Citrus Business Management Programme

Module 2

Think like an Entrepreneur

Summative PoE Guide

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Scientific Roets

Citrus Growers' Association
OF SOUTHERN AFRICA
Grower levies working for you!

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Citrus Academy

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Contents

Learner Orientation

Background Information

This PoE guide is associated with the learning cluster for the Citrus Business Management Module 2. The main theme of this module is to stimulate entrepreneurial thought and introduce the "habits" of typical entrepreneurial behaviours.

The module will introduce the concepts of entrepreneurship and encourage the learner to profile their personal entrepreneurial strengths and weaknesses.

The module then moves on to introduce typical "PESTLE" forces via a numeracy module (7468), which lends itself well to entrepreneurial style research and principles of economics as well as an introduction to healthy debating.

This module contributes to the exit level outcome and associated criteria:

1. Demonstrate an ability to identify and create a new venture.
   1.1. An understanding is demonstrated of the importance of a paradigm shift from a job-seeking attitude to a business opportunity seeking attitude.
   1.2. Business opportunities are identified and evaluated in terms of its potential viability.
   1.3. Problems-solving techniques and principles are applied within a business start-up and operation context.

This module comprises of 3 unit standards and attracts 15 credits.

This PoE guide includes evidence gathering towards the following unit standards:

Entrepreneurship	263356	Demonstrate an understanding of an entrepreneurial profile	C	4	5
Innovation	114600	Apply innovative thinking to the development of a small business	C	4	4
Financial Aspects	7468	Use mathematics to investigate and monitor the financial aspects of personal, business, national and international issues	F	4	6

Unit Standard Information

Demonstrate an understanding of an entrepreneurial profile

SAQA US ID	**UNIT STANDARD TITLE**			
263356	Demonstrate an understanding of an entrepreneurial profile			
ORIGINATOR				
Task Team - New Venture Creation				
PRIMARY OR DELEGATED QUALITY ASSURANCE FUNCTIONARY				
-				
FIELD			**SUBFIELD**	
Field 03 - Business, Commerce and Management Studies			Generic Management	
ABET BAND	**UNIT STANDARD TYPE**	**PRE-2009 NQF LEVEL**	**NQF LEVEL**	**CREDITS**
Undefined	Regular	Level 4	NQF Level 04	5
REGISTRATION STATUS		**REGISTRATION START DATE**	**REGISTRATION END DATE**	**SAQA DECISION NUMBER**
Reregistered		2015-07-01	2018-06-30	SAQA 10105/14
LAST DATE FOR ENROLMENT		**LAST DATE FOR ACHIEVEMENT**		
2019-06-30		2022-06-30		

In all of the tables in this document, both the pre-2009 NQF Level and the NQF Level is shown. In the text (purpose statements, qualification rules, etc), any references to NQF Levels are to the pre-2009 levels unless specifically stated otherwise.

This unit standard replaces:

US ID	**Unit Standard Title**	**Pre-2009 NQF Level**	**NQF Level**	**Credits**	**Replacement Status**
114598	Demonstrate an understanding of an entrepreneurial profile	Level 4	NQF Level 04	5	Complete

PURPOSE OF THE UNIT STANDARD

This unit standard is for learners who are required to identify and develop within themselves, the personal characteristics of an entrepreneur that ensure the successful operation of a new venture. The unit standard also introduces the learner to the economic, administrative and behavioural (psycho-social) barriers that contribute to the success in starting and sustaining an enterprise. The learner will develop strategies to work effectively in a group and set personal goals in an entrepreneurial context.

Learners credited with this unit standard will be able to:

- Describe entrepreneurship.
- Describe the characteristics of a successful entrepreneur.
- Develop individual entrepreneurial characteristics.
- Explain methods to enhance an entrepreneurial profile.

LEARNING ASSUMED TO BE IN PLACE AND RECOGNITION OF PRIOR LEARNING

It is assumed that the learner has the following knowledge and skills:

- Communication at NQF Level 3.

