



LIMPOPO

PROVINCIAL GOVERNMENT
REPUBLIC OF SOUTH AFRICA

**NATIONAL
SENIOR CERTIFICATE**

GRADE 10

BUSINESS STUDIES P2

MIDYEAR EXAM

QUESTION PAPER

Stanmorephysics.com
2023

MARKS: 100

TIME: 2 hours

This question paper consists of 8 pages

INSTRUCTION AND INFORMATION

1. Read the following instructions carefully before answering the questions.

SECTION A: COMPULSORY

SECTION B: Consists of THREE questions.

Answer any TWO of the three questions in this section.

SECTION C: Consists of TWO questions.

Answer any ONE of the two questions in this section.

2. Read the instructions for each question carefully and take note of what is required. Note that **ONLY** the answer to the first TWO questions selected in **SECTION B** and the answer to the **FIRST** question selected in **SECTION C** will be marked.
3. Number the answers correctly according to the numbering system used in this question paper. No marks will be awarded for answers that are numbered incorrectly.
4. Except where other instructions are given, answers must be written in full sentences.
5. Use the mark allocation and nature of each question to determine the length and depth of an answer.
6. Use the table below as a guide for time allocation when answering each question.

| SECTION | QUESTION | MARKS | TIME (minutes) |
|--|-----------------|--------------|---------------------------|
| A: Objective-type question COMPULSORY | 1 | 20 | 20 |
| B: THREE direct/indirect-type questions CHOICE: Answer any TWO | 2 | 20 | 50 |
| | 3 | 20 | |
| | 4 | 20 | |
| C: TWO essay –type questions CHOICE: Answer any ONE. | 5 | 40 | 50 |
| | 6 | 40 | |
| TOTAL | | 100 | 120 |

7. Begin the answer to EACH question on a NEW page, e.g. QUESTION 1- new page, QUESTION 2-new page, etc.
8. You may use a non-programmable calculator.
9. Write neatly and legibly.

SECTION A (COMPULSORY)

QUESTION 1

- 1.1 Various options are provided as possible answers to the following questions. Choose the answer and write only the letter (A-D) next to the question numbers (1.1.1 to 1.1.5) in the ANSWER BOOK, e.g. 1.1.6 D.

- 1.1.1 Individuals invest in . . . but often only the people at the top receive large sum of money.

- A. lottery
- B. bootlegging
- C. pyramid schemes
- D. copyright



- 1.1.2. The situation that individuals find themselves in when they are willing and able to work but are not able to find work.

- A. productivity
- B. unemployment
- C. unskilled
- D. discrimination

- 1.1.3 The following initiative may be taken by businesses to address violence.

- A. Businesses should encourage their employees to participate in community police forums.
- B. Businesses should continuously strive to address challenges through improved relationships with their employees.
- C. Businesses must raise awareness of piracy.
- D. Businesses could provide counselling facilities or refer employees to private counsellors.

- 1.1.4 . . . is the documents that sets out the right and responsibilities of shareholders and directors.

- A. prospectus
- B. vision statement
- C. business plan
- D. memorandum of incorporation

1.1.5 It refers to wealth in the form of money or other assets owned by a person or organisations.

- A. debts
- B. capital
- C. loan
- D. profits

[5×2] (10)

1.2 Complete the following sentences by using the word(s) provided in the list below. Write only the word(s) next to the question (1.2.1. to 1.2.5) in the ANSWER BOOK.

morally, diversity, segregate, continuity, inequality, sole proprietorship, liability, close corporation, low-equality, ethically.

1.2.1 The form of ownership where the business owner handles everything, including the actions, processes and decisions.

1.2.2 . . . means having a range of people with various, racial, ethnic, interests and cultural backgrounds.

1.2.3 . . . refers to the principle of right and wrong behavior.

1.2.4 The difference in income levels and wealth between groups of people is known as ...

1.2.5 The existence or operation of a business over time is known as ...

[5×2] (10)

TOTAL SECTION A: 20

SECTION B

Answer any TWO questions in this section

NOTE: Clearly indicate the QUESTION NUMBER of each question that you choose.

The answer to EACH question must be on a NEW page, e.g. QUESTION 2 on a new page, QUESTION 3 on a new page.

QUESTION 2: BUSINESS VENTURES (FORM OF OWNERSHIP)

- 2.1 Name a form of ownership that is represented by the South African Broadcasting Corporation (SABC) (1)
- 2.2 Outline the characteristics of the form of ownership identified in Question 2.1 (6)
- 2.3 Read the following scenario and answer the following questions below

M AND M ATTORNEYS (MM)

Moolman and Martins are qualified lawyers who have started a business, called M and M attorneys, which lacks continuity. They are held jointly liable for any legal, financial and ethical problems.

- 2.3.1 Identify the form of ownership that is represented by MM, motivate your answer by quoting from the scenario above (3)
- 2.3.2 Discuss the advantages of the form of ownership identified in Question 2.3.1 (6)
- 2.4 Advise new entrepreneurs on the characteristics of a co-operatives. (4)

[20]

QUESTION 3: BUSINESS ROLES

3.1 Elaborate on the meaning of socio-economic issues. (4)

3.2 Read the scenario below and answer the questions that follows.

REGEND CASSINO (RC)

Regend Casino situated in Tzaneen is giving community members the opportunity of making money. People are taking chances of losing money or possessions in order to win money or prizes.

