This memorandum consists of 19 pages.
QUESTION 1

1.1.1 D ✓ Remembering, easy (F p 182, S p 201) (1)
1.1.2 C ✓ Understanding, easy (F p 174, S p 193) (1)
1.1.3 B ✓ Remembering, easy (F p 71, S p 77) (1)
1.1.4 D ✓ Remembering, easy (F p 83, S p 98) (1)
1.1.5 D ✓ Remembering, moderate (F p 79, S p 73) (1)
1.1.6 B ✓ Understanding, easy (F p 84, S p 100) (1)
1.1.7 A ✓ Applying, moderate (F p 74, S p 184-185) (1)
1.1.8 B ✓ Applying, easy (F p 49, S p 48-49) (1)
1.1.9 B ✓ Applying, moderate (Grade 11) (1)
1.1.10 A ✓ Remembering, easy (F p 125, S p 142) (1)
1.1.11 A ✓ Remembering, easy (F p 126, S p 146) (1)
1.1.12 C ✓ Remembering, easy (F p 133, S p 155) (1)
1.1.13 D ✓ Understanding, easy (F p 127, S p 145) (1)
1.1.14 C/D ✓ Understanding, moderate (F p 122, S p 140) (1)
1.1.15 D ✓ Remembering, easy (F p 36, S p 35) (1)
1.1.16 A ✓ Remembering, easy (F p 16, S p 15) (1)
1.1.17 A ✓ Understanding, moderate (F p 15, S p 21) (1)
1.1.18 C ✓ Understanding, moderate (F p 11, S p 35) (1)
1.1.19 D ✓ Understanding, moderate (F p 20, S p 24) (1)
1.1.20 B ✓ Understanding, moderate (F p 30, S p 30) (1)

1.2.1 eco-friendly ✓ (F p 61, S p 66) (1)
1.2.2 low ✓ (F p 62, S p 68) (1)
1.2.3 flea markets ✓ (F p 64, S p 72) (1)
1.2.4 renewable ✓ (F p 61, S p 67) (1)

Remembering, easy
1.3.1 Hypoglycaemia/low blood glucose/diabetes ✓ (S p 79) NOTE: NOT low blood (1)
1.3.2 anorexia (nervosa) ✓ (F p 82, S p 94) (1)
1.3.3 Atherosclerosis/coronary heart disease ✓ (F p 74, S p 83) (1)
1.3.4 (food) allergy ✓ (F p 79, S p 92) (1)
1.3.5 bulimia ✓ (F p 82, S p 95) (1)
1.3.6 Celiac disease/gluten intolerance/gluten-sensitive enteropathy ✓ (F p 80, S p 93-94) (1)

Remembering, moderate
1.4.1 D ✓ (1)
1.4.2 F ✓ (1)
1.4.3 B ✓ (1)
1.4.4 G ✓ (1)
1.4.5 C ✓ (1)

Understanding, moderate (F p 163 – 164, S p 180-183)
1.5 B ✓
C ✓
E ✓
F ✓
J ✓ (in any sequence) (5)

Understanding, moderate (F p 11, S p 10-12) (40)
QUESTION 2: THE CONSUMER

2.1 2.1.1 Define Grey goods

- Grey goods are goods that have been imported into a country through unofficial/unauthorised distribution channels.
- Grey goods are items that a manufacturer does not want sold in a particular country, but that end up there through unofficial distribution channels.
- Grey goods are not illegal/The goods are imported legally and duties are paid but are not sold by authorised businesses.

(Any 2)

Remembering, easy (F p 158, S p 176)

2.1.2 Define Scam

- A scam is a dishonest scheme. It usually involves an unsuspecting consumer who is cheated into paying an excessive price for the goods or services offered. In many cases, there are no real goods or services on offer.
- Scams are false/fraudulent business deals that are often linked to organised crime.

(Any 2)

Remembering, easy (F p 161, S p 176)

2.2 State THREE advantages of solar energy

- Solar energy is clean, does not cause pollution/ it is eco-friendly.
- It is a renewable source of energy.
- Can function well in almost any climate.
- After initial investment is paid for, the energy cost is almost zero.
- No noise pollution.
- Manufacturers offer warranties of 20 years on their products.
- The government gives incentives to reduce the cost of installation.
- Solar water heaters use the sun to heat water, reducing the need for electricity/gas.
- Solar water heaters provide hot water even when there are power failures.

