higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

MARKING GUIDELINE

NATIONAL CERTIFICATE

NOVEMBER 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	C✓✓
	1.1.2	G✓✓
	1.1.3	E✓✓
	1.1.4	I✓✓
	1.1.5	H✓✓
	1.1.6	B✓✓
	1.1.7	A✓✓
	1.1.8	F✓✓
	1.1.9	D✓✓
	1.1.10	J✓✓

(10 × 2) (20)

1.2	1.2.1	True✓✓✓
	1.2.2	True✓✓✓
	1.2.3	True✓✓✓
	1.2.4	False✓✓✓
	1.2.5	False✓✓✓
	1.2.6	True✓✓✓
	1.2.7	True✓✓✓
	1.2.8	False✓✓✓
	1.2.9	False✓✓✓
	1.2.10	True✓✓✓
	1.2.11	False✓✓✓
	1.2.12	✓✓✓
	12.13	True✓✓✓
	1.2.14	True✓✓✓
	1.2.15	False✓✓✓

(15 × 3) (30)
[50]

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QUESTION 2

2.1
- BRAZIL✓✓
- RUSSIA✓✓
- INDIA✓✓
- CHAIN✓✓
- SOUTH AFRICA✓✓

(10)

2.2
- Policy statement✓ – goals and objectives of government are stated✓
- Redistribution of wealth – values taken away from one group to another group✓
- Economic regulation function✓– stabilise the economy and inflation✓
- Operating programme✓ – basis for operational activities✓
- 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✓

(7 × 2) (14)

2.3
- Prior Control

This is prescribed control or control measures, which are based on prescriptions and framework before any action takes place.
- They also prescribe how to act

- Ex post facto control

This exercised after the act has taken place and typical examples of this are financial and effective audits. Ex post facto control consists of the control of results, against predetermined objectives and aims, also the evaluation of results for efficiency and effectiveness and accountability for such results to improve

(14)

2.4 To identify the broad
- Overall policy and direction of the government of the day

To divide
- This policy into projects and these projects into specific activities

To schedule
- The activities of each department and ministry in detailed sequence

(12)
[50]

TOTAL SECTION A: 100

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SECTION B

QUESTION 3

3.1
- Estate duty✓✓
- Property tax✓✓
- Transfer tax✓✓
- Stamp duty/Capital gains/Profit tax✓✓

(4 × 2) (8)

3.2
- Political consideration✓✓
- The purchase of equipment, machinery or with the construction of a building where capital assets are created✓✓
- Community needs, cost escalations, technology, the need for prioritising according to seniority✓✓
- Volatile domestic economics could mean a drastic fluctuation in loan repayment✓✓

(4 × 2) (8)

3.3
- Income taxation✓✓
- Property taxation✓✓
- Consumption taxation✓✓
- User charges, consumer tariffs

(Any 3 × 2) (6)

3.4
- Income tax – tax calculated after exemptions and deductions from nett income✓✓
- VAT – tax payable on purchases, such as items, goods, services✓✓
- Company tax – tax businesses pay on nett profit✓✓

(6)

3.5
- Financial responsibility✓✓
- Purpose of expenditure✓✓
- Expenditure items✓✓
- Source of financing✓✓

(8)

3.6
- It is enforceable✓✓
- It reflect the political aspirations of the government of the day✓✓
- It also obeys and takes into consideration sound economic principles✓✓
- It attempts to satisfy the tension between purely political considerations on the one hand and economic demands on the other✓✓
- It reflects the fiscal policy of the government✓✓
- It clearly outlines a hierarchy of authority

(Any 5 × 2) (10)

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

[50]

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QUESTION 4

4.1 4.1.1 Incentives- the government might decide to use fiscal policy to stimulate economy and growth, it is possible that special exemptions are used to promote economic development, these might include, exemptions to exporters, industries which take in decentralisation activities and training. (5)

4.1.2 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. (5)

4.2
- Accounting audits
  Correct recording of finances, accuracy of statements and safeguarding of records
- Appropriation audits
  Utilisation of budget allocation in accordance to purpose for which it was voted
- Performance audits
  Efficiency, effectiveness and economic performances of duties – values for money

(8)

4.3 Consumption taxation
- VAT
- excise
- import

Income taxation✓
- personal✓
- corporate✓
- payroll✓
- turnover✓

Wealth taxation✓
- property✓
- capital gains✓
- capital transfer
- donations✓
- transfer duty✓

(10)

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4.4

- 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.

(12)

4.5

- Hunting and fishing licenses
- Hospitalisation fees
- Professional services
- Motor Vehicle Licenses
- Casino Licenses

(10)
[50]

TOTAL SECTION B: 100
GRAND TOTAL: 200

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