3.2.1 Identify the socio-economic issue applicable to the scenario above. Motivate your answer by quoting from the scenario. (3)

3.2.2 Explain THREE examples of the socio-economic issue identified in question 3.2.1 (9)

3.3 Suggest initiatives to address counterfeiting on businesses. (4)

[20]

QUESTION 4: MISCELLANEOUS**BUSINESS VENTURES**

4.1 Name any THREE types of Cooperatives. (3)

4.2 Read the scenario below and answer questions that follow.

TIMMY AND IZZY NPC

Timmy and Izzy inherited a lump sum of money from their parents. Timmy established a company that ends with the name NPC. Timmy also established a company that ends with the name Inc.

4.2.1 Classify the types of companies represented by Timmy and Izzy according to profit and non-profit company by quoting from the scenario above.

Use the table below as a GUIDE to answer QUESTION 4.2.1

| PROFIT COMPANY | NON-PROFIT COMPANY |
|----------------|--------------------|
| | |

4.3 Explain the advantages of a non-profit company (2)

BUSINESS ROLES

4.4 Read the scenario below and answer questions that follow.

Deidre has just completed her junior degree in Business Management. She is currently sitting at home doing nothing as there are no job opportunities for her.

4.4.1 Identify the socio-economic issue that is applicable to the scenario above. Motivate your answer by quoting from the scenario. (3)

4.4.2 Discuss any TWO possible solutions to the socio-economic issue identified in QUESTION 4.4.1 (4)

4.5 Suggest TWO initiatives that must be undertaken by businesses to address HIV/AIDS as a Socio-economic issue. (4)

[20]

TOTAL SECTION B: 40

SECTION C**QUESTION 5 : BUSINESS VENTURES: (FORMS OF OWNERSHIP)**

Entrepreneur agrees that there are many benefits of establishing a company instead of a sole trader and partnership. Some entrepreneurs prefer to establish a private company, while other will rather establish a public company. Young entrepreneurs are in favour of a personal liability company and state owned company.

Write an essay on forms of ownership in which you include the following aspects:

- Outline the differences between a personal liability company and a private company.
- Explain the advantages of a private company.
- Discuss the characteristics of a public company.
- Advise entrepreneurs on the advantages of a state-owned company.

[40]**QUESTION 6 : BUSINESS ROLES : SOCIO-ECONOMIC ISSUES AND SOCIAL RESPONSIBILITY**

Strikes and political disturbance are some of the socio-economic issues posing challenges to business. Business are required to be socially responsible and address some socio-economic issues through corporate social responsibility (CSR). Business need to deal with crime and poverty as major socio-economic issues. They also need to be inclusive in their approach.

Write an essay on socio-economic issues and social responsibility in which you include the following aspects:

- Outline the differences between social responsibility and corporate social responsibility
- Explain the purpose of inclusivity in the workplace.
- Discuss the negative impact of the following socio-economic issues on businesses:
 - o Strikes
 - o Political disturbance
- Suggest initiatives business can take to address the following socio-economic issues:
 - o Crime
 - o Poverty

[40]**TOTAL SECTION C: [40]****GRAND TOTAL : 100**



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MARKING GUIDELINES

2023

MARKS: 100

This marking guidelines consists of 22 pages

NOTES TO MARKERS**PREAMBLE**

The notes to markers are provided for quality assurance purposes to ensure the following:

- (a) Fairness, consistency and reliability in the standard of marking
- (b) Facilitate the moderation of candidates' scripts at the different levels
- (c) Streamline the marking process considering the broad spectrum of markers across the country
- (d) Implement appropriate measures in the teaching, learning and assessment of the subject at schools/institutions of learning

1. For marking and moderation purposes, the following colours are recommended:

| | |
|------------------------|-----------|
| Marker: | Red |
| School Moderator (DH): | Green |
| District Moderator: | Orange |
| Province Moderator: | Pink |
| DBE Moderator: | Turquoise |

2. Candidates' responses must be in full sentences for SECTIONS B and C. However, this would depend on the nature of the question.
3. A comprehensive marking guideline has been provided but this is by no means exhaustive. Due consideration should be given to an answer that is correct but:
- Uses a different expression from that which appears in the marking guideline
 - Comes from another credible source
 - Original
 - A different approach is used
- NOTE: There is only ONE correct answer in SECTION A.
4. Take note of other relevant answers provided by candidates and allocate marks accordingly. (In cases where the answer is unclear or indicates some understanding, part-marks should be awarded, for example, one mark instead of the maximum of two marks.)
5. The word 'Sub-max' is used to facilitate the allocation of marks within a question or sub-question.
6. The purpose of circling marks (guided by 'max' in the breakdown of marks) on the right-hand side is to ensure consistency and accuracy in the marking of scripts as well as for calculation and moderation purposes.
7. Subtotals to questions must be written in the right-hand margin. Circle the subtotals as indicated by the allocation of marks. This must be guided by 'max' in the marking guidelines. Only the total for each question should appear in the left-hand margin next to the appropriate question number.
8. In an indirect question, the theory as well as the response must be relevant and related to the question.
9. Correct numbering of answers to questions or sub questions is recommended in SECTIONS A and B. However, if the numbering is incorrect, follow the sequence of the candidate's responses. Candidates will be penalised if the latter is not clear.

