is a(n) ... business

A	formal
B	informal
C	service
D	manufacturing

1.3 Services are provided by ...

A	Plumbers, electricians, post office and Mnet.
B	Stores that offer credit.
C	Insurance brokers, bankers, accountants and hairdressers
D	Banks, parking garages, traffic police and street vendors

1.4 Mines, forestry and fishing groups are part of the ... sector of the economy.

A	primary
B	secondary
C	tertiary
D	manufacturing

1.5 Economists are people who

A	do the financial records of the economy
B	analyse the buying patterns of consumers
C	analyse and research the economy
D	ensure the government understands the needs and wants of the consumers

(5 × 2 marks) [10]

QUESTION 2: Complete sentences

Complete the following paragraph using words from the list below:

Cheque, , profits, formal, service, retail, informal, expenses, capital, income tax, Jeremy started his own business with R20 000 .(2.1). which he deposited into a .(2.2). account at the bank. He is an accountant and has established a .(2.3) business. As a results he must pay .(2.4) from his .(2.5). He provides a (2.6) to his clients and charges for his knowledge and expertise.

(6 × 2 marks) [12]

SECTION B: THE ECONOMY

Question 3



- 3.1 Briefly discuss the history of money referring to the photographs above. (10)
 - 3.2 What is the role of money in the life of the young businessman in the photograph? (4)
 - 3.3 List TWO different kinds of service a businessman would purchase. (2)
- [16]

SECTION C: FINANCIAL LITERACY

Question 4

John is an accountant and has his own business. He does most of his banking using the internet or his telephone.

- 4.1 Explain how saving will benefit John. (4)
- 4.2 Identify the main purpose of John’s business. (2)
- 4.3 John has the following personal budget:

Income:		R25 000
Salary from business	R25 000	

Expenses:		23 365
Rent	7 5000	
Car repayment	2 600	
Groceries	2 500	
Clothing	1 500	
Water and electricity	790	
Entertainment	3 500	
Fuel and repairs	900	
Insurance	2 500	
Medical Aid	1 200	
Golf club fees	500	
Mnet subscription	375	
Gym membership	500	
Savings		R1 635

- 4.4 Explain the purpose of a budget. (4)
- 4.5 How does a cheque account benefit John? (4)
- 4.6 Do you think John is using his money wisely? Give reasons for your answer (6)
- 4.7 Suggest ways John can increase the amount he saves each month. Give reasons for your suggestions. (6)
- [24]**

SECTION D: ENTREPRENEURSHIP

Question 5

- 5.2 Define an informal business (4)
- 5.3 Shelagh has been running a business from home selling jewellery and clothes she imports from India. Her friends say she should start a sole trader business in the local shopping mall. Do you think this a good idea? Write a paragraph giving your opinion on changing to a formal business. (7)

[11]

Total: 75 marks

Additional mid-year examination
MEMORANDUM
Mid-year exam paper (75 MARKS)

Section	Ques.	Topic			Cognitive level			Marks
		Economy	Fin Lit	Entrep.	1	2	3	
Section	Ques.	Topic			Cognitive level			Marks
		Economy	Fin Lit	Entrep.	1	2	3	
A	1	6		4	10			10
	2		4	8	12			12
B	3	16			2	10, 4		16
C	4		26			4, 2, 4, 4	6, 6	26
D	5			11		4	7	11
		22	30	23	24	32	19	75
		29.3%	40%	30.6%	32%	42.6%	25.3%	
Req. Mark		22.5	30	22.5	22.5	30	22.5	75
Required %		30%	40%	30%	30%	40%	30%	

Additional Term 3 control test

SECTION A

QUESTION 1: Match columns

Choose a term from column A that matches a description in column B. Write only the letter (A–F) next to the question number (1.1–1.6)

COLUMN A	COLUMN B
1.1 Profit	A It plans the way income will be spent in the future.
1.2 Income statement	B Large tracts of land with little employment opportunity.
1.3 Inequality	C It is the difference between income and expenses.
1.4 Urban	D Used to monitor profit and expenses in a business
1.5 Rural	E The difference between rich and poor.
1.6 Budget	F Cost of living is higher.

(6 × 2 marks) [12]

QUESTION 2: True or false

Indicate whether the following statements are TRUE or FALSE. Choose the answers and write only the words 'true' or 'false' next to the question number in your test/exercise book.

