



higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

MARKING GUIDELINE

NATIONAL CERTIFICATE

NOVEMBER EXAMINATION

INTRODUCTORY ENTREPRENEURSHIP N4

13 NOVEMBER 2014

This marking guideline consists of 6 pages.

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QUESTION 1

1.1 Is willing to undertake, organise √
Manage new business √
Assume the risk √
Create a reasonable profit √ (4)

1.2 I = P x r x t/100
R 50 000 x 22.5 x 5/100 √√
= R56 250√√ (4)

1.3
- Survey √
- Observation√
- Basic experiments√ (3)

1.4
- Introductory phase – New products, profit low √√
- Growth phase – Sales and profit increase, more competition √√
- Maturity phase – Profit margins peak and fall √√
- Declining phase – Sales and profits drop √√ (8)

1.5
- Market√
- Labour supply√
- Raw material√
- Capital√
- Housing√
- Municipal concession and rates√
- Competition
- Transport facilities
- Electricity and water supply
- Parking facilities (Any 6 × 1) (6)

[25]

QUESTION 2

2.1
- Identify business opportunity√
- Combine factors of production√
- Remunerated factors of production√
- Plan the business√
- Carry all risks√
- Extend the business
- Preserve the free enterprise system (Any 5 × 1) (5)

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2.2
- Marketing mix elements√
- Description of the target market√
- Identification of immediate competitors √
- SWOT analysis√
- Calculation of market size in rand value√
- Identify opportunities to expand√
- Description of key customers√
- Sales forecasts for the first year of business

(Any 7 × 1) (7)

2.3
- Order stock from suppliers√
- Identify reliable suppliers√
- Ensure ample stock is on hand√
- Receiving and inspect goods supplied√
- Utilize sound storage practices√

(5)

2.4
- Adopt a creative attitude√
- Look for business opportunities√
- Notebook for ideas√
- Challenge existing products and services
- Opportunities first, threats second
- Brainstorming
- Attribute analysis

(Any 3 × 1) (3)

2.5 6.5/100 x R15 500√
R1007,50√
R15 500 – R1007,50 √
R14 492,50√√

(5)
[25]

QUESTION 3

3.1
- Prevent burglaries (Security door) √
- Protect cash (Safekeeping) √
- Protect stock (Safes/control stock) √
- Alarm system (Locks and keys)√
- Counter control (Glass cabinets)

(Any other relevant answer) (4)

3.2 Product√
Price√
Promotion√
Place√
Personnel√

(5)

3.3 Fixed: vary little over one year√√
Variable: vary as sales and production vary√√

(1 mark for each explanation)
(1 mark for each example) (4)

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3.4 5.25/100 x R20 000√
= R1050√ (2)

3.5 Private ownership√
Private initiative√
Free markets√
The influence of the state and local government is limited√ (4)

3.6
- Winning√
- Pension lump sum√
- Savings over years√
- Share dividends√
- Money that was inherited√
- Sales of property√
- Insurance (Any 6 × 1) (6)

[25]

QUESTION 4

4.1 R85 - R70 = R15 √
R15,00/R70,00 x 100/√
21.43%√ (3)

4.2 Purchasing√
Marketing√
Administration√
Personnel/Human Resource√
Financial√
Production√
General Management (Any 6 × 1) (6)

4.3 Tourists√
Local clients√ (2)

4.4 Jan 31-7 = 24√
Feb 28
March 31
April 30
May 31
June 30
=174√√ (3)

4.5 Working action plan√
Guideline to active goals√
Tool to obtain financial assistance√
Decision-making tool in management√
Put thoughts in logical order√
Test viability and feasibility
Simulates reality in the business world (5)

4.6 Promoting the product√
Protecting the product√
Storing the product√
Convenient handling of the product√
Economic transportation of the product√
Differentiation of the product from other products√ (6)
[25]

QUESTION 5

5.1
- Freedom to be creative√
- Reap excellent financial rewards√
- Recognition and achievement√
- Independence√
- Contribute to society
- Gain control over own destiny (Any 4 × 1) (4)

5.2
- One cashier to a till√
- One person to sign for petty cash√
- Keep records up to date√
- Control the safe keys√
- Change codes√
- Inspect cash registers daily
- Never sign blank cheques
- Deposit money daily
- Cashier not to leave their money at check points (Any 5 × 1) (5)

5.3 Excellent credibility value√
Wider scope√
Boast business image√ (3)

5.4 Penetration√
Skimming√ (2)

5.5 Cession of life policy√
Fixed property/Mortgage bonds√
Surety/Guarantee from third party√
Stock√
Fixed deposits√ (5)

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5.6	100% - 10% = 90%√ 90/100 x 124 000 √ R111 600√√	OR	10/100 X 124 000√ R12 400√ R124 000-R12 400√ R 111 600√	(4)
5.7	100% + 20% 120/100 x R325.75/1√ R390.90√	OR	20/100 x 325.75/1√ R65,15 R65,15 + R325,75√ R390,90√	(2) **[25]**

TOTAL: 100

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