10. No additional credit must be given for repetition of facts. Indicate with an 'R'.
11. The differentiation between 'evaluate' and 'critically evaluate' can be explained as follows:
- 11.1 When 'evaluate' is used, candidates are expected to respond in either a positive/negative manner or take a neutral (positive and negative) stance, e.g., Positive: 'COIDA eliminates time and costs spent✓ on lengthy civil court proceedings.'✓
- 11.2 When 'critically evaluate' is used, candidates are expected to respond in either a positive/negative manner or take a neutral (positive and negative) stance. In this instance candidates are also expected to support their responses with more depth, e.g., 'COIDA eliminates time and costs spent✓ on lengthy civil court proceedings✓, because the employer will not be liable for compensation to the employee for injuries sustained during working hours as long as it can be proved that the business was not negligent.'✓

NOTE: 1. The above could apply to 'analyse' as well.
2. Note the placing of the tick (✓) in the allocation of marks.

12. The allocation of marks must be informed by the nature of the question, cognitive verb used, mark allocation in the marking guideline and the context of each question. Cognitive verbs, such as:
- 12.1 Advise, name, state, outline, motivate, recommend, suggest, (list not exhaustive) do not usually require much depth in candidates' responses. Therefore, the mark allocation for each statement/answer appears at the end.
- 12.2 Define, describe, explain, discuss, elaborate, distinguish, differentiate, compare, tabulate, analyse, evaluate, critically evaluate (list not exhaustive) require a greater depth of understanding, application and reasoning. Therefore, the marks must be allocated more objectively to ensure that assessing is conducted according to established norms so that uniformity, consistency and fairness are achieved.
13. Mark only the FIRST answer where candidates offer more than one answer for SECTION B and C questions that require one answer

14. SECTION B

- 14.1 If for example, FIVE facts are required, mark the candidate's FIRST FIVE responses and ignore the rest of the responses. Indicate by drawing a line across the unmarked portion.

NOTE: 1. This applies only to questions where the number of facts is specified.

2. The above also applies to responses in SECTION C (where applicable)

- 14.2 If two facts are written in one sentence, award the candidate FULL credit. Point 14.1 above still applies.
- 14.3 If candidates are required to provide their own examples/views, brainstorm this at the marking centre and refer to the DBE internal moderator to finalise the alternative answers in consultation with the UMALUSI external moderators.

14.4 Use of the cognitive verbs and allocation of marks:

14.4.1 If the number of facts are specified, questions that require candidates to 'describe/discuss/explain' may be marked as follows:

- Fact 2 marks (or as indicated in the marking guidelines)
- Explanation 1 mark (two marks will be allocated in Section C)

The 'fact' and 'explanation' are given separately in the marking guideline to facilitate mark allocation.

14.4.2 If the number of facts required is not specified, the allocation of marks must be informed by the nature of the question and the maximum mark allocated in the marking guideline.

14.5 ONE mark may be awarded for answers that are easy to recall, requires one word answers or is quoted directly from a scenario/case study. This applies to SECTIONS B and C in particular (where applicable).

15. SECTION C

15.1 The breakdown of the mark allocation for the essays is as follows:

| | |
|--------------|----------------|
| Introduction | Maximum: 32 |
| Content | |
| Conclusion | |
| Insight | 8 |
| TOTAL | 40 |

15.2 Insight consists of the following components:

| | | |
|--|---|---|
| Layout/Structure | Is there an introduction, paragraphs and a conclusion? | 2 |
| Analysis and interpretation | Is the candidate able to break down the question into headings/subheadings/interpret it correctly to show understanding of what is being asked? Marks to be allocated using this guide: All headings addressed: 1 (One 'A') Interpretation (16 to 32 marks): 1 (One 'A') | 2 |
| Synthesis | Are there relevant decisions/facts/responses made based on the questions? Option 1: Only relevant facts: 2marks (No '-S') Where a candidate answers 50% or more (two to four sub-questions) of the question with only relevant facts; no '-S' appears in the left margin. Award the maximum of TWO (2) marks for synthesis. Option 2: Some relevant facts: 1 mark (One '-S') Where a candidate answers less than 50% (only one sub-question) of the question with only OR some relevant facts; one '-S' appears in the left margin. Award a maximum of ONE (1) mark for synthesis. Option 3: Some relevant facts: 1 mark (One '-S') Where a candidate answers FOUR sub-questions, but one/two/three sub-questions with no relevant facts; one '-S' appears in the left margin. Award a maximum of ONE (1) mark for synthesis. Option 4: No relevant facts: 0 mark (Two '-S') Where a candidate answers less than 50% (only one sub-question) of the questions with no relevant facts; two '-S' appears in the left margin. Award a ZERO-mark synthesis. | 2 |
| Originality | Is there evidence of one or two examples, not older than two (2) years that are based on recent information, current trends and developments? | 2 |
| TOTAL FOR INSIGHT: 8 TOTAL MARKS FOR FACTS: 32 TOTAL MARKS FOR ESSAY (8 + 32): 40 | | |

- NOTE: 1. No marks will be awarded for contents repeated from the introduction and conclusion.
2. The candidate forfeits marks for layout if the words INTRODUCTION and CONCLUSION are not stated.
3. No marks will be awarded for layout, if the headings INTRODUCTION and CONCLUSION are not supported by an explanation.