- 2.1 A SWOT analysis is used to make a decision whether a new business idea will be successful.
- 2.2 Variable costs stay the same regardless how many articles are made.
- 2.3 Fixed costs change as the number of products increases.
- 2.4 Employment Equity Acts prevents employers from discriminating against women.
- 2.5 Skills Development Act ensures everyone has equal opportunity in the work place.
- 2.6 Creating sustainable businesses is one way to reduce poverty.

(6 × 2 marks) [12]

SECTION B: THE ECONOMY

Question 3

- 3.1 List TWO problems caused by poor quality education. (2)
 - 3.2 Describe THREE challenges that rural people face. (6)
 - 3.3 Discuss TWO causes of socio-economic imbalances. (8)
 - 3.4 Write a paragraph suggesting ways the government and business can work together to create sustainable job opportunities to reduce poverty and unemployment. Give reasons for your suggestions. (8)
- [24]

SECTION C: ENTREPRENEURSHIP

Question 4

- 4.1 List TWO decisions an entrepreneur must make before starting his business. (2)
 - 4.2 Discuss the importance of making a profit in a business. (8)
 - 4.3 Jenny employs three ladies to help her make quilts for stores in town.
 - 4.3.1 Describe the importance of advertising to Jenny. (8)
 - 4.3.2 Suggest how goal setting could help her achieve her dream of eventually opening her own shop. (8)
- [26]

Question 5

Study the following information on Jenny's quilting business and answer the questions that follow:

Fabric for 1 quilt, R125; Thread, R3.40; Batting, R56; Embroidery, R5.60; Rent, R2 400 per month; Labour per quilt, R150; insurance, R300 per month.

- 5.1 Calculate the variable costs of 1 quilt. (6)
 - 5.2 Calculate the cost if she makes 20 quilts per month. (6)
 - 5.3 Give Jenny advice on how to decide on her selling price. Give reasons for your answer. (8)
 - 5.4 Suggest ways Jenny can improve her business. Give reasons for your suggestions. (6)
- [26]

TERM 3 CONTROL TEST (100 MARKS)

Section	Ques.	Topic			Cognitive level			Marks
		Economy	Fin Lit	Entrep.	1	2	3	
A	1	2, 2, 2		2, 2, 2,	12			
	2	2, 2, 2		2, 2, 2	12			24
B	3	24			2	6, 8	8	24
D	4			26	2,	8,8	8	26
	5			26		6, 6,	8, 6	26
		36		64	28	42	30	100
Req. Mark		30		70	30	40	30	
Required %					30%	40%	30%	

Economy: 2 weeks = 25 marks

Entrepreneurship: 6 weeks = 75 marks

Additional term 3 control test MEMORANDUM

SECTION A

QUESTION 1: Match columns

- 1.1 C
- 1.2 D
- 1.3 E
- 1.4 F
- 1.5 B
- 1.6 A

(12)

QUESTION 2: True or false

- 2.1 False
- 2.2 False
- 2.3 False
- 2.4 True
- 2.5 False
- 2.6 True

(12)

SECTION B: THE ECONOMY

- 3.1 People find it difficult to get employment if they are uneducated ✓ A poor quality education sustains the cycle of poverty and people are unable to improve their standard of living ✓
- 3.2 Fewer job opportunities ✓✓ limited opportunities for education ✓✓ long-distance travel to major centres is expensive ✓✓ Work on offer is usually unskilled so workers get lower wages ✓✓ (any 3 answers)
- 3.3 Geographic distribution of resources: ✓✓resources such as schools tend to be in cities – rural people cannot access them easily. ✓✓ Poverty: ✓Poor people do not have the money to pay for better quality food, for higher education, advanced

health care, or social and sports clubs available to people who have more money.
 ✓✓ Access to health care: ✓✓ Private hospitals and specialist doctors tend to cluster in cities and charge high fees – ✓✓ inaccessible to those in rural areas or those who do not have the money to pay for these services. ✓✓

