



# basic education

Department:  
Basic Education  
**REPUBLIC OF SOUTH AFRICA**

## **NATIONAL SENIOR CERTIFICATE**

**GRADE 12**

**CONSUMER STUDIES**

**NOVEMBER 2025**

**MARKING GUIDELINES**

**MARKS: 200**

**These marking guidelines consist of 20 pages.**

**SECTION A: SHORT QUESTIONS****QUESTION 1**

1.1	1.1.1	A✓	<i>Remembering, moderate (Focus, p.171; Successful, p.191)</i>	(1)
	1.1.2	C✓	<i>Understanding, easy (Focus, p.141,174; Successful, p.193)</i>	(1)
	1.1.3	D✓	<i>Understanding, easy (Focus, p.157; Successful, p.174)</i>	(1)
	1.1.4	B✓	<i>Understanding, moderate (Focus, p.166; Successful, p.184)</i>	(1)
	1.1.5	D✓	<i>Understanding, moderate (Focus, p.164-165; Successful, p.182)</i>	(1)
	1.1.6	C✓	<i>Remembering, moderate (Focus, p.90; Successful, p.106–107)</i>	(1)
	1.1.7	D✓	<i>Remembering, easy (Focus, p.94; Successful, p.113–114)</i>	(1)
	1.1.8	C✓	<i>Remembering, easy (Focus, p.74; Successful, p.83)</i>	(1)
	1.1.9	B✓	<i>Understanding, easy (Focus, p.103; Successful, p.123)</i>	(1)
	1.1.10	A✓	<i>Remembering, easy (Focus, p.104; Successful, p.125)</i>	(1)
	1.1.11	B✓	<i>Understanding, easy (Focus, p.54; Successful, p.57)</i>	(1)
	1.1.12	B✓	<i>Applying, moderate (Grade 11)</i>	(1)
	1.1.13	C✓	<i>Remembering, easy (Focus, p.49; Successful, p.51)</i>	(1)
	1.1.14	A✓	<i>Remembering, easy (Focus, p.119; Successful, p.139)</i>	(1)
	1.1.15	D✓	<i>Understanding, easy (Focus, p.148; Successful, p.162)</i>	(1)
	1.1.16	B✓	<i>Understanding, easy (Focus, p.30-31; Successful, p.30)</i>	(1)
	1.1.17	B✓	<i>Remembering, easy (Focus, p.19; Successful, p.23)</i>	(1)
	1.1.18	A✓	<i>Understanding, moderate (Focus, p.35; Successful, p.35)</i>	(1)
	1.1.19	D✓	<i>Understanding, moderate (Focus, p.8; Successful, p.11)</i>	(1)
	1.1.20	A✓	<i>Remembering, moderate (Focus, p.40; Successful, p.42)</i>	(1)

- 1.2      1.2.1      Antioxidants✓
- 1.2.2      Stabilisers/ emulsifiers✓
- 1.2.3      (Chemical) preservatives✓
- 1.2.4      Bleaches/ colourants✓ (4)
- Remembering, easy (Focus, p.93–94; Successful, p.113–114)*
- 1.3      A✓
- C✓
- E✓ (Any order) (3)
- Understanding, moderate (Focus, p.64; Successful, p.72)*
- 1.4      1.4.1      D✓
- 1.4.2      C✓
- 1.4.3      E✓
- 1.4.4      B✓
- 1.4.5      F✓ (5)
- Understanding, moderate (Focus, p.155, 156, 158,161,162; Successful, p.169, 173, 175–179)*
- 1.5      A✓
- C✓
- F✓
- H✓ (Any order) (4)
- Understanding, difficult (Focus, p.16; Successful, p.24)*
- 1.6      1.6.1      Levy✓
- 1.6.2      Rent✓
- 1.6.3      (Homeowner's comprehensive) insurance✓
- 1.6.4      Rates/ property taxes/ services fees✓ (4)
- Understanding, moderate (Focus, p.117, 122, 127,128; Successful, p.137, 139, 140, 145)*

**[40]**

**SECTION B: LONG QUESTIONS****QUESTION 2: THE CONSUMER****2.1 Define the following terms:****2.1.1 Consumer Price Index (CPI)**

The consumer price index (CPI) measures/ calculates/ determines<sup>✓1</sup> the change in the price of a group of products and services<sup>✓2</sup> over a specific period/ 12 months.<sup>✓3</sup> (Any 2) (2)

*Remembering, easy (Focus, page 167; Successful, page 185)*

**2.1.2 Pay as you earn (PAYE)**

It is tax deducted from an employee's<sup>✓1</sup> salary on a monthly basis/ at the same time his/ her income is earned.<sup>✓2</sup> (2)

*Remembering, easy (Focus, p. 163; Successful, p. 181)*

**2.2 Name the body that is responsible for setting the repo rate.**

(South African) Reserve Bank (SARB).<sup>✓</sup> (1)

