

# Sangam SKM College- Nadi

## Year 9

### Commercial Studies

#### Worksheet 4

#### Questions

1. Read the following Case Studies and answer the questions that follows.

Due to this Covid- 19 restriction, Ana Bekka a garment factory worker who works as a machinist decides to start off her own tailoring business. She managed to save about \$3 387 in her bank account. Her only son in Navua is willing to donate \$1000 and her friends have contributed about \$525.

- List few things that Ana Bekka needs to consider before starting her business.
- If she is planning to buy two machines which cost about \$2600, extend her house for her business for \$2000, and materials and other equipment's for \$1000, how much more money does she needs in order to start her business as soon as possible.
- Identify one source of fund where she can get finance from.
- State at least other income generating activities that she could do beside focusing on tailoring only.

2.

Pate is a school leaver. He works at the mall, and his net income is \$600 a month. He lives with his parents, so he doesn't have rent, utility or food expenses. His older brother owns a car and lets him borrow it to drive to work for \$50 each month; otherwise Pate takes the bus. He really wants to buy a car, so he puts any leftover money toward savings. Pate also pays for his cell phone and personal expenses, such as going to the movies, buying video games and purchasing gifts.

Below is Pate's estimated budget and what he actually spent in one month's time.

Net Income	\$600/month	
	Budgeted amount	Actual amount
Savings for a Car	\$100	\$0
Cell Phone	\$75	\$100
Car Payment to his brother	\$50	\$100
Public Transportation	\$50	\$60
Entertainment P	\$50	\$65
Personal Shopping	\$50	\$175
Spending (gifts, repairs, sweets, refreshments etc.)	\$25	\$100
Total	\$400	\$600

Analyse Pate's spending to determine why he is not on track to save for that new car, and what changes he can make to get back on track.