3.4 Accept any well-thought out ideas and explanations.

SECTION C: ENTREPRENEURSHIP

Question 4

- 4.1 Whether the business will be formal or informal; what products or services the business will offer; the ideal mark-up to cover expenses and make a reasonable profit. (Any 2) (2)
- 4.2 Profits: reward the entrepreneur✓ for taking the risk of starting the business✓; allow the owner to expand the business✓; allow the business to keep up with developing technology✓; create a savings cushion✓ to cover expenses before income is received✓; ensure supplies are delivered regularly because payments are made promptly✓; make a business stable and sustainable✓. (8)
- 4.3.1 Advertising would not be very important✓ to Jenny because she supplies shops with her quilts✓. The shops would take care of advertising✓ and promoting the quilts as part of their stock✓. However, she should label her quilts✓ so that buyers get to know her quality and designs✓ so that when she does open her own business✓ she will already have a reputation in the market✓. (8)
- 4.3.2 Jenny would need to identify the steps✓ she has to take to open her own shop, the most important being raising sufficient capital✓. She would need to identify suppliers✓ of fabric, threads, and other sewing equipment; find suitable premises✓ and fit the shop out with shelving and counters✓. So Jenny must set goals to meet each of these steps in a logical order✓ and within a realistic time frame✓. As Jenny meets each of her interim goals✓, she will become even more motivated and confident✓ of eventually opening the quilting shop of her dreams. (8)
- [26]

Question 5

- 5.1 Variable costs relate to the materials in a quilt, which cost:
 $R125,00 + R3,40 + R56,00 + R5,60 + R150,00 = \mathbf{R340,00}$ (6)
- 5.2 If Jenny makes 20 quilts per month, the fixed costs:
 $R2\ 400,00 + R300,00 = R2\ 700,00$
 must be divided between the 20 quilts and added to the variable cost:
 $R\ 2700,00 \div 20 = R135,00 + R340,00 = \mathbf{R475,00}$ (6)
- 5.3 Individual answers that must be supported by logical reasons. For example: Jenny must charge more than R475,00 per quilt so that she gets rewarded✓ for investing her capital in her quilt-making business, and for providing others with employment. But she also knows she has stiff competition✓ from the many low-priced quilts arriving in the country from overseas, where cheap labour is used✓. In addition, the shops that sell her quilts also need to make a profit✓. She could choose to add R75✓ to each quilt and sell them for R550 each✓. The shop will probably add another R100 or so to that, and sell the quilts for R650. $20 \times R75 = R1\ 500,00$ will be Jenny's monthly income – not very much!

- Jenny knows that the average price of imported quilts is between R600 and R750, and that they are not as colourful and pretty as hers. So she could charge a little more and perhaps add a 20% mark-up✓ to her cost price: $R475,00 + 20\% = R475,00 + R95,00 = R570$ ✓. The extra R20 will bring her monthly income up to R1 900,00 and won't make much difference to the consumer selling price. (8)
- 5.4 Individual answers that must be supported by logical reasons. For example: Jenny needs to improve her business so that she has more income to build up capital✓ towards opening her own shop in the future. Quilts last a long time so there is no quick, repeat business✓. She therefore must widen her market ✓by: approaching suitable shops in other towns that may be willing to sell quilts for her✓; investigate selling quilts on the Internet, where she would be able to sell her quilts for more because she will cut out the middleman shop✓; employ more staff to increase her rate of quilt production; advertise quilts to order in crafting and family magazines✓. (6)
- [26]

Additional end-of-year examination

SECTION A

Question paper: Summary of marks:
TERM 3 CONTROL TEST (100 MARKS)

Section	Ques.	Topic			Cognitive level			Marks
		Economy	Fin Lit	Entrep.	1	2	3	
A	1							
	2							
	3							
	4							
B	5							
	6							
C	7							
	8							
D	9							
	10							
					22.5	30	22.5	75
Req. Mark		22.5	30	22.5	22.5	30	22.5	75
Required %		30%	40%	30%	30%	40%	30%	

SECTION A

QUESTION 1: Multiple Choice

Four options are provided as possible answers to the following questions. Choose the answer and write only the letter next to the question number e.g. 1.6 D

1.1 The money and assets an owner invests in a business are(is) called ...

A	Drawings
B	Owner's Equity
C	Capital
D	Assets

1.2 The value of the business is known as ...

A	Drawings
B	Owner's Equity
C	Capital
D	Assets

1.3 ... is a process is when a product moves on a conveyor belt and each worker specialises in a small part of the whole production process.

A	Unit production
B	Mechanised production
C	Mass production
D	Productivity

1.4 ... are non -renewable resources.

