higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

N800**(E)**(M28)H

NATIONAL CERTIFICATE

INTRODUCTORY ENTREPRENEURSHIP N4

(4090294)

28 May 2019 (X-Paper)
09:00–11:00

Calculators may be used.

This question paper consists of 6 pages.

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DEPARTMENT OF HIGHER EDUCATION AND TRAINING
REPUBLIC OF SOUTH AFRICA

NATIONAL CERTIFICATE
INTRODUCTORY ENTREPRENEURSHIP N4
TIME: 2 HOURS
MARKS: 100

NOTE: If you answer more than the required number of questions, only the required number will be marked. Clearly cross out ALL work you do NOT want to be marked.

INSTRUCTIONS AND INFORMATION

1. Answer only FOUR questions.
2. Read ALL the questions carefully.
3. Number the answers according to the numbering system used in this question paper.
4. ALL calculations must be rounded off to TWO decimal places.
5. Write neatly and legibly.

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CASE STUDY

Read the following case study carefully and answer the questions.

SOUTH AFRICAN ENTREPRENEURS SHARE THEIR SUCCESS STORIES

It is 4:00 and while her children are asleep, Angel is already up baking scones and cakes, while whipping up beef and chicken stew – all to be sold by her mother, 49-year-old entrepreneur, Mbali Luvuno, who will open the family shop at 8:00.

Located at a taxi rank stand in the Vosloorus community, close to Johannesburg, Mbali's Fast Food catering and takeaways offers snacks and home-cooked lunches to drivers and commuters. At one point, without understanding how to price items profitably or track business records, Mbali struggled and considered closing her shop.

Things changed when she was invited to participate in the business skills training intervention run by a UN Women programme to empower women economically. The training intervention was held in partnership with The Coca-Cola Company, as part of the company's 5by20 initiative to integrate women into its value chain. She received training on record-keeping, managing income and expenditure, marketing and competition. Not only did Mbali become a more successful businesswoman as a result of the training she had received, but she gained her confidence back. She now dreams of opening a second shop in a larger taxi stand area and handing over her first business to her daughter.

QUESTION 1



1.1 Mbali is running her business in a free-market system.

Give any THREE characteristics of a free-market system. (3)

1.2 Briefly discuss FOUR advantages of efficient stock management that Mbali should consider that will have an influence on the profit of her business. (4)

1.3 Mbali is looking forward to opening a second shop in a larger taxi stand area.

State at least SEVEN factors that will influence the location of her business. (7)

1.4 What is the difference between the sum of 470 and 275, and the product of 45 and 5? (5)



1.5 Name TWO ways in which Mbali may try to improve her creative thinking and intuition. (2)

1.6 As an entrepreneur, Mbali will be involved in the remuneration of the factors of production.

State the remuneration of each factor. (4)

[25]

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QUESTION 2

2.1 Explain the importance of a business plan in Mbali's business. (5)

2.2 Is Mbali an entrepreneur or intrapreneur? Motivate your answer. (3)

2.3 List THREE types of security Mbali can offer in order to obtain a loan from the bank. (3)

2.4 Explain briefly to Mbali how the life cycle of a product can affect her business. You may use a graph to answer this question. (8)

2.5 What is the basic content of a financial plan? (6)
[25]

QUESTION 3

3.1 As an entrepreneur, Mbali is working hard to improve the economic situation in the country.

State FOUR advantages or benefits that she will receive. (4)

3.2 Which market research methods will Mbali use to identify her target market? (2)

3.3 Mbali's assistant earns R500,00 per week.

Calculate the amount of money she earns per month. (3)

3.4 Mbali is concerned about the control of cash in her business.

Suggest SIX ways in which she can control it. (6)

3.5 Name FIVE types of short-term capital that Mbali can use. (5)

3.6 Mbali's Fast Food is registered as a close corporation.

State at least FIVE advantages of this form of ownership. (5)
[25]

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QUESTION 4

4.1 Businesses are exposed to numerous risks.

State FOUR types of insurable risks encountered in the business world. (4)

4.2 Increase R522,00 by 10%. (2)

4.3 Indicate whether the following statements are TRUE or FALSE. Choose the answer and write only 'True' or 'False' next to the question number (4.3.1–4.3.5) in the ANSWER BOOK.

4.3.1 Jewellery is an example of a cultural need.

4.3.2 Food and drinks are examples of durable goods.

4.3.3 Services are a tangible benefit of need satisfaction

4.3.4 Industrial goods are used to produce other goods.

4.3.5 Staffing is the ability to employ the right people for the different jobs in an enterprise.

(5 × 1) (5)

4.4 Mbali acts as an employer when recruiting and employing labourers.

Describe FOUR basic tasks of a human resource practitioner. (4)

4.5 State at least THREE goals of advertising. (3)

4.6 Mbali wants to advertise her business in a national newspaper.

Design an advertisement for her business, taking the AIDA formula into consideration. (5)

4.7 Give TWO reasons why Mbali started her business. (2)

[25]

QUESTION 5

5.1 Sam, one of Mbali's assistants, would like to go on holiday starting from 12 December 2017 to 16 June 2018.

Calculate the number of days that he will be away. (3)

5.2 Use a diagram and illustrate the SIX basic steps in the business cycle of Mbali's business enterprise. (6)

5.3 Mbali has 35 male and 10 female staff in her employment.

What percentage of the staff comprises female workers? (3)

5.4 Give FIVE reasons why budgets are very important in managing a small business enterprise. (5)

5.5 Mbali purchases meat from a supplier in Johannesburg. She receives a cash discount of 3,5% on her account if she pays within seven days. The amount on the invoice of her purchase totals R15 000.

Calculate the cash amount payable if she pays within three days. (5)

5.6 Give THREE ways in which Mbali can protect her ideas. (3)
[25]

TOTAL: 100

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