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EMS Olympiad GRADE 8

DATE: 4 AUGUST 2026

TIME: 90 MINUTES

INFORMATION BOOKLET

NAME: _____

INSTRUCTIONS:

1. This booklet has 40 Multiple-choice Questions.
2. Use the answer sheet provided. Make sure that you have written both your name and surname in the applicable space on the answer sheet.
3. For Section A and Section B select the **MOST** appropriate answer to each question. Circle **ONLY** the letter of your choice, from the answers provided, below each question. (**The answers must be circled in the applicable places on the answer sheet)**
4. All working details must be done in the space provided.
5. Calculators are permitted.
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.

GOOD LUCK! ENJOY THE OLYMPIAD.

Grade Eight EMS Olympiad 2026

SECTION A

Select the most appropriate answer to each question.

Choose the letter of your choice, from the answers below each question. Circle the letter that you have chosen on the Answer Sheet provided.

Use the information in Source A to answer questions 1-5

SOURCE A

Pick 'n Pay focuses on affordability as consumers feel financial pressure – News24

Pick 'n Pay has shifted its strategy to focus on affordability as many South African consumers struggle with rising living costs. The retailer has introduced more house-brand products and discounts to attract price-sensitive shoppers.

In the past year, Pick 'n Pay's turnover increased slightly, but sales volumes remained mostly unchanged. This indicates that higher prices, rather than more products sold, contributed to the increase in its revenue.

At the same time, retailers face increased operating costs such as electricity, transport, and wages. Competition among retailers has intensified as consumers carefully compare prices before making purchasing decisions.

1. What does Pick n Pay's focus on affordability suggest about consumer behaviour?

   A) Consumers prefer luxury products
   B) Consumers are less affected by inflation
   C) Consumers are more price-conscious
   D) Consumers are loyal to one retailer (1)

2. Which economic problem is **most** clearly highlighted in Source A?

   A) Unemployment
   B) Inflation
   C) Poverty
   D) Inequality (1)

3. How does strong competition between retailers benefit consumers?

   A) Prices tend to be lower
   B) Businesses close down
   C) Government earns more tax
   D) Fewer products are produced (1)

4. Which challenge faced by retailers is mentioned in the source?

   A) Lack of customers
   B) Rising operating costs
   C) Shortage of workers
   D) Decreasing wages (1)

5. If inflation continues to rise, which group will be the **most**affected?

   A) Retailers
   B) High-income earners
   C) Fixed-income households
   D) Export businesses (1)

6. Which government policy could best help consumers struggling with affordability?

   A) Reducing interest rates
   B) Increasing VAT
   C) Increasing import taxes
   D) Reducing social grants (1)

7. Which market allows businesses to hire workers?

   A) Goods market
   B) Services market
   C) Financial market
   D) Factor market (1)

8. Which is **not** an economic system?

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

9. Government spending on schools and hospitals are examples of:

   A) Consumption expenditure
   B) Capital expenditure
   C) Transfer payments
   D) Private investment (1)

10. What does the acronym VAT stand for?

    A) Variable Asset Tax
    B) Value Added Tax
    C) Verified Annual Tax
    D) Value Asset Tariff (1)

11. Which of the following is an asset?

    A) Loan
    B) Rent income
    C) Equipment
    D) Salary (1)

12. Which of the following transactions will increase both assets and liabilities?

A) Paying wages in cash
B) Owner withdrawing cash
C) Receiving cash from a debtor
D) Buying equipment on credit (1)

13. Which term will be used for money earned from working?

A) Profit
B) Salary
C) Loan
D) Debt (1)

14. Why is a progressive tax system considered to be fair?

A) Everyone pays the same tax
B) Poor people pay more tax
C) High-income earners pay a higher percentage
D) Taxes do not affect inequality (1)

15. Which journal is used to record cash received for services rendered?

A) Cash Payments Journal
B) General Journal
C) Purchases Journal
D) Cash Receipts Journal (1)

16. What is the main purpose of advertising?

A) To reduce production
B) To increase competition
C) To inform and persuade consumers
D) To collect taxes (1)

17. Which sector involves the manufacturing of goods?

A) Primary
B) Secondary
C) Tertiary
D) Quaternary (1)

18. Which of the following is a natural resource?

A) Computer
B) Factory
C) Truck
D) Coal (1)

19. Which combination would **best** represent the three sectors in the circular flow?

A) Households, markets, banks
B) Businesses, imports, exports
C) Government, households, businesses
D) Consumers, producers, retailers (1)

20. What is the accounting equation?

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

21. A rise in interest rates will most likely affect households by:

A) Increasing the cost of borrowing
B) Increasing disposable income
C) Reducing spending
D) Increasing inflation (1)

22. After all the transactions have been taken into account, which factor will reduce the profitability of the business the **most?**

A) Cash received for services rendered
B) Owner withdrawals
C) Buying equipment
D) Paying salaries (1)

23. What is the term that would be used for goods that are brought into a country?

A) Exports
B) Imports
C) Investments
D) Resources (1)

Study the information given in Source B below and use it to answer questions 24-26 on the next page.