(Any 3)

Remembering, easy (F p 191, S p 170)

2.3 2.3.1 Name the Act that governs stokvels to ensure fair business.

- National Credit Act

Remembering, easy (F 161 p, S p 178)

2.3.2 Quote a sentence from the scenario that indicates that this stokvel is legal.

- '... in which all members know how the money is invested.'

Understanding, moderate (F p 161, S p 178)
2.3.3 Explain how being in a stokvel benefited Lindy to buy a refrigerator.

- Lindy paid subscriptions/contributed to establish a continuous pool of money. The stokvel forced her to save money when she was earning/working.
- She shared in the profits/interest of the stokvel club.
- She was able to receive/have money when she needed it/for an emergency.
- The stokvel money enabled her to pay cash for the refrigerator.
- There was no extra costs/interest as she paid cash.
- She could possibly have asked for a cash discount, which could have made the refrigerator cheaper. (Any 4) (4)

*Understanding, difficult* (F p 161, S p 177-178)

2.3.4 Explain how the guarantee Lindy received when she purchased the refrigerator could benefit her.

- A guarantee is a promise in writing that the quality/durability of a product/service will meet certain standards.
- If the product/service does not meet the standards, the money paid for it will be returned or the refrigerator will be replaced/repai red. The manufacturer will sort out the problems.
- The guarantee covers the product for a fixed period of time. In the long run, she will save money if the refrigerator breaks down within the fixed period of time. (Any 3) (3)

*Applying, moderate* (F p 158, S p 175)

2.3.5 Write a paragraph to discuss possible reasons for the drastic price increase of the refrigerator.

The reason for the price increase is inflation. Striking workers caused a loss of money as a result of lost working hours. Less stainless steel was produced. The company had to increase the price of the stainless steel to make up for the money lost. More stainless steel could have been imported which increased the price. Excise duties had to be paid. The devaluation of the rand caused an increase in the price of steel. The company had to increase the price of stainless steel to cover the salary increase. The higher stainless steel prices led to an increase in the price of consumer goods/refrigerator. The price of electricity and petrol may have increased, and that increased the manufacturing/production costs as well as transport costs. (Any 4) (4)

*NOTE: Learners lose ONE mark if the answer is not written in a paragraph.*

*Analysing, difficult* (F p 146, S p 185)
QUESTION 3: FOOD AND NUTRITION

3.1 Give THREE reasons for the use of additives in food.

- To improve the taste/flavour ✓
- To improve the texture/emulsifying/stabilising/thickening ✓
- To improve the appearance/colour/ Making food more attractive ✓
- To maintain/improve the safety ✓
- To improve the freshness/shelf life/keeping quality ✓
- To improve/maintain the nutritional value of food.
- To help in processing/preparing food. ✓

(Any 3) (3)

3.2 Explain how food irradiation impacts on public health.

- Irradiation eliminates/reduces the number of pathogenic bacteria/ harmful organisms/ insects/ micro-organisms/ enzymes, ✓ and therefore improves the safety/ freshness of food products for human consumption. ✓
- Reduces the need for preservatives ✓/ which could have a possible harmful effect on consumers. ✓

(Any 2) (2)

3.3 Give FOUR reasons why the learners were infected with E. coli.

- There was poor sanitation/learners used bushes for toilets. ✓
- Lack of clean water/collect water from rivers to wash hands properly/ People did not wash their hands after using the toilet/ before preparing the food/ milking of the cows. ✓
- Learners swam/bath/drank contaminated water/ not boiled/treated water ✓ in rivers/ dams.
- The vegetables the learners bought could have been watered with contaminated water/ contaminated with animal faeces. ✓
- The spinach/cabbage/vegetables was/were not washed before use. ✓
- Food was not cooked properly/ undercooked. ✓
- They were exposed to raw/ unpasteurised/ not sterilized milk/ they drank the cow's milk. ✓
- Greeting the villagers by shaking hands causes person-to-person contact that leads to transmission of the disease. ✓

(Any 4) (4)

NOTE: Mark only the first FOUR reasons.

3.3.2 Discuss the treatment of E-colı infection.

- There is no special treatment ✓, except drinking lots of good quality water/fluids ✓ to prevent dehydration/ replace the fluid lost as a result of diarrhoea and vomiting. ✓
- The best approach is to rest. ✓
- Do not take anti-diarrhoeal medicine ✓; the body has to get rid of the E. coli bacteria. ✓
- Patients who are very ill must be hospitalised ✓ to receive fluids by drip. ✓

(Any 4) (4)
3.4  3.4.1 Give a reason why osteoporosis is called the 'silent disease'.

