



**BUSINESS STUDIES
PAPER 2**

EXAMINER: GL
MODERATOR: LF / TG / UM / GO / AK

DURATION: 2 HOURS
MARKS: 100 MARKS

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 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.
3. Number the answers correctly according to the numbering system used in this question paper.
4. Except where other instructions are given, answers must be in full sentences.
5. Use the mark allocation and nature of each question to determine the length and depth of an answer.
6. Use the table below as a guide for mark 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	20	70
	3	20	
	4	20	
C: TWO essay-type questions CHOICE: Answer any ONE.	5	40	30
	6	40	
TOTAL		100	120

7. Begin the answer of EACH question on a NEW page.
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).
- 1.1.1 Businesses are expected to engage in one of the following as an example of a social responsibility programme.
- A. Increase in the manager's salary.
 - B. Increase in profits.
 - C. Sponsoring an orphanage that cares for children infected/affected by AIDS.
 - D. Discounting prices of its products.
- 1.1.2 Companies have to draft a(n) ... that sets out the rights and responsibilities of shareholders and directors.
- A. Article of Association
 - B. Prospectus
 - C. Memorandum of Incorporation
 - D. Partnership agreement
- 1.1.3 The owner(s) of the following form of ownership have limited liability.
- A. Sole Proprietor.
 - B. Close Corporation.
 - C. Partnership.
 - D. SPJ & Son.
- 1.1.4 State-owned enterprises fall under which department in South Africa?
- A. Government.
 - B. Home Affairs.
 - C. States Interest.
 - D. Private Enterprises.
- 1.1.5 The art of starting a business and offering a creative product, process or service.
- A. innovator.
 - B. entrepreneurship.
 - C. intrapreneur.
 - D. trend.

(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 number (1.2.1–1.2.5).

Commitment	Sole Trader	Unlimited Liability	
Perseverance	Tax Exemption	Proprietors	Tax Evasion
	Private Company	Directors	Limited Liability

- 1.2.1 The state or quality of being dedicated to a cause/activity.
- 1.2.2 Refers to income or transactions that are free from tax at national or local government level.
- 1.2.3 A form of ownership that has unlimited continuity.
- 1.2.4 Shareholders of Bicco Ltd elected ... as representatives to the board of the company.
- 1.2.5 A legal status where business owners are responsible for all the debts of the 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 etc.

QUESTION 2: BUSINESS VENTURES

- 2.1 List FOUR factors that need to be considered when choosing a form of ownership. (4)
- 2.2 Elaborate on the characteristics of a partnership. (4)
- 2.3 Read the scenario below and answer the questions that follow.

HITEC BATTERIES CC (HB)

Hitec Batteries CC specialises in inverters and solar panels to provide electricity during loadshedding. HB has a total of 8 members who are involved in the business. The members are considering changing the business to allow the public to buy shares.

- 2.3.1 Identify the form of ownership that HB operates as. Motivate your answer by elaborating on the characteristics of this form of ownership as mentioned in the scenario. (4)
- 2.3.2 Identify the form of ownership the members wish to change their ownership to. Motivate your answer by quoting from the scenario above. (3)
- 2.4 Identify the company name that ends in the following:
- 2.4.1 SOC
- 2.4.2 Inc.
- 2.4.3 (Pty) Ltd (3)
- 2.5 List any TWO qualities of an entrepreneur. (2)

[20]

QUESTION 3: BUSINESS ROLES

- 3.1 Differentiate between the meaning of *social responsibility* and *corporate social responsibility* (CSR). (4)
- 3.2 Elaborate on the purpose of CSR. (4)
- 3.3 Read the scenario below and answer the questions that follow.

COVEY'S MANTUCATURERS (CM)

Peter, the owner of Covey's Manufacturers, prides himself in social responsibility and running his business ethically. All packing of raw material is recycled. At the end of every month, the staff at CM volunteer at Save-A-Pet. Additionally, they donate dog food when visiting the charity.

- 3.3.1 Name THREE examples of social responsibility from the scenario above. Motivate your answer by quoting from the scenario above.

Use the table below as a GUIDE to answer QUESTION 3.3.1 on your answer page. (9)

	EXAMPLE OF SOCIAL RESPONSIBILITY	MOTIVATION
1.		
2.		
3.		

- 3.3.2 Define the term *ethically*. (1)
- 3.4 Discuss the goal of CSR. (2)

[20]

QUESTION 4: MISCELLANEOUS TOPICS

BUSINESS VENUTES

4.1 Read the scenario below and answer the questions that follow.

GREENLIFE FOUNDATION (GF)

GreenLife Foundation recently partnered with a local school to conduct an environmental awareness campaign. The non-profit's team organized a series of workshops and interactive sessions for the students, focusing on topics such as waste management, recycling, and the importance of preserving natural resources.

4.1.1 Elaborate on the advantages of a non-profit company. (4)

4.1.2 Discuss the disadvantages of a non-profit company. (4)

4.2 List any TWO types of co-operatives. (2)

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4.3 Discuss initiatives businesses can implement to address inclusivity. (6)

4.4 Differentiate between the terms, *diversity* and *segregate*. (4)

[20]

TOTAL SECTION B: 40

SECTION C

QUESTION 5 BUSINESS VENTURES

A profit company is an organization whose primary objective is to generate profits and financial returns for its owners or shareholders. The primary purpose of a for-profit company is to maximize shareholder value by generating revenue that exceeds its expenses and costs.

Write a business report in which you address the following:

- Differentiate between a private company and public company.
- Elaborate of the advantages of a public company.
- Outline the disadvantages of a private company.
- Discuss the characteristics of a personal liability company.

[40]

QUESTION 6 BUSINESS ROLES

Corporate social responsibility (CSR) can bring several benefits to companies namely enhanced reputation and brand image, increased customer loyalty and market share, competitive advantage, improved employee morale and engagement, attraction and retention of top talent, risk management and cost savings and stronger stakeholder relationships.

As an expert in CSR, write an essay addressing the following:

- Elaborate on business initiatives to address inequality and poverty.
- Discuss business initiatives to address HIV/AIDS.
- Outline initiatives to address piracy.
- Discuss business initiatives to address counterfeiting/imitations and bootlegging.

[40]

TOTAL SECTION C: 40