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PROVINCIAL GOVERNMENT
REPUBLIC OF SOUTH AFRICA

DEPARTMENT OF
EDUCATION

NATIONAL

SENIOR CERTIFICATE

Stanmorephysics.com

GRADE 10

BUSINESS STUDIES P2

MAY/JUNE 2025

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MARKS: 100

TIME: 1H30MIN

This question paper consist of 7 pages

INSTRUCTIONS AND INFORMATION

Read the following instructions carefully before answering the questions.

1. This question paper consists of THREE sections and covers TWO main topics.

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 first TWO questions in SECTION B and the FIRST question 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 the nature of each question to determine the length and depth of an answer.
6. Use the table below as a guide for marks and time allocation when answering each question.

SECTION	QUESTION	MARKS	TIME (minutes)
A: Objective-type questions COMPULSORY	1	20	20
B: THREE direct/indirect-type questions CHOICE: Answer any TWO.	2 3 4	20 20 20	40
C: TWO essay-type questions CHOICE: Answer any ONE.	5 6	40 40	30
TOTAL		100	90

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

SECTION A**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 B.

1.1.1 This refers to individuals that have a duty to act in the best interests of their environment and society.

- A. Corporate social responsibility
- B. Environmental responsibility
- C. Socio economic issues
- D. Social responsibility

1.1.2 Businesses should create distinctive patterns using special devices to uncover fake products as an initiative that addresses ...

- A. bootlegging.
- B. inclusivity.
- C. piracy.
- D. political disturbances

1.1.3 This form of ownership can raise capital by issuing shares to the public.

- A. Kia Motors Ltd
- B. Zukie Fashion "Inc"
- C. Ink and Sharon videos
- D. Spitch (Pty) Ltd

1.1.4 This form of ownership IS not allowed to pay bonuses to members

- A. cooperatives
- B. Non-profit company
- C. Sole trader
- D. close cooperation

1.1.5 Which one of the following is an example of corporate social responsibility.

- A Increase in the manager's salary
- B Increase in profits
- C Producing socially responsible goods and services
- D Discounting prices of its products

(5 x 2) (10)

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

Prospectus, private company, piracy, surety, memorandum of incorporation, crime, bootlegging, fraud, partnership, securities

- 1.2.1 A ... is a written invitation to the public to buy the securities offered by the public company and must contain certain prescribed information.
- 1.2.2 ...recording of live performance without the permission of the performers.
- 1.2.3 ...unlawful and harmful act related to loss of goods in a business due to theft
- 1.2.4 There are no legal requirements regarding the name of the business
- 1.2.5 When person accepts liability for the debt of another person or business.

(5 x 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 start on a NEW page, e.g. QUESTION 2 on a NEW page, QUESTION 3 on a NEW page.

QUESTION 2: BUSINESS VENTURES

- 2.1. Name any TWO types of cooperative. (2)
2.2. Outline differences between limited and unlimited liability (4)

- 2.3. Study the scenario below and answer the questions that follow:

TOM AUDITORS (TA)

Tom Auditors offer auditing services to local and international companies. Former and current directors of TA are liable for the debts of the company. The directors are also aware of the impact of this form of ownership.

- 2.3.1. Identify the form of ownership that TM considered from the scenario above (2)
2.3.2. Discuss the impact of the form of ownership identified in QUESTION 2.3.1. (6)
2.4. Advise the businesses on characteristics of a state owned companies. (6)
[20]

QUESTION 3 BUSINESS ROLES

- 3.1. Define the following concepts;
3.1.1 Inequality. (2)
3.1.2 Poverty. (2)
3.2. Outline the reason why socio - economic issues poses challenges to the business. (4)

- 3.3. Study the scenario below and answer the questions that follows:

SANDANI MANUFACTURES (SM)

Sandani Manufactures produce clothing and accessories at their factory. Some of the workers at SM have difficulty of spending most their salary at the local casino and this has a negative impact on SM.