UNIT STANDARD RANGE

- The individual`s context may include family, community, spaza, organisation or business.
- Entrepreneurial characteristics include, but are not limited to commitment, energy, need to achieve, tolerance for stress, decisiveness, and ability to deal with failure, ability to identify opportunities, to make informed decisions, ability to manage risk and time management.
- The role of entrepreneurship in social development: Job creation, empowerment, local wealth creation, urbanisation and negation of migrant labour.
- Address shortcomings: Skills training, assertiveness training or equivalent programmes.
- Aptitude and personality tests. Psycho-social barriers contributing to failure.
- Group work and group dynamics.

Apply innovative thinking to the development of a small business

SAQA US ID	**UNIT STANDARD TITLE**			
114600	Apply innovative thinking to the development of a small business			
ORIGINATOR				
SGB Generic Management				
PRIMARY OR DELEGATED QUALITY ASSURANCE FUNCTIONARY				
-				
FIELD			**SUBFIELD**	
Field 03 - Business, Commerce and Management Studies			Generic Management	
ABET BAND	**UNIT STANDARD TYPE**	**PRE-2009 NQF LEVEL**	**NQF LEVEL**	**CREDITS**
Undefined	Regular-Fundamental	Level 4	NQF Level 04	4
REGISTRATION STATUS		**REGISTRATION START DATE**	**REGISTRATION END DATE**	**SAQA DECISION NUMBER**
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This unit standard does not replace any other unit standard and is not replaced by any other unit standard.

PURPOSE OF THE UNIT STANDARD

This Unit Standard is aimed at giving the learners a fundamental understanding of the importance of innovation in business success. The learner will gain knowledge of specific techniques for releasing creativity in the development a viable business venture.

It will also address the behavioural (psycho-social) barriers that contribute to failure in starting and sustaining an enterprise.

The qualifying learner will be able to:

- Develop specific techniques for releasing creativity in developing ideas/opportunities for a new venture.
- Determine the role of innovation in the development and growth of a new venture.
- Apply principles and practices of innovation in the development and growth of a new venture.

LEARNING ASSUMED TO BE IN PLACE AND RECOGNITION OF PRIOR LEARNING

Learners accessing this qualification will have demonstrated competence in Computer Literacy, Mathematical Literacy and Communications at NQF level 3 or equivalent.

UNIT STANDARD RANGE

- Thinking Skills and idea generating techniques.
- Analytical and creative thinking in a business context.
- The individual's context may include family, community, spaza, organisation or business.
- Entrepreneurial characteristics include, but are not limited to commitment, energy, need to achieve, tolerance for stress, decisiveness, and ability to deal with failure.

Use mathematics to investigate and monitor the financial aspects of personal, business, national and international issues

SAQA US ID	UNIT STANDARD TITLE			
7468	Use mathematics to investigate and monitor the financial aspects of personal, business, national and international issues			
ORIGINATOR				
SGB Math Literacy, Math, Math Sciences L 2 -4				
PRIMARY OR DELEGATED QUALITY ASSURANCE FUNCTIONARY				
-				
FIELD			**SUBFIELD**	
Field 10 - Physical, Mathematical, Computer and Life Sciences			Mathematical Sciences	
ABET BAND	**UNIT STANDARD TYPE**	**PRE-2009 NQF LEVEL**	**NQF LEVEL**	**CREDITS**
Undefined	Regular-Fundamental	Level 4	NQF Level 04	6
REGISTRATION STATUS		**REGISTRATION START DATE**	**REGISTRATION END DATE**	**SAQA DECISION NUMBER**
Reregistered		2015-07-01	2018-06-30	SAQA 10105/14
LAST DATE FOR ENROLMENT		**LAST DATE FOR ACHIEVEMENT**		
2019-06-30		2022-06-30		

In all of the tables in this document, both the pre-2009 NQF Level and the NQF Level is shown. In the text (purpose statements, qualification rules, etc), any references to NQF Levels are to the pre-2009 levels unless specifically stated otherwise.