- 15.3 Indicate insight in the left-hand margin with a symbol e.g. ('L, A, -S and/or O').
- 15.4 The breakdown of marks is indicated at the end of the suggested answer/ marking guideline to each question.
- 15.5 Mark all relevant facts until the SUB MAX/MAX mark in a subsection has been attained. Write SUB MAX/MAX after maximum marks have been obtained but continue reading for originality 'O'.
- 15.6 At the end of each essay indicate the allocation of marks for facts and marks for insight as follows: (L – Layout, A – Analysis, S – Synthesis, O – Originality) as in the table below.

| CONTENT | MARKS |
|---------|-----------|
| Facts | 32 (max.) |
| L | 2 |
| A | 2 |
| S | 2 |
| O | 2 |
| TOTAL | 40 |

- 15.7 When awarding marks for facts, take note of the sub-maxima indicated, specially if candidates do not make use of the same subheadings. Remember, headings and subheadings are encouraged and contribute to insight (structuring/logical flow/sequencing) and indicate clarity of thought.
(See MARKS BREAKDOWN at the end of each question.)
- 15.8 If the candidate identifies/interprets the question INCORRECTLY, then he/she may still obtain marks for layout.
- 15.9 If a different approach is used by candidates, ensure that the answers are assessed according to the mark allocation/subheadings as indicated in the marking guideline.
- 15.10 15.10.1 Award TWO marks for complete sentences. Award ONE mark for phrases, incomplete sentences and vague answers.
- 15.10.2 With effect from November 2015, the TWO marks will not Necessarily appear at the end of each completed sentence. The ticks (✓) will be separated and indicated next to each fact, e.g., 'Product development is a growth strategy ✓, where businesses aim to introduce new products into existing markets.' ✓
This will be informed by the nature and context of the question, as well as the cognitive verb used.
- 15.11 With effect from November 2017, the maximum of TWO (2) marks for facts shown as headings in the marking guidelines, will not necessarily apply to each question. This would also depend on the nature of the question.

SECTION A

QUESTION 1

1.1.

1.1.1 C ✓✓

1.1.2 B ✓✓

1.1.3 D ✓✓

1.1.4 D ✓✓

1.1.5 B ✓✓

[5×2] (10)

1.2

1.2.1 sole proprietorship ✓

1.2.2 diversity ✓✓

1.2.3 morally ✓✓

1.2.4 inequality ✓✓

1.2.5 continuity ✓✓

[5×2] (10)

TOTAL SECTION A: 20

BREAKDOWN OF MARKS

| QUESTION 1 | MARKS |
|--------------|-----------|
| 1.1 | 10 |
| 1.2 | 10 |
| TOTAL | 20 |

SECTION B

Mark the **FIRST TWO** answer only

QUESTION 2 : BUSINESS VENTURES**2.1 Form of ownership**

State Owned Company (SOC) ✓

(1X1) (1)

2.2 Characteristics of SOC

- The name ends with the letters SOC. ✓✓
- SOC is listed as a public company. ✓✓
- It is owned by the government and operated for profit. ✓✓
- One or more persons may incorporate and there is no limit on number of shareholders. ✓✓
- Requires three or more directors and one or more shareholders ✓✓.
- Register with the Register of Companies by drawing up Memorandum of Incorporation. ✓✓
- State-owned companies support private businesses by providing infrastructure such as Communication services. ✓✓
- Any other relevant answer related to the characteristics of a state owned companies.

(3×2) (6)

2.3**2.3.1 Form of ownership**

Partnership ✓✓

(Submax 2)

Motivation:

Moolman and Martins are qualified lawyers who have started a business, called M and M attorneys. ✓

NOTE: 1. Award marks for the form of ownership even if the quote is incomplete
2. Do not award marks for the motivation if the form of ownership was incorrectly identified

Max (3)

2.3.2 Advantages of Partnership

- Each partner will bring their knowledge, skills, experience, and contacts ✓ to the business thus giving the business a better chance to succeed. ✓
- All partners have a personal interest ✓ in the business. ✓
- The workload and responsibility are shared ✓ between partners and each partner can focus on their strengths. ✓

- Partners invest new capital✓ into the business to finance expansion. ✓
- Partners share responsibilities✓ for decision-making and managing the business. ✓
- Partnerships are not compelled by law✓ to prepare audited financial statements. ✓
- Partners are taxed in their capacities✓, which could lead to lower taxation – this will be dependent on the level of income of each individual. ✓
- Partners share profits✓ made and they are therefore motivated to work harder. ✓
- Any other relevant answer related to the advantages of the Partnership