- 3.3.1. Identify socio economic issue applicable to the scenario above. (2)
3.3.2. Discuss negative impact of the socio economic issue identified in Question 3.3.1. (4)
3.4. Advise business on purpose of inclusivity. (6)
[20]

QUESTION 4 MISCELLANEOUS

BUSINESS VENTURES

- 4.1. Outline the characteristics of a partnership (4)
4.2. Discuss advantages of a sole trader. (6)

BUSINESS ROLES

- 4.3. Define social responsibility. (2)
4.4. Explain the following solutions to piracy.
4.4.1 Copyright (2)
4.4.2 Trademark (2)
4.5. Suggest initiatives businesses can take to address unemployment (4)

[20]

TOTAL SECTION B: 40

SECTION C

Answer ONE question in this section.

NOTE:

Clearly indicate the QUESTION NUMBER of each question you select. The answer to EACH question must start on a NEW page, for example QUESTION 5 on a NEW page or QUESTION 6 on a NEW page.

QUESTION 5 BUSINESS VENTURES.

Tsienda Levy clinic aims to achieve more profit rather than providing health care services to all, like Red Cross. Two JSE – listed pharmaceuticals companies has taken legal action against each other. Aspaniena claims that Ingram-Lasi is using its ingredients in one of their cough mixture flu medicines.

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

- Outline differences between profit companies and Non-profit companies.
- Explain the disadvantages of a non-profit company.
- Discuss differences between private company and public company.
- Advise the business on the impact of a public company.

[40]

QUESTION 6 BUSINESS ROLES

Businesses have a responsibility to contribute to the well-being of the communities in which they operate, addressing socio-economic issues that impact their operations and the lives of their employees and stakeholders. HIV/AIDS and crime are significant socio-economic challenges that affect businesses, requiring a proactive and collaborative approach to reduce their impact.

Write an essay on inequality and poverty in which you include the following aspects:

- Elaborate the meaning of corporate social responsibility.
- Explain the negative impact of HIV/AIDS on business.
- Discuss initiatives a business can take to address HIV/AIDS.
- Advise businesses on the negative impact of crime.

[40]

TOTAL SECTION C: 40

GRAND TOTAL: 100



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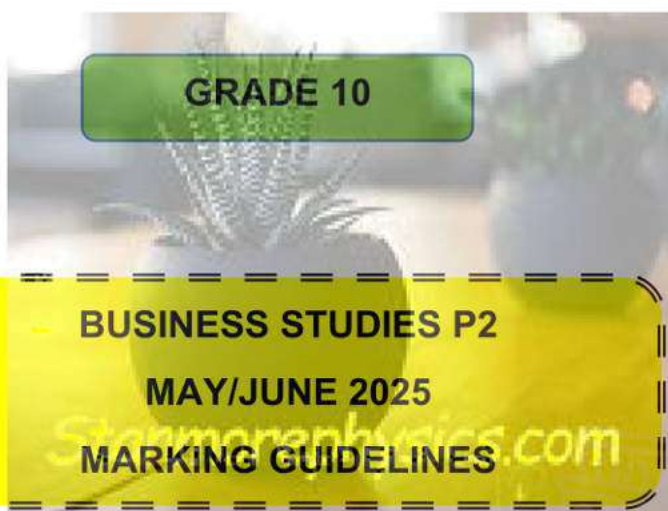
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GRADE 10

BUSINESS STUDIES P2

MAY/JUNE 2025

MARKING GUIDELINES

MARKS: 100

TIME: 1H30

This marking guidelines consists of 21 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
Departmental Head:	Green
Subject Advisor:	Orange
Provincial 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 responses provided by candidates that are relevant within the context of a particular question 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 'Submax' 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.

Grade 10: Marking Guideline

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.'

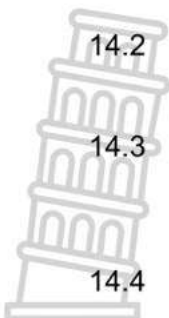
NOTE: 1. The above could apply to 'analyse' as well.
2. Note the placing of the tick (✓) in the allocation of marks.

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 assessment 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: This applies only to questions where the number of facts is specified. 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 to finalise alternative answers and consult with the Internal Moderator at DBE for approval.

