higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

MARKING GUIDELINE

NATIONAL CERTIFICATE

JUNE EXAMINATION

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This marking guideline consists of 6 pages.

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SECTION A

QUESTION 1

1.1	1.1.1	True
	1.1.2	True
	1.1.3	False
	1.1.4	True
	1.1.5	False
	1.1.6	False
	1.1.7	True
	1.1.8	True
	1.1.9	False
	1.1.10	True
	1.1.11	False
	1.1.12	False
	1.1.13	True
	1.1.14	True
	1.1.15	True

(15 × 2) (30)

1.2	1.2.1	F
	1.2.2	E
	1.2.3	A
	1.2.4	B
	1.2.5	I
	1.2.6	C
	1.2.7	J

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1.2.8 H

1.2.9 G

1.2.10 D

(10 × 2) (20)
[50]

QUESTION 2

2.1 Thuli Madonsela (2)

2.2 President Jacob G Zuma (2)

2.3
- The budget is an excellent instrument for demanding and encouraging accountability
- The budget may also be used as a reference when mismanagement is suspected or being investigated
- When they do overspend the minister of finance has the right to take them to task by referring to the budget, and demanding an explanation as to why they have overspent (3 × 2) (6)

2.4
- Prior Control
  This is prescribed control, or control measures, which are based on prescriptions and or a framework before any action take place.
  They also prescribe how an act should take place
- Ex post facto control
  This comes into action after the act is accepted. Typical examples of this are financial and effective audits.
  Ex post facto control consists of the control of results against predetermined objectives and aims. If also evaluates the results for efficiency and effetiveness that leads to accountability towards a higher authority. (2 × 5) (10)

2.5
- It is vital that parliament has supreme authority over both the executive and administrative sides of government
- This means these two lesser bodies must remain fully accountable to the elected representative in the legislative
- The budget is an excellent instrument for demanding and encourage accountability
- The budget may also be used as a reference when mismanagement is suspected or being investigated
- A budget is a reference which may be used in demanding and executing accountability from all levels of government and from all officials within those departments. (5 × 2) (10)

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2.6 A budget is the policy document by which the elected representative, by legislation, indicates to what extent they will execute the mandate of the voters, with limited funds to their disposal. (10)

2.7
- Personnel- people and salaries
- Administrative-the cost of implementing the goals through administration and good governance
- Stores and equipment
- Land and equipment
- Professional and special services (5 × 2) (10)

[50]

TOTAL SECTION A: 100

SECTION B

QUESTION 3

3.1
- It is enforceable
- It reflect the political aspirations of the government of the day
- It also obey and take into consideration sound economic principles
- It attempts to satisfy the tension between purely political considerations on the one hand and economic demands
- It reflects the fiscal policy of the government
- It clearly outlines a hierarchy of authority (6 × 2) (12)

3.2
- Financial responsibility: The institution needing the finance should be clearly identified
- Purpose of expenditure: Every project or task will start with an objective
- Expenditure items: Once the specific objectives is detailed, specific goods and services should be mentioned in order to realise the objective.
  Source of financing: The source of funding itself will be the budget vote for a fund or an account (10)

3.3
- Income tax
- Property tax
- Consumption tax
- User charges, consumer tariffs (4 × 2) (8)

3.4
- Hunting and fishing licenses
- Hospitalisation fees
- Professional services
- Motor vehicle licenses
- Casino licenses (5 × 2) (10)

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3.5 3.5.1 South African Revenue Services

3.5.2 Value Added Tax

3.5.3 Pay As You Earn

3.5.4 Unemployment Insurance Fund

3.5.5 Gross Domestic Product

(5 × 2) (10)
[50]

QUESTION 4

4.1
- Capital budgets and operations budgets are drafted separately
- The expenditure and revenue are drafted together, the impact of one on the other can then clearly be seen
- There is only one main budget, no interim, supplementary adjustment appropriation budgets
- A budget vote listing programmes and projects is drawn up for each service
- There is no distinction between collective, particular and quasi collective services

(5 × 2) (10)

4.2
- Consumption tax – VAT, excise, import
- Income tax – personal, corporate, payroll, turnover
- Wealth tax – property, capital gains, capital transfer, donations, transfer duty (10)

4.3
- preparation
- approval
- execution
- control (4 × 2) (8)

4.4
- Estate duty
- Property tax
- Transfer tax
- Stamp duty/capital gains/profit (4 × 2) (8)

4.5 Taxable income is defined by legislation, as gross income, reduced by statutory exemptions, and allowed deductions, to determine a taxable net income. (9)

4.6 The government might decide to use fiscal policy to stimulate the economy and growth. It is possible that special exemptions are given to promote economic development, these might include, exemptions to exporters, industries which take part in decentralization activities and training. (5)
[50]

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QUESTION 5

5.1
- To announce publicly the plans of the various departments
- To give a broad outline of the social needs
- Give indication of the financial state of the government
- To announce new policies, goals and explain increases in expenditure
- To announce the tax proposals, changes in income, consumer tariffs

(5 × 2) (10)

5.2
- Policy statement – goals and objectives of government are stated
- Redistribution of wealth-values taken away from one group and given to another group
- Economic regulation function – stabilize the economy and inflation
- Operating programme – basis for operational
- Source of information – public document, budget speech
- Co-ordination instrument – alignment of the departmental activities
- Control instrument – prior control, ex post facto, expenditure vs. planned expenditure

(20)

5.3
- Source of revenue
- To discourage importation of goods
- To stop dumping

(3 × 2) (6)

5.4 Income tax is the primary and most substantial source of revenue for the government to render goods and services to the community. (4)

5.5
- Step 1: To identify the broad overall policy and direction of the government
- Step 2: To divide this policy into projects and these projects into specific activities

Step 3: To schedule the activities of each department and ministry in detailed sequence

(10)
[50]

TOTAL SECTION B: 100
GRAND TOTAL: 200

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