

Grade

8

Senior Phase Teacher's Guide

**Economic and
Management
Sciences**



**WESTERN CAPE
Education Department**

Provincial Government of the Western Cape



ECONOMIC & MANAGEMENT SCIENCES GRADE 8

TEACHER'S GUIDE

TERM 1

WEEK 1

BASELINE ASSESSMENT

Revision of the learner's core knowledge of the Intermediate phase and Grade 7.

Methodology

1. Learners complete a written test as provided by the educator to determine their prior knowledge for Economic and Management Sciences.
2. Educator marks the test to determine shortcomings in the learner's prior knowledge.

Assessment

Informal: Baseline Test assessed by educator using a rubric and memo.

Example of baseline test

The following questions can be used as a baseline assessment. Refer to the format of the test in Examples of Planning and Assessment: Economic and Management Sciences – senior phase: February 2008. (Page 44-59) (Issued by WCED)

Question 1

1. List a characteristic of an entrepreneur. [2]
2. Name one medium that you can use to advertise a product. [2]
3. Identify a business activity that exists in the informal sector. [2]
4. List informal saving schemes that are used in South Africa. [2]

Question 2

1. Explain what a need is. [2]
2. Identify and explain one factor of production. [4]
3. Explain the power relationship between an employer and employee. [4]
4. Explain free and economic goods. [4]

Question 3

Describe a product or service that you want to sell and list 4 things that you would need to produce your product or render your service for. [8]

Total marks (30)

Integration

Languages
Mathematics
Life Orientation

Resources

Textbooks

WEEK 1 and 2
Economic Cycle
Historical development of money

Methodology

1. Ask questions to determine learners' understanding of the topic.
2. The following needs to be included when the content is explained:
 - Historical development of money
 - Bartering - exchange goods/services for other goods/services without using money (trade)
 - Metal money -people exchanged their gold and silver for letters of proof from the goldsmith
 - Paper money -letters of proof later developed into paper money
 - Role of the development of money in society:
 - Medium of exchange
 - Measure of value
 - Bearer of value
 - Etc.
 - Role of the development of money in the economy:
 - Makes trading easier
 - Makes savings possible
 - Etc.
3. Suggested formal activity: Poster – Historical development of money

Assessment

Suggested formal activity: Poster – Historical development of money

Formal Assessment Task 1

Activity 1: Poster

LO1: AS 8.1.1

Marks: 40

Instructions

1. Learners need to design an A3 poster depicting the development of money in South Africa and illustrate the role that money plays / has played in the South African economy.

Criteria	Illustration irrelevant and poorly expressed	Some points relevant and partially illustrated	Some points relevant and satisfactorily illustrated	Main points clearly illustrated
Content				
Identify time line of money	1	2	3-4	5
Identify specific types of money for different time periods	1	2	3-4	5
Does content address the SA context?	1	2	3-4	5
Illustration of the different roles of money	1 - 2	3 - 4	5 - 7	8 - 10
Presentation				
Layout (including size of poster)	1	2	3	5
Colour	1	2	3	5
Headings (Development flow)	1	2	3	5

Integration

Languages

Social Science

Resources

Textbooks, internet, encyclopedias, etc.

Vocabulary

Bartering	Medium of exchange	Metal Money	Paper money	Exchange	Value
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WEEK 3: Trade, role of banks in investment and savings for investment

Methodology

1. Educators do revision and consolidation of the economic problem, savings and investment.
2. **Explain the following concepts**
 - o Choice – making a decision about how to satisfy unlimited needs with limited resources
 - o Opportunity cost – what you need to give up in order to acquire something else
3. Educator leads discussion and explains:
 - o Trade: exchange of goods and services for money
 - Imports, bringing goods and services into a country
 - Exports, sending goods abroad to be sold.
 - o Importance of savings for investment:
 - Allows us to meet short term expected expenses
 - Allows us to deal with any emergencies that might arise
 - Increases the capital (infrastructure) in a country, more money available for investment
 - Gives people access to credit
 - Etc
 - o The role of banks in investing in the economy:
 - Keep money safe
 - Exchanges foreign money (currency)
 - Lends money to the public and businesses
 - Etc
4. Suggest that the educator use structured questions to informally assess the content of this assessment standard.

Assessment

Informal activity in the form of structured questions must be done in the learners' workbook

Examples of structured questions are: (Educator can add more questions)

1. Why do people make choices when they want to satisfy their needs?
2. What are opportunity costs?
3. Name two products that SA imports and from which countries.
4. Name two products that SA exports and to which countries.
5. Name two roles that banks play in investing in the economy.

Integration

Life Orientation

Languages

Social Science

Resources

Textbooks, encyclopedias, internet, etc.

Vocabulary

Trade	Import	Export	Savings	Investment	Banks	Foreign	Investing	Investors
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WEEK 4: Different economic systems

Methodology

1. Draw on learners' prior knowledge to establish what the learners know about the economic problem.
2. Educator explains the economic systems

Suggested content (**educators can list other countries with these** examples)

- Centrally Planned Economy (e.g. Socialism and Communism) – government owns resources and controls all economic activities in a country e.g. Cuba, China, etc.
 - Market economy (e.g. Capitalism) – private individuals own the resources of the country and can use them to produce goods and services for a profit e.g. United States of America
 - Mixed economy – government and private individuals own the resources of a country and they both produce goods and services e.g. South Africa
 - How do these systems address the economic problem? Answering the questions below will indicate how the economic systems addresses the economic problem:
 - What to produce – Do we produce goods to be used by households, government or for foreign trade
 - How to produce - How does government / individuals allocate resources (factors of production) for production and production techniques
 - Who to produce for – government, private individuals or foreign sector
3. It is suggested that an informal class test on all assessment standards covered to date be conducted.

Assessment

Informal assessment

Educator can set a class test covering assessment standards 8.1.2, 8.1.3 & 8.2.3.

Integration

Social Science

Life Orientation

Resources

Textbook, newspapers, television, internet

Vocabulary

Socialism	Communism	Export	Factors of production	Production techniques
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WEEK 5 and 6: Trade Unions

Methodology

1. Draw on learners' prior knowledge to establish what they know about:
 - power relationships between the employee and the employer
 - the rights and responsibilities of the employee and employer
2. Educator needs to explain the concept of trade unions to learners:
 - A trade union is an organisation formed by employees (workers) to improve their working conditions through collective bargaining.
 - Most SA trade unions are affiliated (have links with) to the following three main trade union federations:
 - Congress of South African Trade Unions (COSATU)
 - The Federation of Unions of South Africa (FEDUSA)
 - The National Council of Trade Unions (NACTU)

- Role of trade unions:
 - Protecting workers rights
 - Negotiate wage increases
 - Negotiate improved safety conditions with employers
 - Improve the standard of living of workers
 - To promote job satisfaction
 - To form a bargaining council with employers
 - To take strike action if collective bargaining fails
 - Etc.

- Rights and Responsibilities of Unions:
 - To follow labour legislation affecting workers
 - To go into factories and businesses and recruit members
 - Give members good advice
 - To ensure that there are no undue disruptions at the work place
 - Unions need to be registered
 - Etc.

3. Suggested formal activity: Case Study – Trade Unions

Assessment

Formal Assessment Task 1

Activity 2 – Case Study

LO 1: AS 8.1.4

Marks 40

(Must be completed in the classroom under controlled conditions)

Employers, trade unions rapped over the knuckles.

Analysts say parties are too quick to haul each other before the CCMA writes S'thembiso Nsomi.

Employers and organized labour have come under fire from labour analysts for inflexibility in collective bargaining, resulting in unnecessary strikes and legal disputes.

Labour Minister Membathisi Mdladlana this week released the Industrial Action annual report. It shows 3.8 million man-days were lost following strike action last year.

Analysts warn that the figure is likely to be far higher this year unless the public service sector wage dispute is resolved soon. Central government was the least affected by industrial action last year. It is feared that a full-blown strike by civil servants could have severe consequences.

Because of the sheer size of the civil service, a one-day strike could easily result in the loss of 800 000 workdays. The conflicting labour relations environment prevalent in SA is blamed for a dramatic 35% increase in the number of disputes brought before the Commission for Conciliation, Mediation and Arbitration (CCMA). The commission's director, Thandi Orleyn, says an average of 344 new cases is referred to the CCMA each working day.

Orleyn says some parties appear willing to "haul" each other to the CCMA "at the drop of a hat" on trivial issues.

Addressing a media briefing this week Mdladlana appealed to employers and trade unions to resolve their disputes internally and allow the CCMA to be better utilized by unorganised workers.

At the beginning of the year we predicted there was going to be an increase in industrial action as a result of a number of factors including the downward pressure on wages and a fall in interest rates. But another problem is the rule of thumb which exists in SA collective bargaining which says you do not settle for less than what you got in the last wage negotiations. This clearly results in conflict as unions want higher increases than the previous year while employers want to settle for the same, if not lesser, percentage than the previous year.

The manufacturing sector had the highest number of industrial disputes, 86, last year – resulting in the loss of 2 440 406 workdays. Although the CCMA has a severe work overload, the body has been praised by Mdladlana for helping to avert a substantial number of strikes in various industries.

