



BUFFALO CITY METRO DISTRICT

BUSINESS STUDIES PAPER 1

GRADE 10

JUNE 2025

MARKS: 100

TIME: 1.5 HOURS

This question paper consists of 7 pages

INSTRUCTIONS AND INFORMATION

Read the following instructions carefully before answering the questions.

1. This question paper consists of THREE sections,

SECTION A: COMPULSORY

SECTION B: Consists of questions.

Answer any TWO of the three questions in this section.

SECTION C: Consists of TWO questions.

Answer any ONE of the four questions in this section.

2. Read the instructions for each question carefully and take particular note of what is required.

3. Number the answers carefully 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 guide for mark and time allocation when answering each question.

SECTION	QUESTION	MARKS	TIME
A: Objective-type questions COMPULSORY	1	20	10 minutes
B: THREE direct/indirect-type questions CHOICE: Answer any TWO.	2	20	50 minutes
	3	20	
	4	20	
C: TWO essay-type questions CHOICE: Answer any ONE.	5	40	30 minutes
	6	40	
TOTAL		100	90 minutes

7. Begin the answer to EACH question on a NEW page, for example QUESTION 1 – new page, QUESTION 2 – new page, et cetera.

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 number (1.1.1–1.1.5) in the ANSWER BOOK, for example 1.1.6 E.

1.1.1 A business enterprise has no control over the ...

- A employees
- B micro
- C macro
- D market

1.1.2 Competition is affected by

- A substitute that threatens to replace old products
- B unions negotiating better wages
- C interest rates go down
- D decrease in unemployment

1.1.3 The business organization has complete control over the ... environment.

- A market
- B macro
- C global
- D micro

1.1.4 The ... function is directly involved in the sale of manufactured products in a company:

- A marketing
- B production
- C human resources
- D finances

1.1.5 The ability of a product to satisfy customer needs is referred to as ...

- A quality control
- B quality assurance
- C quality
- D quality management

(5X2) (10)

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

cash; National Credit Act; public; data; Consumer Protection Act ; public relations; credit; production; private; information.

- 1.2.1 The responsibility of ... is to ensure that the business develops a good image to people outside the business.
- 1.2.2 This act aims to avoid over-indebtedness of the consumer.
- 1.2.3 Eskom is part of the ... sector because it is controlled by government.
- 1.2.4 A... payment is when you buy stock and pay at a later stage.
- 1.2.5 The management report presented to shareholders at the Annual General Meeting is an example of ...

(5x2) (10)

TOTAL SECTION A: 20

SECTION B

Answer ANY TWO questions from this section

QUESTION 2: BUSINESS ENVIRONMENTS

- 2.1 Name THREE business sectors (3)
- 2.2 Elaborate on the meaning of the market environment (4)
- 2.3 Read the scenario below and answer the question that follows.

SMITH CANNED FOODS(SCF)

Smith Canned foods is a factory that manufactures canned fruit and vegetables. He employed 60 workers. Due to the recent increase of the interest rate and VAT by Minister of Finance; he finds it difficult to keep costs down. He also noticed a high rate of absenteeism due to problem of HIV/AIDS. Star Cans Suppliers usually delay the delivery for cans.

- 2.3.1 Name the sector in which SCF operates. Motivate your answer by quoting from the scenario. (3)
- 2.3.2 Identify the challenges faced by SCF and classify according to business environment.

Use the table below to present your answer (6)

CHALLENGES	BUSINESS ENVIRONMENTS
1.	
2.	

- 2.4 Differentiate between public and private sector (4)
[20]

QUESTION 3: BUSINESS OPERATIONS

- 3.1 Name TWO factors that influence the organisational structure of a business. (2)
 3.2 Outline the differences between fixed and working capital (4)
 3.3 Identify the various business functions from each of the given statements below:
 3.3.1 Lindy carries out market research to assess the demand from the consumers (2)
 3.3.2 Siphon looks for possible ways to expand the business when dealing with debts and payments (2)
 3.4 Explain reasons why a business may need financing (4)
 3.5 Advise businesses on any two activities of administration function (6)

[20]

QUESTION 4: MISCELLANEOUS TOPICS

BUSINES ENVIRONMENTS

- 4.1 Name TWO components of the market environment. (2)
 4.2 Identify the sources of financing that applies to each of the following statements
 4.2.1 Short -term loan added onto the account of an entrepreneur/business (2)
 4.2.2 Money offered by wealthy entrepreneurs to the business in exchange for a share in that business (2)
 4.3 Suggest the reasons why NGO's and CBO's form part of the market environment. (4)

BUSINESS OPERATIONS

4.4 Read the scenario below and answer questions that follow.

RESHMA LIMITED (RL)
 Reshma is the owner of Reshma Limited appointed Chris as a financial manager. Thembi was appointed as a supervisor.

Identify the two levels of management that apply to RL. Motivate your answer by quoting from the scenario.

Use the table below as a guide to answer the question.

LEVELS OF MANAGEMENT	MOTIVATION
1.	
2	

(6)

4.5 Distinguish the difference between management and leadership

(4)



[20]

TOTAL SECTION B:40

SECTION C

Answer ANY ONE question in this section.

NOTE: Clearly indicate the QUESTION NUMBER of the question chosen. The answer to the question must start on a NEW page, e.g. QUESTION 5 on a NEW page OR QUESTION 6 on a NEW page.

QUESTION 5: BUSINESS ENVIRONMENTS

The influences that are present in this environment are completely outside the control of a business enterprise. The environment includes all the forces, events and circumstances that affect the business and its macro environment

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

- Elaborate on the meaning of macro business environment.
- Define any SIX components of the macro environment and give a practical example of each component.
- Discuss the interrelationship between the micro and market environments.
- Suggest reasons why the macro environment can be a challenge to the business

[40]

QUESTION 6: BUSINESS OPERATIONS

Purchasing function have specific responsibilities as one of the business functions. It is important that businesses follow a certain procedure when purchasing from suppliers. Managers should decide to use either cash or credit payment and be aware that stock should be controlled.

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

- Outline the purpose of the purchasing function.
- Discuss FOUR steps of the purchasing procedure that should be followed by businesses.
- Explain the difference between cash and credit payment.
- Advise businesses on the importance of stock control.

[40]

TOTAL SECTION C: 40

GRAND TOTAL: 100

