



<u>FACULTY</u>	: Education
<u>DEPARTMENT</u>	: Childhood Education
<u>CAMPUS</u>	: SWC
<u>MODULE</u>	Economic and Management Sciences for the Intermediate : Phase (EMSIPA3)
<u>SEMESTER</u>	: First
<u>EXAM</u>	: June Supplementary 2020

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<u>DURATION</u>	: SUBMISSION	<u>MARKS</u>	: 100

NUMBER OF PAGES: 6 PAGES

INSTRUCTIONS:

1. You may not consult any other sources, other than the information provided or specified in this question paper. You may not cooperate or communicate with other students about this examination paper.
 2. Answer all the questions and submit your work to the correct assessment link on Blackboard.
 3. Number your answers in the sequence provided in this document.
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QUESTION 1

(Answer in full sentences)

- 1.1 Name two characteristics of money. (2)
 - 1.2 How can we recycle or reuse goods to satisfy needs and wants of the schools within the greater Soweto region? (2)
 - 1.3 Name two effects that health epidemics can have on businesses in South Africa. (2)
 - 1.4 Briefly explain two skills of an entrepreneur that would allow them to start a new business in the second half of 2020. (2)
 - 1.5 Name two different types of inequality and give examples of these from your personal experience. (2)
- [10]**

QUESTION 2

Indicate whether the following statements are **True or False** and **explain why you deem this to be the case**. Write in full sentences and include examples from your own personal experience where possible.

- 2.1 Households can only be consumers of goods and services. (2)
 - 2.2 Economic wealth of a country can be achieved through renewable or non-renewable resources. (2)
 - 2.3 Some products can be an example of both goods and services. (2)
 - 2.4 Variable costs stay the same regardless how many articles are produced. (2)
 - 2.5 Food, clothing and shelter are secondary needs. (2)
- [10]**

QUESTION 3

Choose the word that **BEST** describes the sentence below. In each case mention an example or anecdote from your personal experience that would elaborate on the concept that the question portrays.

- 3.1 Tax paid on goods bought from other countries. (2)
- 3.2 An indirect tax levied on goods and services and is collected and paid over to SARS. (2)
- 3.3 This is an amount added to the price of petrol and diesel and paid at the petrol station by the car owner. (2)
- 3.4 The income of the government from all sources and used for the payment of public expenses. (2)
- 3.5 If the income is greater than expenditure, the government has a ____ (2)
- [10]

QUESTION 4

Define entrepreneurship and critically compare the characteristics of an entrepreneur and an intrapreneur. Justify how an intrapreneur could contribute to the success of a business. Base your answer on a local business and give a description of the entrepreneurs and intrapreneurs that form part of that business. [15]

QUESTION 5

Mr Hughes started a clothing business. He has asked you to help him with various aspects of his new business.

- 5.1 Calculate the profitability of Mr. Hughes business if he had a **net profit** of R20 000 and he made a **capital** investment of R80 000. (1)
- 5.2 Mr. Hughes needs help with the financial aspects of his business.
- Study the following accounts and state which of them are assets, incomes, (10)

liabilities and expenses.

Bank, Creditors, Equipment, Rent Expense, Commission Income, Vehicles, Land and Buildings, Advertising, Fuel, Debtors, Trading Stock, Mortgage Loan, Cash float, Salaries, Insurance, Stationery, Petty cash, Sales, Telephone, Current income.

Use the following format to answer.

ASSETS	INCOMES	LIABILITIES	EXPENSES

5.3 Mr Hughes also needs help on the following Marketing aspects:

5.3.1 Define “target market” and provide an example that might apply to Mr Hughes’s business. (2)

5.3.2 Explain the concept of advertising to Mr Hughes using two sentences. (2)

5.3.3 How can Mr Hughes apply the principles of good advertising in his clothing business? (4)

5.3.4 What are the requirements for a good advertisement. (4)

5.4 Use the information to calculate the **net profit** for Mr. Hughes’ business. Show all your calculations.

Sales: R50 000

Cost of Sales: R20 000

Rent: R4 000

Salaries: R6 000

Stationery: R1 000 (2)

[25]

QUESTION 6

GOOD LUCK GLASS RECYCLING Consol Glass advertised on radio that the company wanted to increase its recycling volumes. Cato and Debbie, two school friends, decided to take this opportunity to launch their business, GOOD LUCK GLASS RECYCLING, in KwaZulu- Natal. Cato studied EMS and has a matric qualification, and he is also taking a Business Management course at University. Debbie was responsible for the daily operation of the business. They approached their former school, Umlazi High School, with a recycling proposal. The business would supply a container at no cost. Once the container was full, they would collect it from the school and in turn give the school a cash incentive. The project was launched in March 2017, and by the end of the year, they had 23 schools involved in the project.

GOOD LUCK GLASS RECYCLING has three permanent staff members and one casual employee. The following are some of the challenges of their business operation:

- Three of their delivery vehicles are not in good running condition.
- Convincing banks to finance the operation.
- Changing learner attitudes towards glass recycling.
- Getting to grips with the tender process to secure tenders.

Cato and Debbie have a vision of establishing five buy-back centers in Kwazulu-Natal. They want to sell recycled bottles to several other manufacturers. They also receive waste glass from various glass manufacturers in the province.

6.1 Critically analyse Cato and Debbie's business by providing a SWOT analysis. Use any three aspects from the information provided above and list the relevant aspects under the SWOT analysis. Then advise which are internal factors and external factors and why you have classified them in this way.

(15)

6.2 Write a one-and-a-half-page essay in which you explain strategies you will use to create a demand for her services to generate a profitable business.

(15)

Be mindful of plagiarism and ensure that your response is authentic.

Use the following structure for your essay:

- Introduction (with a definition of entrepreneurship).
- Body – Use strategies that were explored during group discussions on the Recycle Product project.
- Conclusion.

[30]

TOTAL: 100