14.4 **Use of the cognitive verbs and allocation of marks:**

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

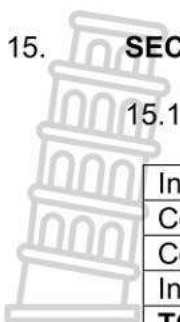
- Fact 2 marks (or as indicated in the marking guidelines)
- Explanation 1 mark (two marks will be allocated in SECTION C)

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, paragraph, and a conclusion?	2
Analysis and Interpretation	<p>Is the candidate able to break down the question into headings/subheadings/interpret it correctly to show understanding of what is being asked?</p> <p>Marks to be allocated using this guide: All headings addressed: 1 (One 'A') Interpretation (16 to 32 marks): 1 (One 'A')</p>	2
Synthesis	<p>Are there relevant decisions/facts/responses made based on the questions?</p> <p>Option 1: Only relevant fact: 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.</p> <p>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.</p> <p>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.</p> <p>Option 4: No relevant facts: 0 mark (Two "-S") Where a candidate answers less than 50% (only one sub-question) of the question with no relevant facts; two '-S' appear in the left margin. Award a ZERO mark for synthesis.</p>	2
Originality	Is there evidence of examples 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

Grade 10: Marking Guideline



- 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 SUBMAX/MAX mark in a subsection has been attained. Write SUBMAX/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 maximum indicated, especially 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 MARK 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.
- sxx 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.

Grade 10: Marking Guideline



- 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.



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SECTION A

QUESTION 1

1.1. 1.1.1. D ✓✓

1.1.2. C ✓✓

1.1.3. A ✓✓

1.1.4. B ✓✓

1.1.5. C ✓✓



(5 X 2) (10)

1.2. 1.2.1. Prospectus ✓✓

1.2.2. Piracy ✓✓

1.2.3. Crime ✓✓

1.2.4. Partnership ✓✓

1.2.5. Surety ✓✓



(5 X 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 answers in this section.

QUESTION 2: BUSINESS VENTURES**2.1. Types of Co-operatives.**

- Housing co-operative.
- Worker co-operative. ✓
- Social co-operative. ✓
- Agricultural co-operative. ✓
- Co-operative burial society. ✓
- Financial services co-operative. ✓
- Consumer co-operative. ✓
- Transport co-operative ✓

NOTE: Mark the first TWO (2).

(2)

2.2. Difference between limited and unlimited liability.

Limited liability	Unlimited liability
- Loses are limited to the amount that the owner invested in the business. ✓✓	- The owner's personal assets may be seized to pay for the debts of the business. ✓✓
- Any other relevant answer related to limited liability.	- Any other relevant answer related to unlimited liability.
Sub max 2	Sub max 2

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 TWO (2) marks if the differences are not clear/Mark either limited liability or unlimited liability only.

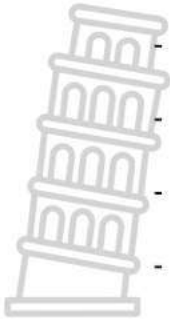
Max. (4)

2.3. Scenario

2.3.1 Personal liability ✓✓

2.3.2 Impact of personal liability**Advantages of a private company**

- A 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. ✓

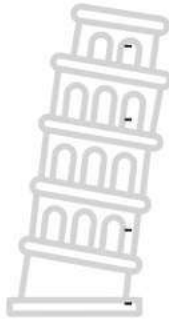
Disadvantages of a private company

- Difficult and expensive to establish a private company ✓ compared to Close Corporations and Sole Proprietorship ✓
- Large management structures ✓ can result in decision-making taking time. ✓
- The private company is not allowed to sell shares ✓ to the public. ✓
- Directors may sometimes act in their own interest, ✓ not in the company's best interest. ✓
- Annual financial statements must be reviewed by a qualified person, ✓ which is an extra expense to the company. ✓
- Difficult and expensive to establish ✓ as the company is subjected to many legal requirements. ✓
- Pays tax on the profits of the business ✓ and on declared dividends/Subject to double taxation. ✓
- Financial statements must be reviewed by a qualified person, ✓ which is an extra expense to the company. ✓
- Directors will be held personally responsible for debts ✓ if it can be proven that they committed fraud. ✓
- Some shareholders may not exercise their voting rights ✓ resulting in choosing the wrong person as a director. ✓
- A meeting may not begin, or a matter may not be debated ✓ unless at least three shareholders are present. ✓
- Any other relevant answer related to impact of personal liability company.