*Remembering, moderate (Focus, p. 166; Successful, p. 184)*

**2.3 Name THREE basic services that are provided by municipalities.**

- Electricity<sup>✓1</sup>
- Water<sup>✓2</sup>
- Sanitation/ sewage collection<sup>✓3</sup>
- Refuse/ waste removal<sup>✓4</sup>

(Any 3) (3)

*Remembering, easy (Focus, p. 183; Successful, p. 202)*

**2.4 Name TWO types of credit contracts in which goods and services are bought and paid for later.**

- Mortgage bonds<sup>✓1</sup>
- Bank loans/ loans from financial institutions<sup>✓2</sup>
- Instalment sale/ hire purchase<sup>✓3</sup>
- Store credit accounts/ store card<sup>✓4</sup>
- Credit card<sup>✓5</sup>

(Any 2) (2)

*Remembering, easy (Focus, p. 155-156; Successful, p. 170–172)*

**2.5 State TWO ways to reduce the consumption of electricity when drying clothes.**

- Hang washing out to dry instead of using a tumble dryer.✓<sup>1</sup>
- Dripping wet clothes must not be tumble dried/ wring out clothes before tumble drying✓<sup>2</sup> because they will take longer to dry.
- Use the correct temperature setting on a tumble dryer to minimize the amount of electricity used.✓<sup>3</sup>
- Only use the tumble dryer when there is a full load.✓<sup>4</sup>
- Use an energy efficient tumble dryer with an A rating.✓<sup>5</sup>
- You can avoid ironing clothes by removing clothing promptly from the tumble dryer and folding it carefully.✓<sup>6</sup>
- Ensure that rubber seals are intact to prevent heat from escaping.✓<sup>7</sup>
- Clean filters regularly to reduce drying time.✓<sup>8</sup>
- Do not overload the tumble dryer.✓<sup>9</sup>
- Use a gas tumble dryer.✓<sup>10</sup>

(Any 2) (2)

*Understanding, moderate (Focus, p.174; Successful, p.193–194)***2.6 Explain why compound interest is beneficial for investments/ savings.**

- In compound interest, interest is earned on the original/ principal investment/ savings/ amount✓<sup>1</sup> and the interest already earned.✓<sup>2</sup>
- Money grows faster✓<sup>3</sup> over a short period of time.
- It is a better long-term choice because it gives higher returns.✓<sup>4</sup>

(Any 2) (2)

*Understanding, easy (Focus p.166; Successful p.184)***2.7 Explain why it is advantageous for a consumer to buy a product that has a warranty/ guarantee.**

- It assures a consumer that a product will meet the quality/ durability/ standards✓<sup>1</sup> and remain in working order✓<sup>2</sup> for a particular length of time.✓<sup>3</sup>
- It ensures that a product will be repaired✓<sup>4</sup> if it has any defects without the cost to the consumer.✓<sup>5</sup>
- Warranty/ guarantee promises that product will be replaced✓<sup>6</sup> if the product is not in working order✓<sup>7</sup> within a given period of time.
- It allows for the consumer to be refunded✓<sup>8</sup> if the product does not satisfy the terms agreed upon.✓<sup>9</sup>
- It safe guards the consumer against any loss.✓<sup>10</sup>

(Any 4) (4)

*Understanding, moderate (Focus, p.158; Successful, p.175)*

**2.8      2.8.1      Identify the type of scam that is represented in the SMS above.**

Lottery/ prize notification scam.✓

(1)

*Understanding, moderate (Focus, p.159; Successful, p.177)***2.8.2      Explain why the above SMS is regarded as a scam.**

- Alex received an SMS stating that he won a lottery jackpot.✓<sup>1</sup>
- It required Alex to provide his personal details.✓<sup>2</sup>
- Alex must pay a processing fee of \$200 to claim the price.✓<sup>3</sup>
- The SMS stated that 'Don't miss out on this amazing opportunity' even though it stated that he/she has already won the lottery.✓<sup>4</sup>
- There is a spelling error (clam) on the SMS indicating that it is not legitimate.✓<sup>5</sup>
- It sounds too good to be true.✓<sup>6</sup>
- Alex might not have entered the lottery jackpot.✓<sup>7</sup>
- There are no contact details/ name of lottery is not provided.✓<sup>8</sup>
- A lotto ticket is claimed on site and a SMS is not sent to the winner/ Alex.✓<sup>9</sup>

(Any 4)

(4)

*Understanding, moderate (Focus, p.159; Successful, p.177)***2.9      Differentiate between the *inflation rate* and the *interest rate*.**

- Inflation rate is the average percentage increase✓<sup>1</sup> in prices of goods and services in a year/ annually✓<sup>2</sup> which is based on the Consumer Price Index (CPI).✓<sup>3</sup>
- Interest rate is the rate at which borrowers pay interest✓<sup>4</sup> for the money they borrowed✓<sup>5</sup> from financial institutions. It is charged on a month to month basis.✓<sup>6</sup>
- The interest rate is also the rate at which consumers receive interest on their investments/ savings.✓<sup>7</sup>
- Interest rate is determined by the repo rate.✓<sup>8</sup>

(Any 4)

(4)

*Understanding, moderate (Focus, p.166-168; Successful, p.184–185)***NOTE:** Candidate must refer to both inflation rate and interest rate to be awarded 4 marks.