A	Diamonds, coal, platinum and gold
B	Wood, fish, coal and maize
C	Labour, capital, raw materials
D	Natural and human resources

1.5 The principles of advertising are ...

A	Attract attention, arouse interest, create a demand and lead to action.
B	Colourful, eye catching, small print and large pictures.
C	Cost, colour and creativity.
D	Attitude, attract attention and selection of media.

(5 × 2 marks) [10]

QUESTION 2: Match columns

Match the term in column A with the example or explanation in column B. Write only the correct letter next to the question number. E.g. 2.6 F

Column A	Column B
2.1 Profit	A It is a combination of income and expenditure.
2.2 Budget	B Makro, Edgars, Spaza, Hairdresser

Column A	Column B
2.3 Production	C Outsurance, ABSA bank, Old Mutual
2.4 Formal business	D It is a combination of inputs and outputs.
2.5 Tertiary sector	E It is a plan of future expenditure.

(10 × 2 marks) [20]

QUESTION 3: Select the correct word

Select the correct word/ term in brackets. Write only the correct word/term next to the question number. E.g. 3.6 Test

- 3.1 Sales and rent received are both income for a (service/trading) business.
- 3.2 Financial records of a business include a (balance sheet/budget).
- 3.3 The use of human and (productivity/profit)
- 3.4 Electronic banking is also written as (ATM/EFT)
- 3.5 (Variable/Fixed) costs change when more articles are made.

(5 × 2 marks) [10]

Question 4

Fill in the missing word. Write only the word next to the question number. E.g. 4.6 Control

- 4.1 A business owner calculates profit by subtracting ... from income.
- 4.2 Capital is a ... in the business books.
- 4.3 Food and shelter are (secondary/primary) needs.
- 4.4 The challenge in (rural/urban) areas is to provide housing and employment.
- 4.5 A ... analysis is a test to see whether the business idea has the potential to succeed.

(5 × 2 marks) [10]

SECTION B: THE ECONOMY

[30]

Colour Printers is a factory that prints magazines, books, advertisements and flyers.

Question 5

- 5.1 List TWO inputs used in the Colour Printers factory. (2)
- 5.2 Discuss capital as a factor of production used in this business. (4)
- 5.3 Colour Printers is about to expand their factory to double their factory. A printing business uses vast amounts of paper and electricity. What effect will this expansion have on economic growth and the environment in this area? Give reasons for your answer. (10)

[16]

Question 6

- 6.1 Explain how Color Printers can use recycling to satisfy the needs and wants of their customers. (4)
- 6.2 Suggest ways Color Printers can improve inequality and injustice in their business and in the area where their labourers live. Give reasons for your answer. (10)

[14]

SECTION C: FINANCIAL LITERACY [40]

Question 7

- 7.1 Define a budget. (2)
- 7.2 List ONE component of a budget. (1)
- 7.3 Mduzi, a manager at Colour Printers gives you the following information.
Salary, R28 500; investments, R15 000, House, R350 000, vehicle, R125 600;
clothes, R5 750, Edgars store account, R3 250; Loan: Rabobank, R189 560;
Equipment, R25 900; Credit card, R8 900.
- 7.3.1 Identify the purpose of a statement of net worth. (2)
- 7.3.2 Calculate Mduzi's net worth. (13)
- 7.3.3 Do you think his investment is the best decision? Give reasons for your answer. (6)
- 7.3.4 Comment on Mduzi's net worth. (8)
- [32]

Question 8

- 8.1 Explain the following terms and give ONE example of each that relates to Colour Printers:
- 8.1.1 Financial records (3)
- 8.1.2 Income (3)
- 8.2 Discuss how a business budget will assist the owners of Colour Printers. (4)
- 8.3 Explain expenses and how they affect the profit of Colour Printers. (4)
- 8.4 Explain how a community savings scheme will help the factory workers at Colour Printers. (4)
- [18]

SECTION D: ENTREPRENEURSHIP [30]

Question 9

- 9.1 Identify the business sector that Colour Printers belongs to. (1)
- 9.2 Discuss the role of informal businesses in the community as producers to Colour Printing. (4)
- 9.3 Compare formal and informal business. (6)
- 9.4 Give your opinion on how a natural disaster such as a forest fire would affect Colour Printers. (6)
- [17]