Max. (6)

2.4. Characteristics of a state-owned company

- The name ends with letters SOC Ltd. ✓✓
- 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 Registrar of Companies by drawing up Memorandum of Incorporation.√√
- State-owned companies support private businesses by providing infrastructure such as communication service/Post office and supply of electricity/Eskom.√√
- A state-owned company enjoys financial autonomy because they depend on the government for initial investment.√√
- The Act imposes personal liability on directors who are knowingly carrying out part of the business in a reckless or fraudulent manner.√√
- State-owned company is compelled to have its financial statement audited.√√
- A state-owned company is compelled to attend an annual general meeting (AGM).√√
- A state-owned company has a separate legal personality and have limited liability.√√
- Shareholders have limited liability√√
- Any other relevant answer related to characteristics of state owned company. Stanmorephysics.com

Max.

(6)
[20]

QUESTION 1	MARKS
2.1	2
2.2	4
2.3.1	2
2.3.2	6
2.4	6
TOTAL	20

QUESTION 3 BUSINESS ROLES

3.1. Inequality and poverty

3.1.1 Inequality

- Inequality is the degree to which people do not have the same opportunities √ and are treated differently because of their social status.√
- It means that people are not equal √ e.g. some have lots of money/access to education, while others are desperately poor.√
- Any other relevant answer related to inequality.

(2)

3.1.2 Poverty

- Poverty is the state in which people have little or no money√ to buy their basic needs.√
- People in poverty usually have poor living conditions, √ hunger and increased susceptibility to disease.√
- Any other relevant answer related to poverty.

(2)

Max. (4)

3.2. Reasons why they pose a challenge to businesses.

- Socio-economic issues affect consumer spending due to poverty and unemployment. ✓✓
- These issues place extra burdens and expenditure on businesses as they have to develop policies/support systems/ informative programs to address them. ✓✓
- Businesses are expected to create as many job opportunities as possible to assist government address these issues which places a financial burden on them. ✓✓
- They must also educate employees on social issues and how to become involved in the community to address these social issues. ✓✓
- Any other relevant reason to why they pose a challenge to businesses.

Max (4)**3.3. Scenario**

3.3.1. Gambling ✓✓

(2)

3.3.2. Negative impact of gambling

- High rate of employee ✓ absenteeism. ✓
- Local businesses forced out ✓ of business. ✓
- Gambling hides criminal activities ✓ and can lead to workplace violence. ✓
- Compulsive gamblers cannot focus on work ✓ while preoccupied with gambling. ✓
- Compulsive gambling puts a strain ✓ on relationships in the workplace. ✓
- Addicted employees ✓ could also steal to get money for gambling. ✓
- Reduces productivity ✓ as it encourages crime and corruption. ✓
- When gamblers lose their money, ✓ they have less to spend on goods and services, which affects business negatively. ✓
- Decrease in savings ✓ leads to a decrease in future production. ✓
- Less buying power ✓ as people may lose their money on pyramid schemes, casino gambling etc ✓.
- Any other relevant answer related to impact of gambling.

Max (4)**3.4. Purpose of inclusivity in the workplace.**

- 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. ✓✓
- Businesses are able to use a variety of talents and skills. ✓✓
- 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 purpose of inclusivity in the workplace.