Max (6)**2.4 Characteristics of a Cooperatives**

- A minimum of five members is required to start a co-operative. ✓✓
- The words 'Co-operative Limited/CC' must appear at the end of its name. ✓✓
- They have a democratic structure, with each member having one vote. ✓✓
- They are motivated by service rather than profit. ✓✓
- They are managed by a minimum of three directors. ✓✓
- Members own and run the business together and share equally in its profits. ✓✓
- It is a legal entity and can own land and open bank accounts. ✓✓
- Must register with the Registrar of Co-operatives Societies. ✓✓
- The objective of a co-operative is to create mutual benefits for its members. ✓✓
- Any other relevant answer related to the characteristics of a Cooperatives

Max (6)**[20]****BREAKDOWN OF MARKS**

| QUESTION 2 | MARKS |
|-------------------|--------------|
| 2.1 | 1 |
| 2.2. | 6 |
| 2.3.1 | 3 |
| 2.3.2 | 6 |
| 2.4 | 4 |
| TOTAL | 20 |

QUESTION 3 : BUSINESS ROLES**3.1 The meaning of socio-economic issues**

- Socio-economic issues are societal issues ✓ that may have a negative impact on businesses. ✓
- They are issues that affect the economy ✓ in a negative way. ✓
- Socio-economic issues have the potential to influence the efficiency of a business. ✓ The way products are made and distributed. ✓
- Any other related answer to the meaning of socio-economic issues

Max (4)**3.2 Socio-economic issues from scenario****3.2.1 Gambling ✓✓****(Submax 2)****Motivation**

People are taking chances of losing money or possessions in order to win money or prizes. ✓

(Submax 1)**Max (3)**

NOTE: 1. Award marks for the socio-economic issues even if the quote is incomplete

2. Do not award marks for the motivation if the socio-economic issue was incorrectly identified

3.2.2 Types of gambling**Pyramid Schemes ✓✓**

- Pyramid schemes refers to businesses that may potentially yield high revenues for people who invest their money in them. ✓
- Individuals invest more and more money, but often only the individuals at the top of the pyramid receive large sums of money. ✓
- Any other relevant answer related to pyramid schemes as a type of gambling.

Example: 2 marks

Explanation : 1 mark

Submax (3)**Money Laundering**

- Money laundering is the process by which unlawful profits from crimes are invested in valid businesses to cover up their wrong doing. ✓
- The source of money is camouflaged and made to seem as if it was lawfully gained. ✓
- An example of money laundering is when the proceeds from illicitly earned money through drug trading is invested in a restaurant or laundry business. ✓
- Any other relevant answer related to money laundering as a type of gambling.



Illegal Gambling ✓✓

- Illegal gambling is when unlicensed businesses offer gambling to the public. ✓
- Unlawful gambling activities can also take place in poor communities such as playing with die (dices) on streets corners for money or individuals frequenting unlicensed casinos. ✓
- Any other relevant answer related to illegal gambling as a type of gambling.



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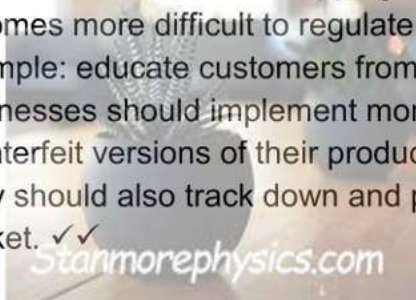
Example: 2 marks
Explanation : 1 mark
Submax (3)

Example: 2 marks
Explanation : 1 mark
Submax (3)

Max (9)

3.3 Initiatives to address counterfeiting and bootlegging

- Businesses must raise awareness of counterfeiting. ✓✓
- They should secure a patent, trademark or copyright, and register these in other countries where counterfeit products may originate. ✓✓
- For example: Nike now owns the basic design of an Air Jordan 1 which means that bootleggers that do not alter the design of the shoe risk being found guilty of trademark infringement. ✓✓
- Businesses must use technology to make it easier to identify and stop counterfeiters ✓✓
- By creating distinctive patterns using special devices to uncover fakes. ✓✓
- Examples such as holograms, smart cards, biometric markers and inks, can be employed to protect and authenticate genuine products ✓✓.
- Retailers must invest in stopping the problem before it happens or before it becomes more difficult to regulate ✓✓.
- Example: educate customers from buying from unauthorised sources; ✓✓
- Businesses should implement monitoring software that help detect where counterfeit versions of their products are living online. ✓✓
- They should also track down and prosecute counterfeiters by monitoring the market. ✓✓



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Max (4)
[20]