Adapted from the Business Times

Questions

- (a) What according to labour analysts are the reasons for unnecessary strikes and legal disputes? [2]
- (b) What is the name of the organisation that settles a large number of labour disputes in SA? [2]
- (c) What would be the cause of a strike by the civil service? [2]
- (d) How should disputes in the workplace be handled? [2]
- (e) What does 'unorganised workers' mean? [2]
- (f) Discuss FOUR roles of a trade union. [8]
- (g) Do you have to belong to a union to enjoy one's rights as a worker? Explain briefly. [4]
- (h) Name FOUR responsibilities of a trade union. [8]
- (i) Name the biggest trade union in South Africa. [2]
- (j) What are the international consequences of strikes? [4]
- (k) How can strikes be avoided? [4]
- [40 marks]

Possible answers to Case Study

- (a) The inflexibility of unions and employers during the bargaining period ✓✓
- (b) CCMA ✓✓ [Commission for Conciliation, Mediation and Arbitration
- (c) A wage dispute ✓✓
- (d) Disputes should be resolved internally ✓✓
- (e) Workers who do not belong to a union ✓✓
- (f) To take strike action
- the unions can call a strike when all negotiations have failed
 - To form bargaining councils with employers
 - the unions can recruit workers within the workplace
 - To improve the standard of living of workers
 - through wage negotiations, better working conditions
 - To promote job satisfaction
 - safe environment
- [or any other correct answer] ✓✓ ✓✓ ✓✓ ✓✓ (Any 4 x 2)
- (g) No ✓✓ All workers are protected by the labour legislation laws ✓✓
- (h) Negotiate improved working conditions for workers
- Maintain peaceful relations with employers to maintain productivity
 - Not to be associated with any political party
 - Must register the union
- [or any other correct answer] ✓✓ ✓✓ ✓✓ ✓✓ (Any 4 x 2)
- (i) COSATU ✓✓
- (j) International investment will decrease
- Exports will decrease, resulting in job losses
- [or any other correct answer] ✓✓ ✓✓ (Any 2 x 2)
- (k) Inflation should be considered when wages are negotiated
- Disputes should be handled internally
- [or any other correct answer] ✓✓ ✓✓ (Any 2 x 2)

Integration

Social Science
Life Orientation
Languages

Resources

Textbooks, internet, <http://www.labournet.co.za>, current newspapers

Vocabulary

Trade unions	Strike	Collective bargaining	Negotiate	Working conditions	Federation
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WEEK 7: Inflation

Methodology

1. Educator will explain the meaning of inflation to the learners:

- Inflation – can be described as a continuous rise in prices across the national economy over an extended period of time.
- Types of inflation – Demand-pull: price increases caused by demand exceeding supply
Cost-push inflation: price increased by an increase in production costs.
- Inflation rate – percentage increase in the price of goods and services over a period of one year.
- Reasons for changes in inflation: large rise in the price of petrol, increase in individual price of a single item that carries a significant weight on the price index, price of raw material increase, etc.

Example - Skill: Understanding a change in price over time

Items	2005: Prices	2008: Prices
1 loaf of brown bread	R6,00	R8,00
1 tin of No Name bake beans	R3,00	R5,50
1 fizzy lollipop	R1,00	R1,50
Total	R10,00	R15,00

This means that the total price of the above goods have increased with an average of R5,00 over the past 4 years.

2. Learners complete a self assessment activity to consolidate this concept.

Assessment

Informal assessment – Self assessment activity

1. Analyse the changes in the price of the product and calculate the change in price from 2000 to 2004.
2. Did the value of money decrease or increase. Motivate.
3. What does 10% represent?
We will start with a product that cost R1 500 in 2000 and then increase the price by 10%:

Memorandum: **Question 1:**

Year	10%
2000	R1 500,00
2001	R1 650,00
2002	R1 815,00
2003	R1 996,50
2004	R2 196,15

Adapted from Successful Oxford: Economic Management Sciences

Assessment rubric (for question 1)

Task	Outstanding achievement	Achieved	Partially Achieved	Not yet achieved
Calculate the increase in price of the product due to inflation over time	I easily & correctly calculated the increase in price due to inflation over time	I managed to correctly calculate the increase in price due to inflation time	I calculated the increase in price due to inflation over time with some help	I could not calculate the price increase due to inflation over time

Question 2: It has decreased. Learner needs to motivate (any acceptable answer)

Question 3: Represent the inflation rate

Integration

Languages
Social Science
Life Orientation

Resources

Text books, internet etc

Vocabulary

Inflation	Demand pull inflation	Cost pull inflation	Inflation rate
Production cost	Demand and Supply		

WEEK 8 and 9

Financial concepts

Methodology

1. Explain the following concepts in a business to the learners:

ASSETS (possessions of a business)		
Fixed Assets (lasts longer than 12 months)	Investments (for enrichment)	Current Assets (In the form of cash or can be converted into cash in less than 12 months)
<ul style="list-style-type: none"> ○ Land and buildings ○ Vehicles ○ Equipment 	<ul style="list-style-type: none"> ○ Fixed deposit ○ Savings ○ Shares 	<ul style="list-style-type: none"> ○ Bank) ○ Trading stock ○ Cash float ○ Petty cash ○ Debtors Control
LIABILITIES (money borrowed by the business)		
Long-term Liabilities (longer than 12 months)	Current liabilities (less than 12 months)	
<ul style="list-style-type: none"> ○ Mortgage loans ○ Loans 	<ul style="list-style-type: none"> ○ Creditors Control ○ Bank overdraft 	
OWNER'S EQUITY		
<ul style="list-style-type: none"> ○ Capital 	<ul style="list-style-type: none"> ○ Drawings 	
Income	Expenses	
<ul style="list-style-type: none"> ○ Current income ○ Rent income 	<ul style="list-style-type: none"> ○ Rent expense ○ Salaries & wages ○ Material costs ○ Stationery ○ Etc. 	

(Refer to: Accounting Preparing for Grade 10 Training Manual 2006 for more examples of income and expenses)

2. Learners must draw the following table in their workbooks and complete the table to determine whether they can differentiate between the different financial concepts (expand the exercise to include more examples):

Transactions	Fixed Asset	Current Asset	Liability	Owner's equity	Income	Expense
e.g. Service rendered					✓	
1 Pens and pencils used in the business						
2 The owner paid for his son's school fees with business money						
3 Weekly wages						
4 Vehicles						
5 Deposited money in our bank account						

Adapted from Business Today Grade 8 (Maskew, Miller, Longman)

3. *Explain* the Accounting Equation to the learners. (**We only use cash transactions and deal with a service business in grade 8**)

- ⇒ Use the accounting equation exercise that follows to explain the steps on how to complete the accounting equation
- ⇒ Steps followed when analysing transactions according to the Accounting Equation:
- Identify accounts – choose which 2 accounts are involved, bank (cash) and 1 other
 - Classify accounts – Assets or Owner's Equity
 - Show the learners how to complete the accounting equation by applying / using the following steps: (dates refer to the transaction in example following this explanation)
 - We always start with the date. The year and month is written once at the beginning and the day is written every time for a new transaction
 - New transactions are started in a new line. There is no need to leave open lines between transactions. Transactions on different dates can't be on the same line.
 - If the account is classified as an Asset, they need to state the following:(14th)
 - Under **effect**, whether assets have increased with a + or decreased with a – and by how much (amount), e.g. **+100 000**
 - Under **reason** the specific account must be mentioned and whether it has **increased** or **decreased**, e.g. **Cash decreased**
 - If the account is classified as capital they need to state the following:(see 1st)
 - (We only deal with an increase in capital)
 - Under **effect**, indicate an increase in owner's equity with a + and the amount, e.g.**+135 000**
 - Under **reason**, they need to write **Capital contribution**
 - If the account is classified as Drawings: (see 21st)
 - Under **effect**, indicate the decrease in owner's equity with a – and the amount, e.g. - **500**
 - Under **reason**, they need to write **Drawings**
 - If the account is classified as an income: (19th & 30th)
 - Under **effect**, indicate the increase in owner's equity with a + and the amount, e.g. **+2 000** or **+2 500**
 - Under **reason**, they need to write either **Income earned** (Current income is also acceptable) or **Rent income – income** (the dash is instead of writing is an)

- If the account is classified as an expense: (11th)
 - Under **effect**, indicate the decrease in owner's equity with a – and the amount, e.g. - **100**
 - Under **reason**, they need to write the name of the expense account and indicate that it is an expense, e.g. **Material costs - expense**
- Liabilities – liabilities are only dealt with in grade 9 Accounting
- See Accounting Preparation for grade 10 Training Manual (page 5 to 11) for examples on the accounting equation

WEEK 8 & 9 continue

3. Complete the accounting equation exercises that follow with the learners. You will need to create at least 2 or 3 more exercises for learners to consolidate the accounting equation. Learners need to do at least 2 accounting equation exercises for homework, marked in class.

EXAMPLE (TO BE USED WITH THE EXPLANATION ABOVE):

Instruction:

Show what effect each of the following transactions has on Assets and/or Owner's Equity.

Information

Miss B. Boom started a catering business called Miss Party after she finished Hotel School. Her transactions for the first month of trading were:

March 2009

- 1 She deposited R135 000 in a current banking account as her capital contribution.
- 7 Bought two industrial mixers at R2 500 each.
- 11 Purchased oil and cleaning materials from Makro and paid by cheque, R100.
- 14 Purchased a building near the airport to trade from. Paid R100 000 for it.
- 19 Catered for a function held at the CTICC and received a cheque for R 2000 from Kula Traders.
- 21 The owner took R500 to take his cousin out for supper at Dega Delicious.
- 30 Received R2 500 from F. Fortuin. This is his rent for part of our premises that we are not using.