**2.10 Explain the causes of the continuous increase in prices.**

- The increase in the price of electricity✓<sup>1</sup> caused manufactures and sellers to increase their prices to cover the increased electricity costs.✓<sup>2</sup>
- The prices of raw materials increase✓<sup>3</sup> causing the selling prices to increase.
- An increase in the cost of fuel/ transportation✓<sup>4</sup> would also contribute to price increases.
- The manufactures/ businesses increased salaries/ wages✓<sup>5</sup> and rental increases.✓<sup>6</sup> cost the businesses more money/ increasing the overhead costs✓<sup>7</sup> and the cost of the increases are added✓<sup>8</sup> to the price of goods and services.
- Strikes/ protest actions/ riots/ wars can cause prices to increase.✓<sup>9</sup>
- Loadshedding/ watershedding may also cause prices to increase.✓<sup>10</sup>
- The increase in the interest rate✓<sup>11</sup> would have cost businesses that has debt more money to pay off✓<sup>12</sup> the debt.
- An increase in the inflation rate✓<sup>13</sup> also caused prices to increase.
- If the government prints more money without security/ spend more than it receives.✓<sup>14</sup>
- The increase in levies/ sugar tax/ sin tax/ fuel tax/ import duties/ exchange rate✓<sup>15</sup> also caused an increase in the price of goods and services.
- Floods/ drought✓<sup>16</sup> could have impacted local farms resulting in low crop yield✓<sup>17</sup> which increased prices. (Any 5)

*Analysing, difficult (Focus, p.164–168; Successful, p.182, 184, 185)*

(5)

2.11 **Both communities and municipalities have a responsibility towards combating the problem.**

**Validate the above statement.**

**Municipalities must ...**

- collect the rubbish/ waste regularly✓<sup>1</sup> from the community.
- build/ maintain/ manage landfill sites✓<sup>2</sup> for the refuse collected.
- encourage communities to recycle✓<sup>3</sup> waste that is recyclable like glass/ paper/ plastic/ cardboard.✓<sup>4</sup>
- provide recycling areas.✓<sup>5</sup>
- put up 'no dumping' signs/ boards/ notifications and ensure there are consequences/ fines✓<sup>6</sup> for illegal dumping.
- provide wheely bins/ trash bags✓<sup>7</sup> so that animals cannot destroy black bags before they are collected.
- use rates and taxes responsibly to ensure that rubbish is collected.✓<sup>8</sup>

**Communities must ...**

- throw away their rubbish in a responsible manner,✓<sup>9</sup> and not litter.✓<sup>10</sup>
- pay rates and taxes✓<sup>11</sup> so that municipalities can have funds to collect waste.✓<sup>12</sup>
- recycle✓<sup>13</sup> their waste like paper/ plastic/ glass/ cardboard instead of throwing it away.
- put their bins out on collection days.✓<sup>14</sup>
- organise community clean up campaigns.✓<sup>15</sup>
- communities must submit recommendations and complaints about rubbish that is not collected/ removed to the municipality in writing.✓<sup>16</sup>
- report illegal dumping to the municipality.✓<sup>17</sup>
- attend council meetings✓<sup>18</sup> to show support or stay informed of what the municipality is doing with regards to refuse removal.✓<sup>19</sup> (Any 8) (8)

*Analysing, moderate (Focus, p.183, 185; Successful, p.203, 205)*

**NOTE:** Candidate must refer to both municipalities and communities to be awarded full marks.

**[40]**



**QUESTION 3: FOOD AND NUTRITION****3.1 Define the following terms:****3.1.1 Cholesterol**

It is a soft/ white,<sup>✓1</sup> waxy/ fatty substance<sup>✓2</sup> that occurs naturally in the blood/ is a component of body cells/ hormones<sup>✓3</sup> and is produced in the liver and body cells.<sup>✓4</sup>

(Any 3) (3)

*Remembering, easy (Focus, p.74; Successful, p.84)*

**3.1.2 Food security**

It is the ability of individuals to obtain/ access sufficient/ enough/ adequate,<sup>✓1</sup> nutritious<sup>✓2</sup> food that is safe<sup>✓3</sup> on a daily basis<sup>✓4</sup> to maintain a healthy/ active lifestyle.<sup>✓5</sup>

(Any 3) (3)

*Remembering, easy (Focus, p.106; Successful, p.128)*

**3.1.3 Organic foods**

Organic foods are grown in an environmentally friendly way/ using traditional/ natural farming methods<sup>✓1</sup> without the use of pesticides/ herbicides/ chemicals/ fertilisers.<sup>✓2</sup>

(2)