BREAKDOWN OF MARKS

| QUESTION 3 | MARKS |
|--------------|-----------|
| 3.1 | 4 |
| 3.2.1 | 3 |
| 3.2.2 | 9 |
| 3.3. | 4 |
| TOTAL | 20 |

QUESTION 4 MISCELLANEOUS**BUSINESS VENTURES****4.1 Three types of cooperatives**

- Consumer cooperatives
- Producer cooperatives.
- Worker Cooperatives

(3)**4.2****4.2.1 Classification of profit and non-profit companies from the scenario.**

| PROFIT COMPANY | NON-PROFIT COMPANY |
|---|--|
| Timmy also established a company that ends with the name Inc. ✓ | Timmy established a company that end with the name NPC ✓ |
| Submax (1) | Submax (1) |

NOTE: only award marks for responses quoted from the scenario.**(2)****4.3 Advantages of a non-profit company**

- Profits are used solely for the primary objective ✓ of the organization. ✓
- They provide social services ✓ to various communities. ✓
- Donors receive ✓ tax deductions ✓
- The liability of the members are limited ✓
- A non-profit company a legal personality ✓ and continuity of existence. ✓
- Can receive grants/aid ✓ to finance daily operations. ✓
- Surplus of income is retained ✓ to further the goals of the business ✓
- Must prepare the financial statements at the end of the year ✓ and is not compelled to audit the financial statements. ✓
- Non-profit companies are not compelled to attend ✓ the general annual meeting (AGM). ✓
- Any relevant answer related to the advantages of non-profit company

Max (4)

BUSINESS ROLES**4.4. Socio-economic issues****4.4.1 Socio-economic issue from the scenario**

Unemployment ✓✓

(2)

Motivation

She is currently sitting at home doing nothing as there are no job opportunities for her. ✓

(1)

NOTE: Do not award marks for the motivation if the socio-economic issue was incorrectly identified.

4.4.2 Possible solution to unemployment

- Improve of skills, ✓ better education and training. ✓
- The government should change the labour laws to encourage small business to employ workers. ✓
- Business can provide skills development programmes ✓ through learnerships. ✓
- Offer bursaries to the community ✓ to improve the level of education ✓
- Business must create jobs ✓ for members of the community. ✓
- Provide entrepreneurial programme ✓ that can promote self -employment. ✓
- Support existing small business ✓ to create more employment opportunities. ✓
- Any relevant answer related to possible solutions to unemployment

NOTE: Mark the first TWO (2) only

Max (4)

4.5 Initiatives to address HIV/AIDS as a socio economic issue

- Businesses should conduct regular workshops and information sessions on the effects of HIV/AIDS on the employees and their peers. ✓✓
- They should initiate and develop counselling programmes for infected/affected persons/employees. ✓✓
- Businesses should also develop strategies to deal with the issues around "stigma" and "discrimination". ✓✓
- For example: The Volkswagen Group has committed itself to protecting HIV positive employees from discrimination and to promoting an open and respectful coexistence. ✓✓
- They should offer voluntary HIV/ AIDS testing and counselling in the workplace and encourage employees to join HIV/AIDS support groups. ✓✓

- Businesses should roll out or support HIV/AIDS prevention programmes in the community and provide counselling programmes/train counsellors to provide support to infected and affected persons/employees. ✓✓
- Any relevant answer related to the examples of other corporate social responsibility initiatives to address HIV/AIDS. ✓

Mark the FIRST two only

Max (4)



BREAKDOWN OF MARKS

| QUESTION 4 | MARKS |
|--------------|-----------|
| 4.1 | 3 |
| 4.2.1 | 2 |
| 4.3 | 4 |
| 4.4.1 | 3 |
| 4.4.2 | 4 |
| 4.5 | 4 |
| TOTAL | 20 |

[20]

TOTAL SECTION B [40]

SECTION C**Mark the FIRST question only****QUESTION 5 BUSINESS VENTURES (FORMS OF OWNERSHIP)****5.1 INTRODUCTION**

- A private company is treated a separate legal entity that has to register as a taxpayer. ✓
- A personal liability company has the same characteristics/advantages/disadvantages. ✓
- The public company is designed for large-scale operations that require large capital investment. ✓
- State owned companies are managed by the government for the benefit of the citizens. ✓
- Any other relevant introduction related to the private company/personal liability company/public company/state owned company.

Any (2x1) (2)**5.2 Differences between a personal liability company and private company**

| PERSONAL LIABILITY | PRIVATE COMPANY |
|--|---|
| The name ends with (PTY) Ltd ✓✓ | The name ends with INC ✓✓ |
| The directors are not personally liable for the debts of the business ✓✓ | The directors are personally liable for the debts of the business. ✓✓ |
| Any other relevant answer related to the personal liability | Any other relevant answer related to the private company |
| Sub max (4) | Sub max (4) |

NOTE: 1. The answer does not have to be in tabular format.**2. The differences do not have to link but must be clear.****3. Award a maximum of FOUR (4) marks if the differences are not clear/Mark either personal liability or private company****Max (8)****5.3 Advantages of a private company**

- A private company has continuity ✓ of existence. ✓
- Managed at least by one competent ✓ highly skilled director. ✓
- Information in a private company ✓ is only available to shareholders. ✓
- Not required to file annual financial statements ✓ with the commission. ✓
- The company has unlimited number of shareholders ✓ and its life span is perpetual. ✓
- Shareholders can vote for/ appoint the most capable directors ✓ to manage their company. ✓

- Own legal identity ✓ and shareholders have no direct legal implications/ limited liability. ✓
- Large amount of capital can be raised ✓ since there is no limit on the number of shareholders. ✓
- Even though shares are not freely transferable ✓, large private companies can raise considerable amount of capital ✓
- It is possible to sell a private company ✓ as it is a legal entity in its own right. ✓
- The management of the company can improve ✓ since directors are accountable to shareholders. ✓
- The company can access long term capital ✓ and therefore has good long-term growth opportunities. ✓
- The company is a separate legal person ✓ it can buy property in its own name ✓/ Liabilities of the shareholders ✓ are limited. ✓
- Any other relevant answer related to the advantages of a private company.