This unit standard does not replace any other unit standard and is not replaced by any other unit standard.

PURPOSE OF THE UNIT STANDARD

This unit standard will be useful to people who aim to achieve recognition at some level in Further Education and Training or to meet the Fundamental requirement of a wide range of qualifications registered on the National Qualifications Framework.
People credited with this unit standard are able to:

- Use mathematics to plan and control financial instruments including insurance and assurance, unit trusts, stock exchange dealings, options, futures and bonds
- Use simple and compound interest to make sense of and define a variety of situations including mortgage loans, hire purchase, present values, annuities and sinking funds
- Investigate various aspects of costs and revenue including marginal costs, marginal revenue and optimisation of profit
- Use mathematics to debate aspects of the national and global economy, including tax, productivity and the equitable distribution of resources.

LEARNING ASSUMED TO BE IN PLACE AND RECOGNITION OF PRIOR LEARNING

The credit value is based on the assumption that people starting to learn towards this unit standard are competent in Mathematics and Communications at NQF level 3.

UNIT STANDARD RANGE

Range statements are provided for specific outcomes and assessment criteria as needed.

information

Unit Standard References

The SAQA registered unit standards associated with this learning program are included in this guide for your information.

Please do not hesitate to ask the facilitator or assessor to explain anything that you do not understand or need help with.

Associated Qualification

This unit standard forms part of the learner support materials for the following qualification:

Further Education and Training Certificate: New Venture Creation

SAQA QUAL ID	**QUALIFICATION TITLE**			
66249	Further Education and Training Certificate: New Venture Creation			
ORIGINATOR				
Task Team - New Venture Creation				
PRIMARY OR DELEGATED QUALITY ASSURANCE FUNCTIONARY			**NQF SUB-FRAMEWORK**	
SERVICES - Services Sector Education and Training Authority			OQSF - Occupational Qualifications Sub-framework	
QUALIFICATION TYPE	**FIELD**		**SUBFIELD**	
Further Ed and Training Cert	Field 03 - Business, Commerce and Management Studies		Generic Management	
ABET BAND	**MINIMUM CREDITS**	**PRE-2009 NQF LEVEL**	**NQF LEVEL**	**QUAL CLASS**
Undefined	149	Level 4	NQF Level 04	Regular-Unit Stds Based
REGISTRATION STATUS		**SAQA DECISION NUMBER**	**REGISTRATION START DATE**	**REGISTRATION END DATE**
Reregistered		SAQA 10105/14	2015-07-01	2018-06-30
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This qualification replaces:

Qual ID	Qualification Title	Pre-2009 NQF Level	NQF Level	Min Credits	Replacement Status
23953	Further Education and Training Certificate: New Venture Creation (SMME)	Level 4	NQF Level 04	162	Complete

Learner Details

First name:	
Surname:	
ID number:	
Mobile phone contact number:	
E-mail address:	
Postal address:	
Dates on which you completed this summative PoE guide:	
Declaration:	I hereby confirm that: • I received the assessment plan and schedule. • I understand my rights in terms of special needs, re-assessment, feedback and appeals against assessment decisions. • I completed the summative assessment independently without assistance from anyone else.
Date:	
Place:	
Signature:	
Signature of Assessor:	

information

Important

Please remember that this document is seen as legal evidence of your competence. It is very important that you sign and date each section where requested. Your signature confirms that this work is your own and that you have not committed fraud in any way.

Section 1: Summative Assessment Activities

S263356.1 – Knowledge Questionnaire

- ✓ Work individually to complete this assessment activity.
- ✓ Please answer all the questions.
- ✓ Use a black pen and ensure that you complete the questions in your own handwriting.