*Remembering, easy (Focus, p.104; Successful, p.125)*

**3.2 List the information found on a food label that could assist in preventing food poisoning.**

- Date stamp/ markings<sup>✓1</sup> (used by/ best before)
- Ingredients<sup>✓2</sup>
- Storage instructions<sup>✓3</sup>
- Cooking/ heating instructions<sup>✓4</sup>

(Any 3) (3)

*Understanding, moderate (Focus, p.97; Successful, p.117)*

**3.3 Write a paragraph to discuss the difference between *high-density* lipoprotein (HDL) and *low-density* lipoprotein (LDL) cholesterol.**

HDL is the good<sup>✓1</sup> cholesterol. It gathers up excess cholesterol<sup>✓2</sup> and removes some cholesterol already deposited on the artery walls<sup>✓3</sup> and transports it to the liver where it is broken down to be excreted.<sup>✓4</sup> It lowers the risk of heart disease.<sup>✓5</sup> It is increased by exercising.<sup>✓6</sup> LDL is the bad/ dangerous<sup>✓7</sup> cholesterol. It builds up in the arteries<sup>✓8</sup> causing the gradual narrowing<sup>✓9</sup> of the blood vessels. It contributes to heart disease.<sup>✓10</sup> It is increased by saturated/ trans fatty acid.<sup>✓11</sup>

(Any 6) (6)

*Understanding, moderate (Focus, p.74; Successful, p.84)*

**NOTE:** Candidates must refer to both HDL and LDL to be awarded full marks.

**3.4 Discuss how hepatitis A can be transmitted in the food environment.**

- Transmission can occur when an infected person does not wash his/ her hands✓<sup>1</sup> after using the toilet✓<sup>2</sup> and then touches food/ drinks.✓<sup>3</sup>
- Poor sanitation may also lead to the transmission of Hepatitis A.✓<sup>4</sup>
- Hepatitis A can spread when an uninfected or unvaccinated person✓<sup>5</sup> eats or drinks food that was contaminated by the faeces✓<sup>6</sup> of an infected person.
- It can also spread through contaminated food/ water.✓<sup>7</sup> (Any 3) (3)

*Remembering, easy (Focus, p.89; Successful, p.103)*

**3.5 Explain the advantages of the irradiation of fruit and vegetables.**

- Delays the ripening of fruit.✓<sup>1</sup>
- Reduces losses during transportation and storage.✓<sup>2</sup>
- Controls the sprouting of onions, garlic and potatoes.✓<sup>3</sup>
- Delays the greening of potatoes.✓<sup>4</sup>
- Increases/ extends the shelf life of fruit and vegetables.✓<sup>5</sup>
- Destroys insects in/ on tropical fruit that are imported/ exported.✓<sup>6</sup>
- It destroys harmful organisms thus preventing food-borne diseases.✓<sup>7</sup> (Any 4) (4)

*Understanding, moderate (Focus, p.105; Successful, p.127)*

**3.6 Explain how anaemia can be prevented and managed by vegetarians**

- They must eat sufficient quantities of foods that are rich in iron✓<sup>1</sup> and folic acid.✓<sup>2</sup>
- Other sources of iron/ folic acid are fish/ wholegrain cereals/ legumes/ green leafy vegetables.✓<sup>3</sup>
- They must also eat foods that contain vitamin C/ ascorbic acid✓<sup>4</sup> such as dark leafy vegetables/ berries/ citrus fruit/ tomatoes✓<sup>5</sup> because it promotes the absorption of iron.✓<sup>6</sup>
- Coffee/ tea must not be consumed with a meal✓<sup>7</sup> because it reduces the absorption of iron.✓<sup>8</sup>
- Vegetarians must take iron/ vitamin B<sub>12</sub> supplements✓<sup>9</sup> because vitamin B<sub>12</sub> is only found in animal foods.✓<sup>10</sup>
- Include foods fortified✓<sup>11</sup> with vitamin B<sub>12</sub> such as bread. (Any 6) (6)

*Understanding, moderate (Focus, p.77; Successful, p.91)*

**3.7 Discuss the effect that a diet high in fruit, vegetables and fish may have on the prevention and management of hypertension and coronary heart disease.**

- A diet high in fruit, vegetables and fish reduce the risk and improve✓<sup>1</sup> the management of hypertension and coronary heart disease.
- Fruit and vegetables contain antioxidants/ vitamin C/ ascorbic acid/ carotene✓<sup>2</sup> minimizing the effect of free radicals✓<sup>3</sup> which reduces the risk of heart disease.
- Fruit and vegetables are rich in (soluble) fibre✓<sup>4</sup> which helps lower LDL (bad cholesterol)✓<sup>5</sup> that clogs the arteries which leads to heart disease.
- Potassium/ magnesium✓<sup>6</sup> found in some fruit and vegetables are essential for blood pressure regulation✓<sup>7</sup> reducing strain on the arteries✓<sup>8</sup> and reducing the risk of hypertension.
- Fruit/ vegetables are low in sodium/ salt✓<sup>9</sup> which will reduce hypertension.
- Fruit/ vegetables do not contain animal fat or cholesterol.✓<sup>10</sup> This will reduce the risk of coronary heart disease and hypertension.
- Fruit/ vegetables do not contain fat✓<sup>11</sup> and are low in kilojoules✓<sup>12</sup> reducing the risk of obesity✓<sup>13</sup> and thus reducing the risk of hypertension and coronary heart disease.
- Dark green leafy vegetables such as spinach/ broccoli contain large amounts of phytochemicals✓<sup>14</sup> that help to reduce the build-up of cholesterol in the arteries✓<sup>15</sup> and reduces the risk of atherosclerosis.
- Fish contain unsaturated fats✓<sup>16</sup> which reduces the LDL (bad cholesterol)✓<sup>17</sup> thus lower the risk of coronary heart disease.
- The fat in fish has omega 3 fatty acids✓<sup>18</sup> that protect the heart and blood vessels.✓<sup>19</sup>