Question 10

- 10.1 Name THREE components of a selling price. (3)
- 10.2 Define advertising. (2)
- 10.3 Color Printers have decided to expand their business. Do you think they should do a SWOT analysis before making a final decision? Give reasons for your answer. (8)
- [13]

**Additional end-of-year examination
TERM 3 EXAMINATION (100 MARKS)**

Section	Ques.	Topic			Cognitive level			Marks
		Economy	Fin Lit	Entrep.	1	2	3	
A	1	2, 2	2,2	2	10			40
	2	2	2, 2	2, 2		10		
	3	2, 2	2, 2	2	10			
	4	2	2, 2	2, 2	10			
B	5	16			2	4,	10	30
	6	14				4	10	
C	7		32		2, 1	2, 13	8, 6	50
	8		18		1, 1	2, 2 , 4, 4, 4		
D	9			17	1	4, 6	6	30
	10			13	3	2	8	
		42	66	42	41	61	48	150
Req. Mark		45	60	45	45	60	45	150
Required %		30%	40%	30%	30%	40%	30%	

**Additional end-of-year examination
MEMORANDUM**

SECTION A

QUESTION 1: MULTIPLE CHOICE

- 1.1 Capital
- 1.2 Owner's equity
- 1.3 Mass production
- 1.4 Diamonds, coal, platinum and gold (5 × 2 marks) [10]

QUESTION 2: MATCH COLUMNS

- 2.1 A
- 2.2 E
- 2.3 D
- 2.4 B
- 2.5 C

QUESTION 3: SELECT THE CORRECT WORD

- 3.1 Trading
- 3.2 Balance sheet
- 3.3 Productivity
- 3.4 EFT
- 3.5 Variable

Question 4

- 4.1 Expenses
- 4.2 Owner's equity
- 4.3 Primary
- 4.4 Rural
- 4.5 SWOT

SECTION B: THE ECONOMY

Question 5

- 5.1 paper; ink; electricity (any 2)
- 5.2 Capital has been used to buy✓ the printing machinery used to print✓ magazines, books, advertisements and flyers. The machinery is a capital asset of the business✓, without which the business could not produce the printed material at the level of quality required✓. (4)
- 5.3 Expanding the business will have a positive effect✓ on economic growth in the area because the business will need to employ more labour✓ and pay local contractors for the additional building, fixtures and fittings✓ that will be needed. More employment means more money✓ will circulate in the local economy, as workers buy goods and services to meet the needs of their households✓. The expansion will place more pressure on the environment✓ as the business consumes more electricity, paper and inks✓. To avoid negative effects on the environment✓, the business should investigate using solar or wind power to supplement its electricity needs✓, and make sure that the paper it uses is sourced from forests specially grown for paper production✓. (10)
[16]

Question 6

- 6.1 Colour Printers could offer their customers a range of recycled paper✓ for their brochures and leaflets✓. In addition, any paper off-cuts and wastage✓ from their printing processes should be sent for recycling✓. (4)
- 6.2 Colour Printers must follow all applicable labour regulations✓ in its dealings with its staff. By paying fair wages✓ and granting employee benefits✓, the business contributes to a decent standard of living for its workers✓. They should also help the local community through social responsibility activities✓, perhaps by assisting local schools and community projects✓. Having a large, stable and sustainable business✓ operating ethically in the area✓ will contribute to social upliftment✓. Providing workers with skills and training✓ also contributes towards fighting inequality✓ and injustice in the area✓. (10)

SECTION C: FINANCIAL LITERACY

Question 7

7.1 A plan of how much money a business will have and have to spend it.

7.2 Receipts/payments/surplus (deficit)

7.3.1 how much a person is worth after subtracting his liabilities (debts) from his assets (possessions)

7.3.2

Statement of net worth for Mduzi		
Assets:		✓ 522 250
Investments	✓ 15 000	
House	✓ 350 000	
Vehicle	✓ 125 600	
Clothes	✓ 5 750	
Equipment	✓ 25 900	
Liabilities		✓ 451 710
Mortgage bond: Rabobank	✓ 250 000	
Edgars store account	✓ 3 250	
Loan: Rabobank	✓ 189 560	
Credit card	✓ 8 900	
Net worth		✓✓ 70 540

7.3.3 Learners' own answers.

7.3.4 Learners' own answers.

Question 8

8.1.1 To keep records of financial events

8.1.2 Income is the payment a person receives for selling goods or their time, providing services or investing money.

8.2 To keep track of their expenses

Help them with their cash flow

To plan for the future for example for expansion purposes.

