



SOUTH AFRICAN COMPREHENSIVE ASSESSMENT INSTITUTE  
SUID-AFRIKAANSE KOMPREHENSIEWE ASSESSERINGSINSTITUUT

**Adult Basic Education and Training (ABET)  
Summative Assessment**

**Economics and Management Sciences: NQF Level 1**

**Examination Session: June 2023**

**Total Marks: 100 Marks**

**Time: 3 Hours**

**Number of Pages: 20 Pages**

**Learner Information**

**Candidate Number**

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**Centre**

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**Date**

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**EXAMINATION RULES FOR CANDIDATES**

1. Candidates are bound in all matters relating to the examination to obey the instructions of the chief invigilator. The chief invigilator, where relevant, determines the dress code.
2. Candidates must be identified before they are permitted to write an examination. An identity document must be produced when required. All candidates are to sign the attendance register.
3. Candidates will not be admitted to the examination room if they arrive an hour or more after the start of the examination. Candidates who have finished answering an examination paper within fifteen minutes of stopping time will not be allowed to leave the examination room, provided there are still candidates writing.
4. Candidates must occupy the places first allocated to them for the entire duration of the examination and for all other examination sessions, unless otherwise directed by the chief invigilator.
5. No explanation of examination questions may be asked or given by any person.
6. No candidate is allowed to leave the examination room within the first hour of the examination, except in an emergency and under supervision.
7. A candidate may only be allowed to leave the examination room in the case of an emergency or to go to the toilet, and in these cases, this must be done under supervision.
8. As soon as a candidate hands in his or her answer script, he or she must leave the examination room.
9. A candidate must carefully read and comply with the instructions, which appear in his or her question paper and the examination timetable.
10. A candidate is not allowed to assist another candidate or try to assist him or her or communicate with another candidate. Should this occur, it would constitute an irregularity. Invigilators are expressly forbidden from assisting candidates in answering questions.
11. All questions must be directed to the invigilator.
12. A candidate may not cause a disturbance in the examination room or behave in an improper or unseemly manner.
13. A candidate may not disregard the instructions of the invigilator or may not conduct themselves in a manner that conflicts with the instructions of the chief invigilator.
14. The following are not allowed next to the candidate in the examination room: suitcases, school bags, Walk-mans, CD players, cell phones, books, dictionaries, notes, sketches, or paper other than the official examination material distributed by the chief invigilator. Slide-rules and non-programmable, silent calculators may be used, unless expressly prohibited in the question paper. Pens, erasers, rulers, etc. should be kept in transparent containers/bags. No borrowing is allowed. Wristwatch alarms must be switched off.
15. Candidates should be informed that the possession of notes constitutes an irregularity regardless of whether or not the notes are used. The excuse that a candidate has forgotten or was not aware that he or she has the unauthorised material listed in paragraph 14 in his or her possession will not be accepted.
16. No examination answer books (or part of an answer book), whether used or unused, may be removed from the examination room. Should this occur, it will be considered an irregularity and the candidate will receive NO credit for the examination. Should a candidate write the wrong subject or wrong grade of a subject, this will be a technical irregularity and will lead to the candidate's results being blocked/cancelled/delayed.
17. Should a candidate miss an examination due to illness, a valid doctor's certificate must be given to the chief invigilator. A Certificate will not be awarded to candidates who miss an examination.
18. Any candidate who disregards these rules or the instructions of the chief invigilator or his / her assistants, will have committed an offence in terms of the Regulations [Regulation 6 2(a) and (b)] or a contravention of the Rules [Rule 3(2)].

## INSTRUCTIONS

1. This question paper consists of **THREE** sections: **SECTION A, B** and **C**.
2. Answer **ALL** questions in **SECTION A, B** and **C**.
3. Calculators may be used.
4. Answer all the questions in the space provided.
5. Write in blue or black pen only.

## SECTION A

### Question 1

1.1 Various options are provided as possible answers for the following questions. Choose the answer and **ENCIRCLE** only the letter [A-D] next to the question number.

1.1.1 Owners of a Close Corporation are called \_\_\_\_\_.

- A partners.
- B members.
- C directors.
- D shareholders.

(1)

1.1.2 In order to open a bank account you need \_\_\_\_\_.

- A proof of address.
- B an ID.
- C at least a minimum of R20 to be deposited.
- D All of the above.