(Any 10)

(10)

*Analysing, difficult (Focus, p.74,75,77; Successful, p.83–88)*

**[40]**

**QUESTION 4: CLOTHING****4.1 Name TWO factors that influence fashion change.**

- Social✓<sup>1</sup>
- Economic✓<sup>2</sup>
- Technological✓<sup>3</sup>
- Political/ Judicial✓<sup>4</sup>
- Cultural✓<sup>5</sup>
- Boredom of current fashion.✓<sup>6</sup>

(Any 2) (2)

*Remembering, easy (Focus, p.49, 51; Successful, p.53–55)***4.2 Explain the term *trademark*.**

A trademark is any word/ symbol/ logo/ label/ device/ name✓<sup>1</sup> that is used to identify/ distinguish✓<sup>2</sup> goods from those manufactured/ sold by others.✓<sup>3</sup>

(Any 2) (2)

*Remembering, easy (Focus, p.64; Successful, p.28,71)***4.3 State TWO illegal clothing practices.**

- Brand piracy✓<sup>1</sup>
- Counterfeiting✓<sup>2</sup>
- Replication✓<sup>3</sup>
- Knock-offs✓<sup>4</sup>
- Fake/ imitation✓<sup>5</sup>

(Any 2) (2)

*Remembering, easy (Focus, p.64; Successful, p.72)***4.4 4.4.1 Identify the type of fashion that is represented by the graph.**

Fashion fad✓

(1)

*Understanding, moderate (Focus, p.49-50; Successful, p.50–51)***4.4.2 Name the stage in the fashion cycle that is represented by the following months:**(a) **December:** Introduction/ beginning/ launch✓

(1)

(b) **February:** Peak✓

(1)

*Understanding, easy (Focus, p.50; Successful, p.50)***4.4.3 Explain what happens to the cost of clothing items in the following months.**(a) **February**

The price is more affordable/ cheaper✓ and many people are buying it.

(1)

(b) **March**

The prices have gone down/ most of the items are on sale.✓

(1)

*Applying, moderate (Focus, p.50; Successful, p.50)*

**4.5 Discuss the versatility of the shoes.**

- The shoes can be worn formally or informally.✓<sup>1</sup>
  - Can be worn in different seasons.✓<sup>2</sup>
  - Can be worn for different occasions/ types of work places.✓<sup>3</sup>
  - Can be worn by males or females/ different age groups.✓<sup>4</sup>
  - Can be worn with or without socks.✓<sup>5</sup>
  - The shoes can be worn with a dress/ shorts/ long pants/ skirt.✓<sup>6</sup>
  - Black is a neutral colour which makes it easy to wear with different coloured clothes.✓<sup>7</sup>
- (Any 4) (4)

*Applying, moderate (Focus, p.55; Successful, p.62)*

**4.6 Analyse the long-term effects that fast fashion will have on the natural environment.**

- Fast fashion lasts for a very short time which means it will be discarded✓<sup>1</sup> if it cannot be recycled and end up on landfills (cradle-to-grave).✓<sup>2</sup> More landfill sites will be required✓<sup>3</sup> using up valuable/ productive/ farmland.✓<sup>4</sup>
  - Non-biodegradable textiles/ packaging does not break down✓<sup>5</sup> and will pile up on landfill sites causing soil/air pollution.✓<sup>6</sup>
  - New textiles need to be produced all the time✓<sup>7</sup> to meet the demand of making new clothing✓<sup>8</sup> which requires more water✓<sup>9</sup> and electricity✓<sup>10</sup> causing depletion of natural resources✓<sup>11</sup> and increasing the carbon footprint/ global warming.✓<sup>12</sup>
  - Toxic chemicals/ dyes✓<sup>13</sup> used in the production of the textiles harm the natural environment/ water/ soil pollution.✓<sup>14</sup>
  - The import of clothing✓<sup>15</sup> from all over the world could lead to air/ noise pollution✓<sup>16</sup> causing high carbon emissions during transportation.✓<sup>17</sup>
- (Any 5) (5)