- There are no warning signs/pains/symptoms for osteoporosis.
- Most people only become aware that they have the disease when they experience the first bone fracture/get checked/scanned.

Understanding, moderate (F p 75, S p 89)

3.4.2 Explain why osteoporosis leads to bone fractures.

- Osteoporosis occurs when calcium is lost/withdrawn from the bone more quickly/at a faster rate than can be replaced.
- The bones become smaller/thinner/less dense/porous/fragile/brittle/weak and this causes them to break easily.

Understanding, moderate (F p 75, S p 89)

3.4.3 Write a paragraph to discuss how osteoporosis can be prevented in young adults through the intake of:

(a) Calcium
(b) Vitamins and minerals
(c) Proteins

(a) Consume enough/more calcium as calcium strengthens the bones/increases bone mass/bone density/slow down age-related bone loss. Consume plenty/2–2½ portions/500mg of low-fat/non-fat milk and milk products per day as milk is the best source of calcium. Green leafy vegetables/pilchards/sardines/fish with bones/nuts contain calcium. Take a calcium supplement when dietary intake does not meet the requirements.

(b) Phosphorus is necessary to facilitate the absorption of calcium from the digestive tract. An adequate intake of fluoride/fluoridated water can help to prevent osteoporosis. Ensure an adequate intake of vitamin D. Vitamin D is important for calcium absorption/it incorporates calcium into bone. Vitamin D is found in oily fish (salmon/pilchards/tuna/sardines)/enriched margarine/dairy products. Consume enough vitamin C as it is necessary for normal collagen synthesis. Fresh fruit and vegetables are good sources of vitamin C.

(c) Do not eat too many protein-rich foods as the body releases acids into the bloodstream when it digests protein and then draws calcium from the bones to neutralise the acids. Protein is necessary for collagen synthesis to strengthen the bone. Protein strengthens the muscles that support the bones. Good sources of protein are meat and meat alternatives (eggs/fish/legumes/nuts)/milk and milk products.

NOTE: Learners lose ONE mark if the answer is not written in a paragraph. A maximum of 2 marks for (a), (b) and (c).

Understanding, moderate (F p 75-76, S p 89-90)
3.5 Define the term food security.

Food security is the ability of individuals to obtain enough/sufficient/adequate and safe, nutritious food at all times/on a day-to-day basis to maintain a healthy and active life.

(Any 3) (3)

Remembering, easy (F p 106, S p 129)

3.5.2 Give reasons why more female participants suffered from iron-deficiency anaemia.

- Food insecure people do not eat enough food/ do not earn enough money for food/ cannot afford iron-rich foods and therefore lack iron in their diets.
- Generally females eat less/ smaller portions of iron rich food like meat.
- Mothers/women generally ensure that children/ families/ men get fed first and compromise their own health/nutrition.
- Boys often get more food than the girls.
- Many females follow slimming diets and do not consume enough iron rich food.
- Females lose blood during menstruation and the small amount of food available may not be enough to replace the iron loss during menstruation.
- More iron than normal is necessary during pregnancy and the amount of iron in the diet may not be enough.
- No/little fresh fruit or vegetables which supply vitamin C for iron absorption is available.

(Any 5) (5)

Applying, difficult (F p 76, 110, S p 76, 91)

3.6 Identify TWO common allergens that are present in the rusks.

- Wheat (flour)/ Wheat bran
- Cow’s milk/buttermilk
- Egg
- Sunflower seeds
- Linseeds

(Any 2) (2)

Remembering, easy (F p 97, S p 92)
3.6.2 Evaluate the suitability of the rusks for a person with diabetes.