Questions:

1. The entrepreneur combines "land, labour and capital" with a particular idea or skill in order to run his business and market new or particular goods or services. (1)

True	False

2. There are four types of entrepreneurs, name two. (2)

3. Imagine the IDC (Industrial Development Corporation) identified an emerging farmer group in your area to benefit from the development of a new citrus packhouse. Suggest and describe in detail one business opportunity that will exist for SMMEs in this town when the new packhouse is built. (2)

4. Give examples of at least three different types of job opportunities that may arise from this kind of packhouse development. (3)

5. Discuss why you think this business will be a success in response to the involvement of a parastatal such as the IDC. (2)

6. If you had to give the emerging farmer group some cautionary advice to guard against business failure, what would you say? (2)

7. Name two benefits that can be derived from entrepreneurial activities and three disadvantages of entrepreneurship. (5)

8. Name two possible reasons why businesses fail. (2)

9. What is the advantage of entrepreneurship in the country, society and / or community? (2)

10. List two characteristics of a successful entrepreneur. (2)

11. Name two skills, aptitudes, personality traits or values that characterise entrepreneurial behaviour. (6)

12. Give examples of situations where the entrepreneur would need to demonstrate the following characteristics: (2)

Characteristic	**Situation**
Decision maker	
Enthusiastic and passionate	

13. Name four business functions that managers need to attend to on a regular basis. (4)

14. Are you an entrepreneur? Name 4 qualities about yourself that you believe make you an entrepreneur. (4)

15. Why do you think it is important for you to know your strengths and weaknesses when you start your own business? (1)

16. Discuss and provide examples of how you can make a change in your life especially to improve your weaknesses. (2)

17. Name two important things that are needed by a team to be successful. (2)

18. Discuss two characteristics of a team that is still at the "forming" stage. (2)

19. Why is it important that a team should strive to achieve the performing stage? Discuss two points. (2)

S263356.2 – Entrepreneurial Profile and Strategic Action Plan

- ✓ Work individually to complete this assessment activity.
- ✓ Please double check all the points and elements to include.
- ✓ Use a black pen and ensure that you complete the questions in your own handwriting.

Instructions:

1. Write a brief entrepreneurial profile and use the following phrase as a starting point.

   1.1. If I think of myself as an entrepreneur, the following traits, characteristics and skills come to mind...

2. Now draft an action plan to improve your entrepreneurial characteristics, skills, abilities and attitudes. Include detailed information on the following:

   2.1. My "vision" of success.

   2.2. Characteristics, skills, attitudes or values that I feel may need improvement or change in order to improve my entrepreneurial profile.

   2.3. The steps I will take to change my personal mindset from employee to entrepreneur.

   2.4. How I will make sure that I am financially secure during my entrepreneurial journey.

   2.5. How I will ensure that I work in a disciplined and consistent manner every day.

   2.6. How I will ensure that I maintain life vs. work balance.

   2.7. How I will know if my stress level is high.

   2.8. What I will do if I get to a point where my stress level is too high.

   2.9. How I will know when I am successful as an entrepreneur.

3. Now add a list of enabling programmes for the new entrepreneur that you have identified.

3.1. What benefits do you think participating in these kinds of programmes may have for helping you to make the paradigm shift into successful entrepreneurship?

3.2. What limitations do you think these kinds of entrepreneurial programmes may have?

Section 2: Summative Assessment Activities

S114600.1 – A1 Poster with Mind Map

- ✓ Work individually to complete this activity.