*Analysing, difficult (Focus, p.61-63; Successful, p.67–69)*

**NOTE:** Water/ Soil/ Air pollution should only be awarded a mark once.

**[20]**

**QUESTION 5: HOUSING AND INTERIOR**

**5.1 Name the housing ownership option that is managed by a body corporate.**

Sectional title/ condominium✓ ownership (1)  
*Remembering, easy (Focus, p.122; Successful, p.140)*

**5.2 Briefly describe what the body corporate is.**

- Every owner is a member in a sectional title complex and forms part of the body corporate.✓<sup>1</sup>
- The group of people/ trustees elected by the owners of the units in the complex✓<sup>2</sup> who control/ administer/ manage/ run the complex.✓<sup>3</sup>

**OR**

• A professional managing agent appointed by the owners.✓<sup>4</sup> (Any 1) (1)  
*Remembering, easy (Focus, p.122-123; Successful, p.140–141)*

**5.3 State THREE disadvantages of buying household appliances on credit.**

- Repayments of the appliance must be paid promptly/ on time/ monthly/ over a long period,✓<sup>1</sup> which may decrease consumers' disposable income.✓<sup>2</sup>
- Failure to pay may result in repossession of the appliances.✓<sup>3</sup>
- There is a certain limit that can be spent/ provided by the credit provider.✓<sup>4</sup>
- There are other costs such as interest/ administration fee/ initial fees that must be paid/ penalties for late payment✓<sup>5</sup> which makes it expensive.✓<sup>6</sup>
- The consumer cannot negotiate for a discount.✓<sup>7</sup>
- Consumers can spend more than they can afford✓<sup>8</sup> and could be black listed.✓<sup>9</sup>
- Instalments must still be paid even if the appliance is broken/ stolen.✓<sup>10</sup>
- If a consumer stop paying the instalments he/ she loses all the money already paid.✓<sup>11</sup> (Any 3) (3)

*Understanding, easy (Focus, p.148; Successful, p.162)*

**5.4 List the information that must be included in a lease agreement to protect both the tenant and the landlord.**

- The date at which the rental of the property starts/ the length of the lease.✓<sup>1</sup>
- Details on the renewal of the lease.✓<sup>2</sup>
- The amount of the rental instalment✓<sup>3</sup> and the date on which it must be paid.✓<sup>4</sup>
- Rental conditions.✓<sup>5</sup>
- Clauses indicating the rights and responsibilities of the tenant and property owner.✓<sup>6</sup>
- Property inspection before moving in and after the lease expires.✓<sup>7</sup>
- Entry/access to the unit by the property owner.✓<sup>8</sup>
- Rules regarding deposit/ water/ electricity/ sub-letting/ pets.✓<sup>9</sup> (Any 3) (3)

*Understanding, moderate (Focus, p.118; Successful, p.138)*

5.5      5.5.1      **Explain the advantages of the energy sources of the fridge/ freezer.**

- It uses gas which is cheaper<sup>✓1</sup> than electricity, thus saving the cost of electricity.<sup>✓2</sup>
- It will convert to gas when there is no electricity<sup>✓3</sup> and food will not spoil.<sup>✓4</sup>
- It switches itself over to electricity when gas runs out.<sup>✓5</sup>
- It saves electricity/ lowers the demand for electricity<sup>✓6</sup> and lightens the load on the country's over-stretched supply,<sup>✓7</sup> thereby reducing the negative environmental impact of generating electricity.<sup>✓8</sup>
- Although LPG is a fossil fuel, it is relatively clean compared to coal/ oil/ less air pollution<sup>✓9</sup> and produces fewer emissions of carbon dioxide.<sup>✓10</sup>
- When used correctly, LPG is completely safe,<sup>✓11</sup> like electricity.

(Any 4) (4)

*Applying, moderate (Focus, p.134, 176; Successful, p.155, 193, 195)*

5.5.2      **Discuss how the fridge/ freezer saves human energy and time.**

- The consumer will not have to manually switch to either gas or electricity<sup>✓1</sup> as it switches automatically.
- The consumer does not have to buy the regulator and hose to connect the gas separately,<sup>✓2</sup> this save time.
- The aluminium interior/ metallic exterior is easy to clean.<sup>✓3</sup>
- See through glass makes it easy to see what is inside,<sup>✓4</sup> without opening the fridge.
- The fridge does not need to be opened to get cold water because it is already on the outside.<sup>✓5</sup>
- It seems to have wheels which makes it easy to move/ clean underneath.<sup>✓6</sup>
- An upright fridge/ freezer does not require uncomfortable bending.<sup>✓7</sup>

(Any 3) (3)