8.3 Expenses is the money a person spends to buy goods and services provided by someone else.

It will decrease the profit of colour printer.

8.4 They can save money to buy things they want.

If they cannot afford to open a bank account or the bank service fees it will still give them a savings option.

SECTION D: ENTREPRENEURSHIP

Question 9

- 9.1 Secondary sector (1)
- 9.2 Informal businesses seldom have money to spend on printing✓ but may place small orders✓ for advertising leaflets or a poster✓ that could be used locally✓. (4)
- 9.3 An informal business does not pay any income tax✓, whilst a formal business does✓. An informal business is generally a subsistence business✓, a formal business aims to grow✓. An informal business operates irregular hours✓, a formal business opens for regular business hours✓. An informal business may use casual labour✓, a formal business employs casual and permanent workers according to labour laws✓. (Any 6) (6)
- 9.4 A forest fire would destroy the source✓ of Colour Printers' paper✓ and take many years to regrow. Initially, paper suppliers would be able to supply printing needs from stock✓, but later paper would have to be sourced from other forests not affected by the fire✓. This might increase the cost of paper✓ and cause delays in delivery✓. Colour Printers could face financial difficulties✓ if they had contracted to supply printed material based on old, lower prices✓. (Any 6) (6)
- [17]

Question 10

- 10.1 Variable costs✓, fixed costs✓ and profit✓. (3)
- 10.2 Advertising relates to any action taken to draw public attention✓ to goods, services or events, through printed or electronic media✓. (2)
- 10.3 Colour Printers definitely should carry out a SWOT analysis✓ before spending money on expanding their business. They need to have a current assessment✓ of:
- their strengths✓ that will help carry their plans forward✓;
 - any weaknesses in the organisation or their plans✓ that need to be addressed before spending large sums of money;
 - opportunities that can be exploited✓ to carry their plans forward and contribute to the success of their expansion✓; and
 - all possible threats to their plans and future increased business opportunities✓.
- (8)
- [13]

Glossary

Accounting cycle: describes the process of recording financial transactions from the time the transaction occurred to the time it appears in the financial statement

Accounting equation: Assets = owner's equity + liability

Accounting period: the financial year – the period for which a firm prepares its internal or external accounts; the period covered by the financial statements.

Assets: everything that belongs to a business, such as money in the bank, a cash register, a car and so on

Bank charges: the money a financial institution makes you pay for managing your money

Budget: a plan of how much money you have and how you spend it – an estimate of future income and expenses

Credit card: a bank card that allows you to pay for something on credit

Current assets: trading inventory, bank account, petty cash, debtors control, fixed deposit

Current bank account: a cheque account

Electronic banking: the use of electronic means to transfer funds directly from one bank account to another

Epidemic: a sudden, widespread occurrence of a disease or illness in a community at a particular time. Health epidemics can cause hardship and financial loss for individuals or businesses. Examples are TB, cholera, certain strains of influenza

Expenses: money you spend to buy in goods and services provided by someone else

Financial institution: a place whose main function is to keep other people's money safe

Fixed assets: land, buildings, vehicles and equipment

Goods: products that you can see or touch, such as bread, milk, clothing items

Income: the money you receive for selling goods, your time, providing services or investing money

Liabilities: debts that a business or individual has to pay

Non-renewable resources: resources that cannot be replaced

Operating expenses: expenses paid out to run a business

Overhead costs: business expenses such as rent that are not directly attributable to any department or product

Personal budget: drawn up by individuals and households to help them plan and control income and expenditure

Personal income: salary, wages, commission

Primary sector: sector of the economy that produces raw materials

Promissory note: a written promise to pay or repay a given sum of money at a given time

Recycling: processing used materials into new products

Renewable resources: resources that can be replaced

Secondary sector: sector of the economy that uses raw materials to produce finished goods

Services: actions that businesses perform for you, e.g. dry-cleaning, taxis to transport you

Source document: the original record that contains the details of the transaction

Tertiary sector: sector of the economy that produces services

Transactions: an exchange between parties

Variable costs: costs that are directly linked to making a product, for example the cost of the raw materials

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