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EMS Olympiad GRADE 8

DATE: 5-8 AUGUST 2025

TIME: 90 MINUTES

INSTRUCTIONS:

1. This booklet has 40 multiple choice questions.
2. Use the answer sheet provided.

   Circle the letter corresponding to your answer.
3. All working details must be done in the space provided.
4. Calculators are permitted.
5. Diagrams are not necessarily drawn to scale.
6. The first 30 questions carry 1 mark each and the next 10 carry 2 marks each.
7. You have 90 minutes for the paper which works out to an average of 2.25 minutes per question.
8. Read the questions carefully before answering.
9. Visit the website: www.saolympiads.co.za.

ENJOY THE OLYMPIAD.

Grade Eight EMS Olympiad 2025

SECTION A

Indicate the most correct answer by indicating the correct letter on the answer sheet provided.

Study the source and answer the questions that follow.

Checkers coming after Woolworths in a big way – BusinessTech

A new report shows that Checkers is now doing better than Woolworths Food in South Africa. Checkers stores are making more than twice as much money as Woolworths Food stores, on average.

This is a big deal in the world of grocery stores, as more stores try to attract customers with more money to spend.

During this time, Woolworths Food made R22.4 billion from its 369 stores (about R61 million per store). Checkers, on the other hand, made R38.5 billion from its 268 stores (about R144 million per store) – which is 2.4 times higher.

When you look at all the money details, Checkers actually makes 2.6 times more than Woolworths Food per store. This is happening because both stores are trying to attract wealthier customers.

Checkers has been working hard to sell to richer customers for years. This is an area where Woolworths used to be the leader.

Checkers started this effort by opening its first upper-market Checkers FreshX store in April 2016.Now, there are 115 FreshX stores, and Checkers plans to open even more.

In 2021, Checkers took another big step to compete with Woolworths. They started a new brand called Feast and Forage, which sells fancy foods like Woolworths does.

Woolworths isn't just sitting back and watching this happen. They're improving their online shopping and same-day delivery to compete with Checkers' Sixty60 delivery service.

Woolworths is also trying to offer more services, like pet care, food services, and technology products.

Retailers sitting on a secret. The report looks at six major retail brands in South Africa: Shoprite Holdings, The SPAR Group, Pick n Pay Stores, Woolworths Holdings, Clicks Group, and Dis-Chem Pharmacies.

Together, these stores made R330 billion in the first half of 2024 – which is 9.4% more than before. But while they're making more money, they're not actually selling more products. The extra money is mostly because prices have gone up due to inflation. The only real growth is from new stores opening or expanding into new areas. Customers are still having a hard time financially.

[Downloaded and adapted from: https://businesstech.co.za/news/business/795912/checkers-coming-after-woolworths-in-a-big-way/ Date accessed: 21 Oct 2024]

1. Analyze the implications of Checkers outperforming Woolworths Food in South Africa. What does this suggest about changing consumer preferences and market dynamics?

A) A shift towards value-oriented shopping
B) Increasing demand for premium products
C) Decline in brand loyalty among consumers
D) Growing preference for smaller, local retailers (1)

2. How much higher is Checkers' average turnover per store compared to Woolworths Food?

A) 1.5 times higher
B) 2.4 times higher
C) 3.5 times higher
D) 4 times higher (1)

3. What strategy has Checkers used to compete with Woolworths in the premium retail market?

A) Lowering prices
B) Launching the FreshX store brand
C) Focusing on online sales only
D) Closing underperforming stores (1)

4. Which of the following is NOT mentioned as a way that Woolworths is responding to competition?

A) Expanding pet care services
B) Improving same-day delivery
C) Focusing on food services
D) Opening more rural stores (1)

5. Considering that price inflation and new stores are driving turnover growth, what potential risks or challenges might retailers face in the long term?