- The product has a high carbohydrate content ✓ which is not good for diabetics as this causes the blood glucose levels to rise. ✓
- The product is high in fat/saturated fat/butter/buttermilk/eggs ✓ which could be detrimental to diabetics/not good ✓ as diabetics are more prone to heart disease. ✓
- The moderate sodium content can lead to hypertension. ✓
- The product is likely to have a low/moderate GI ✓ as it has a low sugar content ✓ and has a high fibre content ✓. Oats have a low GI ✓ and bran has a low GI ✓. This means that glucose is released slowly into the bloodstream ✓ which is good for diabetics as it will prevent large fluctuations in blood-glucose levels. ✓
- The product contains xylitol/ non-sugar sweetener that is suitable for a diabetic person. ✓
- The fibre content is high and will be beneficial for a person with diabetes type II. ✓
- Oats contain soluble fibre ✓ that lowers cholesterol levels ✓ which is good as diabetics are more at risk for the development of coronary heart disease. ✓
- Wheat bran contains insoluble fibre ✓ that lowers cholesterol levels. ✓
- The product has a moderate protein ✓ content in eggs/buttermilk which will avoid unnecessary stress on the kidneys ✓ and builds tissue. ✓

Conclusion
- The product is suitable ✓ The product should be eaten in moderation. ✓ (Any 7)

NOTE: Learners must indicate positives and negatives and come to a conclusion.

Evaluating, difficult (F p 72, S p 80)
QUESTION 4: CLOTHING

4.1 Describe each of the following stages of the fashion cycle.

4.1.1 **Introduction/Launch**
The fashion is first introduced. ✓ Celebrities are photographed wearing the trend ✓/Fashion leaders adopt or accept or reject the fashion/ before anyone else wears it. ✓

(Any 2) (2)

4.1.2 **Peak**
The fashion reaches the height of popularity/ many people wear it. ✓ It is mass produced. ✓ It is advertised by clothing stores/ in window displays. ✓

(Any 2) (2)

4.1.3 **Obsolescence/End**
Garments are out of fashion/disappear/go on sale/ become obsolete. ✓ Fashion cycle is completed. ✓ A new fashion trend has already established itself ✓

(Any 2) (2)

*Remembering, easy* (F p 50, S p 50)

4.2 Describe the term 'retrospective fashion' by referring to the information in the extract.

- Retrospective fashion refers to clothes that imitate the style of a previous era. ✓
- Fashion often looks to the past for inspiration ✓, but always interprets it with a modern twist/styles never come back in exactly the same form/ they are mostly adapted to suit the needs and lifestyle of the present era. ✓
- In this extract the pastel/neon colours ✓ of the 1980s ✓ are back in fashion.

(Any 2) (2)

*NOTE:* Learners must refer to the information in the extract to get full marks: The learners must refer to the pastel/neon colours of the 1980s, otherwise only one mark.

*Understanding, moderate* (F p 51, S p 53)

4.3 Explain how shopping at second-hand clothing shops or garage sales contributes to the sustainability of the environment.

- Unwanted garments are not discarded; ✓ they are sold for use a second time around/ recycled/ reused. ✓
- Waste is reduced ✓ and therefore less landfill space is used. ✓
- It reduces the number of virgin fabrics/clothes that need to be newly manufactured/produced ✓ and in this way reduces pollution/ carbon footprint ✓
- The use of water/ electricity ✓ for manufacturing is reduced and this has a positive impact on the environment. ✓

(Any 4) (4)

*Understanding, moderate* (F p 62-63, S p 68)
Explain the optical illusion created by the lines on the dress and shirt.

- The horizontal lines/stripes on the dress create the optical illusion that the woman is shorter/wider. ✓
- The lines with the white/grey/light background (from hip to bust) create an illusion of width. ✓
- The lines with the dark (navy blue) background make the hips appear more slender. ✓
- The vertical lines/stripes on the shirt create the optical illusion that the man is taller/slimmer ✓ (Any 2)

Apply, easy (F p 57, S p 59)

Evaluate the suitability of the dress OR the shirt as items in a basic work wardrobe for a female or a male.

**Dress:**

- It cannot be mixed and matched as easily as a separate bottom and shirt/blouse/ not as versatile as a separate bottom and shirt/blouse. ✓
- The length/design is suitable/appropriate/ not too revealing. ✓
- The colours are suitable ✓ for a basic wardrobe as they can be mixed and matched ✓ with a navy blue/ black/ grey jacket or cardigan. ✓
- The dress looks professional/ people will take you seriously. ✓
- The ¾ sleeve is versatile as it can be worn in summer and in winter with a jacket/cardigan. ✓
- Knitted fabric is comfortable to wear ✓ it doesn't crease/has a neat appearance. ✓ (Any 5)

**Conclusion:** It is suitable ✓ as the dress looks professional/gives a professional appearance.

It will not be suitable ✓ as the dress is not versatile.

