



UNIVERSITY OF JOHANNESBURG
FACULTY OF EDUCATION
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SUPPLEMENTARY EXAMINATION 2014

PROGRAMME: B Ed
MODULE: Economics and Management Sciences for Teachers 1B
CODE: EMT1B10
TIME: 2 Hours
MARKS: 100
EXAMINER: Dr M Bounds
MODERATOR: Mr M Kara
(This paper consists of 7 pages)

INSTRUCTIONS:

1. Answer all Questions.
2. Use the special sheet in question paper to answer Question 2 and 5.
3. **Submit the question paper and your answer sheet.**

QUESTION 1**[MARKS: 5]**

Choose the correct answer (A - D) and only write the letter next to the question number (for example: 1.7 B.) Questions 1.1 to 1.5 below are related to Fakizwe's business.

1.1. Fakizwe has decided to open a hair salon Lovely Hair Salon. She starts the business on her own. Her form of ownership is a _____.

- A sole trader
- B partnership
- C close corporation
- D private company

1.2 Which statement about Fakizwe's business is true?

- A It has its own legal personality.
- B It allows for between 1 and 15 members.
- C It has continuity.
- D Liability is unlimited.

1.3 Who is responsible for the debts in a business?

- A The business
- B The owner
- C The manager employed by the owner
- D The bank manager

1.4 After a few years, Fakizwe decides to invite her friend Mpho to join her in her business because Mpho is a qualified beautician. The name of the business is changed to F&M Beauty Salon. What is the new form of business that is established?

- A Partnership
- B Close corporation
- C Private company
- D Sole trader

1.5 An association of people acting together to pursue their own interests by making certain benefits or savings available to its members is known as _____.

- A a close corporation
- B a partnership
- C farmers
- D a cooperative

QUESTION 2**[MARKS: 30]**

- Complete the missing blocks in the following table. (ON PAGE 7)
- Then explain which one below you would use to commence business as a small family jewelry business. Motivate your answer.

	SOLE TRADER	PARTNERSHIP	PUBLIC COMPANY
Number of Members			
Liability			
Name			
Continuity			
Management			
Sharing of profits			
Tax			
Main Establishment documentation			

QUESTION 3**[MARKS: 20]**

Read the following passage and answer the questions that follow:

Business is not just about making money. Most of South Africa's big companies have corporate social responsibility programmes. These are programmes in which the companies give something back to the communities around them. A typical example of this is the way First National Bank (FNB) invests in Community and Individual Development Association. To support CIDA, FNB has donated an office block worth R40 million which will be used to accommodate over 3 000 students. These students are highly motivated despite being from marginalised communities. FNB believes that people can control their destinies and ensure bright futures for themselves. And the most effective way to do this is through education.

- 3.1 It important for business to be involved with Social responsibility programmes .
What two aspects do such programmes try to address? (4)
- 3.2 Give two examples of companies you are aware of that are involved with Social Responsibility programmes. State that they are involved with. (4)
- 3.3 Name three ways in which Big Business can become involved with Social responsibility programmes, particularly in the South African context. (6)
- 3.4 Name two benefits the community can get from social responsibility efforts? (4)
- 3.5 What do you think, FNB will get in return, for this investment? (2)

QUESTION 4**[MARKS: 20]**

- 4.1 Discuss reasons why a country, like South Africa, involves the foreign sector in its economic cycle. (6)
- 4.2 Explain how money, factors of production, goods and services will flow in the economic cycle. (10)
- 4.3 Briefly discuss the effects of higher productivity on the economic growth of South Africa and global competition in general. (4)

QUESTION 5**[MARKS: 25]**

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 5

GENERAL LEDGER OF

[illegible]

[illegible]

Answer sheet for QUESTION 2.

Complete the missing blocks in the following table.

	SOLE TRADER	PARTNERSHIP	PUBLIC COMPANY
Number of Members			
Liability			
Name			
Continuity			
Management			
Sharing of profits			
Tax			
Main Establishment documentation			