

# Hillcrest High School



## Consumer Studies

Grade 12

September 2019

**Time: 3 Hours**

**Total: 200 Marks**

**Examiner: Mrs. S.J. Geel**

**Moderator: Mrs. J. Bega**

**This paper consists of 11 pages.**

## INSTRUCTIONS AND INFORMATION

1. This question paper consists of **SIX** questions.

<b>SECTION</b>		<b>MARKS</b>	<b>TIME</b>
<b>QUESTION 1</b>	Short questions	40 marks	20 minutes
<b>QUESTION 2</b>	The Consumer	40 marks	40 minutes
<b>QUESTION 3</b>	Food and Nutrition	40 marks	40 minutes
<b>QUESTION 4</b>	Clothing	20 marks	20 minutes
<b>QUESTION 5</b>	Housing	40 marks	40 minutes
<b>QUESTION 6</b>	Entrepreneurship	40 marks	40 minutes
<b>Total</b>		<b>200</b>	<b>180 minutes</b>

2. **ALL** the questions are compulsory and must be answered in the **ANSWER BOOK**.
3. Number the answers correctly according to the numbering system used in this question paper.
4. Start each **QUESTION** on a **NEW** page.
5. You may use a calculator.
6. Write in black or blue ink only.
7. Pay attention to spelling and sentence construction.
8. Write neatly and legibly.

# QUESTION 1: SHORT QUESTIONS

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** (1.1.1–1.1.20).

- 1.1.1. The measure used to determine the increase in price as well as to calculate the inflation rate:
- A Inflation rate
  - B Interest rate
  - C Consumer Price Index
  - D Repo rate
- (1)
- 1.1.2. A false and fraudulent business practice is called:
- A Stokvel
  - B Scam
  - C Pyramid scheme
  - D Grey goods
- (1)
- 1.1.3. Tax paid from selling a house is known as ...
- A estate tax.
  - B capital gains tax.
  - C property tax.
  - D property evaluation tax.
- (1)
- 1.1.4. The condition in which the blood glucose level drops abnormally low:
- A Hypertension
  - B Hypoglycaemia
  - C Diabetes
  - D Hyperglycaemia
- (1)
- 1.1.5. The disease that can be spread through breathing in the air when an infected person sneeze, cough or spit:
- A Dysentery
  - B Hepatitis A
  - C E.coli infection
  - D Tuberculosis
- (1)
- 1.1.6. Typical behaviour of a person suffering from anorexia is ...
- A self-induced vomiting.
  - B losing excessive weight.
  - C starvation out of choice.
  - D binge eating, followed by exercise.
- (1)
- 1.1.7. The following food should be avoided by a diabetic person:
- A Fudge, chocolate
  - B Whole-wheat roll, butter beans
  - C Low fat milk, vegetables
  - D Brown rice, fatty meats
- (1)

- 1.1.8. A clothing style that indicates clothing from a previous era:
- A Classic style
  - B Standard trend
  - C Retrospective fashion
  - D Contemporary fashion
- (1)
- 1.1.9. Brand piracy is ...
- A unauthorised use of protected trade names.
  - B use of poor quality products that are not sustainable.
  - C copying of counterfeit trade names.
  - D importing goods into a country.
- (1)
- 1.1.10. 'Sportswear has become street wear'. This statement refers to a ...
- A decline in fashion.
  - B fashion trend.
  - C fashion cycle.
  - D classic fashion.
- (1)
- 1.1.11. A signed sales agreement is a contract between a ...
- A buyer and home owner.
  - B buyer and an estate agent.
  - C home owner and an attorney.
  - D homeowner and a tenant.
- (1)
- 1.1.12. The money you borrow from a bank to buy a home is ...
- A loan.
  - B collateral security.
  - C bond registration.
  - D mortgage bond.
- (1)
- 1.1.13. Wendy lives in a flat that has under counter space for a washing machine. She wants to save on her water consumption even if she uses a washing machine. Choose the washing machine that would be most suitable:
- A Front loader
  - B Twin-tub
  - C Top loader
  - D Automatic
- (1)
- 1.1.14. The document in which a home buyer promises to repay a home loan is called a ...
- A lease.
  - B contract.
  - C mortgage bond.
  - D home bond.
- (1)
- 1.1.15. Sammy is renting a property. Identify his financial responsibility while renting:
- A Pay for water and electricity consumption
  - B Pay the levy and rates of the property
  - C Pay for any maintenance required
  - D Pay for any changes he makes in the structure
- (1)

- 1.1.16. The cooling off period for a direct marketing transaction is ... workdays.
- A two
  - B three
  - C four
  - D five
- (1)
- 1.1.17. The amount added to the cost price to cover all expenses and still make a profit is called the ...
- A selling price.
  - B start-up.
  - C production cost.
  - D operational cost.
- (1)
- 1.1.18. Identify the business that has the most sustainable profitability.
- A Suzanne does not always have enough money to buy raw materials.
  - B Ringani sells more products each month and she opened another branch.
  - C Thandi had to dismiss two employees as she no longer had work for them.
  - D Dorothy spends too much of her business income on clothes.
- (1)
- 1.1.19. Identify the packaging that will have the biggest customer appeal. The product is wrapped in ...
- A brown paper.
  - B colourful see-through plastic.
  - C newspaper.
  - D white paper.
- (1)
- 1.1.20. The document that shows the movement of money over a future period is called ...
- A cash flow projection.
  - B best sales scenario.
  - C financial feasibility.
  - D worst sales scenario.
- (1)

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1.2. Give the name of each of the following Taxes described below. Write the **TYPE** of **TAX** next to the **QUESTION NUMBER** (1.2.1–1.2.5).