Max (12)

5.4 Characteristics of a public company

- A minimum of one person is required ✓ to start a public company. ✓
- The company name ends ✓ with letters Ltd ✓
- Shareholders have ✓ a limited liability. ✓
- A prospectus is issued to the public ✓ to raise capital. ✓
- Has legal personality ✓ and therefore has unlimited continuity. ✓
- A public company has a separate ✓ legal personality. ✓
- Requires three or more directors ✓ and three or more shareholders. ✓
- Profits are shared in the form of dividends ✓ in proportion to the share held. ✓
- A public company is required to ✓ hold an AGM (Annual General Meeting). ✓
- Register with the Registrar of Companies ✓ by drawing up Memorandum of Incorporation. ✓
- Raises capital by issuing shares to the public ✓ and borrowing capital by issuing a debenture. ✓
- Auditing of financial statements is compulsory ✓ and audited statements are available to shareholders and the public. ✓
- The new Act forces personal liability on directors who knowingly ✓ participated in carrying out business in a reckless/fraudulent manner. ✓
- Any other relevant answer related to the characteristics of a public company.

Max (12)

5.5 Advantages of a state-owned company

- Shareholders have limited liability. ✓✓
- Profits may be used to finance other state departments. ✓✓
- Offer essential services which may not be offered by the private sector. ✓✓
- Wasteful duplication of services is eliminated. ✓✓
- Jobs are created for all skills levels. ✓✓
- Generates income to finance social programmes. ✓✓
- Prices are kept reasonable/Create sound competition with the private sector to make services affordable to more citizens. ✓✓
- Planning can be coordinated through central control. ✓✓
- Provides a healthy competition to private sectors because of government contributions. ✓✓
- Most of the government companies run on sound business lines as they have their surpluses to run their projects. ✓✓
- State-owned company can be expanded by means of selling its shares to the public. ✓✓
- A state-owned company has a separate legal personality. ✓✓
- Any other relevant answer related to the characteristics of a state-owned company.

Max (14)

5.6 Conclusion

- A private company has the capacity to grow into a large business. ✓✓
- A personal liability company is usually used for firms that provide professional services such as attorneys/ accountants/engineers etc. ✓✓
- Smaller public companies are not listed in the JSE as they sell their shares privately ✓✓
- It is important that state-owned companies are well managed and make a profit. ✓✓
- Any other relevant conclusion related to the private company/personal liability company/public company/state owned company.

Any (1x2)

[40]

QUESTION 5: BREAKDOWN OF MARKS ALLOCATION

| Details | Maximum | Total |
|---|---------|-------------------|
| Introduction | 2 | Max 32 |
| Difference between personal liability and private company | 8 | |
| Advantages of a private company | 12 | |
| Characteristics of a public company | 12 | |
| Advantages of a state-owned company | 14 | |
| Conclusion | 2 | |
| INSIGHT | | |
| Layout | | 2 |
| Analysis/interpretation | | 2 |
| Synthesis | | 2 |
| Originality/examples | | 2 |
| TOTAL MARKS | | 40 |

[40]**QUESTION 6: BUSINESS ROLES (SOCIO-ECONOMIC ISSUES AND SOCIAL RESPONSIBILITY)****6.1 Introduction**

- Businesses can grow and develop into successful enterprises if they take socio-economic issues in consideration. ✓
- Businesses who ignore socio-economic issues do not contribute towards a safe environment. ✓
- The business is part of the community and any problems in the community impacts on the business as well. ✓
- All socio-economic issues present both challenges and opportunities for entrepreneurs. ✓
- Businesses need to identify relevant CSR programmes that are aimed at addressing some of this issue. ✓
- A diverse workforce allows businesses to address inequality as a socio-economic issue.
- Any other relevant introduction relating to socio -economic issues.