*Understanding, moderate (Focus, p.134, 136,145; Successful, p.140)*

**5.6 Evaluate the negative financial impact that the non-payment of the accommodation will have on landlords.**

- They will not be able to pay their mortgage bonds✓<sup>1</sup> and might have cash flow✓<sup>2</sup> problems which may cause them to fall into debt✓<sup>3</sup> and could lead to being blacklisted✓<sup>4</sup> or lose/ sell their properties.✓<sup>5</sup>
- They will not be able to pay their monthly insurance fees✓<sup>6</sup> which may be costly if any problems occur.✓<sup>7</sup>
- They will not be able to pay rates and taxes✓<sup>8</sup> to their municipalities which will increase their debt✓<sup>9</sup> and cause basic services not to be provided.✓<sup>10</sup>
- They will have to pay reconnection fees✓<sup>11</sup> to reconnect their services if they were disconnected.
- It will be difficult for them to maintain✓<sup>12</sup> their properties which could cause the value of the property to depreciate.✓<sup>13</sup>
- Unpaid rent may lead to legal costs/ administrative expenses.✓<sup>14</sup>
- It may result in landlords not being able to invest in other properties.✓<sup>15</sup>

(Any 5) (5)

*Evaluating, difficult (Focus, p.118, 124; Successful, p.140,142)*

**[20]**



**QUESTION 6: ENTREPRENEURSHIP****6.1 State the purpose of adhering to product specifications.**

It is to ensure that all products are always the same<sup>✓1</sup> in terms of appearance/ quality/ size/ weight/ colour/ style.<sup>✓2</sup> Customers will get exactly what they expect.<sup>✓3</sup> (Any 2) (2)

*Remembering, easy (Focus, p.16; Successful, p.21)*

**6.2 Explain the following terms:****6.2.1 Mark-up**

The amount/ percentage<sup>✓1</sup> added to the cost price of goods<sup>✓2</sup> to cover overhead expenses<sup>✓3</sup> and still leave money for a profit.<sup>✓4</sup> (Any 3) (3)

*Remembering, easy (Focus, p.37; Successful, p.39)*

**6.2.2 A best-sale scenario**

It is a forecast of what could happen<sup>✓1</sup> when the product sells very well.<sup>✓2</sup> The business was able to meet its sales target<sup>✓3</sup> and achieve its sales objective/ make a profit.<sup>✓4</sup> (Any 2) (2)

*Remembering, easy (Focus, p.39; Successful, p.41)*

**6.3 State how a business can use its time effectively.**

- Prioritise tasks per day so that they can be completed on time.<sup>✓1</sup>
- Set performance targets to be accomplished.<sup>✓2</sup>
- Ensure that all needed stock/ raw materials/ equipment is available for continuous production.<sup>✓3</sup>
- Establish routines and adhere to them as much as possible.<sup>✓4</sup>
- Plan the use of all equipment to its full capacity.<sup>✓5</sup>
- Preventative maintenance of equipment will save loss of production time.<sup>✓6</sup>
- Plan the use of all workers to be efficient/ maximized/ train workers to be more productive.<sup>✓7</sup>
- Set time limits for each task to be completed/ compile work schedules with time allocations.<sup>✓8</sup>
- Keep workstations organised and tidy for an easy workflow.<sup>✓9</sup>
- Do not postpone tasks, complete them immediately to save time.<sup>✓10</sup>

(Any 2) (2)

*Remembering, moderate (Focus, p.24; Successful, p.25)*

**6.4 Describe FOUR characteristics of sustainable producers.**

They ...

- use goods/ services to improve quality of life and meets the needs of consumers.✓<sup>1</sup>
- produce products that are not harmful to human health.✓<sup>2</sup>
- use electronic storage systems to reduce the use of paper.✓<sup>3</sup>
- making use of recycled raw materials/ packaging✓<sup>4</sup>
- make use of locally produced raw materials/ suppliers.✓<sup>5</sup>
- make only the required products and not unnecessary products✓<sup>6</sup> to prevent waste.
- reduce waste by recycling.✓<sup>7</sup>
- use raw materials wisely/ do not waste.✓<sup>8</sup>
- reuse leftover materials and waste.✓<sup>9</sup>
- ensure that the process of making a product has minimal environmental impact.✓<sup>10</sup>
- protect resources/ energy/ water/ land.✓<sup>11</sup>
- reduce/ eliminate the use of chemical/ toxic materials.✓<sup>12</sup>
- use minimum packaging✓<sup>13</sup> and packaging that is biodegradable/ environmentally friendly.✓<sup>14</sup>
- produce eco-friendly products/ low carbon footprint products.✓<sup>15</sup>
- use natural ingredients.✓<sup>16</sup>
- use renewable sources of energy/ solar energy to reduce carbon footprint/ pollution.✓<sup>17</sup>
- do not waste energy/ are energy efficient.✓<sup>18</sup>

(Any 4) (4)

*Understanding, moderate (Focus, p.27; Successful, p.26)***6.5 Explain how the training of staff improves productivity in a business.**

- Staff will be skilled✓<sup>1</sup> and have knowledge✓<sup>2</sup> of what to do/ is required in their work.
- Staff will make less/ fewer mistakes.✓<sup>3</sup>
- Staff may be able to work independently✓<sup>4</sup> and faster✓<sup>5</sup> in producing products, thus saves time.
- Production will not stop✓<sup>6</sup> because the staff know what to do.
- There will be less repairs/ equipment break down.✓<sup>7</sup>
- Training increases the morale/ motivation✓<sup>8</sup> and this increases productivity.