It will not be suitable ✓ for the fuller figure as the knitted fabric may be too tight fitting and emphasises the fuller figure/horizontal stripes are not suitable for the fuller figure. ✓ (Any 1)

OR

**Shirt:**

- Colours are interesting ✓
- Colours can be mixed and matched with other colours ✓ such as blue, black and stone ✓
- Design of shirt is suitable/formal ✓
- Design of shirt is professional/ people will take you seriously. ✓
- The shirt can be worn in summer and winter. ✓
- The cotton fabric is comfortable to wear/ it absorbs moisture/ keeping you cool in summer. ✓
- The shirt can be made more formal/dressed up with a tie ✓ and will be more informal if worn without a tie. ✓
- The colours may be too informal. ✓ (Any 5)

**Conclusion:** It is suitable ✓ as the shirt looks professional/gives a professional appearance.

It is not suitable because ✓ the colours are too informal.

The use of the tie is restricted due to the colours of the stripes. ✓ (Any 1)

**NOTE:** Do NOT award a mark for ‘it is suitable’ only. Mark first option if learner discussed both.

Evaluating, difficult (F p 57, S p 63)
QUESTION 5: HOUSING

5.1  5.1.1 Identify and explain the type of homeownership for:

(a) The couple's landlord.
   - Sectional-title ownership\(\checkmark\)
   - The landlord owns a unit/section of the building \(\checkmark\) and sublets it to Yaseem and Alyna.
   - The landlord/sectional-title holder also owns a share of all the common property \(\checkmark\) including lifts/passages/stairways/garden areas and the pool. \(\checkmark\) (Any 2)
   (1 mark for type of ownership and 2 marks for explanation)

(1)

(b) The couple, when they move into the house they are building.
   - Full-title/freehold ownership\(\checkmark\)
   - The couple is the legal owners \(\checkmark\) of the entire property/land \(\checkmark\) and all the structures \(\checkmark\) on it. (Any 2)
   (1 mark for type of ownership and 2 marks for explanation)

Remembering (1), Understanding (2), easy (F p 122, S p 104)

5.1.2 Discuss the type of contract that the couple signed when they moved into the unit.

   - It is a (legal) rent agreement/lease \(\checkmark\) between a property owner/lessor \(\checkmark\) and a tenant/the couple/lessee \(\checkmark\) OR between both parties involved in the agreement. \(\checkmark\)
   - The lease gives the couple certain legal rights and responsibilities regarding the property for the duration of the lease. \(\checkmark\)
   - Through the lease the tenants commit themselves to renting the property for a minimum period \(\checkmark\) at a fixed rental amount. \(\checkmark\) (Any 3)

Understanding (3), easy (F p 152, S p 169)
5.1.3 Refer to the scenario and discuss the benefits that building their own home has for this couple.

- They can build their dream house which may increase in value/investment.
- They can use their creativity to design a house that suits their needs/taste.
- Building will be personally satisfying for them.
- They can build the extension to suit their needs, such as more bedrooms.
- Yaseem is a handyman and he can include the latest technology/contribute to the installation of the finishes/fittings.
- As a garden designer, Yaseem can design/lay out their new garden.
- The house can be finished according to their own schedule as they have a flat/unit to live in.
- If there are not enough funds/savings the building can be halted since they have a flat to live in.
- Yaseem will oversee the building/owner builder and this will save them money.

NOTE: NO marks must be awarded if learners do not refer to the scenario.

Applying, moderate (F p 121, S p 138)

5.1.4 Choose the type of interest that best suits this couple's needs and Motivate your choice.

Fixed interest
- Good option for them as they have a fixed income and will probably live in the home for a long time.
- If the interest goes up, their bond repayments will not become more/they will not have to pay more.
- The interest rate will stay the same/their repayments stay the same/they will be able to stay within their budget.

OR

Variable interest
- With a variable interest rate they will have to pay different amounts over time/bond repayments become more if the interest rate goes up and less when it goes down and money will be saved.

Understanding, moderate (F p 161, S p 183-184)
5.1.5 Discuss the type of housing subsidy/support Yaseem qualifies for.