Any (2x1) (2)

6.2 Differences between social responsibility and Corporate Social Responsibility

| SOCIAL RESPONSIBILITY | CORPORATE SOCIAL RESPONSIBILITY |
|--|---|
| <ul style="list-style-type: none"> Each person is responsible for the effects their behaviour and lifestyle has on the environment and others. ✓✓ | <ul style="list-style-type: none"> A business takes responsibility for its impact on society and the environment. ✓✓ |
| <ul style="list-style-type: none"> A person/group/organisation has a responsibility to act in a way that benefit society as a whole. ✓✓ | <ul style="list-style-type: none"> It is an ethical way of doing business in the interest of both the business and the wider community. ✓✓ |
| <ul style="list-style-type: none"> Getting actively involved in projects that can have a positive impact on society in a sustainable way. ✓✓ | <ul style="list-style-type: none"> A business needs to be careful that all its actions protect the environment and improve the quality of life for the citizens of the country. ✓✓ |
| Any other relevant answer related to social responsibility | Any other relevant answer related to Corporate Social Responsibility |
| Sub max (4) | Sub max (4) |

NOTE: 1. The answer does not have to be in tabular format.

2. The differences do not have to link but must be clear.

3. Award a maximum of FOUR (4) marks if the differences are not clear/Mark either social responsibility or Corporate Social Responsibility

Max (8)

6.3 Purpose of inclusivity in the workplace

- Businesses are able to use a variety of talents ✓ and skills. ✓
- Inclusivity enables businesses to make the best use ✓ of all human resources. ✓
- Promotes equal opportunity for every employee ✓ to obtain skills that will lead to promotion and career path. ✓
- Promotes respect for each person ✓ and their contributions in the workplace. ✓
- Promotes healthy/happy working environments ✓, which in turn increase job satisfaction and productivity. ✓
- Increase tolerance of each other's ideas ✓ and beliefs. ✓
- Increase communication in the workplace ✓ so that business goals/objectives are achieved. ✓
- Inclusivity increases education and training ✓ resulting to a decrease in poverty. ✓
- Increases the number of middle-class people ✓ participating in the economy ✓
- Any other relevant answer related to the purpose of inclusivity in the businesses.

Max (12)

6.4

6.4.1 Negative impact of strikes on businesses

- This could make the business to be unable to meet its contractual obligation✓ and the business losing contracts. ✓
- The cost ✓ of making up all the working hours is too high. ✓
- Strikes can be violent because strikers intimidate those employees✓ who do not want to go on a strike✓
- Scares off ✓ potential investors. ✓
- May result in losses of production as employees stay absent✓ from work during strikes✓
- Strike actions may lead to production losses ✓ and decline in sales. ✓
- Businesses may be forced to close down operations ✓ after strike actions. ✓
- May lead to unhealthy working relationships ✓ between the management and workers. ✓
- May force businesses to retrench✓ some of its skilled workers to recover from losses. ✓
- Any other relevant answer related to the negative impact of strikes on businesses. ✓

Sub max (8)

6.4.2 Negative impact of political disturbances on businesses.

- People in township/informal settlement areas may block roads preventing employed people from going to work✓ due to service delivery protests. ✓
- Scares off ✓ potential investors. ✓
- Businesses may be forced to close✓ especially those located in townships. ✓
- May result in losses of production as employees stay absent✓ from work during political disturbances. ✓
- Many businesses suffer losses✓ as a result of damage to property. ✓
- Riots can result in increased unemployment✓ if shopkeepers are forced to shut down. ✓
- Any other relevant answer related to the negative impact of political disturbances on businesses. ✓

Sub max (8)

Max (16)

6.5 Initiatives businesses can take to address crime and poverty

6.5.1 Initiatives businesses can take to address crime

- Offer employment√√
- Get involved in the local community on sustainable projects with community. √√
- Sponsor special sports programmes by providing finance (prize money) for special community events√√
- Adopt a school; by providing most of its needs. √√
- Any other relevant answer related to dealing with crime as a socio-economic issue.

Submax (6)

6.5.2 Initiatives businesses can take to address poverty

- Provide bursaries for employees' children.√√
- Offer learnerships for employees.√√
- Develop employee's skills.√√
- Invest in a young starting SME that can be a business competitor, buyer or supplier. √√
- Offer best volunteering programs. √√
- Support poverty alleviation programmes that are offered by the government. √√
- Donate money/food parcels to local NGO's. √√
- Any other relevant answer related to dealing poverty as a socio-economic issue.

Sub max (6)

Max (12)

6.6 Conclusion

- Businesses who develop strategies to deal with socio-economic issues survive long enough to achieve their long term-term goals. √√
- Businesses should be aware of these issues to put strategies in place to combat them.√√
- A diverse workforce contributes creative ideas and enables businesses to stay ahead of its competitors. √√
- Any other relevant conclusion relating to socio-economic issues and the impact on businesses.

Any (1x2) (2)

[40]

QUESTION 6: BREAKDOWN OF MARKS ALLOCATION

| Details | maximum | Total |
|---|---------|-------------------|
| Introduction | 2 | Max 32 |
| Difference between social responsibility and corporate social responsibility | 8 | |
| Purpose of inclusivity in the work place | 12 | |
| Negative impact of strike and political disturbance | 16 | |
| Initiatives business can take to address crime and poverty as socio-economic issues | 12 | |
| Conclusion | 2 | |
| INSIGHT | | |
| Layout | | 2 |
| Analysis/interpretation | | 2 |
| Synthesis | | 2 |
| Originality/examples | | 2 |
| TOTAL MARKS | | 40 |

TOTAL SECTION C: [40]

GRAND TOTAL :100