higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

N410(E)(N28)H
NOVEMBER EXAMINATION

NATIONAL CERTIFICATE

ENTREPRENEURSHIP AND BUSINESS MANAGEMENT N4
(First Paper)

(4090304)

28 November 2014 (X-Paper)
09:00–09:30

OPEN-BOOK EXAMINATION

Calculators may be used.

This question paper consists of 5 pages and 1 answer sheet.

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DEPARTMENT OF HIGHER EDUCATION AND TRAINING
REPUBLIC OF SOUTH AFRICA

NATIONAL CERTIFICATE

ENTREPRENEURSHIP AND BUSINESS MANAGEMENT N4

(First Paper)

TIME: 30 MINUTES

MARKS: 50

INSTRUCTIONS AND INFORMATION

1. Answer ALL the questions.
2. Read ALL the questions carefully.
3. Number the answers according to the numbering system used in this question paper.
4. Write neatly and legibly.

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SECTION A

QUESTION 1

Various options are given as possible answers to the following questions. Choose the answer and make a cross (X) in the block next to the question number (1.1–1.12) on the attached ANSWER SHEET.

1.1 The importance of effective stock control is that it …

A controls invoice number.
B keeps the store clerk busy.
C prevents wasting valuable working capital on unnecessary stock.
D analyses the market environment.

1.2 Which cost item is an example of a variable cost?

A Monthly office rental
B Monthly rates and taxes
C Monthly instalments of delivery van
D Monthly packaging expenses

1.3 A reason why you should become an entrepreneur is to …

A manage people properly.
B reap unlimited inventories.
C reach your full potential.
D control customer credit.

1.4 A component of the management plan is the …

A credit report.
B sales forecast.
C remuneration policy.
D cash flow statement.

1.5 Benefits of keeping proper financial statements:

A One is always informed of the financial position of the business
B Problem area like bad debts can be easily identified
C One can make informed decisions
D All the above-mentioned

1.6 The purpose of calculating your economic order quantity (EOQ) is to determine the …

A carrying costs.
B total inventory costs.
C total ordering costs.
D re-ordering level of inventory.

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1.7 A reduction in the list price that rewards customers for paying promptly is …

A trade discount.
B quantity discount.
C cash discount.
D discount.

1.8 An example of a communication medium for a business:

A Telephone
B Fax
C Computer
D All the above-mentioned

1.9 A product used in the production of other products is known as a/an … product.

A external
B industrial
C consumer
D speciality

1.10 Which ONE of the following is NOT a personal resource of the entrepreneur?

A Knowledge and skills
B Contacts and friends
C Finance
D Perfectionism

1.11 A business's most important asset is …

A people.
B raw materials.
C finished goods.
D buildings.

1.12 Demographic segmentation refers to …

A the culture that people have .
B how they use a specific product.
C the area where people live.
D the social class to which people belong.

(12 × 2) **[24]**

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QUESTION 2

Choose a/an item/word from COLUMN B that matches the description in COLUMN A. Write only the letter (A–I) next to the question number (2.1–2.7) on the attached ANSWER SHEET.

COLUMN A		COLUMN B
2.1	The process where your market has been divided on the basis of factors such as demography and geography	A balance sheet
2.2	The marketing activity that offers special offers, exhibitions and posters	B sales promotion
2.3	The point where total costs equal total sales	C break-even point
2.4	Sponsor fund-raising activities	D economic ordering quantity
2.5	The expected sales for future periods	E sales budget
2.6	Combination of all activities that can influence the demands for your product or service	F job description form
2.7	Statement of duties and responsibilities	G market segmentation
		H marketing mix
		I publicity

(7 × 2) **[14]**

QUESTION 3

Give ONE word/term for each of the following descriptions by choosing a word/term from the list below. Write only the word/term next to the question number (3.1–3.6) on the attached ANSWER SHEET.

sales; cash book; organising; competitive advantage; income statement; business plan; cash-flow statement; gross profit; planning; debtors ledger

3.1 Something that your business should have to make it unique, which your cash competitors do not have

3.2 Payments and money received are recorded in this book to keep record of your cash situation

3.3 The turnover of the business

3.4 The accounts of all customers who owe you money and buy on credit

3.5 This statement indicates how much profit to expect

3.6 This statement helps you to avoid cash shortages

(6 × 2) **[12]**

TOTAL SECTION A: 50

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ANSWER SHEET

SECTION A

QUESTION 1

1.1	A	B	C	D
1.2	A	B	C	D
1.3	A	B	C	D
1.4	A	B	C	D
1.5	A	B	C	D
1.6	A	B	C	D
1.7	A	B	C	D
1.8	A	B	C	D
1.9	A	B	C	D
1.10	A	B	C	C
1.11	A	B	C	D
1.12	A	B	C	D

(12 × 2) **[24]**

QUESTION 2

2.1
2.2
2.3
2.4
2.5
2.6
2.7

(7 × 2) **[14]**

QUESTION 3

3.1
3.2
3.3
3.4
3.5
3.6

(6 × 2) **[12]**

TOTAL SECTION A: 50

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