



SOUTH AFRICAN COMPREHENSIVE ASSESSMENT INSTITUTE
SUID-AFRIKAANSE KOMPREENSIEWE ASSESSERINGSINSTITUUT

Adult Basic Education and Training (ABET)
Summative Assessment

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

Examination Session: November 2024

Total Marks: 100 Marks

Time: 3 Hours

Number of Pages: 20 Pages

Learner Information

Candidate Number

Centre

Date



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. Identity documents 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 the answering of 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 unauthorized 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 possible options are provided as answers to the following questions.

Choose the answer and **ENCIRCLE** only the letter [A-D] next to the question number.

1.1.1 Which ONE of the following is NOT a factor to consider when starting a business?

A Labour

B Location

C Goodwill

D Capital

(1)

1.1.2 In which chronological order is information or data kept?

A Date received

B Alphabetical

C Numerical

D None of the above

(1)

1.1.3 Goods returned by customers are recorded in which journal?

A Debtors journal

B Creditors journal

C Purchases journal

D Debtors allowance journal

(1)

- 1.1.4 An agreement referring to repairs or replacement of defective products.
- A Damages
 - B Warranty
 - C Offer
 - D Consensus (1)
- 1.1.5 An expense _____ owners' equity.
- A increases
 - B replaces
 - C decreases
 - D multiplies (1)
- 1.1.6 A tax in a partnership is levied _____.
- A on a business.
 - B 50% as individuals and 50% as a business.
 - C at 0%.
 - D as individuals. (1)
- 1.1.7 The platform that is used to market products and information about the business to prospective clients online.
- A Database
 - B Spreadsheet
 - C Social media
 - D Note pad (1)

- 1.1.8 Which one of the following is NOT an institutional source of contract?
- A Bank
 - B Sole trader
 - C Retail store
 - D Insurance companies (1)
- 1.1.9 A debit entry on a liability account reflects a/an _____.
- A increase.
 - B no effect.
 - C movement.
 - D decrease. (1)
- 1.1.10 Strategy to change a particular management style.
- A Observation session
 - B Self-assessment
 - C Networking
 - D All 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 Quick decisions are taken when using an autocratic management style.

(1)

1.2.2 An offeror is a person/business who is receiving an offer.

(1)

1.2.3 The balance sheet is the statement that reflects the financial position of the business.

(1)

1.2.4 Owners of a close corporation are called shareholders.

(1)

1.2.5 Word processor is for writing reports and proposals.

(1)

1.2.6 The Supreme Court of Appeal is the highest court in South Africa.

(1)

1.2.7 Drawings are the money made by the business through tenants.

(1)

1.2.8 Dishonest practices are when a business is using legal methods.

(1)



1.2.9 Reporting refers to communication from low management to top management.

(1)

1.2.10 The CEO is a good example of middle management.

(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 – L**) **UNDER** the question number (**1.3.1 – 1.3.10**) in the table below.

| | COLUMN A | COLUMN B | |
|--------|----------------------|---|-----|
| 1.3.1 | Quality circle | A. A business event has a monetary impact on a business's financial records. | (1) |
| 1.3.2 | Contractual Capacity | B. Appointed to protect consumers against unfair and illegal activities. | (1) |
| 1.3.3 | Credit note issued | C. Refers to computers, printers, telephones, internet etc. | (1) |
| 1.3.4 | Founding statement | D. The journal that records payments made using EFTs. | (1) |
| 1.3.5 | Creditors Control | E. The ability of parties to enter into the contract. | (1) |
| 1.3.6 | Ombudsman | F. A person who brings a charge in court. | (1) |
| 1.3.7 | Transaction | G. The document that contains information on a Close Corporation. | (1) |
| 1.3.8 | Information system | H. Reflect all debts of the business. | (1) |
| 1.3.9 | Complainant | I. Also known as participative management style. | (1) |
| 1.3.10 | Cash payment journal | J. Source document used when customers return goods which were bought on credit. | (1) |
| | | K. A person who cannot enter into a contract. | (1) |
| | | L. Trading stock is an example. | (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 |
|-----------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|--------|
| Column B | | | | | | | | | | |