- He qualifies for Government employer support/ monthly housing allowance/subsidy. ✓
- He qualifies for this as he is permanently/ full time employed ✓ by the Government.
- He must live in the house and may not rent/let it to anyone. ✓
- The Government/employer deducts the bond repayments directly off Yaseem’s salary. ✓
- The amount of the subsidy is calculated by the Government/employer. ✓
- This will help him to pay the monthly instalment ✓ on the property he is building.
- This could subsidise a part of the interest ✓ on Yaseem's home loan.
- This can offer a guarantee to the bank on Yaseem’s home loan. ✓
- This can help him to use his pension or provident fund as collateral for a loan. ✓

(Any 3)

Understanding, easy (F p 132, S p 150)

5.2 List FOUR universal design features one should expect to find on any modern washing machine.

- Dialogue display/digital screen with easy to read instructions. ✓
- An alarm to indicate the end of the programme/cycle. ✓
- Different programmes/cycles: short cycle, rinse only cycle etc. ✓
- Stainless steel inner drum that does not rust. ✓
- Delay timer. ✓
- 180° door opening/side-hinged doors. ✓
- Raised 15 cm above the floor for easy access. ✓
- A clear instruction manual with text and drawings. ✓
- Safety lock/mechanism so that children cannot open the door. ✓

(Any 4)

NOTE: Mark only the first FOUR answers.

Remembering moderate (F137, S p 157)
5.3 State TWO responsibilities of the consumer:

5.3.1 At the time of delivery of a newly purchased household appliance.
- Make sure the manufacturer included an instruction manual.✓
- Inspect the appliance carefully at delivery for possible defects.✓
- Sign the delivery note.✓
- Discard the packaging materials in an environmentally friendly way.✓ (Any 2)

5.3.2 After delivery of a newly purchased household appliance.
- Read the instruction manual carefully and follow instructions on how to use the appliance.✓
- Complete the registration card/guarantee and return it to the manufacturer.✓
- Keep the receipt, guarantee and instruction manual in a safe place.✓
- Follow the correct complaint procedure if you are not satisfied.✓
- Make sure the appliance works.✓ (Any 2)

Understanding moderate F p 150, S p 161

5.4 Compare the following transactions by completing the table in your ANSWER BOOK:

<table>
<thead>
<tr>
<th>TRANSACTION</th>
<th>PERIOD OF TIME FOR PAYMENT</th>
<th>EXTRA COSTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>5.4.1 Instalment sale Transaction</td>
<td>6-36 months ✓ (1)</td>
<td>Deposit/admin fees/insurance charges/interest/bank charges ✓ (1)</td>
</tr>
<tr>
<td><strong>NOTE:</strong> NOT over a period of time. Any number of months within 6 – 36 months is acceptable</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5.4.2 Cash on Delivery</td>
<td>Paid when delivered/ paid once off ✓ (1)</td>
<td>None/delivery charges where applicable/no interest is paid. ✓ (1)</td>
</tr>
</tbody>
</table>

Understanding easy (F p 148, S p 162)
5.5 Evaluate the impact of the use of an electric tumble dryer on the finances of a family of five and the environment:

**Positive statement:**
By using lower temperatures suitable for the fabric type, electricity and money will be saved and the carbon footprint will be reduced.*
When using a tumble dryer there is no/less need for ironing therefore electricity usage and money are saved and the carbon footprint is reduced.*

**NOTE:** *A mark for “carbon footprint is reduced” can only be awarded ONCE.

**Negative statement:**
The family of five will have a large laundry load, using more electricity and money, increasing the carbon footprint. Fossil fuels are used to generate electricity and this releases harmful gasses into the atmosphere.

(Any 6)

**Conclusion:**
**Positive statement:**
If the tumble dryer is used with discretion the financial cost and environmental impact will be reduced/minimised.

OR

**Negative statement:**
Irresponsible use will increase the use of electricity and impact negatively on the environment and the family’s finances. The large amount of laundry for the family of five will increase electricity usage and costs and impact negatively on the environment.

