EXAMINATIONS COUNCIL OF ESWATINI
Junior Certificate Examination

CANDIDATE NAME								
CENTRE NUMBER					CANDIDATE NUMBER			

BUSINESS STUDIES **521/01**

Paper 1 **October / November 2025**

1 hour 45 minutes

Candidates answer on the Question Paper.
Additional material: Calculator

READ THESE INSTRUCTIONS FIRST

Write your name, centre number and candidate number on all the work you hand in.
Answer **all** questions.
Write in **blue** or **black** pen.
Marks are given in [ ] at the end of each question or part question
Special attention must be paid to legibility and neatness.
Name(s) of businesses/persons used in this paper are fictitious.

For Examiner's Use	
1.	
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Total	

This document consists of **11** printed pages and **1** blank page.

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Question 1

A M is a farming business that was formed by the women of Ekundizeni, five years ago. The business practices specialisation and division of labour. The project was funded by the owners from their own savings, after observing a rise in the demand for vegetables in the country. Table 1 shows a demand and supply schedule for vegetables in a week.

Table 1: Demand and supply schedule for vegetables per week

Price per kilogram of vegetables (E)	Demand per week (units)	Supply per week (units)
10	1000	200
20	800	400
30	600	600
40	400	800
50	200	1000

(a) Identify **four** types of demand.

Type of demand 1 .....

Type of demand 2 .....

Type of demand 3 .....

Type of demand 4 ..... [4]

(b) Explain **one** form of specialisation that businesses could be involved in.

Form of specialisation ……

Explanation ...……...

……

……... [3]

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(c) Draw the demand and supply curves for the vegetables, clearly showing the equilibrium price.

[4]

(d) Explain **two** other internal sources of finance that A M could use to fund their project.

Internal source 1 ……

Explanation ……

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Internal source 2 ……

Explanation ……

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…… [6]

For Examiner's Use

(e) Would you advise A M to continue practicing specialisation and division of labour in the production of the vegetables? Justify your answer.

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[Total marks: 25]

For Examiner's Use

Question 2

Lokuhle owns a shop in town selling ladies fashion clothes. She conducted market research for her shop through reading fashion and designer magazines, which helped her to start the clothing business. The owner prepares monthly budgets, which has assisted the business to do well.

(a) Identify **four** other external sources of secondary information used for collecting data.

External source 1 .....

External source 2 .....

External source 3 …….....

External source 4 ..... [4]

(b) Explain the term 'market research'.

……..……...

……..……...

…….. [3]

For Examiner's Use

(c) Prepare a budget for Lokuhle's shop, using the following information.

	E
Supplies and materials	15 000
Sales	78 000
Rent paid	8 000
Wages & salaries	10 000

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(d) Explain **two** advantages of budgeting to Lokuhle's shop.

Advantage 1 .....

Explanation.....

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Advantage 1 .....

Explanation.....

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..... [6]

For Examiner's Use

(e) Would you advise Lokuhle to continue using secondary research in her clothing shop?

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[Total marks: 25]

For Examiner's Use

Question 3

Sparkling Wash is a laundry business that washes and irons clothes and linen for its customers. Most customers pay with cash when they exchange money for services they receive. The business website provides information that has enabled customers to know more about the business. The business manager currently uses emails when communicating with employees but wants to explore other means of communication.

(a) Identify **four** items that could be found in a business website.

Item 1 …….....

Item 2 .....

Item 3 .....

Item 4 ..... [4]

(b) Explain the term 'money'.

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(c) Explain **two** advantages to Sparkling Wash customers, of using cash as a means of payment.

Advantage 1 .....

Explanation .....

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Advantage 2 .....

Explanation .....

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..... [4]

For Examiner's Use

(d) Explain **two** factors that the laundry business should consider when choosing the method of communication with employees.

Factor 1 ……

Explanation ……...

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Factor 2 ……

Explanation ……...

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…… [6]

(e) Would you advise Sparkling Wash Manager to continue using e-mails to communicate with employees? Justify your answer.

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[Total marks: 25]

For Examiner's Use

Question 4

KT Cement, a private enterprise, manufactures and sells cement and operates in a market economy. The business imports raw materials from Country X that operates in a command economy. KT Cement uses Maslow's Hierarchy of needs to motivate the employees. Recently, a construction company approached KT Cement for a possible backward vertical integration or merger.

(a) Identify **four** features of a command economy.

Feature 1 .....

Feature 2 .....

Feature 3 .....

Feature 4 ..... [4]

(b) Explain the term 'merger'.

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(c) Explain **two** reasons that could have led the construction firm to approach KT Cement for backward vertical integration.

Reason 1 .....

Explanation .....

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Reason 2 .....

Explanation .....,,,

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..... [4]

(d) Explain **two** levels of Maslow's Hierarchy of needs that KT Construction could apply to motivate the employees.

Level 1 .....

Explanation ……...

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Level 2 .....

Explanation ……...

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(e) Would you advise KT Cement to remain in the country that operates in a market economy? Justify your answer.

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[Total marks: 25]

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