Max (6)**[20]**



QUESTION 1	MARKS
3.1.1	2
3.1.2	2
3.2	4
3.3.1	2
3.3.2	4
3.4	6
TOTAL	20

QUESTION 4 MISCELLANEOUS

BUSINESS VENTURES

4.1 Characteristics of a partnership

- There are no legal requirements in starting a partnership except the drawing up of a partnership agreement.✓✓
- Partners combine capital and may also borrow capital from financial institutions.✓✓
- Profit is shared✓ according to the partnership agreement.✓✓
- Partners share responsibilities and they are all involved in decision making✓✓
- Partners have unlimited liability and are jointly and severally liable for the debts of the business✓✓
- No legal requirements regarding the name of the business.✓✓
- No legal formalities to start, only a written partnership agreement is required.✓✓
- Partnership has no legal personality and therefore has no continuity.✓✓
- The partnership does not pay income tax, only the partners in their personal capacities.✓✓
- Auditing of financial statements is optional.✓✓
- Partners share responsibilities and they are all involved in decision making.✓✓
- Diversity/Specialisation/Different skills of the partners can be used.✓✓
- There is no specific suffix to be reflected in the name of the partnership.✓✓
- Any other relevant answer related to characteristics of partnership.

Max. (4)

4.2 Advantages of a Sole trader/proprietorship.

- Requires little capital✓ to start.✓
- Quick and easy✓ decisions can be made✓
- No legal process✓ and requirements✓
- Can easily adapt to the needs✓ of the client/customer✓
- The assets of the business✓ belong to the owner personally✓
- A sole trader can close contracts✓ and trade in his own name✓
- The owner takes all of the profits✓ made by the business and are entitled the ownership of assets.✓
- There is personal encouragement✓ and personal contact between the owner and customers.✓
- Any other relevant answer related to advantage of a sole trader/proprietorship.

Max (6)

BUSINESS ROLES**4.3 Definition of social responsibility**

- Social responsibility is when each person is responsible for the effects their behaviour ✓ and lifestyle has on the environment and others. ✓
- It means that any person/group/organisation has a responsibility ✓ to act in a way that benefit society as a whole. ✓
- Social responsibility also means getting actively involved in projects ✓ that can have a positive impact on society in a sustainable way. ✓
- Any other relevant answer related to definition of social responsibility.

Max. (2)**4.4 Solution to piracy****4.4.1 Copyright**

- The owner of intellectual property has the right to produce ✓ and copy the intellectual property. ✓
- Includes literacy/musical works/artistic works etc. ✓
- Any other relevant answer related to copyright as a solution to piracy.

Sub max. (2)**4.4.2 Trade mark**

- Registration of the use of a brand name/slogan/symbol or a combination ✓ to make a product or services recognisable and known. ✓
- A unique mark that represents a business enterprise ✓ and which belongs to the business enterprise. ✓
- Includes words/slogans/sign etc. ✓
- Any other relevant answer related to trademark as a solution to piracy.

Sub max. (2)**Max. (4)****4.5 Initiatives businesses can take to address unemployment**

- Provide skills development programmes through learnerships. ✓✓
- Offer bursaries to the community to improve the level of education. ✓✓
- Create jobs for members of the community. ✓✓
- Provide entrepreneurial programmes that can promote self-employment. ✓✓
- Support existing small businesses to create more employment opportunities. ✓✓
- Any other relevant answer related to initiative to address unemployment.

Max (4)**BREAKDOWN OF MARKS**

QUESTION 4	MARKS
4.1	4
4.2	6
4.3	2
4.4.1	2
4.4.2	2
4.5	4
TOTAL	20

[20]**TOTAL SECTION B: 40**

SECTION C

Mark the first answer only in this section.

QUESTION 5 BUSINESS VENTURES**5.1. Introduction**

- Profit companies aim to maximize financial gains for shareholders, whereas non-profits prioritize social causes and community benefit. ✓
- One of the most important decisions to be made by a prospective proprietor is choosing the appropriate business to establish. ✓
- Some of the ownership are more suitable for non-profit businesses while others are suitable for profit-making businesses. ✓
- The public company is designed for a large scale operation that require large capital investments. ✓
- Any other relevant introduction related to differences between profit companies and Non-profit companies/differences between private company and public company/the impact of a public company.