Effect on Assets and Owner's Equity							
Date		Assets		Owner's Equity		Liabilities	
		Effect	Reason	Effect	Reason	Effect	Reason
2009							
Mar	1	+135 000	Cash increased	+135 000	Capital Contribution		No effect
	7	- 5 000	Cash increased				No effect
		+5 000	Equipment increased				
	11	- 100	Cash decreased	- 100	Material cost – expense		No effect
	14	- 100 000	Cash decreased				No effect
		+ 100 000	Land and building increased				
	19	+ 2 000	Cash increased	+ 2 000	Income earned		No effect
	21	- 500	Cash decreased	- 500	Drawings		No effect
	30	+ 2 500	Cash increased	+ 2 500	Rent income – income		No effect

Additional exercise

Instructions

Show what effect each of the following transactions has on Assets and/or Owner's Equity.

Information

Mr. K. Kama started a painting business called Paints for Africa. His transactions for the first month of trading were:

May 2009

- 1 He deposited R40 000 in the business' bank account as his capital contribution.
- 9 Paid the wages for the week. We have 5 workers who each earn R100 per day.
- 14 Purchased delivery scooters from Moto Traders for R10 000 each.
- 21 Painted 5 houses and received R5 000 per house.
- 30 The owner took R1 500 to pay his son's school fees.
- 31 Sold one of the delivery scooters purchased on the 14th and received R10 000 for it.

Effect on Assets and Owner's Equity							
Date		Assets		Owner's Equity		Liabilities	
		Effect	Reason	Effect	Reason	Effect	Reason
2009							
May	1	+40 000	Cash increased	+40 000	Capital contribution		
	9	-2 500	Cash decreased	-2 500	Wages – expense		
	14	-20 000	Cash decreased				
		+20 000	Vehicles increased				
	21	+25 000	Cash increased	+25 000	Income earned		
	30	-1 500	Cash decreased	-1 500	Drawings		
	31	+10 000	Cash increased				
		-10 000	Vehicles decreased				

Assessment

Informal assessment

Learners need to complete the worksheets for homework, marked in class by learners, done by educator on projector / board

Formal Assessment Task 1:

Activity 3 - Example of a March Control Test (70 marks, 1 hour)

LO 1: AS 8.1.1; 8.1.2; 8.1.3; 8.1.4; 8.1.5

LO 3: AS 8.3.1

Question 1

State whether the following statements are TRUE or FALSE:

- 1.1.1 The exchange of goods and services for money is called bartering. [1]
- 1.1.2 South Africa has a mixed economic system. [1]

Fill in the missing word(s):

- 1.1.3 Human needs are unlimited and its resources to satisfy it, is [2]
- 1.1.4 Trade unions negotiate with employers through theprocess. [2]
- 1.1.5 Name one of the biggest trade unions in South Africa. [2]

Question 2

Study the information below and answer the questions that follow.

MEMORANDUM - SUGGESTED MARCH CONTROL TEST

Question 1

- 1.1.1 False ✓
- 1.1.2 True ✓
- 1.1.3 limited/scarce ✓✓
- 1.1.4 collective bargaining ✓✓
- 1.1.5 COSATU, FEDUSA, NACTU ✓✓

Question 2

- 2.1.1 Machinery ✓
- 2.1.2 Not enough skilled labour in South Africa to produce manufactured goods ✓✓
- 2.1.3 Natural / cultured pearls ✓
- 2.1.4 Market economy
 - private individuals produce goods and services, have the right to make a profit and can own property, etc. ✓ ✓ ✓ (any 3 x 1)
 - Planned economy
 - government produce goods and services, profit-motive is not a consideration when producing, government owns all factors of production, etc. ✓ ✓ ✓ (any 3 x 1)
- 2.2 Demand-pull- inflation ✓ : demand for goods and services exceed the supply ✓✓
Cost-push-inflation ✓ : increase in the cost of production ✓✓

Question 3

- 3.1 To follow legislation regarding strike action
To go into factories and businesses and recruit members
Give members good advice
To ensure that no undue disruption at work takes place
Union must be registered
✓ ✓ ✓ ✓ (Any 4 x 1)
- 3.2 Role of trade unions (guideline for possible answers)
Protecting workers rights
Negotiate wage increases
Negotiate employers improve safety conditions
Improve the standard of living of workers
To promote job satisfaction
Etc.
✓ ✓ ✓ ✓ (Any 4 x 1)
- 3.3 (Educator needs to apply discretion on current trade union affairs)
International investment will decrease
Exports will decrease, resulting in job losses
[or any other correct answer]
✓✓ ✓✓ (Any 2 x 2)

Question 4

Effect on Assets and Owner's Equity							
Date		Assets		Owner's Equity		Liabilities	
		Effect	Reason	Effect	Reason	Effect	Reason
2009							
April	1	+100 000✓	Cash increased ✓	+100 000✓	Capital Contribution✓		
	9	-25 000✓	Cash decreased ✓				
		+25 000✓	Equipment increased ✓				
	14	+10 000✓	Cash increased ✓	+10 000 ✓	Income earned ✓		
	19	-6 000✓	Cash decreased ✓	-6 000✓	Drawings ✓		
	27	-850✓✓	Cash decreased ✓	-850✓✓	Telephone–expense✓		
	28	+12 500✓✓	Cash increased ✓				
		-12 500✓✓	Equipment decreased ✓				
	30	+3 000✓✓	Cash increased ✓	+3 000 ✓✓	Rent income-income ✓		

Note to educator: if dates are left out -1, if learners scratch out or do pencil corrections -1 (max -2 for whole question)

Integration

Mathematics

Language

Vocabulary

Financial concepts (all)	Accounting Equation
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WEEK 10

Methodology

1. Revision
2. Formal Assessment Task 1
Activity 3: Control Test
(All assessment standards covered in Term 1)
3. Remember that the requirements for a Control test is between 70 and 100 marks (control test may count more than 100). Questions need to address different levels of difficulty (refer to Bloom's Taxonomy)
2. There must a good balance between Accounting, Business Studies and Economics in the question paper.
3. Record all formal assessment tasks done during term 1:

Assessment Task 1

Activity 1: Poster – Historical Development of Money

Activity 2: Case Study

Activity 3: Control test Refer to Examples of Planning and Assessment: Economic and Management Sciences – senior phase: February 2008. (Issued by WCED)

TERM 2

WEEK 11 and 12

The National budget and its influence on growth and redressing economic inequalities.

Methodology:

1. Briefly revise apartheid economic policies, meaning of redress and economic growth.
2. Educator explains:
 - National budget – financial plan drawn up by government for a specific period (normally one year) explaining how the government will collect taxes and how the revenue (income) will be spent (expenditure)
 - How national budget influences economic growth – tax concessions to businesses, infrastructure expenditure, etc.
 - How the national budget addresses economic inequalities – housing projects, welfare grants, access to affordable healthcare and education etc.
3. Give learners a copy of the suggested formal assessment task.

Assessment

Formal Assessment Task 2

Activity 1: Data response and Research Project

LO2: AS: 8.2.1

Marks: 50

Instructions

1. Activity 1A – Data response (30 marks)
Give learners a copy of the activity found on page 22 – 23 of Examples of Planning and Assessment: EMS Senior Phase – February 2008: Issued by WCED
2. Activity 1B – Research (20 marks)
Learners must collect relevant and current information from the national budget and compare Government's expenditure to 2007's information. Draw conclusions from your findings (Page 22 – 23) of Examples of Planning and Assessment: EMS Senior Phase – February 2008 (Issued by WCED)

Suggested Marking Rubric for Activity 1 B

CRITERIA	LEVELS			
	0 = Not achieved	1-2 = Partially achieved	3 = Achieved	4 = Outstanding/excellent achievement
Collection of information	Unable to investigate and collect the information/data	Can investigate information/data when told what to collect and where to find it	Able to investigate and collect most relevant information/data	Able to investigate and collect all relevant information/data
Information current	Information/data irrelevant and poorly expressed	Relevant information and partially expressed	Relevant and satisfactorily expressed	All Information/data current and up to date
Comparison of information	Cannot compare information/data	Comparisons are relevant and partially expressed	Comparisons are relevant and satisfactorily expressed	Can compare data and expressed main points clearly
Drawing conclusions	Conclusions poorly expressed	Relevant and partially expressed	Relevant and satisfactorily expressed	Main points clearly expressed
Presentation	Unsure of what and how to present data and findings	Insecure when presenting data and findings	Can present data and findings but shows lack of detail	Can present data and findings neatly (written) and articulately (oral)

Integration

Languages
Life Orientation
Mathematics

Resources

Examples of Planning and Assessment: EMS Senior Phase – February 2008: Issued by WCED, textbooks, newspapers, internet.