Instructions:

- ✓ You would like to introduce the concepts of "workplace creativity" to your work team.
- ✓ Draft a creative poster (mind map or info-graphic), to communicate the principles and practices in a creative manner.
- ✓ Your poster / infographic should communicate your understanding of the following concepts:

	Included	
1. A definition of "thinking" skills.	yes	no
2. Analytical thinking and creative thinking compared.	yes	no
3. A list of techniques and suggestions to encourage creativity and idea generation in your workplace.	yes	no
4. How creativity can be beneficial to the type of business you are in.	yes	no
5. A list of barriers to creativity and creative thinking in your workplace.	yes	no
6. An example of how the barriers to creative thinking is limiting the potential of your workplace.	yes	no
7. A flowchart example of problem-solving through analysis and creativity.	yes	no
8. An example of lateral thinking applied to your workplace.	yes	no

S114600.2 – Knowledge Questionnaire

- ✓ Work individually to complete this activity.
- ✓ Answer the following questions in your own words and to best of your own understanding.

Questions:

1. Define the concept of creativity in your own words.

2. Explain the concept of innovation in your own words.

3. Give an example of how innovation can be used when starting a new business.

4. Give at least two examples of how innovation has changed the citrus sector in the last decade.

5. Do you think that innovation is an important part of successful entrepreneurship? Explain your answer with an example.

6. Make a list of at least three other factors besides innovation that may contribute positively to the growth of a successful citrus venture. Explain the impact of each factor with an example.

S114600.3 – Focus Group Survey Questionnaire and Report

- ✓ Work individually to complete this activity.
- ✓ Convene a focus group of at least three other learners and / or different individuals from your citrus workplace.

Draft a research questionnaire to determine the following information:	**Info attached**	
Is innovative thinking encouraged in the workplace or business where your focus group members find themselves?	yes	no
How could innovation or innovative thinking help to develop new or improved products or services for the business?	yes	no
How could innovative thinking or innovation be useful to help the business in saving or controlling costs?	yes	no
How could innovative thinking or innovation be used to create additional jobs for community without impacting the business profitability negatively?	yes	no
How could innovative thinking or innovation be used to build capacity and ensure that employees and workers obtain additional and necessary skills to enhance profitability and efficiencies without placing a heavy cost burden on the business?	yes	no
How could innovative thinking or innovation be used to make this business more successful and a better choice for consumers, than its competitors?	yes	no

Instructions:

- ✓ Attach the original research questionnaires completed by the members of the focus group.
- ✓ Now summarise your findings and conclusions in a 1-2 page report, titled: **"Types, causes and examples of innovation in the citrus sector."**
- ✓ Ensure that you structure your report to include the format:
  1. Introduction and purpose of the report
  2. Background information
  3. Criteria and findings
  4. Conclude your report with a brief subjective observation on why and how you would use and encourage innovation in your own entrepreneurial business.

Section 3: Summative Assessment Activities

S7468.1 – Personal Financial Goal Setting, Budgeting and Planning

- ✓ Work individually to complete this activity.
- ✓ It is important that your work is your own and that you do not copy answers or examples from other learners, as this activity will be evaluated by the assessor to determine your final competence.
- ✓ Work through the following template to determine your current financial status, draft a personal budget and set financial goals.

Questions:

1. Step 1 – Personal financial goal setting

   1.1. What are your financial goals? You may have short-term (1-3 months), medium-term (3 months – 5 years) and long-term (5 -20 years) financial goals.

   Write a brief summary of those goals in the space provided below. (List at least one or two goals in each section)

   1.2. Remember to use the SMART goal setting method to ensure that each goal is:

   - Specific – target a specific area for improvement.
   - Measurable – quantify or at least suggest an indicator of progress.
   - Assignable – specify who will do it.
   - Realistic – state what results can realistically be achieved, given available resources.
   - Time-related – specify when the result(s) can be achieved

   1.3. Short-term financial goals (1-3 months):

1.4. Medium-term financial goals (3 months to 5 years):

1.5. Long-term financial goals (5 – 20 years):

2. Step 2: Determining your current financial position in relation to your goals.

2.1. Ask yourself: "Where am I currently in my financial welfare?"

Use the following balance sheet template (obtained from the Standard Bank of South Africa website) to take a "snap-shot" of your current financial situation – this is also known as a budget.