Total Marks for Question 1.3

[10]



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

- 1.4.1 _____ is the subsidiary journal used to record all inflow of cash. (1)
- 1.4.2 _____ are the possessions of the business. (1)
- 1.4.3 A _____ is the agreement between two or more parties which is enforced by the law. (1)
- 1.4.4 The name of the public company must end with the word(s) _____ . (1)
- 1.4.5 A/An _____ is the money charged monthly by an insurance company for the policy they provide a client. (1)

Total Marks for Question 1.4

[5]

Total for Section A: 35 Marks



SECTION B

Question 2

2.1 Read the text below and answer the questions that follow.

Mr. Jones has been running his butchery business for a few years; he now wants to hire a manager to assist him with administration work. He does not have any knowledge of how to draft a contract.

Source: Own creation

2.1.1 What type of contract is depicted in the case study above?

(1)

2.1.2 Give a reason for your answer in Question 2.1.1.

(2)

2.2 Explain any TWO conditions of a valid contract.

(4)



2.3 Differentiate between business contracts and personal contracts.

(4)

2.4 Provide TWO examples of breach of contract.

(2)

2.5 Explain what is Legal Aid.

(2)

Total Marks for Question 2

[15]



Question 3

Study the following structure of management and answer the question that follows.



Source: Google images

3.1 Identify THREE decisions that are taken by each level of managers identified in the above structure.

(3)

3.2 Differentiate between Management and Leadership.

(4)

3.3 Name and explain ONE Leadership and Management Style.

(3)

3.4 Discuss the process of planning.

(2)

3.5 Mention THREE ways the manager can communicate with his/her staff.

(3)

Total Marks for Question 3

[15]



Question 4

Use the information below to prepare the Cash Receipts Journal of Bantu Traders for November 2024.

PLEASE NOTE DO NOT CLOSE OFF THE JOURNAL.

Transactions:

- 2 The owner B. Zulu deposited R120 000, as capital contribution in the current of his business. Receipt 001 was issued.
- 5 Cash received for service rendered R550 as per cash register roll.
- 10 Received R2500 from S. Mazwi the debtor in settlement of his account. Receipt 002 was issued.
- 12 Cash received for service rendered R3300
- 20 A tenant P. Smith paid R4500. Receipt 003 was issued.



Cash Receipts Journal of Bantu Traders for November 2024

| Doc no | Day | Details | Analysis of receipts | Bank | Current Income | Sundry account | |
|--------|-----|---------|----------------------|------|----------------|----------------|-----|
| | | | | | | | Fol |
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| | | | | | | | |

Total Marks for Question 4

[15]

Total for Section B: 45 Marks



SECTION C

Question 5

Study the picture below and answer the question that follows.



5.1 Identify the type of business depicted in the picture above.

(1)

5.2 Provide the form of ownership KFC belongs to.

(1)

5.3 Discuss any TWO advantages of the form of ownership identified in Question 5.2.

(4)

5.4 Explain the term franchise.

(2)

5.5 Justify buying a franchise. Provide THREE advantages.

(6)

5.6 You are a lawyer and have been recently asked to join a law firm partnership of four partners. Outline THREE steps to be followed to join this partnership.



(6)

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 | 10 | | |
| | Question 1.3 | 10 | | |
| | Question 1.4 | 5 | | |
| | Total: A | 35 | | |
| B | Question 2 | 15 | | |
| | Question 3 | 15 | | |
| | Question 4 | 15 | | |
| | Total: B | 45 | | |
| C | Question 5 or 6 | 20 | | |
| | Total: C | 20 | | |

| | |
|------------------------------------|------------|
| Grand Total (A + B + C) | 100 |
| Learner's Total (A + B + C) | |
| Percentage | |
| Final Grading | |

Name and Surname of Marker

Name and Surname of Moderator

Date of Marking

Date of Moderation

Name and Surname of Umalusi Official

Date of Marking