Vocabulary

National Budget	Expenditure	Economic growth	Economic inequalities
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WEEK 13**How the RDP could have been used to stimulate economic growth and restructuring****Methodology**

1. Educator explains:

- RDP – policy that was introduced to correct the wrongs of the past and uplift the masses of people in the country. A programme to improve living conditions for all.
- Aims of RDP – Provision of basic needs, development of human resource skills, economic growth, etc.
- The RDP and stimulating economic growth – improving infrastructure, developing skills, etc.
- The RDP and stimulating restructuring – job creation, medical care, access to drinking water, electricity, etc.

2. Suggested informal assessment opportunity.

Assessment

Informal activity

1. Learners can investigate what other programmes government has put in place to promote economic growth and restructuring.
2. Learners can report their findings back to the class.

Integration

Life Orientation
Language

Resources

Text books, newspaper, internet, etc.

Vocabulary

Restructuring	Economic Policy	RDP
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WEEK 14

Jobs/Employment

Methodology

1. Educator explain:

- Jobs – Any activity that requires mental or physical effort for which you will receive a wage or a salary
- Describe in terms of levels: High level: people who have received specialised tertiary education
Middle level: people who have some intellectual ability but no specific training
Low level: people who did not receive any formal training.
- Categories: **Skilled** (white collar jobs) : they normally have an academic or technical qualification, they specialise in their work e.g. doctors, electricians, etc.
Semi-skilled: people that have some training (schooling) e.g. clerical staff, mine workers, etc.
Unskilled (blue collar jobs): people that have no training e.g. street sweeper
- Remuneration: Top level: highly skilled workers, very high salaries
Middle class – skilled workers, fairly high salaries
Middle level: Schooled – fairly low salaries
Low level: Unschooled – low wages
Semi-schooled – low wages
- Responsibilities: Top level: make decisions to ensure success of business
Middle level: Implementation of decisions made by top level
Low level: Have to perform actual task to ensure success of business

Assessment

Informal class discussion

Integration

Life orientation
Language

Resources

Text books, newspaper, internet, etc.

Vocabulary

Remuneration	Blue collar jobs	White collar jobs
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WEEK 15, 16 & 17

Financial concepts & Statement of Net worth

Methodology

Week 15

1. Revise the following financial concepts in a business dealt with in term 1:
 - Fixed Assets, Current Assets , Liabilities, Owner's Equity
2. Revise / complete a basic accounting equation with the learners (create a new exercise)

Statement of Net Worth (Balance Sheet)

3. Revise the concept Statement of Net Worth, including the layout (overflow into week 16)
 - ⇒ The layout and the workings need to be explained to the learners. They need to copy the layout in their workbook and then learn it to be able to rewrite it from memory.

Malungisa Traders (Name of the business)

Statement of Net Worth on 30 June 2009

(1)

Assets		
Fixed Assets	(2)	155 000
Land and buildings		100 000
Vehicles		40 000
Equipment		15 000
Current Assets	(3)	64 000
Inventory		18 900
Debtors		11 100
Cash in bank		34 000
Total Assets	(4) & (8)	239 000
Equity and Liabilities		
Net worth (Owner's Equity)	(5)	158 000
Long term liabilities (Non-current liabilities)		60 000
Current liabilities	(6)	21 000
Creditors		21 000
Total Equity and Liabilities	(7) & (8)	239 000

Definition: A Statement of Net Worth represents a summary of all the business Assets, Owner's Equity and Liabilities. It's normally completed for one financial year.

- (1) We normally complete a Statement of Net Worth at the end of the month or year
- (2) The Fixed Assets amount is the sum of individual fixed asset amounts inside the block
- (3) The Current Assets amount is the sum of individual current asset amounts inside the block
- (4) The Total Assets amount is the sum of the Fixed Assets, Investments and Current Assets totals
- (5) The Net Worth (Owner's Equity) of a business is the owner's capital contribution plus the profit he has made less the drawings he has made. **(Net worth = Capital + Profit – Drawings)**
- (6) The Current Liability total is the creditor's amount inside the block put on top of the block
- (7) The Total Equity and Liabilities amount is the sum of the Net Worth, Long Term Liabilities and the Current Liabilities.
- (8) The Total Assets total needs to be equal to the Total Equity and Liabilities. The reason for this is that Assets are purchased from either own capital (Owner's Equity) of borrowed capital (Liabilities). $(A = O + L)$

WEEK 16

4. Explain the concept, Statement of Net Worth, including the layout (continued)
5. Complete a statement of Net Worth with the learners (use the formal assessment task as a template for constructing more exercises)
6. Give a statement of Net Worth to the learners for homework and mark in class
7. Analyse a Statement of Net Worth with the learners in class (continue into week 17)

Malungisa Traders

Statement of Net Worth on 30 June 2009

	2009	2008	
ASSETS			Learners need to be able to compare information between years. Comment on increases and decreases in amounts. Possible questions: ⇒ Reasons why: ○ Vehicles decreased ○ Equipment increased ○ Cash decreased ○ Total assets increased ○ Loans decreased ○ Etc. ⇒ How much money is owed to the business in 2009 ⇒ How much money is owed to suppliers in 2009 ⇒ Would you lend money to this business ⇒ Give suggestions on how to improve the business' financial position
Fixed Assets	155 000	150 000	
Land and buildings	100 000	80 000	
Vehicles	40 000	60 000	
Equipment	15 000	10 000	
Current Assets	64 000	70 600	
Inventory	18 900	21 200	
Debtors	11 100	13 400	
Cash in bank	34 000	36 000	
Total Assets	239 000	230 600	
EQUITY AND LIABILITIES			
Net worth (Owner's Equity)	158 000	120 600	
Long term liabilities	60 000	80 000	
Current liabilities	21 000	30 000	
Creditors	21 000	30 000	
Total Equity and Liabilities	239 000	230 000	

WEEK 17

- Give the learners a Statement of Net Worth to complete for homework (use the formal assessment task as a template for constructing more exercises)
- Do at least 1 more exercise with learners to consolidate the Statement of Net Worth and the analysis of the statement (use the formal assessment task as a template for constructing more exercises).

Assessment

Informal Assessment: (in workbooks)

Formal Assessment

Assessment Task 2:

Activity 2: Simulation

Marks: 40

Thando Siki approached you for some help. His bank manager request a Statement of Net Worth for the year ended 30 June 2009 to apply for a mortgage loan. His previous accountant supplied him with a Statement of Net Worth for the previous year. He has supplied you with the previous statement and a list of amounts and information from his accounting records for the year ended 30 June 2009. At the start of the year Thando's investment in the business was R120 600. His profit for the year was

R147 000 and he withdrew R45 000 for personal expenses. At the end of June 2009 his customers still owed him R27 000 and he owed his suppliers R31 000. Thando purchased an additional Building to the value of R50 000, a delivery van that cost R45 000 and he sold equipment at cost price of

R2 000. Thando's Loan account balance was R50 000 on 30 June 2009. His warehouse manager did a stock take and told him he has R11 000 worth of stock left. He doesn't know how much money he has in his Bank account. You must please calculate the amount for him.

Please complete Thando's Statement of Net Worth for 2009 and answer the questions that follow:

	2009	2008
ASSETS		
Fixed Assets	243 000 (✓)	160 000
Land and buildings	130 000 ✓✓	80 000
Vehicles	105 000 ✓✓	60 000
Equipment ✓	8 000 ✓✓	20 000
Current Assets ✓	60 600 (✓)	70 600
Inventory	11 000 ✓✓	21 200
Debtors	27 000 ✓✓	13 400
Cash in bank	22 600 (✓)	36 000
Total Assets ✓	303 600 (✓)	230 600
EQUITY AND LIABILITIES		
Net worth (Owner's Equity) ✓	222 600 ✓✓	120 600
Long term liabilities	50 000 ✓✓	80 000
Current liabilities	31 000 (✓)	30 000
Creditors ✓	31 000 ✓✓	30 000
Total Equity and Liabilities	303 600 (✓)	230 600

[27]

Note: the bold words and figures are the amounts and words learners needed to complete (the need to be left out on the answer sheet), the marks (✓) in brackets are method marks and are given for correct calculations, not necessarily correct amounts

Please answer the following questions:

- How much money was paid off on the loan in the current year?(Show your calculation) [3]
(80 000 ✓ – 50 000 ✓ = R30 000 (✓))
- Would the business be able to get a loan from the bank in its current financial position? [4]
(Yes ✓✓, the business assets are more than its liabilities ✓✓)
- Is the business in a better financial position in 2009 than in 2008? Give 3 possible reasons for your answer. [6]
(Yes ✓✓, assets increased ✓✓, owner's equity increased ✓✓, loans decreased, etc.)
 OR
(No ✓✓, current assets decreased ✓✓, very little cash in bank ✓✓, creditors increased, etc)

[40 marks]

Integration

Languages
Mathematics

Resources

Textbooks, Formal Assessment Task, Accounting Training Manual, Examples of Planning and Assessment EMS Senior Phase

Vocabulary

Statement of Net worth	Balance Sheet	Financial year
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WEEK 18

- Revision
- Consolidation of all assessment standards completed
- Intervention activities
- Completion of assessment tasks

WEEK 19 and 20

1. Formal Assessment Task 2
Activity 3: June Examination
(All assessment standards covered in Term 1 and 2)
2. Remember that the requirement for an Examination is between 100 and 120 marks (exams may count more than 120).
Questions need to address different levels of difficulty (refer to Bloom's taxonomy)
3. There must a good balance between Accounting, Business Studies and Economics in the question paper.
4. Record all assessment tasks done during term 2:

Assessment Task 2

Activity 1: Research Project: National Budget

Activity 2: Simulation of Statement of Net worth

Activity 3: June examination: Refer to: Examples of Planning and Assessment: Economic and Management Sciences – senior phase: February 2008. (Issued by WCED)

TERM 3

WEEK 21

Leadership and management strategies

Methodology

1. Educator revises the difference between leadership and management
 - Leadership – the process whereby people are motivated to succeed. The ability to lead your staff
 - Management – anyone who manages people in an organisation. He/she is responsible for ensuring that certain goals are achieved
2. The educator explains:
 - Leadership and Management strategies – Action plans implemented by management to achieve particular organisational goals e.g. promote a positive public image, motivates workers, etc.
E.g. of strategies:
 - Introduce new products
 - Increasing our advertising
 - Increasing profits by reducing the unit cost of making a product
 - Buy stock in bulk to make use of discounts
 - Improve the skills of workers
 - Give motivational bonuses to workers
 - Etc.
 - Return on investment – the benefit you gain for money invested
3. The educator leads a discussion on how managers can develop strategies that will ensure a return on investment – produces at the lowest possible cost per unit, makes sure that employees take pride in the business, etc.
4. Learners complete a self assessment activity to consolidate these concepts.