Use a calculator to calculate the total at the end of each section. (Re-check your answers, as correct calculations are evaluated as part of your assessment.)

(If you added eleven further columns to this table (one for every month of the year) you would create a cash flow statement!)

Gross Monthly Income	**Explanation**	**Amount**
Monthly Salary	This is the gross salary reflected on the payslip or the amount deposited in your bank account on a regular basis if self-employed.	
Allowances in cash	Any cash allowance (provided it can be proven as sustainable over a period of time).	
Commissions	Any commissions earned averaged over twelve months with the first and last month excluded.	
Investments	Any investment income like dividends or interest income averaged over the year.	
Maintenance	Any cash received in the form of maintenance.	
Grant subsidies	Any subsidies received on a monthly basis (for example housing subsidies received from your employer).	
Rental	Rental income received.	
Pension	Any pension monies received.	
Other	Any other income.	
Total gross monthly income	**Total of all income amounts**	

MINUS

Salary Deductions	**Explanation**	**Amount**
Tax - PAYE/SITE	The amount of PAYE / SITE reflected on your payslip. If you are a provisional tax payer then annual statements can be used or it can be estimated per month.	
Pension	The amount of money deducted each month for pension / provident fund contributions reflected on pay slip	
UIF	The amount of UIF reflected on the monthly pay slip.	
Medical Aid	The amount of money deducted for medical aid contributions as per monthly pay slip for the individual.	

MINUS

Monthly living expenses	Explanation	Amount
Insurance premiums	Any insurance premiums for example: • Household contents insurance • Vehicle insurance • Home owners comprehensive insurance • Cell phone insurance • Funeral insurance • Medical insurance	
Life assurance premiums	Any life assurance premiums (including death, disability and retrenchment cover premiums).	
Electricity and water	Average of twelve months electricity and water bill.	
Rates, taxes, and levies	Any rates and taxes or levies.	
Accommodation rental	Any accommodation rental.	
Leases	Any lease agreements including rental leases and vehicle leases.	
Hire purchase agreements	Any HP agreements the customer may have.	
Telephone and cell phone (including line rental)	Average of 12 months of telephone and cell phone bills.	
Alimony or maintenance	Any payments in terms of alimony or maintenance that need to be paid on a monthly basis.	
Planned savings	Any amount that you have planned to save on a monthly basis.	
Donations	Any donations to charities on a monthly basis.	
Pocket money	If any funds paid for pocket money.	
Education - fees, books and accommodation	Any education fees that need to be paid on a monthly basis. Average of twelve months.	
Clothing	Any clothing expenses excluding clothing accounts paid on a monthly basis.	
Groceries	The amount paid for groceries on a monthly basis averaged out over twelve months.	
Medical bills (doctor and chemist)	Any medical bills averaged on a monthly basis excluding medical aid.	

Monthly living expenses	**Explanation**	**Amount**
Domestic and garden help	Monthly salaries of domestic or garden employees.	
Security	Monthly premiums for security.	
Transport	Any petrol, bus fare or parking fees averaged for twelve months excluding any car repayment. If there is a tracker facility, this needs to be added.	
Entertainment	Any entertainment expenses averaged over twelve months.	
TV rental, M-Net and DSTV subscription	Monthly subscriptions for TV rentals, M-NET and DSTV.	
Subscriptions	Any other monthly subscriptions, for example, internet service provider, magazine subscriptions, gym fees.	
Suretyship payments	The monthly surety payments need to be taken into account only if you have been called upon to honour a surety agreement.	
Retirement annuity contributions	Any monthly retirement annuity contributions.	
Funeral plans	Any monthly funeral plan payments other than those specified under insurance premiums.	
Retail Store accounts	Any monthly payments made for retail store accounts, for example, Edgars.	
Other financial agreements	The monthly instalment or payment made on credit cards and other loans like vehicle asset finance or student loans including other home loans still in existence.	
Other (specify)	Any other living expenses not specified above.	
Total monthly expenses	**Sum of all expenses**	
Disposable income	**Total gross monthly income - Salary Deductions - Monthly living expenses**	

3. Step 3: Using your data inserted above, work out your total monthly income and total monthly expenses.

Total monthly income	
Total monthly expenses	

3.1. How much money do you have left over at the end of the month?

3.2. How can you reduce your expenses?

3.3. How can you increase your income?

3.4. If you could reduce your expenses and / or increase your income, what would you do with the "disposable income" at your disposal?