Any (2 x 1) (2)**5.2. Differences between profit making companies and non-profit making companies.**

PROFIT- MAKING COMPANIES	NON-PROFIT - MAKING COMPANIES
- The company is established for only one aim and that is to make profit. ✓✓	- The company is established for charity purposes or to promote social and cultural activities ✓✓
- A company incorporated for financial gain for its shareholders. ✓✓	- A non-profit company is an association incorporated not for gain ✓✓
- The Memorandum of Incorporation sets out who the directors and shareholders are as well as their rights, duties responsibilities ✓✓	- The Memorandum of Incorporation defines the purpose and its operations ✓✓
- It also sets out the number of shares that the company is authorised to issue. ✓✓	- The company have an independent legal entity, but the board of trustee is protected unless found negligent or fraudulent. ✓✓
- Any other relevant answer related to profit making companies.	- Any other relevant answer related to non-profit making companies
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 profit making or non-profit making quality only.

Max (8)

5.3 Disadvantages of a non-profit company.

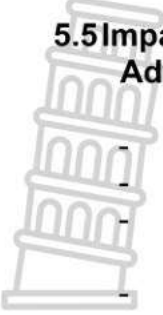
- Need professional assistance ✓ to set up this organisation ✓
- Does not generate enough capital ✓ to cover their expenses. ✓
- Donations may not always be enough ✓ to finance the company's expenses. ✓
- Assets are not distributed to the members ✓ upon closing down. ✓
- Creating a non-profit company ✓ takes time/effort/money. ✓
- Obtaining grants can be ✓ a slow and tiring process. ✓
- Incorporators cannot take along the assets accumulated ✓ by the NPC if they decide to leave. ✓
- They are not allowed to pay ✓ bonuses to members ✓
- They are compelled to prepare ✓ annual financial statements ✓
- Any other relevant answer related to factors to be considered when choosing a form of ownership.

Max. (12)**5.4 Differences between the private company and public company**

PRIVATE COMPANY	PUBLIC COMPANY
- May not offer shares ✓ to the general public. ✓	- Trades its shares publicly ✓ on the Johannesburg Securities Exchange. ✓
- Shares ✓ are not freely transferable ✓	- Shares ✓ are freely transferable. ✓
- Minimum of one director. ✓	- Minimum of three directors. ✓
- Name must end ✓ with Proprietary Limited/(Pty) Ltd. ✓	- Name must end ✓ with Limited/Ltd. ✓
- Annual financial statements ✓ need not be audited and published. ✓	- Annual financial statements ✓ need to be audited and published. ✓
- Does not need to publish a prospectus ✓ as it cannot trade its shares publicly. ✓	- Have to register and publish a prospectus with the Companies ✓ and Intellectual Property Commission/CIPC. ✓
- The company is not required to raise the minimum subscription/ issue ✓ minimum shares. ✓	- Must raise a minimum subscription prior ✓ to commencement of the company. ✓
- Any other relevant answer related to private company.	- Any other relevant answer related to public company.
Sub max 6	Sub max 6

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 SIX (6) marks if the differences are not clear/Mark either private company or public company only.****Max (12)**

5.5 Impact of a public company**Advantages of a public company**

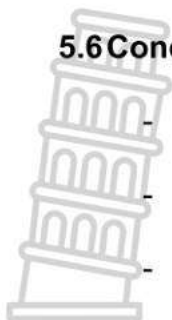
- 
- The business has its own legal identity and can own assets/property.✓✓
 - Managed by at least one competent highly skilled director.✓✓
 - Directors bring creative ideas which encourage innovation/high productivity✓✓
 - Shareholders can sell/transfer their shares freely.✓✓
 - Attracts small investors as shares can be transferred freely/ easily✓✓
 - Strict regulatory requirements protect shareholders.✓✓
 - Easy to raise funds for growth through the sale of shares.✓✓
 - Additional shares can be raised by issuing more shares or debentures.✓✓
 - No limitation on the number of shareholders, so growth/expansion is not limited✓✓
 - Shareholders have a limited liability for the debt of the company/Shareholders may only lose the amount which they invested.✓✓
 - The management of the company can improve since directors are accountable to shareholders.✓✓
 - The public has access to the information and this could motivate them to buy shares from a company✓✓
 - Any other relevant answer related to advantages of a public company.