Assessment

Informal Assessment Self assessment activity

Integration

Languages, Life orientation

Resources

Textbooks,

Vocabulary

Leadership	Management	Goals	Investment	Organisation
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WEEK 22

Financial viability of a business

Methodology

1. The educator explain the following concepts:
 - Financial viability – if the business is making a profit or loss
 - Start-up costs – cost to an entrepreneur to start the business
 - Production costs- total costs of producing/manufacturing the product(s)
 - Direct costs – total of raw materials and labour costs
 - Indirect costs – costs for producing a product that is not easily identifiable, e.g. electricity

- Variable costs – costs related to the number of units produced (direct and indirect) – the more products you produced the higher the variable cost will be e.g. raw materials, labour, electricity
 - Variable cost per unit = total variable cost ÷ total units produced
 - Fixed costs – costs that remain the same regardless of the quantity of goods sold (also called overhead costs) e.g. rent, insurance, salaries, etc.
 - Sales – represents the amount of goods a businesses has sold (selling price x units sold)
 - Profit – represent the difference between the selling price and the cost price
 - selling price more than cost = profit
 - cost price more than selling price = loss
 - Break-even point: where the business makes no profit or loss, expense have been covered = fixed costs ÷ (selling price per product – variable cost per product)
2. Formal assessment – Suggested case study including cost components to evaluate financial viability of a business idea

Assessment

Formal Assessment Task 3

Activity 1 – Case Study to evaluate the financial viability of a business

LO 1: AS 8.4.8

Marks 40

Read the case study and answer the questions that follows:

Miss AF Hendricks, after identifying a need has started a small community bakery in her area. Every month she uses R1 800,00 worth of flour, yeast to the value of R50,00, salt of R20,00 and water (which she doesn't pay for). She has two workers who help her which she pays R15,00 an hour. The two women work 40 hours a month each. They use electrical equipment and the estimated cost of electricity is R180,00 per month. She also pays R120,00 for paper bags to use as packing materials. She pays R400,00 to her mother as rental for the garage where they manufacture the bread loaves. She also pays herself a salary of a R1 000 a month. They produce 800 loaves of bread every month. She plans to sell her loaves of bread at R8,00 per loaf.

Questions (Show all your calculations)

- Assists Miss Hendricks to calculate the following:
 - What is the amount for:
 - Raw materials cost [4]
 - Labour costs [4]
 - Direct production costs [3]
 - Indirect production costs [3]
 - Total Variable costs [3]
 - Variable cost per unit [3]
 - Fixed cost (overheads) [3]
 - Total costs [3]
 - Break-even point [4]
 - Briefly explain what the break-even point in a business is. [2]
 - Briefly state FOUR strategies how she can increase her return on investments. [8]

Memorandum	
1.1.1 Flour	√ R1 800,00
Yeast	√ R50,00
Salt	√ R20,00
Total Raw Material costs	(√) R1 870,00
1.1.2 Labour costs (40 hours √ x 2 √ x R15,00 √ = 1 200 (√))	√√√√ R1 200,00
1.1.3 Direct production costs (1870 (√) + 1200 (√) = 3 070(√))	√√√ R3 070,00
1.1.4 Indirect production costs Electricity	√ 180
Packaging	√ 120
Total indirect production costs	(√) 300
1.1.5 Total variable cost (3 070(√) + 300 (√) = 3 370 (√))	√√√ 3 370
1.1.6 Variable cost per unit (3 370 (√) ÷ 800 √ = 4,21 (√))	√√√ 4,21
1.1.7 Fixed costs Rent	√ 400
Salary	√ 1 000
	(√) 1 400
1.1.8 Total cost (3 370 (√) + 1 400 (√) = 4 770 (√))	√√√ 4 770
1.1.9 Break-even point (1 400 (√) ÷ (8,00 √ – 4,21 (√)) = 369,4 = 370 (√) loaves)	√√√√ 370 loaves of bread
1.1.10 Where the business makes no profit or loss √√	
1.2 Briefly state FOUR strategies how she can increase her return on investment:	
⇒ Buy in bulk to make use of discounts	√√
⇒ Improve equipment use to bake bread	√√
⇒ Improve the skills of the workers	√√
⇒ Produces at the best possible cost per unit	√√
⇒ Etc.	

(Accept any relevant answer 4 x 2)

[40 marks]

Integration

Mathematics

Life Orientation

Resources

Textbooks,

Vocabulary

Financial viability	Start-up costs	Production costs	Variable costs	Fixed costs	Break-even point
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WEEK 23

How technology can improve productivity, economic growth and living standards

Methodology

1. Educator **revises** the following concepts:

- Productivity – producing goods or services efficiently and effectively with optimum utilisation of resources (human, capital and physical) continuously
- Economic growth – the ability of a country to produce more goods and services and increase the income of the citizens.
- Technology: - Include any method used to provide the things that people need in order to live comfortably.

2. Educator **explains** the following concepts:

- Living standards – depends on the income that your household has. Income will determine what kind of house you have, car you drive, etc.

- How technology improves:
Productivity – improves the quality of a service or product and makes the businesses more efficient and effective in its usage of resources
- Economic growth: helps a business to grow and in the long run helps the economy to grow
- Living standards – technology improves people’s lives and helps business’ to be more efficient and productive

3. Educator must give learners a more detailed explanation of the link between productivity, economic growth and living standard

4. Suggested informal assessment activity: Class discussion

Assessment

Informal assessment

Learners will investigate through a class discussion how technology improves productivity, economic growth and living standards. Educator must facilitate this discussion.

Resources

Textbooks, newspapers, television, internet, etc.

WEEK 24

AS 8.3.1 and 8.3.5

Financial concepts

Methodology

1. Briefly revise the financial concepts in a business dealt with in term 1 and 2 with the learners
2. Complete an accounting equation with the learners as revision ($A = O+L$)
3. Complete a statement of Net Worth exercise with the learners

Source documents & Recording of cash transactions

Week 25, 26, 27 & 28

4. **Explain** the following source documents to the learners and have them **complete** a blank copy: (learners can be asked to collect these documents and paste them into their workbooks).

Refer to textbooks for more examples of source documents. The Grade 10 Accounting Preparation for Grade 10 Workbook (page 2 & 3) has examples of all these source documents

Receipts:

Matsepe Services	No. 0045	Name of business	Document number
Date: <u>24 / 09 / 2009</u>			Date of issue
Received from: <u>Peter Parker</u>			Money received from
Sum of : One thousand four hundred rand			Amount in words
only	R1 400, 00		Amount in figures
<i>M. Matsepe</i>			Person receiving
money			
Cash	Cheque	With Thanks	Type of receipt
In payment of: <u>Service rendered</u>			What money is for

The original receipt is given to the person who gave us the cash, we keep the duplicate. The duplicate receipt is our source document for record keeping purposes.

o Deposit slips:

BB Bank		Deposit Slip	
		Date: <u>3/3/2009</u>	
Name of account holder: <u>Loona Traders</u>			
<u>L. Loona</u>		<u>L. Loona</u>	
Deposited by (print)		Signature of depositor	
		R	C
Notes		2 400	00
Coins		260	50
Drawer	Bank		
G. Goodal	FNB	2 700	00
Total Deposited		5 360	50

Cash deposited

Cheques deposited

o Cheques:

Date: <u>4/5/09</u>	BB Bank	397-234	
To: <u>J. Jones</u>	Cape Town	<u>20</u>	
For: <u>Rent expense</u>	Pay <u>J. Jones</u>	or Bearer	We cross this out
Balance:	The some of <u>Four thousand seven</u>		Amount in words
Dep:	<u>hundred rand only</u>	R4 700-00	Amount in numbers
Cheq: <u>R4 700</u>	15 ADDERLEY STREET	MR P POLL	Account holder
This cheq:	CAPE TOWN		Business address
Balance:		<u>P. Poll</u>	Signature
1456	1456 997612000054 08		Account number

Cheque counterfoil Cheque

The cheque is given to the person when paying, we keep the cheque counterfoil for our own record keeping purposes.

