



UNIVERSITY OF JOHANNESBURG
FACULTY OF EDUCATION
NOVEMBER EXAMINATION 2014

PROGRAMME: B Ed
MODULE: Economics and Management Sciences for Teachers 1B
CODE: EMT1B20
TIME: 2 Hours
MARKS: 100
EXAMINER: Dr M Bounds
MODERATOR: Mr M Kara
(This paper consists of 9 pages)

INSTRUCTIONS:

1. Answer all Questions.
2. Use the special sheet in question paper to answer Question 2 and Question 4.
Submit the question paper and your answer sheets.
3. Calculators are allowed.

QUESTION 1**[MARKS: 14]**

1. Four people want to go into business together. They are unsure what form of ownership they should enter into. They come to you for advice. Assist them in their choice by explaining the following to them.
 - 1.1. The difference between limited and unlimited liability. (4)
 - 1.2. If the partnership was declared insolvent, who will be liable for the losses? Why? (4)
 - 1.3. Because of the many disagreements, it is wise to draw up a proper partnership agreement. Elaborate on key issues which you think must be included in the partnership agreement. (6)

QUESTION 2**[MARKS: 24]**

An entrepreneur who wants to manage and own a profit running business will look at different forms of ownership. He /she will compare the following: establishment /Liability and legal position / continuity / capital and profit sharing.

- Use and complete the table. (ON PAGE 7)

QUESTION 3**[MARKS: 38]**

- 3.1 Explain how money, factors of production, goods and services will flow in the economic cycle. (12)
- 3.2 Explain in your own words what economic growth and development means, and why is it important for South Africa. (10)
- 3.3 List four things that will have a negative effect on the economic growth of a country. (8)
- 3.4 Explain the purpose of the Budget. (8)

QUESTION 4**[MARKS: 24]**

The following transactions were extracted from the books of Tebogo Traders. Analyse each transaction and post to the Ledger of Tebogo Traders. Use the special sheet provided in your question paper to answer this question

Post to the following accounts:**Balance Sheet Accounts**

Capital	R20 000	Drawings	R 800
Office Equipment	35 000	Bank	15 000

Nominal Accounts

Rent Expense	R800	Service Fees	R 900
Telephone	890		

Transactions:**November 2014**

- 1 Tebogo invests R50 000 for her trading store as capital.
2. The business pays R1750 rental for April.
- 3 Office equipment purchased for R10000 cash.
4. Printers Ltd supply printing and stationery amounting R1200 to the business on credit.
- 15 Received an amount of R1500 for services rendered.
- 20 The business sells goods to Y. Nompula and debits her account with R800.
- 25 Pays wages for the week, R1000.
- 28 B. Kristal withdraws R400 from the firm's bank account for her own use.
- 29 Pays the monthly telephone bill, R300.
- 30 Pays R150 on account to Printers Ltd.
- 31 Receives the first payment from Y. Nompula R250.

ANSWER SHEET: QUESTION 4

GENERAL LEDGER OF

[illegible]

[illegible]

QUESTION 2

SOLE TRADER	PROFIT COMPANY
1. Establishment:	
2. Liability and legal position	
3. Capital	

4. Continuity	
5. Profit sharing and taxation	