S7468.2 – Knowledge Questionnaire, Work Example and Calculations

- ✓ Work individually to complete this activity.
- ✓ It is important that your work is your own and that you do not copy answers or examples from other learners, as this activity will be evaluated by the assessor to determine your final competence.

Questions:

1. Explain in your own words the difference between simple and compound interest.

2. Give an example of a typical financial transaction that may attract simple interest?

3. Give an example of a typical financial transaction that may attract compound interest?

4. Write down the formula for calculating simple interest.

5. Write down the formula for calculating compound interest.

6. Complete the following two calculations for simple interest.

   6.1. Find simple interest on R 3,000-00 at 7% rate of interest for one year.

   6.2. Find simple interest on R 10,000-00 at the rate of 5% for five years. Also, find the amount for five years.

7. Complete the following two calculations for compound interest.

   7.1. Mpho wants to invest R 30,000-00 into an account that offers a compound interest rate of 6% p.a. How much money will be in the account at the end of 4 years?

   7.1.1. Write down the known variables.

7.1.2. Write down the formula.

7.1.3. Substitute the values.

7.1.4. Write the final answer.

7.2. Calculate the compound interest rate to achieve the desired growth. Charlie has been given R 5,000-00 for his sixteenth birthday. Rather than spending it, he has decided to invest it so that he can put down a deposit of R 10,000-00 on a car on his eighteenth birthday. What compound interest rate does he need to achieve this growth? Comment on your answer.

7.2.1. Write down the known variables.

7.2.2. Write down the formula.

7.2.3. Substitute the values and solve for i.

7.2.4. Write the final answer and comment.

8. Match the term in column A to the correct definition in column B.

Column A	**Column B**
1. Insurance and assurance	A: A system by which a buyer pays for a thing in regular instalments while enjoying the use of it, although not owning it until the final instalment is paid.
2. Unit trusts	B: A means of repaying funds that were borrowed through a bond issue. The issuer makes periodic payments to a trustee who retires part of the issue by purchasing the bonds in the open market.
3. Stock exchange	C: An entity which provides "trading" facilities for stock brokers and traders, to trade stocks and other securities.
4. Options	D: A monetary benefit to a decedent's family or other designated beneficiary, and may specifically provide for income to an insured person's family, burial, funeral and other final expenses.
5. Futures	E: A standardised contract to buy or sell a specified commodity of standardised quality at a certain date in the future and at a market-determined price.
6. Mortgage loans	F: Money that is lent to you by the bank if you want to buy property.
7. Hire purchase	G: Pooled resources of thousands of investors who have entrusted their money to a management company.
8. Present values	H: Issued by a national government denominated in the country's own currency.
9. Annuities	I: Insurance against the possibility that a retiree will outlive his or her financial resources.
10. Sinking funds	J: Used by traders to speculate, while hedgers use options to reduce the risk of holding an asset.
11. Bonds	K: How much a future sum of money is worth today.

1			7	
2			8	
3			9	
4			10	
5			11	
6				

S7468.3 – Research Report

✓ Work individually to complete this activity.

Instructions:

1. Refer to the research activity that your team undertook for activity **F7468.3**, as well as the class presentations delivered by other teams on the same activity and your key notes from the data gathered and presented.