Disadvantages of a public company

- Difficult and expensive to establish as the company is subjected to many legal requirements✓✓
- Must disclose all financial information which can be used by its competitors✓✓
- Directors may not be motivated to work very hard because shareholders decide on the directors' remuneration✓✓
- Directors may not have a direct interest in the company, which can hamper growth and profit maximisation✓✓
- Directors' fees increase the company's expenses which reduces net profit.✓✓
- Some shareholders may not exercise their voting rights resulting in choosing the wrong person as a director
- A full report must be submitted to the major shareholders each year✓✓
- Large management structure can result in decision making taking time✓✓
- Large amount of funds are spent on financial audits.✓✓
- Financial affairs must be known publicly, this information could be used to competitors' advantage.✓✓
- Management may be open to legal challenges if their reports do not comply with King Code III.✓✓
- Public companies are subject to more disclosure and transparency requirements.✓✓
- Any other relevant answer related to the disadvantages of public company.

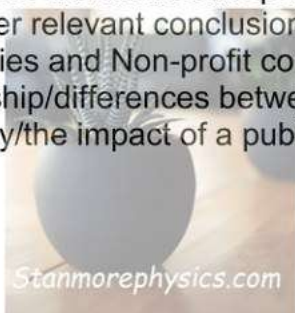
Max (12)

5.6 Conclusion



- Choosing the suitable form of ownership is a crucial aspect as you have to consider the advantages and disadvantages. ✓✓
- Private companies plays a vital role, they contribute to job creation, innovation, and community development. ✓✓
- Public companies provide opportunities for individuals and institutions to invest and participate in the economy. ✓✓
- Public companies must prioritize transparency and accountability in their operations and financial reporting ✓✓
- Any other relevant conclusion related to differences between profit companies and Non-profit companies/characteristics of a partnership/differences between private company and public company/the impact of a public company.

(1 x 2) (2)
[40]



QUESTION 5: BREADOWN OF MARK ALLOCATION

DETAILS	MAXIMUM	TOTAL
Introduction	2	MAX 32
Differences between profit companies and Non-profit companies	8	
Disadvantages of non-profit company	12	
Differences between private company and public company.	12	
Impact of a public company	14	
Conclusion	2	
Insight		8
Layout	2	
Analysis	2	
Synthesis	2	
Originality	2	
TOTAL		40

QUESTION 6 BUSINESS ROLES**6.1. Introduction**

- The business does not operate in isolation; it is situated amidst the society. ✓
- Socio-economic challenges are issues that affect people and the economy in a negative way. ✓
- Financial implications of HIV/AIDS on businesses, include healthcare costs, productivity losses and recruitment expenses ✓
- Crime poses a significant threat to businesses, affecting their profitability, reputation and overall sustainability. ✓
- Any other relevant introduction related to the meaning of corporate social responsibility/negative impact of HIV/AIDS on business/initiatives a business can take to address HIV/AIDS and negative impact of crime.

Any (2 x 1) (2)**6.2. Meaning of corporate social responsibility/CSR**

- It is the term used when a business takes responsibility for its impact on society ✓ and the environment. ✓
- It is an ethical way of doing business in the interest of both the business ✓ and the wider community. ✓
- Corporate social responsibility means that 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. ✓
- The way businesses manage their resources/processes ✓ to impact positively on society. ✓
- The goal of CSR is to have a positive impact ✓ on the environment/consumer/ employees/communities/stakeholders. ✓
- Any other relevant answer related to the meaning of CSR.

Max (10)**6.3. Negative impact of HIV/AIDS on businesses**

- Loss of skilled staff ✓ due to HIV related illnesses. ✓
- Profits will be lower ✓ as production decreases. ✓
- High absenteeism because of medical appointments for doctor or clinic visits ✓ resulting to a decrease in productivity. ✓
- Conflict can arise among staff ✓ if they discover that a worker is HIV positive. ✓
- Businesses face high levels of non-attendance of employees ✓ who become ill or request to attend funerals. ✓
- Businesses find it difficult to keep up production levels and to meet deadlines ✓ because of poor staff morale. ✓
- Businesses face increased costs ✓ of finding/recruiting/training replacements. ✓
- The pool of available skilled workers is getting smaller ✓ due to the high rate of HIV infection. ✓
- The costs of finding replacement employees and recruiting ✓ are high. ✓