A) Oversaturation of the market
B) Diminishing returns on new store investments
C) Increased pressure on profit margins
D) All of the above (1)

6. What is the difference between inflation and deflation?

A) Inflation is a decrease in the general price level, while deflation is an increase.
B) Inflation is an increase in the general price level, while deflation is a decrease.
C) Inflation is caused by a decrease in the supply of money, while deflation is caused by an increase.
D) Inflation is caused by an increase in the supply of money, while deflation is caused by a decrease. (1)

7. Which of the following is NOT a benefit of international trade?

A) Increased competition
B) Lower prices for consumers
C) Greater choice of goods and services
D) Reduced unemployment (1)

8. What is the main purpose of a trade agreement?

A) To impose tariffs on imports
B) To promote free trade between countries
C) To protect domestic industries from foreign competition
D) To restrict the movement of people between countries (1)

9. Which of the following is NOT a type of economic system?

A) Capitalism
B) Socialism
C) Communism
D) Democracy (1)

10. What is the primary goal of economic development?

A) To promote sustainable use of resources
B) To improve the standard of living
C) To reduce poverty and inequality
D) To increase the production of goods and services (1)

11. What is the main function of SARS?

A) To regulate the amount of money in circulation
B) To collect taxes from individuals and businesses
C) To provide loans to businesses and individuals
D) To issue government bonds (1)

12. Analyse the potential consequences of SARS implementing negative interest rates.

A) It would definitely stimulate borrowing and increase inflation
B) It could potentially encourage spending but might also have unintended consequences
C) It would certainly lead to deflation and economic contraction
D) It would have no significant impact on the economy

13. Which of the following is NOT a role of government in relation to households as consumers?

A) Providing public services like healthcare and education
B) Regulating the quality and safety of goods and services
C) Determining the prices of goods and services in the market
D) Implementing policies to protect consumer rights (1)

14. Which level of government is responsible for regulating local businesses and providing services like garbage collection?

A) Municipal government
B) Provincial government
C) National government
D) International organizations (1)

15. How does the government act as a producer in relation to businesses?

A) By providing loans to businesses to help them expand
B) By buying goods and services from businesses for public use
C) By imposing taxes on businesses to raise revenue
D) By regulating the production of goods and services to protect the environment (1)

16. Which of the following is an example of a direct tax?

A) Value Added Tax (VAT)
B) Excise duty on cigarettes
C) Income tax
D) Property tax (1)

17. What effect could implementing a progressive tax system have on income inequality?

A) It would likely increase income inequality by discouraging high earners
B) It could potentially reduce income inequality by redistributing wealth
C) It would have no effect on income inequality
D) It would increase income inequality in the short-term but decrease it long-term (1)

18. What is the primary purpose of government expenditure on social grants?

A) To stimulate economic growth
B) To improve the quality of education
C) To provide financial support to vulnerable individuals
D) To promote investment in infrastructure (1)

19. How does the National Budget influence economic growth?

A) By reducing the amount of money in circulation
B) By decreasing consumer spending
C) By encouraging the formation of monopolies
D) By increasing investment in key sectors (1)

20. What is the accounting equation?

A) Assets + Liabilities = Owner's Equity
B) Assets = Liabilities + Owner's Equity
C) Liabilities = Assets + Owner's Equity
D) Owner's Equity = Assets + Liabilities (1)

21. What is the difference between debit and credit in accounting?

A) Debit represents an increase in assets, while credit represents a decrease.
B) Debit represents a decrease in assets, while credit represents an increase.
C) Debit represents an increase in liabilities, while credit represents a decrease.
D) Debit represents a decrease in liabilities, while credit represents an increase. (1)

22. Which of the following is NOT an example of an asset?

A) Cash
B) Inventory
C) Accounts payable
D) Equipment (1)

Study the source and answer the questions that follow:

You are the bookkeeper for **Gamede Tech**, a sole proprietorship that provides IT support services. The following transactions occurred during April 2025. Use the information below to answer the questions.

Transactions:

1. April 3: The business received R20,000 in cash from a customer for services rendered (Invoice No. 453).
2. April 10: Paid R5,000 for office supplies by EFT.
3. April 14: Purchased equipment worth R25,000 on credit from Tech Suppliers.
4. April 16: Paid salaries of R12,000 by electronic transfer.
5. April 18: The owner, Letho Gamede, withdrew R8,000 from the business for personal use.
6. April 26: Received a bank loan of R50,000 for business expansion.
7. April 30: Paid R3,500 in cash for building repairs.

