

# NORMAN HENSILWOOD HIGH SCHOOL EXAMINATIONS



*Mark notes  
equal*

<b>DATE</b>	June 2011
<b>GRADE</b>	10
<b>SUBJECT</b>	Business Studies
<b>TIME</b>	2 Hours
<b>MARKS</b>	200
<b>EXAMINER</b>	V. Heuvel
<b>MODERATOR</b>	K. Poole/ L. Van WYK

*S. A. checked  
23.5.2011  
Principal*

**Instructions:**

1. Answer **SIX** questions as follows:  
**SECTION A : Compulsory**  
**SECTION B : Answer all questions from this section.**  
**SECTION C : Answer TWO questions from this section.**
2. Number your answers as the questions are numbered on the exam paper.
3. Answer in full sentences when required.
4. Write neatly and legibly.
5. The use of correction fluid is PROHIBITED.

**SECTION A- COMPULSORY****[30Marks]****QUESTION 1****(Multiple Choice)**

- 1.1 Choose the correct answer by writing the letter next to the appropriate number.
- 1.1.1 Which element of the business environment will be affected by a change in the company tax rate?
- (A) Micro
  - (B) Business
  - (C) Market
  - (D) Macro
- 1.1.2 The Coca-Cola Company is part of the ... sector.
- (A) Primary
  - (B) Secondary
  - (C) Tertiary
  - (D) Services sector
- 1.1.3 If Coca-Cola (Pty) Ltd wished to make its shares available on the JSE Limited, which form of ownership would it need to convert to?
- (A) Close corporation
  - (B) Partnership
  - (C) Public company
  - (D) Private company
- 1.1.4 Which of the following is NOT an element of the micro environment?
- (A) Suppliers
  - (B) Personnel
  - (C) Management
  - (D) Financial

3.

1.1.5 This task of management deals with determining in advance what you want to achieve in your business?

- (A) Planning
- (B) Organising
- (C) Leading
- (D) Control

(5x2=10)

1.2 Identify whether the following statements are **True** or **False**. If **False**, correct the false statements.

1.2.1 The line organisation structure is the oldest form of organisation structures.

1.2.2 Only top management does the planning tasks of a business.

1.2.3 Shareholders are creditors of a public company.

1.2.4 Short-term loans are usually repaid within one year.

1.2.5 The exchange rate is the rate at which borrowed money from the bank must be repaid.

(5x2=10)

1.3 Match the description in Column A with the relevant concept in Column B. Write only the letter next to the appropriate question number.

	COLUMN A		COLUMN B
1.3.1	What the business owns e.g. machinery, office equipment, stock, raw materials, money in the bank. E	A	Owner's equity
1.3.2	Everything that the business owes to others e.g. bank loans and accounts payable to other institutions. D	B	Operating expense
1.3.3	Money or assets supplied by the owner of the business. A	C	Balance sheet
1.3.4	It shows all income earned and all expenses of a business for a certain period of time usually a year. F	D	Liabilities
1.3.5	Expenses necessary but not used directly in the production of goods. B	E	Assets
		F	Income statement

(5x2=10)

[30]

**SECTION B**  
**QUESTION 2**

2.1 Read the following case study and answer the questions that follow.

You have noted that there is a gap in the market for a hairdressing salon in your community, which is very busy and lots of people live there. This is your big idea, and is your opportunity to have your own business.

You have decided to call it Sharp Hair Salon, and you can rent a small shop directly opposite the bus rank which is extremely busy over weekends when lots of people come to do their shopping. The business will be a sole proprietorship, with you as the manager, and you plan to employ your two sisters in the shop.

The shop is situated near a bus stop and a taxi rank. Many people catch transport here early in the morning and late in the afternoon on their way to and from work. There are other people in the area that informally cut hair on the pavement outside the taxi rank. You plan to cut and style ladies' hair. One day, you plan to have many salons, in all big centres.

- 2.1.1 Conduct a SWOT analysis for Sharp Hair Salon. (8)
- 2.1.2 List and explain any **FOUR** business functions you will have to perform in your business. (8)
- 2.2 Describe **FIVE** characteristics of an entrepreneur. (10)
- 2.3 Write down the meaning of the following business acronyms:
- 2.3.1 SMME (2)
- 2.3.2 BBBEE (2)

[30]

**QUESTION 3**

- 3.1 Distinguish between primary, secondary and tertiary sectors. (6)
- 3.2 List **FOUR** elements of the micro environment. (4)
- 3.3 Study the examples of the various forms of ownership below and answer the questions that follow.

(a) **Robyn's Gardens  
Investment Services  
(Pty) Ltd**

(b) **Matthew & Son  
Recycling**

(c) **Joshua Steel Works  
Limited**

(d) **Jessica Pool Plastic  
CC**

- 3.3.1 Identify the type of business form at (a),(b) and (d). (6)  
 3.3.2 What is the maximum number of owners that can be involved in business form (b)? (2)  
 3.3.3 Which type of business form sell shares on the JSE? (2)  
 3.3.4 What is the minimum number of owners that can be involved in business form (d)? (2)
- 3.4 Briefly discuss the important roles that the entrepreneur plays in the economy. (4x2=8)

[30]

#### **QUESTION 4**

- 4.1 Read the following case study and answer the questions that follow.

Casinos are very large organisations that employ many different people with different skills. The FLAMINGO CASINO in Kimberley employs a large staff as they not only have a casino, but also many restaurants, conference facilities and accommodation.

Their General Manager is Benjamin Khonyane, Tables Manager, Simon Mokhatla, Slots Manager, Peter Guthrie and their Marketing Manager, Yasheen Sookdeo.

Simon and Peter are both responsible for different aspects of the Casino and each have 25 staff members working under them. Yasheen has a department of 5 staff.

- 4.1.1 Using the information provided, construct an organogram of Flamingo Casino. (10)  
 4.1.2 What level of management is Yasheen Sookdeo. (2)

Strategic

Innovative

Short form.

6.

- 4.2 Indicate the different types of decisions made at :  
4.2.1 Top level management (2)  
4.2.2 Middle level management (2)  
4.2.3 Lower level management (2)
- 4.3 Matshonisa is an example of debt finance. List and explain any other **FOUR** examples of debt finance. (4x2=8)
- 4.4 Explain the following concepts:  
4.4.1 Angel investors (2)  
4.4.2 Venture capitalists (2)

[30]

SECTION C

ESSAY QUESTIONS

Answer any **TWO** questions from this section.

*Please apply the prescribed format ( introduction, body and conclusion)when answering questions from this section !!*

QUESTION 5

Read the following cartoon and answer the question that follows.



7.

In light of the above cartoon, discuss social forces such as poverty, crime, HIV/AIDS, unemployment of a business's macro environment and comment on how this impacts on the business.

[40]

**QUESTION 6**

***"The business sector has different forms of ownership to choose from."***

List and explain each of the different forms of ownership. Focus on the characteristics of each form of ownership.

[40]

**QUESTION 7**

***"A business plan is a document that gives a comprehensive overview of a proposed business. It shows a business plan to turn the business opportunity into a reality."***

In the light of the above statement give a comprehensive outline of the components of a business plan and investigate the important uses of a business plan. DO NOT INCLUDE SWOT ANALYSIS.

[40]

**QUESTION 8**

***You have just been appointed as the General Manager of a big retail store. You know that planning is one of the most important tasks of management.***

Discuss the essay under the following sub-headings:

Tasks of management

Steps in the planning process

Requirements for effective planning

Level of management that you are appointed in and explain that level in detail

[40]