higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

MARKING GUIDELINE

NATIONAL CERTIFICATE

INTRODUCTORY ENTREPRENEURSHIP N4

7 October 2020

This marking guideline consists of 6 pages.

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QUESTION 1

1.1
- Creation of job opportunities
- Generation of wealth
- Higher standard of living
- Initiation of the production process
- Utilisation of natural resources (Any 4 × 1) (4)

1.2 Entrepreneur – He started his own business (1 × 2) (2)

1.3
- To break away from a boring job
- He had identified a business opportunity
- To do something he enjoyed
- To make profit
- To be his own boss (Any 4 × 1) (4)

1.4
- Planning
- Organising
- Leading
- Controlling
- Staffing
- Decision making (Any 5 × 1) (5)

1.5
- Production
- Purchasing
- Administrative
- Marketing
- Personnel/Human Resources
- Public Relations
- Financial
- General Management (Any 5 × 1) (5)

1.6
1.6.1 False
1.6.2 True
1.6.3 False
1.6.4 False
1.6.5 False

(5 × 1) (5)
[25]

AND/OR

QUESTION 2

2.1
- Working action plan
- Guideline to achieve goals
- Tool to obtain financial assistance
- Decision-making tool in management
- Arrange thoughts in a logical order
- Test viability and feasibility
- Simulates reality in the business world (Any relevant 5 × 1) (5)

2.2
- Market size
- Transport facilities
- Parking facilities
- Labour supply
- Capital
- Housing for labour supply
- Availability of land
- Electricity and water supply
- Location of immediate competitors
- Municipal concession and rates
- Infrastructure
- Climate (Any 4 × 1) (4)

2.3.1 20% of R10 million

= 20/100 × R10 000 000✓

= R2 000 000✓ (2)

2.3.2 2/5 of R35 200

= 2/5 × R35 200

=R14 080✓ (1)

2.3.3 FORMULA: $I = \frac{P \times r \times t}{100}$

$= \frac{R60\ 000 \times 20 \times 5}{100}$✓✓

= R60 000✓✓ (4)

2.4
- Membership is limited to 10 members.
- Limited liability – members' personal assets are protected.
- It is a legal person.
- The name ends with the words 'close corporation'.
- It has perpetual continuity.
- An accounting officer must draft the financial reports. (Any 5 × 1) (5)

2.5
- Private ownership
- Private initiative
- Free markets
- The influence of the State is limited (Any relevant 4 × 1) (4)

[25]

AND/OR

QUESTION 3

3.1
- Knowledge and skills
- Funds
- Contacts/Networking (3)

3.2 15% (1)

3.3
- Quality
- Quantity
- Price
- Time
- Service
- Delivery
- After-sales service (Any relevant 5 × 1) (5)

3.4
- Product
- Price
- Place
- Promotion
- Personnel (5)

3.5 R20 × 25/100
= R5✓
= R20 + R5✓
= R25✓ (Any other correct methods of calculation must be considered) (3)

3.6 R450 × 4✓
= R1 800✓ (2)

3.7 3.7.1 Stock turnover rate – measures✓ the number of times✓ in which stock is sold✓ during a specific period.✓ (Any relevant answer) (4)

3.7.2 Bank overdraft – bank grants the entrepreneur extra working capital to a specific maximum amount. (Any relevant answer) (2)
[25]

AND/OR

QUESTION 4

4.1
- Stock management avoids stock shortages and stock surpluses.
- The correct purchases will be made.
- Stock will be controlled.
- Operating capital will be used optimally.
- Competitive sales methods will be encouraged.

(Any relevant 5 × 1) (5)

4.2
- Cheap prices
- Excellent service and personal touch (Any relevant answers) (2)

4.3
- Deposits
- Withdrawals
- Cheque accounts
- Savings accounts
- Automatic teller machines
- Credit facilities
- Internet banking
- Cell phone banking (Any relevant 5 × 1) (5)

4.4 Insurable✓ and non-insurable risks✓ (2)

4.5 June (30 – 20) = 10✓✓
July = 31
August = 31
September = 30
October = 20
Total = 122 days✓✓ (5)

4.6 2 000 × R1 500 = R3 000 000✓✓
= R3 000 000 × 25% = R750 000✓✓
= R750 000 × 10% = R75 000✓✓ (6)
[25]

AND/OR

QUESTION 5

5.1
5.1.1 B
5.1.2 D
5.1.3 C
5.1.4 E
5.1.5 A

(5 × 1) (5)

5.2
- Supplier's credit
- Bank overdraft
- Short-term loan
- Credit agreement/Hire purchasing
- Leasing

(Any 4 × 1) (4)

5.3
=100% + 10% = 110%✓
=110/100 × R15 000✓
=R16 500✓

OR

= 10/100 × 15 000
= R1 500✓
= R15 000 + R1 500✓
= R16 500✓ (3)

5.4
- Marketing mix elements
- Brief description of the target market
- Identification of immediate competitors
- SWOT analysis
- Calculate the market share
- Identify opportunities for expansion

(6)

5.5
- Businesses selling online
- Individual clients
- Private sector entities

(3)

5.6 The advertisement should:
- Attract attention
- Arouse interest
- Create desire
- Take action

(Any 4 × 1) (4)
[25]

TOTAL: 100

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