(1)

1.1.3 What is the correct journal to record the inflow of cash into business?

- A Creditors journal
- B Cash payment journal
- C Cash receipt journal
- D Debtors journal

(1)

1.1.4 It happens when one or more parties are not following the terms of the contract.

- A Consensus
- B Real
- C Presumed
- D Breach of contract

(1)

- 1.1.5 Money used to purchase small items.  
A Cash float  
B Petty cash journal  
C Discount  
D Petty cash (1)
- 1.1.6 A public company raises its capital by selling \_\_\_\_\_ to the public.  
A unit trusts  
B shares  
C data  
D assets (1)
- 1.1.7 The ability to influence people to achieve a common goal.  
A Monitoring  
B Supervisor  
C Leadership  
D Management (1)
- 1.1.8 Written offer to supply goods or services at a stated cost or rate.  
A Agreement  
B Tender  
C Lease  
D Loan (1)
- 1.1.9 The financial statement that shows us the financial position of the business.  
A Balance sheet  
B Income statement  
C Cash journal  
D Trial balance (1)

1.1.10 There is little interference from the manager.

A Laissez-faire

B Quality circle

C Strategic

D None of the above

(1)

**Total Marks for Question 1.1**

**[10]**

1.2 Indicate whether the following statements are TRUE or FALSE. Choose the answer and write only **TRUE** or **FALSE** in the spaces provided.

1.2.1 In numerical order, information is stored according to the dates received.

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(1)

1.2.2 A contract does not need to include clear details of the delivery date.

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(1)

1.2.3 Drawings reduce owners' equity.

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(1)

1.2.4 Shareholders share profit equally in a private company.

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(1)

1.2.5 A Middle Manager makes tactical decisions.

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(1)

1.2.6 If you breach a contract you can argue your case in court.

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(1)

1.2.7 Source documents are proof that a transaction has taken place.

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(1)

1.2.8 The Constitutional Court deals with all civil and criminal matters.

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(1)

1.2.9 A proposal refers to communication from low management to top management.

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(1)

1.2.10 Self-assessment is one of the strategies that can be used to change particular management styles.

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(1)

**Total Marks for Question 1.2**

**[10]**

1.3 Choose a term from **COLUMN A** that matches a description in **COLUMN B**. Write only the letter (**A – K**) **UNDER** the question number (**1.3.1 – 1.3.10**) in the table below.

	<b>COLUMN A</b>	<b>COLUMN B</b>	
1.3.1	Research skills	<b>A.</b> A source document for goods sold on credit.	(1)
1.3.2	Contractual capacity	<b>B.</b> Current asset.	(1)
1.3.3	Invoice	<b>C.</b> It is prepared at the end of the month.	(1)
1.3.4	Memorandum of Incorporation	<b>D.</b> Ability to collect information from various sources.	(1)
1.3.5	Telephone	<b>E.</b> The ability of parties to enter into a legal contract.	(1)
1.3.6	Offer	<b>F.</b> The manager is a team player.	(1)
1.3.7	Trading stock	<b>G.</b> Lodged with the CIPC when registering a company.	(1)
1.3.8	Democratic	<b>H.</b> Forms part of the nominal account in the trial balance.	(1)
1.3.9	Obligation	<b>I.</b> There should be something that can be sold or bought.	(1)
1.3.10	General ledger	<b>J.</b> What parties must do in the contract. <b>K.</b> A breach of contract.	(1)

	1.3.1	1.3.2	1.3.3	1.3.4	1.3.5	1.3.6	1.3.7	1.3.8	1.3.9	1.3.10
<b>Column B</b>										

**Total Marks for Question 1.3**

**[10]**



1.4 Complete the following sentences by filling in the missing word(s).

- 1.4.1 Creditors control forms part of the \_\_\_\_\_ in balance sheet. (1)
- 1.4.2 The Lower Manager makes \_\_\_\_\_ decisions. (1)
- 1.4.3 \_\_\_\_\_ is a contract between employer and employee. (1)
- 1.4.4 A Partnership has \_\_\_\_\_ liability. (1)
- 1.4.5 The \_\_\_\_\_ is a person who brings the charge in court. (1)