- 1.2.1. Tax paid by South African passengers to fly to a foreign country. (1)
- 1.2.2. Tax that some basic food items such as brown bread are exempted from. (1)
- 1.2.3. Tax paid by employees as soon as their income is earned. (1)
- 1.2.4. Tax charged on any proceeds obtained from selling an asset. (1)
- 1.2.5. Tax charged on the value of all property owned by a South African citizen at the date of his or her death. (1)

**[5]**

1.3. Choose the **CORRECT WORD(s)** in brackets to complete each statement. Write the **WORD(s)** next to the **QUESTION NUMBER** (1.3.1–1.3.5).

- 1.3.1. (Brand name/brand pirated) clothes are often sold at organised flea markets. (1)
- 1.3.2. Fashion that is timeless is (fads/classic) styles. (1)
- 1.3.3. Computerised pattern design methods, improved knitting and sewing machines are (economical/technological) factors influencing fashion change. (1)
- 1.3.4. Current fashion trends are called (contemporary/vintage). (1)
- 1.3.5. Fashion with a very short life cycle is (fads/standard trends). (1)

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1.4. Match the **DESCRIPTION** in **COLUMN B** that suits the **ENTREPRENEURIAL TERM** in **COLUMN A**. Write the **LETTER (A–G)** next to the **QUESTION NUMBER** (1.4.1–1.4.5).

COLUMN A		COLUMN B	
1.4.1.	Cash flow projection	A	Predicting number of products for future sales
1.4.2.	Financial feasibility	B	Maintain a steady level of production and sales
1.4.3.	Sustainable profitability	C	Profit margin
1.4.4.	Sales scenario	D	Ability to maintain a steady level of production and sales without exhausting available cash
1.4.5.	Start-up cost	E	Possibility of success
		F	Predicting future available cash
		G	Operating costs

(5 x 1) [5]

1.5. From the list below, identify **FIVE REQUIREMENTS** for a bank to grant a home loan. Write **ONLY** the **LETTER (A–H)** next to the **QUESTION NUMBER** (1.5).

- A** Marriage certificate
- B** Proof of income
- C** Proof of property rates and taxes
- D** Copy of the offer to purchase
- E** Evaluation of spending and payment habit
- F** Proof of South African Identity Document
- G** and travelling expenses
- H** A credit check

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## QUESTION 2: THE CONSUMER

2.1. Explain the following terms:

2.1.1. A Contract (2)

2.1.2. Cooling Off Period (2)

2.1.3. Exemption Clauses (2)

2.2. Explain how South African families can use water more responsibly in the garden. (2)

2.3. Read the case study below and answer the questions that follow:

Heather a teacher and nine of her colleagues started a club whereby every member contributes R1 000,00 per month. This money is saved in a bank with compound interest. They decided that all members will receive their contributions plus the interest only at the end of October.

Heather had long wanted to take her family on holiday, but could never save enough money. The tax deducted from her salary was high and she had to spend more on transport to work due to constant increase in the petrol price. Inflation further contributed to her reduced disposable income.

2.3.1. Identity the type of club referred to in this case study. (1)

2.3.2. Explain how this club operates. (3)

2.4. Describe how the club members will benefit more from compound interest than simple interest. (4)

2.5. Discuss how inflation has a negative impact on Heather's disposable income. (4)

**[20]**

## QUESTION 3: FOOD AND NUTRITION

- 3.1. Name **TWO** common foods that cause allergies. (2)
- 3.2. State **THREE** benefits that organically grown food may have for the natural environment. (3)
- 3.3. "Food irradiation is a technology used to improve the safety of food products such as herbs". Discuss **FOUR** reasons why this statement is true. (4)

- 3.4. Compare milk allergy with lactose intolerance. Tabulate your answer as follows:

Milk Allergy	Lactose Intolerance
(2)	(2)

- (4)
- 3.5. Explain why coronary heart disease is referred to as lifestyle disease. (3)
- 3.6. Answer the following questions on cholesterol.
- 3.6.1. Describe high cholesterol. (3)
- 3.6.2. Describe how regular checking of blood cholesterol levels can benefit a person suffering from high cholesterol. (3)
- 3.6.3. State **FOUR** dietary guidelines to manage high cholesterol. (4)
- 3.7. Differentiate between Type 1 and Type 2 diabetes. Tabulate your answer as follows:

Type 1	Type 2
(2)	(2)

- (4)
- 3.8. Read the scenario below and answer the questions that follow:

Tammy is living with her grandparents in a one-bedroom house. The grandparents receive a small pension that is too little to provide them with daily balanced meals.