(Any 2)

Analysing, difficult (F p 133, S p 159)
QUESTION 6: ENTREPRENEURSHIP

6.1 Explain each of the following terms:

6.1.1 Target market:
- A (specific group of) people, with common needs and interests, who may want to buy your product/service and who is willing to pay the price for the product/service. (Any 2) (2)

6.1.2 Mark-up
- The amount/percentage added to the cost price of goods
- To cover overheads/expenses and still leave money over for a profit (Any 2) (2)

Remembering, easy (F p 20, 34, 37, S p 11, 39)

6.2 State THREE benefits of training unskilled workers.

- Improves quality of work/ can work independently
- Leads to reduced wastage
- Improves the employee’s morale
- Employees obtain new skills
- Acquiring of new knowledge
- Reduces maintenance and repair costs of equipment
- Increases motivation
- Increases job satisfaction
- Increases productivity (Any 3) (3)

Remembering, easy (F p 25, S p 26)

6.2.2 Explain how Lea fulfilled each of the other P's of the marketing mix.

- Promotion: The entrepreneur took samples around to store owners/ interesting/ professional packaging/ labelling
- Price: One of the products sells at R30.00/ reasonable price
- Place: She sells the products at shops in the area/she produces the products at home
- People: Shop owners/People who shop at the local shops (4 x 2) (8)

NOTE: “Product” was given in the question and must not be accepted.

Applying, easy (F p 29, S p 28-33)
6.2.3 Explain how regular/routine maintenance of the equipment could benefit the business.

- Prevent unexpected breakdowns ✓ during production
- Ensures continuous production flow ✓
- Reduces repairs and unscheduled maintenance ✓
- The business will not be able to continue to operate ✓ if the equipment does not work
- Will prevent loss of income ✓
- The lifespan of the equipment will be longer ✓

(Any 3) (3)

Understanding, moderate (F p 25, S p 25)

6.2.4 Use the information in the case study to identify FIVE factors that contribute to the success of this business

- Lea is passionate ✓ about what she is doing/about the business.
- Experimented until she found the correct product. ✓
- Used good quality raw materials ✓ to ensure good quality products.
- Got professional help/specialist with the design of the label ✓ that met industry standards.
- Made sure the premises/place of production/factory met legal/health requirements/inspection by health inspector. ✓
- Marketed the product through giving samples to store owners. ✓
- Was well informed about the hiring of staff/employing staff. ✓
- Had a good accounting system/controlled finances/stock carefully. ✓
- Selling price was acceptable/right/not too expensive. ✓
- Start-up costs were low. ✓
- Had sufficient work place/space/converted courtyard. ✓
- Produced a variety of products that appealed to consumers. ✓
- Packaging appealed to consumers ✓/attractive/correct shape/see-through/plastic bags.
- Expanded product range/added new products every year/b business is growing. ✓
- Consistent quality products. ✓
- She uses her skills/knowledge from studying Consumer Studies at school. ✓

(Any 5) (5)

Understanding, moderate (reference to case study, F p 7, 15, S p10)
6.2.5 One of the products sells for R30.00. The production cost for this product is R12.00.

(a) Calculate the profit that the entrepreneur makes on one product. Show ALL calculations.

\[
\text{Profit} = \text{selling price} - \text{production costs} \\
= R30.00 - R12.00 \\
= R18.00
\]

(b) The entrepreneur's total income from sales is R60 000.00 per month. If the entrepreneur makes 60% profit, calculate how much profit will be made per month. Show ALL calculations.

\[
\text{R60 000.00} \times \frac{60}{100} = R36 000.00 \\
\text{OR} \\
\text{R60 000.00} \times \frac{40}{100} = R24 000.00 \\
R60 000.00 - R24 000.00 = R36 000.00
\]

\textbf{NOTE:} The monetary value (R) must be indicated in the final amount to earn a mark.

6.2.6 It is very likely that this business will continue to make a sustainable profit. Give THREE reasons to support this statement.

- The business produces a variety of products/wider market.
- She keeps on developing new products/keeps up with current trends.
- There is a growing need/demand for the products/people are interested in product.
- She sells the products to established shops.
- She has a good accounting system.

\textit{Any 3} \hspace{1cm} (3)

\textbf{Applying, moderate} (reference to case study, F p 36, S p 34)
6.3 Predict why December 2013 will be the best sales scenario.

The business met its sales target and achieved its sales objective. They sold more/all the products in December. During January the business only made a profit of R3 330.00 which is not sufficient to pay for the next month’s expenses. During December people had more money to buy (Christmas bonuses) and each day a profit was made. December is the buying season/people have more time to buy as they are on holiday. People buy gifts/treats for Christmas in December and this would have increased the demand for the products. During January people had less money (overspending during December/pay school fees/buy school clothes/supplies) and the products were not sold, resulting in a loss.

Evaluating, difficult (F p 20, S p 29) (Any 8) (8)

TOTAL: 200