23. After the April 3 and April 14 transactions, what will the new balances of Assets, Owner's Equity, and Liabilities be if the initial balances on April 1 were as follows: Assets: R100,000; Owner's Equity: R60,000; Liabilities: R40,000

A) Assets: R120,000; Owner's Equity: R80,000; Liabilities: R40,000
B) Assets: R120,000; Owner's Equity: R55,000; Liabilities: R65,000
C) Assets: R95,000; Owner's Equity: R85,000; Liabilities: R55,000
D) Assets: R115,000; Owner's Equity: R75,000; Liabilities: R55,000 (1)

24. When posting the April 10 transactions to the General Ledger, which accounts are debited and credited?

A) April 10: Debit Stationery, Credit Bank
B) April 10: Debit Bank, Credit Stationery
C) April 10: Debit Stationery, Credit Creditors
D) April 10: Debit Creditors, Credit Stationery (1)

25. After recording all relevant transactions in the Cash Receipts Journal (CRJ) for April, what is the total amount received by Sally Services in April?
A) R70,000
B) R50,000
C) R20,000
D) R55,000 (1)

26. What is the net profit or net loss for Sally Services for the month of April, considering the provided transactions and an opening Owner's Equity of R60,000?

A) Net profit of R10,500
B) Net profit of R8,500
C) Net loss of R4,500
D) Net profit of R7,500 (1)

27. What is the difference between a goods market and a services market?

A) Goods markets sell tangible items, while services markets sell intangible services.
B) Goods markets sell intangible services, while services markets sell tangible items.
C) Goods markets are regulated by the government, while services markets are not.
D) Goods markets are only found in developed countries, while services markets are found in developing countries. (1)

28. Which of the following is an example of a factor market?

A) The stock market
B) The retail market
C) The wholesale market
D) The labour market (1)

29. What is the role of the financial market?

A) To regulate the prices of goods and services
B) To facilitate the buying and selling of financial assets
C) To provide loans to businesses and individuals
D) To set interest rates for loans (1)

30. What is the primary impact of unemployment on a society?

A) Increased productivity
B) Improved standard of living
C) Reduced economic growth
D) Greater social cohesion (1)

SECTION B

31. What was the average rate of CPI inflation for 2024?

A) 3%
B) 4.5%
C) 5%
D) 6.5%
E) 7% (2)

32. An unregistered business started by one person is called a:

A) Partnership
B) Corporation
C) Sole Proprietorship
D) Limited Liability Company
E) Franchise (2)

33. Which form of ownership allows shareholders to buy and sell shares freely?

A) Partnership
B) Private Company
C) Public Company
D) Cooperative
E) Sole Proprietorship (2)

34. In which journal are the credit purchase transactions of a business recorded?

A) Cash Receipts Journal
B) Creditors Journal
C) Purchases Journal
D) General Journal
E) Debtors Journal (2)

35. Which leadership style involves a leader making decisions without input from others?

A) Democratic
B) Laissez-faire
C) Autocratic
D) Transformational
E) Participative (2)

36. What type of mandatory insurance is included in the cost of petrol?

A) Life Insurance
B) Road Accident Fund
C) Unemployment Insurance Fund
D) Health Insurance
E) Worker's Compensation Fund (2)

37. Which institution/authority does the registration of companies in South Africa?

A) Department of Trade and Industry
B) Companies and Intellectual Property Commission (CIPC)
C) Financial Services Board
D) South African Revenue Service (SARS)
E) National Treasury (2)

38. What is the tax rate for companies in South Africa?

A) 20%
B) 25%
C) 28%
D) 30%
E) 27% (2)

39. What is the term for money earned after all expenses, taxes, and costs have been subtracted from total revenue?

A) Gross Profit
B) Operating Profit
C) Net Profit
D) Retained Earnings
E) Contribution Margin (2)

40. What is the name of the technology that makes cryptocurrency possible?

A) Blockchain
B) Cloud Computing
C) Machine Learning
D) Data Analytics
E) Artificial Intelligence (2)

TOTAL MARKS = 50