Discuss the concepts **bearer** (person who is paid), **payee** (account holder making payment), **drawer** (the bank, third party)

5. Explain the concept of Cash transactions to learners (cash receipts and cash payments)
 - o Cash Receipts – cash received from someone (e.g. notes, coins, cheque received, etc.)
 - o Cash Payments – cash paid to someone (e.g. cheques)

6. Introduce the Statements of Receipts and Payments to the learners.

Definition: Summary of all the cash amounts received and paid in a business for a year.

Layout:

Thando Traders

Statement of Receipts and Payments for the year ended 30 June 2009

Receipts	70 000	Total cash amount received
Money received for services rendered	45 000	} List of all the cash amounts received
Money received for rent	5 000	
Capital received from owner	20 000	
Payments	46 000	Total cash payments made
Rent paid	12 000	} List of all the cash amounts paid
Salaries paid	27 000	
Cash withdrawn by owner	7 000	
Net amount received	24 000	Receipts less payments
Balance in the bank at beginning of year	10 000	
Balance in the bank at end of year	34 000	Opening balance plus net amount

The information for the Statement of Receipts and Payments is a summary of the Cash Receipts Journal and Cash Payments Journal for the year. We will be introducing the Cash journals in the next week.

WEEK 26

7. Complete a Statement of Receipts and Payments with the learners in class. Give an exercise to the learners as homework in their workbook.
8. Complete (mark) Statement of Receipts and Payments with learners in class.
9. Introduce the Cash Receipts Journal (CRJ) to the learners and complete and exercise (The journals are explained in the context of a service business):
 - o **Definition:** Journal used to record all cash received
 - o **Layout:**

Cash Receipts Journal of CA Services for January 2009							(1)	CRJ1			(2)
Doc	Day	Details	Fol	Analysis of receipts	Bank	Current Income	Sundry Accounts				
							Amount	Fol	Details		
R1	1	C. Akerman		100 000	100 000		100 000		Capital		
R2	14	Services rendered		12 000		12 000					
R3	14	M. Moola		3 000	15 000		3 000		Rent income		
					115 000	12 000	103 000				
(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)		

- (1) The journal heading states the Journal, name of business, month and year
 - (2) CRJ1 is a journal reference number for when we post later. Every month has its own journal and its own journal reference number (next month CRJ2)
 - (3) Document column. In grade 8 we only deal with receipts (R). For every amount received we need to issue a receipt. The source document is a duplicate receipt.
 - (4) Record the day of the transaction
 - (5) We record the name of the person the cash was received from. When cash is received for a service rendered we write Services rendered and not the person's name.
 - (6) This columns will only be used in grade 9
 - (7) All the individual cash amounts received are recorded here before it is deposited at the bank.
At the end of the day this column is ruled off to calculate the deposit amount.
 - (8) The total amount of receipts for the day is written here. The amount that you will be depositing at the bank.
 - (9) A column is opened for Current income (money received for services rendered) because we expect to be receiving money for this on a daily or weekly basis.
Sundry Accounts are used to record all other, not so regular, amounts received (e.g. Capital, Rent income)
 - (10) The amount received is recorded
 - (11) The folio column is used for posting purposes (will be dealt with later)
 - (12) The ledger account name is recorded here, what the money received was for
The money columns are totaled at the end of the month. The Analysis of Receipts column is not totaled because it has already been totaled into the bank column.
- See page 3 to 11 in the Accounting Preparation for Grade 10 Training Manual 2006 for examples of recording certain transactions

WEEK 27

10. Complete a Cash Receipts Journal with the learners in class. Exercises can be obtained from textbooks or based on the Formal assessment task.
11. Introduce the Cash Payments Journal (CPJ) to the learners and complete and exercise in class:
 - **Definition:** Journal used to record all cash paid
 - **Layout:**

Cash Payments Journal of CA Servcies for January 2009							(1)	CPJ1		(2)
Doc	Day	Name of payee	Fol	Bank	Wages	Material Costs	Sundry Accounts			
							Amount	Fol	Details	
C1	4	Garden Suppliers		4 000		4 000				
C2	5	Cash		3 000	3 000					
C3	6	Telkom					800		Drawings	
C3	6	Telkom		1 200			400		Telephone	
				8 200	3 000	4 000	1 200			
(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	

- (1) The journal heading states the Journal, name of business, month and year
- (2) CPJ1 is a journal reference number for when we post later. Every month has its own journal and its own journal reference number (next month CPJ2)
- (3) Document column. In grade 8 we only deal with cheque (C) payments. For every amount paid we need to issue a cheque. The source document is a cheque counterfoil.
- (4) Record the day of the transaction
- (5) We record the name of the person or business the cheque was issued to
- (6) This columns will only be used in grade 9
- (7) All the individual cash amounts paid are recorded here. The amount recorded on the cheque is written down.
- (8) Because wages are paid 4 to 5 times a month we open a column for it. In the details column we write cash because you need to issue a cash cheque to pay your workers their cash wages.
- (9) A column is opened for Material Costs (the materials you need to purchase to provide your service) because we expect to be buying materials on a daily or weekly basis.
Sundry Accounts are used to record all other, not so regular, amounts paid (e.g. Rent expense, Drawings, etc)
- (10) The amount paid is recorded
- (11) The folio column is used for posting purposes (will be dealt with later)
- (12) The ledger account name is recorded here, i.e. what the money was paid for.

The money columns are totaled at the end of the month.

12. Complete a Cash Payments Journal with the learners in class.

Exercises can be obtained from textbooks.

WEEK 28

13. Introduce / start a combined exercise with the learners, CRJ & CPJ
14. Do at least 2 more combined (CRJ & CPJ) journal exercises with the learners.

Assessment

Formal Assessment Task 3
Activity 2 – Class Test

LO 3: AS 8.3.3

Marks 40

Record the transactions of National Accountants for October 2009 in the Cash Journals. (40)

Note: Last cheque issued in September was number 40 and the last receipt was number 25.

Transactions for October 2009

- 1 The owner, B. Smith, made a capital contribution of R80 000. Issued him a receipt.
- 3 Bought a coffee table, for the reception area, from Celtic Interiors, for R3 200.
- 6 Drew a cheque in the favour of Colourful Crayons for materials, R155 and a calculator, R72. The calculator was for the owner's son.
- 14 Paid the wages for the week. There are 2 workers who each earn R50 a day.
- 18 Received a cheque from Viva Stores for services rendered, R4 350.
- 20 Paid Metro Municipality R820 for the electricity.
- 21 Cashed a cheque to pay the weekly wages, R500.
- 31 Electronic Data, a client, paid R1 400 for services rendered.
Received Crown Hills' rent for October. They are renting an open office from us at R36 000 per year.

MEMORANDUM

Cash Receipts Journal of National Accountants for October 2009 ✓							CRJ1 ✓		
Doc	Day	Details	Fol	Analysis of receipts	Bank	Current Income	Sundry Accounts		
							Amount	Fol	Details
R26	1	B. Smith		80 000✓	80 000(✓)		80 000✓		Capital✓
R27	18	Services rendered		4 350✓	4 350(✓)	4 350✓			
R28	31	Services rendered		1 400✓		1 400✓			
R29	31	Crown Hill		3 000✓	4 400(✓)		3 000✓✓		Rent income✓
✓					88 750	5 750	83 000	(✓)	(18)
Cash Payments Journal of National Accountants for October 2009 ✓									
CPJ1 ✓									
Doc	Day	Name of payee	Fol	Bank	Wages	Material Costs	Sundry Accounts		
							Amount	Fol	Details
C41	3	Celtic Interiors		3 200✓			3 200✓		Equipment✓
C42	6	Colourful Crayons		227✓		155✓✓	72✓✓		Drawings✓
C43	14	Cash		500✓	500✓✓				
C44	20	Metro Municipality		820✓			820✓		Electricity✓
C45	21	Cash		500✓	500✓✓				
✓				5 247	1 000	155	4 092	(✓)	(22)

The mark in the Analysis of Receipts column in CRJ is for the day, details and the Analysis of Receipts amount.

The mark in the Bank column in CPJ is for day, name of payee and the bank amount
The document mark is for starting with the correct document number and continuing from there.

Integration

Languages
Mathematics

Resources

Text books, Accounting Training Manual Preparation for grade 10, Worksheets

WEEK 29

1. Revision
2. Consolidation of work completed
3. Intervention activities
4. Completion of assessment tasks

WEEK 30

1. Formal Assessment Task 3

Activity 3: September Examination/Control test

(All assessment standards covered in Term 1, 2 and 3)

2. Remember that the requirement for an Examination is between 100 and 120 marks (exams may count more than 120) and for Control tests between 70 and 100 marks (control test may count more than 100) Questions need to address different levels of difficulty (refer to Bloom's Taxonomy)
3. There must a good balance between Accounting, Business Studies and Economics in the question paper.
4. Record all assessment tasks done during term 3:
Assessment Task 3
Activity 1: Case Study: Financial viability
Activity 2: Test on CRJ and CPJ
Activity 3: September Exam/Control test: Refer to Examples of Planning and Assessment: Economic and Management Sciences – senior phase: February 2008. (Page 44-59)
(Issued by WCED)

TERM 4

WEEK 31

Recording cash transactions in the Cash journals and posting to the General Ledger

Methodology

1. Briefly revise following concepts and complete a journal exercise in class with the learners:
 - Cash transactions
 - Cash Payments Journal
 - Cash Receipts Journal
2. Explain posting of cash journals to the general ledger:
(Assessment standard 9.3.3 has been included in grade 8 to complete the accounting cycle from journals to ledger. It can be informally assessed but may not be included in formal assessment)
3. Explain the **Double Entry System**, the Ledger Book and the principles of posting to the ledgers:
 - Sample of a ledger page (below):
 - A ledger page has two sides to it. The debit (DR) side (left) and the Credit (CR) side (right)
 - The ledger book is where we summarise all the information from the journals on a continuous basis. At the end of the month / year we can see how much we've paid or received for a certain account without having to go to all the individual journals and adding amounts.

