higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

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NATIONAL CERTIFICATE

PUBLIC FINANCE N5

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DEPARTMENT OF HIGHER EDUCATION AND TRAINING
REPUBLIC OF SOUTH AFRICA

NATIONAL CERTIFICATE
PUBLIC FINANCE N5
TIME: 3 HOURS
MARKS: 200

INSTRUCTIONS AND INFORMATION

1. Answer ALL the questions.
2. Read ALL the questions carefully.
3. Number the answers according to the numbering system used in this question paper.
4. Write neatly and legibly.

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QUESTION 1

Complete the following sentences by filling in the missing word or words. Write only the word or words next to the question number (1.1–1.15) in the ANSWER BOOK.

1.1 ... collects taxes on behalf of the state.

1.2 Participatory democracy means... by the taxpayers, consumers (users) of the public sector in the financial decision making process.

1.3 The ... will audit the financial statements of all accounting officers at national, provincial and local levels.

1.4 Total revenue of all government institutions from all sources.

1.5 A system of free association where by government does not intervene in private economy/social activities of individual citizens or groups called ... .

1.6 The financial need is measured in terms of rendering an average standard of service.

1.7 ... are made for the funding of specific capital project, such as housing , the construction of dams and roads, water supply, et cetera.

1.8 The desirable minimum levels of service is determined as well as the cost to supply such a service minimum.

1.9 ... this audit records whether funds are being spent within a particular financial year and according to the legislature's wishes.

1.10 A selected body of people given the power and responsibility to make laws for the nation.

1.11 ... is the central bank of the republic and is regulated in terms of an act of parliament.

1.12 The fund in which all revenue raised by the central government is paid.

1.13 ... is an annual plan of what government wants to achive and how it will spend its money to achieve its goals and it is the most important economic instrument of the government.

1.14 ... means that each political office-bearer and public official must publicly give account for their actions and activities.

1.15 ... is concerned with the management of public funds or money.

(15 × 2) **[30]**

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QUESTION 2

Indicate whether the following statements are TRUE or FALSE. Choose the answer and write only 'True' or 'False' next to the question number (2.1–2.10) in the ANSWER BOOK.

2.1 Personnel service offers support in supplying personnel through job analysis, human resources planning, recruiting, training etc.

2.2 Pure democracy means the power to govern lies indirectly in the hands of the people rather than being exercised through their representatives.

2.3 Insatiable simple means unfulfilled, unquenchable or unappeasable.

2.4 The director-general accepts full responsibility for department's financial transactions.

2.5 Equal distribution means a fair, unreasonable and equitable allocation of taxing authority and of funds is essential for good intergovernmental financial relations.

2.6 In terms of the constitution parliament could pass a vote of no confidence in the cabinet, including the president.

2.7 The social welfare state guarantees individual competition for entrepreneurs.

2.8 Average criterion means the financial need is measured in terms of rendering an average standard of service.

2.9 The budget is used to gauge what the particular department intends spending on services and need to be debated in parliament so that all political representatives from all parties have a chance to see if it is implemented.

2.10 Imprisonment means the protection of life of individual and communities against threats and protection of private property.

(10 × 2) **[20]**

QUESTION 3

3.1 The state runs profitable enterprises that generate income which government then uses to finance its budget.

Give FIVE examples of state enterprises. (5 × 2) (10)

3.2 Explain FOUR functions of the executive authority at central government level. (4 × 3) (12)

3.3 State the powers which treasury has to grant dispensation. (3 × 2) (6)

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3.4	State FOUR financial policies that the country consider and debate, according to Gildenhuys (1993:183).	(4 × 3)	(12)
3.5	Name FIVE main goals for privatisation.	(5 × 2)	(10)
			[50]

QUESTION 4

4.1	Name SIX goals of the laissez-faire system.	(6 × 2)	(12)
4.2	Describe in details how majority decision should be made collectively.	(3 × 2)	(6)
4.3	List the role of the central government in the financing of public institutions.	(5 × 2)	(10)
4.4	List 11 tax examples as one of the sources of provincial revenue.	(11 × 2)	(22)
			[50]

QUESTION 5

5.1	Mention SIX goals and objectives of the governments.	(6 × 2)	(12)
5.2	State the tasks and functions of the chairperson of finance committee.	(9 × 2)	(18)
5.3	List the role of the departmental financial officers.	(5 × 2)	(10)
5.4	Name FIVE special funds and accounts examples.	(6 × 2)	(10)
			[50]
		TOTAL:	**200**

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