   Draft a 3-page research report titled **"An overview of the aspects of costs and revenue as related to citrus economics".**

   Ensure that you structure your report to include the format:

   1.1. Introduction and purpose of the report

   1.2. Background information

   1.3. Criteria and findings

   1.4. Recommendations and conclusion

2. The following content should be covered by the report:

   2.1. An analysis of citrus type(s) that is handled / produced by your organisation.

   2.2. A brief description of the markets that are targeted for your fruit.

   2.3. Information around the value chain for the fruit compared to the cost percentages linked to each link in the chain.

   2.4. Statistical and financial data on the past growing season, including:

   2.4.1. Turnover

   2.4.2. Cost / Expenditures

   2.4.3. Profit before tax

   2.4.4. The average cost per carton

   2.4.5. Cost as a percentage of turnover

   2.4.6. The profit as a percentage of turnover

   Give detailed information including formula and calculation examples explaining how these values / statistics were calculated.

   2.5. Recommendations for the business based on your own opinions and findings explaining the following:

   2.5.1. Pricing strategies and how decision are made on what price to charge for a carton of fruit.

   2.5.2. Information and analysis on total sales for any specific cultivar for the last season.

   2.5.3. Information and analysis on costs are associated with this same cultivar.

   2.5.4. Profitability percentage for the sales of this specific cultivar and how it contributed to the overall profit or loss of the business.

   2.5.5. Suggested improvements that may impact or improve marginal costs?

   2.5.6. Suggested improvements that may impact or improve profitability?

S7468.4 – Media Search and Work Example

✓ Work individually to complete this activity.

Instructions:

1. Using any reference source (the library, a bank, the internet), determine the names of the currencies of the following countries.

Country	Name of Currency
United States of America	
England	
China	
Australia	
Botswana	
Brazil	
Ethiopia	
Thailand	
France	
Belgium	

2. Determine the value of ten rands (R 10-00) in relation to each of the following countries' currencies.

Country	Name of Currency	R 10-00 is equal to ...
United States of America		
England		
China		
Australia		
Botswana		

Country	Name of Currency	R 10-00 is equal to ...
Brazil		
Ethiopia		
Thailand		
France		
Belgium		

3. It is the ambition of any business to spread its wings internationally. Also, South Africa is doing much to attract foreign tourists to South Africa. In 2010 millions of foreigners visited South Africa for the World Cup Soccer. To be able to understand and serve these customers well, it is important to understand how international currencies differ from our own, and how to convert between the different types of currency. Remember that exchange rates change every single day, so when you are serving an international client and he / she wants to pay in his own currency, then you will need to find out the exchange rate that same day. This is done by simply calling your nearest bank or looking on a bank's website for the information. The table provided below shows the exchange rates between the South African Rand and the most important foreign currencies obtained in August 2006.

The value of several international currencies compared to the SA Rand in August 2006:

Currency	Tues	Wed	Thurs	Friday	Saturday
British Pound	R 12-60	R 12-57	R 12-34	R 12-45	R 12-67
Euro	R 9-32	R 9-24	R 9-10	R 9-15	R 9-36
U.S. Dollar	R 7-65	R 7-45	R 7-34	R 7-44	R 7-70

4. Answer the following questions to demonstrate that you can interpret the table correctly:

   4.1. On which day was the South African currency of least value?

4.2. On which day was the South African currency of most value?

4.3. An American citizen visited South Africa on Saturday. She found a beautiful cushion for the price of R 250-00. How much would the cushion cost in US Dollars? Show your calculations in the space below.

4.4. How much would the cushion cost in British Pounds?

4.5. How much would the cushion cost in Euros?

5. Read the Budget Speech delivered by Minister Pravin Gordhan in the year 2010 and then answer the following questions.

   5.1. List the seven aspects that outline the "New Growth Path" of South Africa?

   5.2. List the six key spending priorities as mentioned in last year's Medium Term Budget Policy Statement.

5.3. Choose a section from the speech and discuss your understanding of this section in your own words.