DR		General Ledger of PP Traders								CR	
Date	Details	Fol	Amount	Date	Details	Fol	Amount				

- **Double Entry principle:**
For every Debit entry in the ledger book there has to a corresponding Credit entry AND for every Credit entry there has to be a corresponding Debit entry
- Accounts in the General Ledger have a specific order. Learners will need to identify all the accounts they need to work with from the given journals and put them in the correct order. Once the accounts have been identified the learners can open the needed ledger accounts in the correct order and section of the General ledger:
 Order of Accounts in the General Ledger:

Balance Sheet Section Accounts (B)	Nominal Section Accounts (N)
Capital	Current income
Drawings	Expenses (in any order)
Land and buildings	Rent income
Vehicles	
Equipment	
Bank	
Cash float	

- Folio numbers:
 - When opening accounts in the General ledger they are assigned account numbers. Balance Sheet Section accounts start with B1...Nominal Section Accounts start with N1...and we keep on numbering from there
 - There are 3 reserved numbers in the order (Capital = B1, Drawings = B2, Current income = N1)
 - In the ledger accounts when we make an entry we need to know where the information came from. In the folio column in the General ledger we write either CRJ1 or CPJ1, the reference to the journal we posted the information from.
 - Once we've identified the accounts, put them in correct order, opened them in the ledger book and numbered them. The posting process starts with the Bank account:
 - On the Debit side of the Bank account we record the Total Receipts for the month from the Cash Receipts Journal (the bank column total)
 - Every other account in the Cash Receipts Journal is then credited
 - On the Credit side of the Bank account we record the Total Payments for the month from the Cash Payments Journal (the bank column total)
 - Every other account in the Cash Payments Journal is then debited
 - When do we post:
 - Explain to the learners that we post the Sundry accounts daily and accounts which are assigned a column are posted at the end of the month when all the transactions have been recorded.
4. Explain to the learners how to post from the Cash journals to the General ledger:
- Give the learners a completed set of journals and show them how to post to the general ledger.
 - Remember to stress to them the Sections of the ledger (Balance Sheet and Nominal Accounts), the order of accounts, the account numbers and the folio reference numbers (CRJ or CPJ)
 - Use the informal assessment task to create exercises
 - The Accounting Preparation for Grade 10 Training Manual 2006 (page 4 to 11) gives examples of how to post

WEEK 32

5. It is suggested that you do at least two more posting exercises to consolidate the posting concept.
6. **Extended exercise (Balancing the Bank account).** The educator can do this exercise if there is time available.
- Steps to balancing the Bank account:
 - Find the difference between the debit (receipts) and credit (payments) amounts
 - The difference is called the Balance c/d (carried down)
 - The Balance c/d is then entered on the smaller side of the two on the last day of the month
 - The two sides are then totalled on the same line (line above and below totals)
 - The balance c/d is then transferred to the opposite side of the account below the totals
 - This amount and entry is then called the Balance b/d (brought down) and is done on the 1st day of the next month (the year is only written again if the year has changed)

DR		General Ledger of PP Traders										CR	
Bank					B5								
2009		Total				2009		Total					
Oct	31	Receipts	CRJ1	24 000	00	Oct	31	Payments	CPJ1	16 000	00		
							31	Balance	c/d	8 000	00		
				24 000	00					24 000	00		
Nov	1	Balance	b/d	8 000	00								

Assessment

Formal Assessment Task 4:

Activity 1: Simulation to consolidate CRJ and CPJ

LO3: AS 8.3.3

Marks: 40

Give learners a completed set of source documents. They need to take the information and complete the CRJ and CPJ.

Receipt no. 26	
Date:	1 / 10 / 09
To:	B. Smith
For:	Capital
Amount:	R80 000

Cheque no. 41	
Date:	3 / 10 / 09
To:	Celtic Interiors
For:	Equipment
Amount:	R3 200

Cheque no. 42	
Date:	6 / 10 / 09
To:	Colourful Crayons
For:	Pens, R72, cleaning goods, R155.
Amount:	?
	Pens are for owner's son

Cheque no. 43	
Date:	14 / 10 / 09
To:	Cash
For:	Wages
Amount:	2 workers @ R50 each per day for the week

Receipt no. 27	
Date:	18 / 10 / 09
To:	J. James
For:	Service provided
Amount:	R4 350

Cheque no. 44	
Date:	20 / 10 / 09
To:	Metro Municipality
For:	Electricity
Amount:	1 640 units @ 50c per unit

Cheque no. 45	
Date:	21 / 10 / 09
To:	Cash
For:	Wages
Amount:	Paid the wages for the week

Receipt no. 28	
Date:	31 / 10 / 09
To:	H. Hill
For:	Service provided
Amount:	We worked for 14 hours @ R100 per hour

Receipt no. 29	
Date:	31 / 10 / 09
To:	Crown Hill
For:	Rent
Amount:	Rent for the month. Their rent is
	R36 000 per annum

See Task 3 Activity 3 for the memo to this activity (it is the same information). This is an example of a possible assessment task.

(Assessment standard 9.3.3 has been included in grade 8 to complete the accounting cycle from journals to ledger. It can be informally assessed but may not be included in formal assessment)

Informal assessment: Suggested Class Test (extension)
40 marks

Post the given journals to the General Ledger of National Accountants. The ledger accounts must be put in the correct order. Leave 3 lines open for all ledger accounts.

Cash Receipts Journal of National Accountants for October 2009							CRJ1		
Doc	Day	Details	Fol	Analysis of receipts	Bank	Current Income	Sundry Accounts		
							Amount	Fol	Details
R26	1	B. Smith		80 000	80 000		80 000		Capital
R27	18	Services rendered		4 350	4 350	4 350			
R28	31	Services rendered		1 400		1 400			
R29	31	Crown Hill		3 000	4 400		3 000		Rent income
					88 750	5 750	83 000		
Cash Payments Journal of National Accountants for October 2009							CPJ1		
Doc	Day	Name of payee	Fol	Bank	Wages	Material Costs	Sundry Accounts		
							Amount	Fol	Details
C41	3	Celtic Interiors		3 200			3 200		Equipment
C42	6	Colourful Crayons		227		155	72		Drawings
C43	14	Cash		500	500				
C44	20	Metro Municipality		820			820		Electricity
C45	21	Cash		500	500				
				5 247	1 000	155	4 092		

MEMORANDUM:

DR		General Ledger of PP Traders✓										CR	
Balance Sheet Section✓													
Date	Details	Fol	Amount	Date	Details	Fol	Amount						
Capital						B1							
				2009 Oct	1	Bank✓	CRJ1	80 000✓	00				
Drawings						B2							
2009 Oct	6	Bank✓	CPJ1	72✓	00								
Equipment						B3							
2009 Oct	3	Bank✓	CPJ1	3 200✓	00								
Bank						B4							
2009 Oct	31	Total Receipts✓	CRJ1	88750✓	00	2009 Oct	31	Total Payments✓	CPJ1	5 247✓	00		
Nominal Section✓													
Current income						N1							
				2009 Oct	31	Bank✓	CRJ1	5 750✓	00				
Wages						N2							
2009 Oct	31	Bank✓	CPJ1	1 000✓	00								
Material Costs						N3							
2009 Oct	31	Bank✓	CPJ1	155✓	00								
Electricity						N4							
2009 Oct	20	Bank✓	CPJ1	820✓	00								
Rent income						N5							
				2009 Oct	31	Bank✓	CRJ1	3 000✓	00				
			✓						✓				

Note to educator on memorandum:

(25 marks)

- o The mark next to the account name is for the day and account name
- o Mark at the bottom of the fol column is for all the folio numbers filled in (CRJ1 & CPJ1)
- o -1 for accounts in the wrong section, -1 for accounts in the wrong order and -1 for the wrong year/month when recording the date. A learner can lose a maximum of -3 for the whole class test.

Integration

Languages

Mathematics

Resources

Grade 9 Textbooks, Teacher's Guide, Accounting Preparation for Grade 10 Training Manual 2006 (page 4 to 11)

Vocabulary

General Ledger	Balancing	Posting	Debit	Credit
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WEEK 33: Entrepreneurial knowledge & skills

Financial institutions and organizations promoting entrepreneurship

Methodology

Pupils must understand why it is of great value to the economy to develop entrepreneurs. A combination of teaching **for entrepreneurship** (*by teaching skills necessary for entrepreneurs*) and **through entrepreneurship** (*by getting pupils to set up and run businesses*) provide the most effective results.