They keep a small garden, where they grow spinach, onions, tomatoes, carrots and cabbage for household use. They also have an orange tree in the yard that yields oranges during the winter season.

Two months ago, Tammy's uncle visited them for two weeks. The uncle is not well, he coughs a lot, is very thin and permanently tired. Tammy recently started feeling sick. She developed a severe cough, so much so that she noticed blood droplets in her sputum. She furthermore, developed chest pains and lost a lot of weight.

- 3.8.1. Explain how the disease could have been transmitted. (2)
- 3.8.2. Analyse the impact of the vegetable and fruit on Tammy's health. (8)

## QUESTION 4: CLOTHING

4.1. Explain the following terms:

4.1.1. Style (2)

4.1.2. Fashion Trends (2)

4.2. Explain how inflation influences clothing purchasing patterns. (4)

4.3. Brand piracy has a definitive impact on the sales of legally protected brand names. Justify this statement. (4)

4.4. Cotton is a very popular fabric for clothing, but it is not eco-friendly. Discuss the impact that cotton production has on the natural environment. (4)

4.5. Study the outfit below and answer the question that follows:



4.5.1. Evaluate the suitability of this outfit for a formal occasion. (4)

**[20]**

## QUESTION 5: HOUSING

5.1. Explain the following terms:

5.1.1. Transfer Duty (2)

5.1.2. Transfer Fees (2)

5.2. Name **THREE** cost items that must be included in a mortgage bond repayment. (3)

5.3. Give the information that must appear on a contract for a builder and owner to sign. (4)

5.4. Read the scenario below and answer the questions that follow:

The Buys family has a son age eight and a daughter fifteen. They bought a flat in a secured complex. They often used the swimming pool. They spent a lot of their money on transport to work and school. Mr Buys was transferred to another town and the family decided to relocate.

They rented a small apartment for a few months until they found a three-bedroom house that has an alarm and safety doors. The house is near a school, library and shopping centre. The family decided to buy the property.

Identify and explain the type of ownership of the Buys family:

5.4.1. When they bought the house in the new town (3)

5.4.2. When they bought the flat (3)

5.5. Discuss **FOUR** advantages of renting the apartment. (4)

5.6. Name **FOUR** advantages of owning a flat in a secured complex. (4)

5.7. Explain why this house is ideal for this family. (3)

5.8. The Buys family intend on buying a vacuum cleaner.

- Dust retention – 1,5 litres dust capacity
- Use less energy
- Washable filter
- Antibacterial protection
- Extends to reach into awkward corners
- Smooth running wheels are designed to prevent damaging of delicate surfaces



5.8.1. Explain why this vacuum cleaner is environmentally friendly. (4)

5.8.2. Evaluate the suitability of this vacuum cleaner to clean a three-bedroom house with tile floors as well as carpeted floors. (8)

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## QUESTION 6: ENTREPRENEURSHIP

6.1. Read the scenario below and answer the questions that follow:

Zelda lives in a community with many married couples that have teenage children. She recognised a need for a place where people can have their clothes repaired. She then decided to start a clothing repair business, putting in new zips, mending hems and seams and adjusting clothing items. Customers did not always collect their clothes in time and Zelda needed the money, so she had to look for another way to supplement her income.

Zelda has a vegetable garden and started using her crops to produce vegetable atchar. She handed out flyers advertising her business and the business grew quickly thereafter. Zelda was then able to employ an unskilled worker and train her on both her products, clothing repair and the atchar.

She only uses coloured recycled paper for the flyers, peanut butter bottles that she collects from family and friends to package the atchar and her old shopping bags for the collection of altered clothes.

- 6.1.1. Explain the term target market. (2)
- 6.1.2. Identify Zelda's target market when her business was first established. (2)
- 6.2. Zelda has good control of her raw materials. Describe the main purpose of proper stock control of the atchar ingredients. (4)
- 6.3. Explain the importance of product specifications. (4)
- 6.4. How does training of the worker benefit Zelda's business? (2)
- 6.5. Describe how Zelda's effective storage procedures benefited her business. (2)
- 6.6. Marketing contributed to the success of this business.
- 6.6.1. Name **TWO** ways that Zelda markets her products. (2)
- 6.6.2. Discuss how Zelda keeps creating sustainable customer relations. (4)
- 6.7. Analyse how Zelda uses **FOUR** of the marketing strategies to sell her products. (8)
- 6.8. Zelda sells 15 bottles of atchar on her worst business day. The raw material per bottle is R12,40 and overheads are R7,36. She adds 65% for profit.
- 6.8.1. Calculate the selling price per bottle. Round off the selling price to the nearest rand. Show all calculations. (4)
- 6.8.2. Calculate Zelda's profit on her worst business day. Show **ALL** calculations. (6)

**[40]**