

**higher education
& training**
Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA



N450(E)(J5)H

NATIONAL CERTIFICATE

ENTREPRENEURSHIP AND BUSINESS MANAGEMENT N4

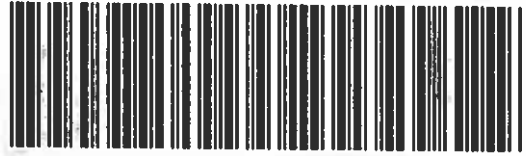
(Second Paper)

(4090304)

5 June 2018 (X-Paper)
09:00–11:30

OPEN-BOOK EXAMINATION

Calculators and FIVE reference works, including dictionaries, textbooks and student files containing lesson notes, may be used.



ENABMAN4P2

This question paper consists of 6 pages and 2 answer sheets.

Please turn over

Copyright reserved

higher education
& training

Department
Higher Education and Training
REPUBLIC OF SOUTH AFRICA



IN30(E)25H

NATIONAL CERTIFICATE

ENTREPRENEURSHIP AND BUSINESS MANAGEMENT III

(Second Paper)

3 June 2010 (2 papers)
08:00-14:30

OPEN BOOK EXAMINATION

Candidates must bring their own copy of the textbook and the relevant notes. The relevant textbook and notes will be provided to the candidates at the examination venue.



1210100000000

This is a matter of internal security. It is not to be distributed outside the examination venue.

INSTRUCTIONS AND INFORMATION

1. Answer ALL the questions.
2. Read ALL the questions carefully.
3. Number the answers according to the numbering system used in this question paper.
4. Write neatly and legibly.

NOTE:

If you answer more than the required number of questions only the required number will be marked. All work you do not want to be marked must be clearly crossed out.

DEPARTMENT OF HIGHER EDUCATION AND TRAINING
REPUBLIC OF SOUTH AFRICA
NATIONAL CERTIFICATE
ENTREPRENEURSHIP AND BUSINESS MANAGEMENT N4
(Second Paper)
TIME: 2½ HOURS
MARKS: 150

SECTION B

QUESTION 4

Entrepreneurship in action

Princess is a young entrepreneur, aged 28, from Umgababa on the KwaZulu-Natal South Coast where she was raised and attended school. When she was very young, her mother marvelled at her excellent cookery skills. Princess' ambition and dream in life has always been to establish her own bed and breakfast. With the support of friends and relatives, and a loan from the bank, she set up her enterprise in the South Coast and named it *KwaZulu Bed and Breakfast*. Princess offers traditional meals, cultural dances and a tour of the village as part of her business. She employs eight permanent staff members and ten temporary staff members. Of the temporary staff members, two are tour guides and the rest are dancers.

Tourists, especially from overseas, have spoken very highly about her venture as it offers 'a real South African experience'. Some tourists promised to come back, as well as to tell friends and relatives about *KwaZulu Bed and Breakfast*. Princess is responsible for managing staff, purchases, as well as food and beverages. She also oversees the rooms and housekeeping functions.

[Adapted from: *Pathways to entrepreneurship* by Oliver Mtapuri et al © Heinemann 2010]

Refer to the case study and answer the following questions:

- | | | | |
|-----|---|---------|-------------|
| 4.1 | Identify ONE market segmentation factor from the case study. | | (2) |
| 4.2 | Complete a SWOT analysis for Princess. | (4 × 2) | (8) |
| 4.3 | Did Princess use equity financing or debt financing to finance her business? Substantiate the answer. | | (4) |
| 4.4 | Design a trademark and create a slogan for <i>KwaZulu Bed and Breakfast</i> . | | (6) |
| 4.5 | What can she do to gain competitive advantage? | (6 × 2) | (12) |
| 4.6 | Design an after-sales questionnaire for Princess' business. | | (14) |
| 4.7 | State TWO legal requirements for a lodging establishment. | (2 × 2) | (4) |
| | | | [50] |

QUESTION 5

Pule wants to start a laundry business in his area but does not know how to make it a reality. He approaches you for advice.

- 5.1 Choose TWO suitable business locations for a laundry business. Substantiate the answer. (6)
- 5.2 Name THREE market segments that could be attracted by a laundry business. (3 x 2) (6)
- 5.3 Classify Pule's intended product. (4)
- 5.4 Suggest a pricing technique for Pule and give a reason for each suggestion under each of the following headings:
 - 5.4.1 Introducing a new product
 - 5.4.2 Nonprice competition
 - 5.4.3 Other pricing methods
 (3 x 4) (12)
- 5.5 What are the critical factors in this industry? (4 x 2) (8)
- 5.6 Design a market-research questionnaire for Pule. Consider the following criteria:
 - Close-ended and open-ended questions
 - Name of the business
 - Purpose of the questionnaire
 - Personal details of the client
 (14)

[50]


QUESTION 6

- 6.1 Study the advertisement and decide whether it is a good advertisement. Motivate your answer.

LLOYD LOOM FURNITURE

Neither Cane nor Wicker—Superior to either

It is noted for its
ELEGANCE AND DURABILITY
is
**WEATHERPROOF
AND SUNPROOF**



MADE IN LONDON

SUPPLIED IN ANY COLOUR DESIRED

LLOYD Loom FURNITURE can be obtained
at all good-class stores. Write to-day for illus-
trated leaflet and name of nearest agent to:—

W. LUSTY & SONS (Dept. G), Bromley-by-Bow, E.3

www.alamy.com - F1XKP2

(12)

- 6.2 Read the following passage and answer the questions.

Linda wants to open a coffee shop in a mall. There are already four coffee shops and each receives 4 500 customers per month. Linda knows she will only receive 60% of her full market share for the first year. Linda's selling price per customer is R20 and her costs per customer amounts to R10. She buys from a supplier who gives her 10% discount on cash purchases. The coffee shop is open for 25 days per month and all transactions are strictly cash.

- 6.2.1 Calculate the gross profit per day on ANSWER SHEET 1 (attached). (14)
- 6.2.2 Calculate the gross profit per month on ANSWER SHEET 1 (attached). (8)
- 6.3 Design a smart-looking, professional cover page for Linda's business plan. (10)
- 6.4 Give THREE reasons why it is important to draw up a business plan. (3 × 2) (6)

[50]

QUESTION 7

7.1 Create a floor plan for a clothing store. (10)

7.2 Describe a well-designed layout for a supermarket. (3 × 2) (6)

7.3 Draw up the estimated cash-flow statement on ANSWER SHEET 2 (attached).

Use the following information to draw up the estimated cash-flow statement for the next THREE months. At the end of September 2016 Mary had a favourable bank balance of R5 000. The bank granted a loan of R7 500 during October 2016.

MONTHS	EXPECTED SALES	ESTIMATED PURCHASES
September	11 000	7 000
October	14 000	10 000
November	18 000	14 000
December	30 000	21 000

Other information:

1. Loan repayment (November 2016) R 400
Wages R4 000
Rental R1 500
Telephone R 550
Electricity and water R 800
Fuel R 650
Stationery R 300
2. 30% of all sales are on credit. These customers pay 30 days later.
3. 20% of all purchases are on credit. Mary pays 30 days later.
4. In October she bought an office desk for R3 500.
5. In November she purchased a second-hand delivery vehicle. The deposit was R6 000 and monthly instalments thereafter for the next 54 months will be R900.
6. In December she will sell an old computer for R3 500.

(34) [50]

TOTAL SECTION B: 150
GRAND TOTAL: 200

