



# basic education

Department:  
Basic Education  
**REPUBLIC OF SOUTH AFRICA**

## **NATIONAL SENIOR CERTIFICATE**

**GRADE 12**

**CONSUMER STUDIES**

**NOVEMBER 2014**

**MEMORANDUM**

**MARKS: 200**

**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)

[4]

*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)

[6]

*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)

[5]

*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)

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)

2.2 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)

(3)

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)

(1)

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)

(1)

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/repaired.✓ 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.

**[20]**

*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)

*Remembering, easy* (F p 92, S p 110)

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)

*Applying, moderate* (F p 105, S p 127)

3.3 3.3.1 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.

*Understanding, moderate* (F p 90, S p 106)

3.3.2 Discuss the treatment of E-coli 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)

*Remembering, moderate* (F p 91, S p 107)

- 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.✓ (Any 1)

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

(1)

- 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)

(2)

- 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/ slows 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.✓ (Any 2)

(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.✓ (Any 2)

(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.✓ (Any 2)

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

(6)

*Understanding, moderate* (F p 75-76, S p 89- 90)

3.5 3.5.1 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 3.6.1 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. ✓ (Any 7)

## Conclusion

- The product is suitable.✓ The product should be eaten in moderation.✓ (Any 1) (8)

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

**[40]**

*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)

## NSC – Memorandum

4.4 4.4.1 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)

(2)

*Applying, easy (F p 57, S p 59)*

4.4.2 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  $\frac{3}{4}$  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)

(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)

(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)

(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.

(1)

Mark first option if learner discussed both.

**[20]**

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

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

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

*Remembering (1), Understanding (2), easy (F p 121, S p 169)*

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 ✓ between a property owner/lessor ✓ and a tenant/the couple/lessee ✓ **OR** between both parties ✓ involved in the agreement. ✓
- The lease gives the couple certain legal rights and responsibilities regarding the property for the duration of the lease. ✓
- Through the lease the tenants commit themselves to renting the property for a minimum period ✓ at a fixed rental amount. ✓ (Any 3) (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.✓ (Any 4)

(4)

**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.✓ (Any 4)

(4)

*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)

(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)

(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) (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) (2)

*Understanding moderate F p 150, S p 161*

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

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

*Understanding easy (F p 148, S p 162)*

(4)

- 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)

(8)  
[40]

*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 6.2.1 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/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.

$$\begin{aligned}\text{Profit} &= \text{selling price} - \text{production costs} \\ &= \text{R}30.00\checkmark - \text{R}12.00\checkmark \\ &= \text{R}18.00\checkmark\end{aligned}$$

(3)

*Applying, easy* (F p 36-37, S p 38)

- (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.

$$\begin{aligned}\text{R}60\,000.00\checkmark \times 60\% / \frac{60}{100}\checkmark \\ = \text{R}36\,000.00\checkmark\end{aligned}$$

OR

$$\text{R}60\,000.00\checkmark \times 40\% / \frac{40}{100}\checkmark = \text{R}24\,000.00$$

(3)

$$\begin{aligned}\text{R}60\,000.00 - \text{R}24\,000.00 \\ = \text{R}36\,000.00\checkmark\end{aligned}$$

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

*Applying, moderate* (F p 38, S p 38)

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.✓

(Any 3) (3)

*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.✓

(Any 8)

*Evaluating, difficult (F p 20, S p 29)*

(8)  
[40]

**TOTAL: 200**