- Business needs to invest money in programmes ✓ to educate the workers regarding AIDS. ✓
- Decrease in the number of consumers cause a drop ✓ in the demand for goods and services. ✓
- Costs such as insurance/retirement funds/health/safety are higher ✓ as a result of HIV for the business. ✓
- Businesses face increased costs of paying benefits ✓ like housing subsidies, medical care, funeral care and pension funds. ✓
- Staff morale might be low as they are concerned about their health ✓ thus lowering productivity. ✓
- Trained and experienced employees often die due to complications ✓ caused by HIV before they can grow old. ✓
- This causes an increase in staff turnover ✓ for the business. ✓
- This in turn creates additional expenses ✓ for businesses when they need to hire and train new employees. ✓
- Any other relevant answer related to the impact of HIV/AIDS on businesses.

Max. (12)**6.4. Initiatives businesses can take to address HIV/Aids**

- Counselling programmes/train counsellors to provide assistance to infected ✓ and affected persons/employees. ✓
- Develop counselling programmes ✓ for infected/affected persons/employees. ✓
- Conduct workshops ✓ on HIV/Aids programmes/campaigns. ✓
- Offer Voluntary HIV/Aids testing ✓ and counselling in the workplace. ✓
- Roll out anti-retroviral (ARV) treatment programmes (ART) ✓ for the infected employees. ✓
- Encourage employees ✓ to join HIV/Aids support groups. ✓
- Develop strategies to deal with stigma ✓ and discrimination. ✓
- Participate in the HIV/Aids prevention programmes ✓ implemented in the community. ✓
- Support ✓ non-governmental organisational/community-based ✓
- Any other relevant answer related to initiative of addressing HIV/AIDS.

Max (12)**6.5. Impact of crime on businesses**

- Loss of staff and customers. ✓✓
- Insurance/security costs become expensive. ✓✓
- Loss of profits due to stolen goods from businesses. ✓✓
- Business lose skilled people resulting in a decline in productivity. ✓✓
- Increased medical expenses as workers are injured during the break-ins ✓✓
- Businesses spent money on installing effective security measures e.g. alarms, burglar proofing. ✓✓
- Loss of goods in a business can happen as a result of burglaries, shoplifting, customer theft and employee theft. ✓✓
- Cost of damage to property increases as businesses pay higher insurance premiums to protect themselves. ✓✓
- High rate of absenteeism due to affected employees having to go for trauma counselling ✓✓
- Loss of essential equipment causing temporary closure of the business ✓✓
- Employees can become involved in fraud, bribery and corruption. ✓✓

- If there is an ensuing court case it can create negative publicity for the business.✓✓
- Smaller businesses often cannot afford insurance and have to replace the stolen goods themselves at greater loss.✓✓
- Lower profits affect the decision to expand and employ more people/pay higher wages.✓✓
- Crime causes increase in health costs of employees due to injuries or stress.✓✓
- Discourages foreign investment and reduces tourism which impacts negatively on business.✓✓
- Crime brings about unfair competition from stolen goods resold at a lower price.✓✓
- Any other relevant answer related to negative impact of crime on business.

Max. (12)**6.6. Conclusion**

- Social responsibility is a vital aspect of business operations, which contribute positively to society and environment.
- Providing social and economic support to affected parties can help solve the impacts of crime.
- Providing support and resources for employees living with HIV/AIDS can improve their overall well-being and productivity.
- Any other relevant conclusion related to the meaning of corporate social responsibility/negative impact of HIV/AIDS on business/initiatives a business can take to address HIV/AIDS/ negative impact of crime.

Any (1x2) (2)**[40]****QUESTION 6: BREAKDOWN OF MARK ALLOCATION**

DETAILS	MAXIMUM	TOTAL
Introduction	2	MAX 32
Meaning of corporate social responsibility	10	
The negative impact of strikes on business	12	
Initiatives a business can take to address HIV/AIDS	12	
The negative impact of crime on businesses	12	
Conclusion	2	8
Insight		
Layout	2	
Analysis	2	
Synthesis	2	
Originality	2	
TOTAL		40

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