REMEMBER: Entrepreneurship is not only about buying and selling of consumables, but also about the designing and discovering of new products or services. Make sure the learners know that providing a service OR manufacturing (making / producing) something to sell, is also part of entrepreneurship. Tell learners that science and technology is very important and an entrepreneur can design software for cell phones or computers. Entrepreneurship is when an entrepreneur identifies a gap in the market; he/she then designs or develops a totally new product or improves on an existing product.

The characteristics looked for by “businesses” appear to be the following: Leadership, Teamwork, Problem Solving, Interpersonal Relations, Drive and determination, Skills (relevant to the job advertised); Honesty and Integrity, Communication skills, Open Mindedness and Thinking Skills. These skills must be taught to ALL learners.

While some pupils are born entrepreneurs, others prefer to follow and therefore needs to be developed into pro-active, independent “intrapreneurs”

1. Educator draws on learners' prior knowledge
2. Explain the following concepts:
 - Entrepreneur – individuals who determine what consumers needs and wants are, then use that knowledge and risk their money to make a profit in a business.
 - Entrepreneurship – process of identifying business opportunities with the aim of making a profit, takes initiative and calculated risks to start a business
 - Financial institutions- organisation that offers loans to individuals and businesses
 - Organisations – a group of people who work together to achieve a specific goal
3. Identify examples of:
 - Financial institutions- ABSA, First National Bank, etc.
 - Organisations promoting entrepreneurship: Department of Trade and Industry, The Umsobomvu Youth Fund, Khula, The Red Door, etc.
4. Informal class test to consolidate.

Assessment

Informal assessment – educators develops a class test to consolidate the topic.

Integration

Languages

Life Orientation

Resources

Textbooks, internet, etc.

Vocabulary

Financial institutions	Promoting	Intrapreneur	Entrepreneurship
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WEEK 34

Forms of Ownership in the formal and informal sector

Methodology

1. Educator explains the following concepts to the learners:

- Form of Ownership – An indication of how the business is owned, who contributes capital, who shares profit, how the business is run, etc.
- Informal sector – businesses need to comply with certain legal formalities, standards, regulations and procedures e.g. Spaza shop, hawker, etc.
- Formal sector – businesses that are legally registered and have to comply with certain formalities, standards, regulations and procedures e.g. Shoprite, Edgars, Coke, etc.
- Explain the difference between formal and informal sector in terms of:
 - Characteristics: Formal sector
 - Need a lot of start-up capital
 - Legally registered
 - Have to comply with certain formalities, e.g. registration of name, tax regulations, etc.
 - Educator to provide more examples
 - Characteristics informal sector
 - Small start-up capital required
 - Not a lot or no legal requirements
 - Educator to provide more examples
- Learners need to be able to explain and differentiate between the forms of ownership:

Characteristics	Sole proprietor	Partnership	Close Corporation
Number of owners	1 Owner	2-20 partners	1-10 members
Capital contribution	Owner	Partners in according to agreement	Members
Liability	Owner	Jointly and individually	Members have limited liability

Etc: educators to give more differences

- Indicate which form of ownership can appear in the formal and informal sectors:
Formal – sole proprietor, partnership, close corporation (legal requirements)
Informal – sole proprietor and partnership

2. Informal assessment – it is suggested that educator give learners a consolidation exercise. (E.g. Test, case study, simulation, etc)

Assessment

Informal assessment: Give learners a consolidation exercise (e.g. Test).

Integration

Social Science
Languages,

Resources

Textbooks, newspapers, etc

Vocabulary

Forms of ownership	Liability
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WEEK 35

Ideas for starting a business including tourism and franchising

Methodology

1. Educator revises idea generation techniques:
E.g. - Brainstorming
- Mind mapping
- Questionnaire
2. Educator leads discussion to encourage learners to identify ideas for starting a business. Learners use idea generation techniques to come up with business opportunities that could be successful in their communities.
3. The following ideas must be expanded on:
 - Tourism: businesses aimed at people (local and foreign) on holiday
 - Franchising: opportunity given by an established business to an entrepreneur to sell its product or service according to its code of practice
4. Suggested informal assessment: Learners will be instructed to conduct a survey to expand their knowledge on franchising and tourism.

Assessment

Informal Assessment
Survey - Franchising and Tourism

Section A: Tourism [20]

Instructions

Learners are required to conduct a survey to determine whether there are business opportunities for a tourist related business activity in their area.

QUESTIONS

1. Identify any FIVE tourism opportunities, in your area, that have not yet been developed.

.....
.....

2. Compile a list of at least FIVE skills that are needed to work in the tourism industry.

.....
.....

3. What kind of training will be needed to develop the skill that you identified in question 2?

.....
.....

4. Name FOUR reasons how your community will benefit from the development of tourism in your area.

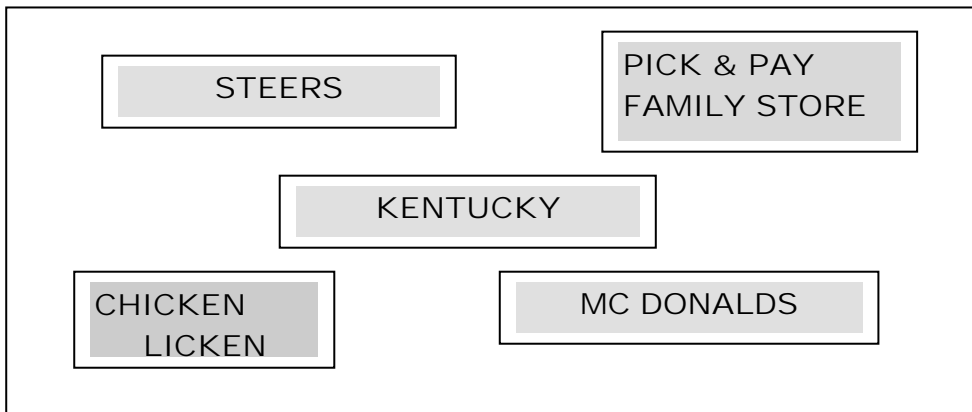
.....
.....

RUBRIC TO ASSESS SECTION A

Criteria	Partial	Adequate	Satisfactory	Outstanding
Question 1 Learner identifies tourism businesses opportunities	1-2	3	4	5
Question 2 Learner identifies skills needed for tourism	1-2	3	4	5
Question 3 Training needed for tourism	1-2	3	4	5
Question 4 How tourism will benefit their community	1-2	3	4	5

Section B: Franchising [20]

Study the following names of businesses and answer the questions that follow:



QUESTIONS

1. Identify which of the above businesses are Franchises.
.....
..... [5]
2. Which of the businesses listed in question one will be a viable option in your community and why?
.....
..... [5]
3. What differentiate a franchise business from other businesses?
.....
..... [5]
4. List any other FIVE examples of franchise businesses.
.....
..... [5]

Note: No memorandum included for these questions. Learners are going to give different answers and educator needs to apply discretion when assessing the learner’s response.

Integration

Social Science
Languages

Resources

People in the community, business people, internet, textbooks.

Vocabulary

Tourism	Franchising	Survey
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WEEK 36 and 37

Engage in a business activity (market day) that involves purchasing, production, marketing and financing of a business.

Methodology

1. Educator explains the following concepts: **Educators need to expand on this information.**

- Business Activity – a concern or business who provides a product or service with the aim of making a profit
- Purchasing – businesses buys goods from suppliers – this can be either a finished product or raw materials
- Production – to transform raw materials into a finish product e.g. consumer goods, capital goods, semi-finished goods
- Marketing – promote products by making use of advertising
- Own capital – using your personal money to start a business
- Borrowed capital - using money from other sources to start a business e.g. banks

2. Formal Assessments: Learners engage in a business activity (e.g. market day).

Assessment

Formal Assessment Task 4

Activity 2: Business Activity (e.g. market day)

LO 4: AS: 8.4.2, 8.4.7, 8.4.3, 8.4.6

Marks: 50

Instruction:

1. The learner should use the skill and knowledge acquired in AS: 8.4.2, 8.4.7, 8.4.3, 8.4.6 to conduct a business activity (e.g. market day).
2. Refer to MY BUSINESS: Steps to financial freedom – Grade 8 & 9 Learners book and Teachers guide (WCED: 2007) (Page 1-15)

Integration

Languages
Life Orientation
Art and Culture

Resources

Text books, Steps to financial freedom – Grade 8 & 9 Learners book and Teachers guide (WCED: 2007) (Page 1-15)

Vocabulary

Business Activity	Purchasing	Production	Marketing	Own capital	Borrowed capital
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WEEK 38

1. Revision
2. Consolidation of work completed
3. Intervention activities
4. Completion of assessment tasks

WEEK 39 and 40

1. Formal Assessment

Assessment Task 4: Activity 3 Examples of Planning and Assessment: Economic and Management Sciences – senior phase: February 2008. (Issued by WCED)

November Examination (All assessment standards covered from Term 1 - 4)

- Remember that the requirement for an Examination is between 100 and 120 marks (exams may count more than 120). Questions need to address different levels of difficulty (refer to Bloom's Taxonomy)
2. There must a good balance between Accounting, Business Studies and Economics in the question paper.
 3. Record all assessment tasks done during term 4:

Assessment Task 4

Activity 1: Survey

Activity 2: Simulation Business Activity (market day)

Activity 3: November Examination