SOURCE B

You are the bookkeeper for Langa Solutions, a service business providing computer repairs.

The Bank balance on 01 May 2025 is R25,750.

The following transactions were taken from the books of Langa Solutions for May 2025:

- May 2: Received R18,000 cash for services rendered
- May 6: Bought R4,500 worth of stationery by EFT
- May 12: Bought equipment on credit for R20,000
- May 18: Paid salaries of R10,000
- May 25: Owner withdrew R6,000 for personal use

24. Which of the following would represent the information that was given in Source B most accurately?

A) Total Income for May was R18,000, total expenses were R14,500
B) Total Income for May was R18,000, total expenses were R20,500
C) Total Income for May was R18,000, total expenses were R40,500
D) Total Income for May was R18,000, total expenses were R34,500 (1)

25. When posting the May 12th transaction to the General Ledger, which accounts must be debited and credited?

A) Debit Equipment, Credit Debtors Control
B) Debit Creditors Control, Credit Equipment
C) Debit Equipment, Credit Creditors Control
D) Debit Debtors Control, Credit Equipment (1)

26. Based on the transactions in Source B choose the correct option which would represent the amount of money, in the bank account, that was calculated for the end of May.

A) R3,250 negative
B) R23,250 positive
C) R22,500 negative
D) R22,500 positive (1)

27. What is the main purpose of a budget?

A) To spend more money
B) To track incomes and expenses
C) To increase debt
D) To avoid paying tax (1)

28. What is the role of an entrepreneur?

A) To work for someone
B) To work for government
C) To collect taxes
D) To start and run a business (1)

29. What is the role of a market?

A) A place where goods and services are exchanged
B) A place where goods are stored
C) A place where people live
D) A place where taxes are paid (1)

30. What is the main source of income for the government?

A) Donations
B) Loans
C) Taxes
D) Exports (1)

[30]

SECTION B

Select the most appropriate answer for questions 31- 40.

Choose the letter of your choice, from the answers below each question. Circle the letter that you have chosen in the applicable space on the Answer Sheet provided.

31. A clothing retailer reported that although its revenue had increased by 10%, the number of items that were sold stayed the same. At the same time, consumers reported that they were struggling with higher living costs. What was the **most** likely reason for the retailer's increase in revenue?

    A) Increased demand
    B) Inflation
    C) Improved productivity
    D) Expansion into new markets
    E) Increased selling prices (2)

32. Which of the following **best** explains why businesses fail during economic downturns?

    A) Consumers earn more
    B) Demand for goods decreases
    C) Interest rates fall
    D) Exports increase
    E) Imports decrease (2)

33. Which of the following will decrease Owner's Equity?

    A) Receiving a bank loan
    B) Owner investing money into the business
    C) Paying business expenses
    D) Cash sales
    E) Buying a vehicle (2)

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

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

35. What effect would the following transaction have on the accounting equation?
"Received R15,000 cash from a tenant for rental of a spare room."

A) Assets increase, Owner's equity increases
B) Assets increase, Owner's equity decreases
C) Liabilities increase, Owner's equity increases
D) Liabilities decrease, Owner's equity decreases
E) Owner's equity increases, Liabilities decrease (2)

36. Why is relying on price increases to grow turnover risky for retailers in the long term?

A) Consumers may reduce spending further
B) Government will reduce taxes
C) Operating costs will fall
D) Competition will disappear
E) Consumers will increase spending (2)

37. Which institution/authority is responsible for 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. Strong competition in the retail sector most likely results in:

A) Monopolies forming
B) Higher unemployment
C) Lower unemployment
D) Better prices and choices for consumers
E) Fewer businesses entering the market (2)

39. Why is it important to separate business money from money that is used for personal use?

A) To avoid paying tax
B) To increase profit
C) To reduce expenses
D) To increase income
E) To ensure the accuracy of financial records (2)

40. A business noticed that its sales increased, but the profit decreased. Which of the following is the most likely reason?

A) The business reduced its prices
B) The business increased its prices
C) The business sold fewer products
D) The cost of production increased
E) Consumers earned higher incomes (2)

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Grand Total: 50 marks