(Any 3) (3)

*Applying, moderate (Focus, p.25; Successful, p.26)***6.6 6.6.1 Explain how the couple identified a potentially profitable business opportunity.**

- Buying a cup of coffee was expensive.✓<sup>1</sup>
- They wanted everybody to have access to affordable coffee on a daily basis.✓<sup>2</sup>

(2)

*Remembering, easy (Focus, p.7; Successful, p.10)*

**6.6.2 Identify the target market of Espresso Café.**

It is people who love coffee<sup>✓1</sup>/ pastries/ pies/ sandwiches<sup>✓2</sup> but do not have a lot of money to spend on it/ with a low budget.<sup>✓3</sup> (Any 2) (2)

*Understanding, easy (Focus, p.34; Successful, p.11)*

**6.6.3 Describe how Espresso Café was marketed.**

It was marketed by word of mouth from customers,<sup>✓1</sup> customers talked about the price on social media<sup>✓2</sup> and through featuring on radio<sup>✓3</sup> and television.<sup>✓4</sup> (Any 3) (3)

*Remembering, easy (Focus, p.30; Successful, p.29)*

**6.6.4 Discuss why it was important for them to spend two years refining their model.**

- It gave them time to do a SWOT analysis/ look at their strengths and weaknesses.<sup>✓1</sup>
- They had no experience<sup>✓2</sup> therefore they needed to gain knowledge/ skills.<sup>✓3</sup>
- To make sure that their idea was going to be possible to become a success/ feasible.<sup>✓4</sup>
- They needed to source suppliers.<sup>✓5</sup> (Any 3) (3)

*Applying, moderate (Focus, p.8, 10, 35; Successful, p.10,13,14,17,35)*

**6.6.5 The selling price of R14,00 per cup of coffee included 30% profit. Calculate the profit made if 100 cups were sold. Show ALL calculations.****METHOD 1:**

$$R\ 14 \div 1.30 = R10.77^{\check{1}}$$

$$\text{profit per cup } R\ 14 - R\ 10.77 = R\ 3.23^{\check{2}} \times 100 = R\ 323^{\check{3}}$$

**OR**

$$30 \div 130^{\check{4}} \times R\ 14 = R3.23^{\check{5}} \times 100 = R\ 323^{\check{6}}$$

**METHOD 2:**

$$R14 \times 30\% = R4,20^{\check{7}} \text{ OR } R14 \times \frac{30}{100} = R4,20^{\check{8}} \text{ OR } R14 \times 0,3 = R4,20^{\check{9}}$$

$$R4,20 \times 100^{\check{10}} = R420,00^{\check{11}} \text{ (100 cups)}$$

**OR**

$$100 \times R14 = R1\ 400^{\check{12}}$$

$$R1\ 400 \times 30\%^{\check{13}} = R420^{\check{14}}$$

(Any 3) (3)

*Understanding, moderate (Focus, p.39–40; Successful, p.35–39)*

**6.6.6 Calculate the new selling price. Show ALL calculations.**

$$R14 \times 45\% \checkmark^1 = R6,30 \text{ OR } R14 \times \frac{45}{100} \checkmark^2 = R6,30$$

**OR**

$$R14 \times 0,45 \checkmark^3 = R6,30$$

$$R14 + R6,30 \checkmark^4 = R20,30 \checkmark^5$$

**OR**

$$R14 \checkmark^6 \times 1,45 \checkmark^7 = R20,30 \checkmark^8$$

(Any 3) (3)

*Understanding, moderate (Focus, p.39–40; Successful, p.35–39)***6.6.7 Their business is definitely able to sustain its profitability.****Validate the above statement.**

- Their products are affordable $\checkmark^1$  compared to their competitors and more products will be sold. $\checkmark^2$
- They already have over 65 stores nationwide $\checkmark^3$  and sell over 50 000 cups a day. $\checkmark^4$
- They provide a variety of products/ coffee/ pastries/ pies/ sandwiches $\checkmark^5$  at the same low price. $\checkmark^6$
- The products they provide are not seasonal, $\checkmark^7$  they are everyday products required by consumers. $\checkmark^8$
- They have their own food factory $\checkmark^9$  which supplies their franchises meaning they do not have to pay other suppliers. $\checkmark^{10}$  This also ensures consistent quality $\checkmark^{11}$  products and their customers know what to expect. $\checkmark^{12}$
- They have franchises $\checkmark^{13}$  which means many people are using their idea and they get more profit. $\checkmark^{14}$
- They use a wide variety of marketing methods/ television/ social media/ radio $\checkmark^{15}$  which reaches more people. $\checkmark^{16}$

(Any 8) (8)

*Evaluating, difficult (Focus, p.35; Successful, p.34)***[40]**

**TOTAL SECTION B: 160**  
**GRAND TOTAL: 200**