



higher education
& training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

MARKING GUIDELINE

NATIONAL CERTIFICATE

JUNE EXAMINATION

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QUESTION 1

- 1.1 1.1.1 Totalitarian authority is a one-party governing authority.✓✓
- 1.1.2 Legislature – is a selected body of people given the power and responsibility to make laws for the nation.✓✓
- 1.1.3 Privatisation – refers to the transfer of government assets or functions to the private sector.✓✓
- 1.1.4 Fiscal control – means manipulating the demand for goods and services✓ – this is done and reflected in the taxation policy of the government.✓
- 1.1.5 Socialism – is a process of changing the means of ownership from privatisation to collective ownership (community ownership).✓✓
- (5 x 2) **[10]**

QUESTION 2

- 2.1 True
- 2.2 True
- 2.3 True
- 2.4 False
- 2.5 True
- 2.6 False
- 2.7 True
- 2.8 True
- 2.9 False
- 2.10 False
- (10 x 2) **[20]**

QUESTION 3

- 3.1 B
- 3.2 C
- 3.3 K
- 3.4 G
- 3.5 D
- 3.6 F
- 3.7 I
- 3.8 J
- 3.9 L
- 3.10 A
- (10 x 2) **[20]**

QUESTION 4**4.1 Laissez-faire (pure capitalism)**

Here government does not intervene in the private economy/social activities of individual citizens or groups.✓✓

The government is there to protect life and maintain law and order.✓✓

There is less government intervention in the lives and activities of private citizens.✓✓

Provides basic conditions for free competition.✓✓

Competition is allowed to function freely and without regulation.✓✓

Socialism (communism)

This is a process of changing the means of ownership from privatisation to collective ownership (community ownership).✓✓

Here the ownership of all the factors of production✓✓

land, raw material, labour and capital et cetera✓✓

belongs to the community✓✓

and they are administered by the government on behalf of the community.✓✓ (20)

4.2

- Financial services
- Personnel services
- Secretarial services
- Legal advisory services
- Organisation and work study
- Resource supply service
- Accounting and auditing services

(7)

4.3

- Financial services – each government on all levels (central and local), has a department of finance which provides officers (such as an accountant) who render financial services to the line function department.
- Personnel services – offers support in supplying personnel through job analysis, human resources planning, recruiting, training, et cetera.
- Secretarial services – offers support in a secretarial fashion for all clerical duties.
- Legal advisory services – this office provides legal support as government bodies are often involved in lawsuits.
- Organisation and work study – creating and reorganising hierarchical structures and personnel components, working procedure and working methods.
- Resource supply services – all departments need accommodation, furniture, equipment, machinery and stock for executing their line function.
- Accounting and auditing services – a system of keeping records of all financial transactions is essential for proper management and accountability to taxpayers.

(7 x 2)

(14)

- 4.4
- Military defence function
 - Police
 - Justice
 - Imprisonment
 - State security
 - Civil defence
 - Traffic policing
- (7)
- 4.5 These type of services can only be financed from taxation and carried out by government bodies such as a local town councillor or a central government. (2)
- [50]

QUESTION 5

- 5.1
- Non-apportionable✓✓ – these cannot be divided into consumptive units therefore cannot be supplied per unit, e.g a park.✓✓
 - Non-excludability✓✓ – people cannot be excluded from using this service.✓✓
 - Inexhaustibility✓✓ – they are not depleted (used up) with use; as long as they are maintained they are always available.✓✓
 - No direct quid pro quo✓✓ – authorities do not charge for the use of these services, such as a library. Taxpayers pay for them whether they use them or not – all have the same access to these services.✓✓
 - They have a monopolistic nature✓✓ – there is no competition except, perhaps, between different levels of government – regional/national/local.✓✓
- (20)
- 5.2
- Co-ordination of financial policy
 - Granting of permission beforehand
 - Evaluation of new policies and legislation
 - Review of the budget
 - Guardian of public money
 - Control of purchases and purchasing procedure
 - Control of stock and stores
 - Dispensation function
- (Any 5 x 2) (10)
- 5.3
- Plays a prominent role in the preparation of the draft budget for the department.
 - Keeps him/herself informed of the financial situation of the department.
 - Is able to explain to the cabinet requests made by the department for additional funds.
 - Plays an active role in reducing the expenditure of the department when parliament or cabinet asks him/her to do so.
 - Should not abdicate responsibility for the financial administration of the department.
- (5 x 2) (10)

- 5.4
- Equitable share of revenue raised nationally
 - Levies, other than income tax
 - Rates on property
 - Flat-rate surcharge on the tax bases
 - Levy or duty/tariff that is imposed by national legislation
- (5 x 2) (10)
[50]

QUESTION 6

- 6.1
- Takes a leading role in the preparation of the budget.
 - Presents the draft budget to the council for consideration.
 - Delivers the budget speech and explains the important aspects of the budget itself.
 - Makes recommendations on the tax rate (local); consumer tariffs, user charges and levies.
 - Takes charge of supervising and controlling the execution of the budget once it has been approved.
 - Reports any financial irregularities by any official, council member or committee.
- (Any 5 x 2) (10)
- 6.2
- To prevent fraud and theft
 - To ensure lawful spending of state money
 - To ensure recovery and safekeeping of income
 - To ensure effectiveness and efficiency
 - To ensure accountability for finance according to the budget
- (5 x 2) (10)
- 6.3
- This is a fund into which all revenue raised ✓✓ by the central government is paid. ✓✓
It is controlled by the Reserve Bank or central bank. ✓✓
The banking accounts of both the central ✓✓
and provincial government are controlled here. ✓✓
- (10)

- 6.4
- No tax or other charges can be collected from taxpayers without their consent.
 - The tax burden must be distributed in a reasonable and fair way.
 - The use of public finances must satisfy collective needs optimally.
 - Participatory democracy means direct participation by the taxpayers.
 - Financial resources must be applied effectively and efficiently to satisfy collective needs (fair and reasonable allocation of resources).
 - Introduce and collect taxes, and decide how and what funds collected will be spent.
 - Political representatives must be sensitive and responsive to the collective needs of the community.
 - The execution of budget programmes should satisfy the needs of the public.
 - Social equity or justice should be displayed by public officials by maintaining high moral and ethical standards (integrity, honesty, responsibility – personal characteristics).
 - Public accountability – the public should be made aware of all financial transactions utilised from public funds.
- (10 x 2) (20)
[50]

TOTAL: 200