**Total Marks for Question 1.4**

**[5]**

**Total for Section A: 35 Marks**

## SECTION B

### Question 2

2.1 Discuss ONE advantage of entering into a contract.

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(2)

2.2 Identify ONE reason why an individual would approach an Ombudsman.

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(2)

2.3 Name ONE type of institution that gives out loans and keeps money safely on behalf of its clients.

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(1)

2.4 Discuss TWO types of contracts that you know.

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(4)



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

Thabiso Molefe has been married to Lebogang for 15 years. Lebogang has decided to divorce Thabiso and has since moved out of her marital home. On one occasion, while visiting her marital home, she accidentally drove into the gate and wall causing damages worth R25 000. This has led to serious disputes between the couple with Lebogang arguing that she wants the marital home as part of the divorce settlement and it is Thabiso's responsibility to fix it.

Thabiso is thinking of taking the matter to the Small Claims Court.

*(Source: own)*

2.5.1 Give, using TWO reasons, why Thabiso's case will not be heard in a Small Claims Court.

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(4)

2.5.2 Name and describe the court that handles cases similar to the Molefes'.

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(2)

**Total Marks for Question 2**

**[15]**



**Question 3**

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

Mrs Mudau has been working as a financial accountant for Alexandra LTD for the past 10 years. The Board of Directors of Alexandra LTD has recently appointed her as CEO due to the experience she has in the company. Since she started as CEO, she is always issuing instructions to the other employees and doesn't take their suggestions or recommendations.

*(Source: own)*

3.1.1 At which level of management is Mrs Mudau's new current position?

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(1)

3.1.2 Give a reason for your answer to Question 3.1.1.

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(2)

3.2 Describe the management style used by Mrs Mudau as CEO. Give TWO characteristics.

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(4)

3.3 Discuss the FOUR basic management tasks.

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**Question 4**

4.1 Study the information below and answer the question that follows.

Thandi Studios received tax invoice no 021 on 25 June 2022 from Zian Hair Supplies. The tax invoice was for the following equipment bought on credit.

2 Hairdryers @ R850 each.

3 Hair curl machines @ R1700 each.

2 Washing basins @ R1400 each.

4.1.1 Complete the invoice from Zian Hair Supplies on the answer sheet below.

NO 021

**Zian Hair Suppliers**  
**TAX INVOICE**

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2356 Camelia street  
Industrial area  
Jacobs  
1635

Date: 25 June 2022

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**To**

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Number of items	Description	Unit price	Amount
VAT @15%			

(10)



4.2 Provide the correct source document for the transactions below.

Transactions	Source document
Cash sales	
Used an EFT to pay the fuel account of the business.	
Purchased goods on credit.	
Purchased stationery for the office, cash was paid from the petty cash box.	
Received payment from A Zondi, a debtor, in settlement of his account.	

(5)

**Total Marks for Question 4**

**[15]**

**Total for Section B: 45 Marks**



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(6)

5.3 Differentiate between a Shareholder and a Director.

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(4)

5.4 Explain THREE factors to be considered when starting a business.

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(6)

5.5 The name of the Private Company must end with?

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(1)

**Total Marks for Question 5**

**[20]**



**Total for Section C: 20 Marks**

**TOTAL MARKS: 100 MARKS**

**END OF THE EXAMINATION**



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Section	Question	Maximum Mark	Learner's Mark	Moderated Mark
A	Question 1.1	10		
	Question 1.2	5		
	Question 1.3	5		
	Question 1.4	5		
	Question 1.5	10		
	<b>Total: A</b>	<b>35</b>		
B	Question 2	15		
	Question 3	15		
	Question 4	15		
	<b>Total: B</b>	<b>45</b>		
C	Question 5	20		
	<b>Total: C</b>	<b>20</b>		

<b>Grand Total (A + B + C)</b>	<b>100</b>
<b>Learner's Total (A + B + C)</b>	
<b>Percentage</b>	
<b>Final Grading</b>	

**Name and Surname of Marker**

\_\_\_\_\_

**Date of Marking**

\_\_\_\_\_

**Name and Surname of Moderator**

\_\_\_\_\_

**Date of Moderation**

\_\_\_\_\_

**Name and Surname of Umalusi Official**

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**Date of Marking**

\_\_\_\_\_

