



higher education
& training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

MARKING GUIDELINE

NATIONAL CERTIFICATE

NOVEMBER EXAMINATION

PUBLIC FINANCE N5

14 NOVEMBER 2016

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QUESTION 1

- 1.1 B✓✓
- 1.2 C✓✓
- 1.3 A✓✓
- 1.4 B✓✓
- 1.5 A✓✓
- 1.6 C✓✓
- 1.7 D✓✓
- 1.8 D✓✓
- 1.9 C✓✓
- 1.10 B✓✓
- 1.11 D✓✓
- 1.12 B✓✓
- 1.13 C✓✓
- 1.14 B✓✓
- 1.15 A✓✓

(15 × 2) [30]

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.

- 1.1 False✓✓
- 1.2 False✓✓
- 1.3 True✓✓
- 1.4 True✓✓
- 1.5 True✓✓
- 1.6 True✓✓
- 1.7 True✓✓
- 1.8 True✓✓
- 1.9 True✓✓
- 1.10 False✓✓

(10 × 2) [20]

QUESTION 3

- 3.1
 - Co-ordinate of financial policy✓✓
 - Granting of permission before hand✓✓
 - Commenting on new legislation✓✓ and policy as far as their financial implication are concerned✓✓
 - Annual revision of the budget and evaluation of priorities✓✓
 - Guardian of public money✓✓
 - Control over purchases ✓✓ / purchasing procedure (contracting)✓✓
 - Stocks and stores control✓✓
 - Control of dispensation✓✓

(20)

- 3.2
- The tax rate✓✓
 - Consumer tariffs✓✓
 - Raising of loan to the city✓✓
 - Capital expenditure✓✓
 - Operational expenditure✓✓
 - Creation and management of special funds✓✓
- (Any 5 × 2) (10)
- 3.3
- Monies are allocated for specific purpose✓✓
 - Monies allocated may only be used during the year for which they are allocated✓✓
 - If monies are to be used for any other purpose than allocated , the approval of the minister of finance will be required✓✓
 - Unspent monies must be paid back into the revenue fund at the end of the financial year✓✓
 - Only allocated funds must be used for the payment of expenditure✓✓
- (20)
- 3.4
- To announce publicly the plan of various departments✓✓
 - To give a broad outline of the social needs✓✓
 - To give indication of the financial state of government✓✓
 - Announce new policies and goals and explain increase in expenditure✓✓
 - To announce tax proposal, changes in income , consumer tariffs etc✓✓
- (10)
[50]

QUESTION 4

- 4.1
- Statement of intent
 - A work/ working programme
 - A source of information
 - A means of promoting accountability
 - An instrument of control
- (10)
- 4.2
- To encourage a policy of private initiative
 - To reduce excessive government spending
 - To lower financial burden of government
 - To promote effective/efficient utilization of public resources
 - To increase the tax base
- (10)
- 4.3
- Statutory control – External and internal
 - Budget control
 - Financial reporting
 - Internal auditing
- (10)

- 4.4
- Regulation of economy to secure stability
 - Stimulate of economic development
 - Maintain economic order to secure economic welfare and prosperity
 - Providing, maintaining the economic infrastructure
 - Establishing and operating public industrial corporations
 - Finance of economic, industrial and scientific research
- (10)
- 4.5
- Corruption – in the form of bribe or stealing money from authorities
 - Incorrect procedures followed when using state resources
 - Waste and ineffective use of state funds
 - Being careless or negligent about equipment and stocks
 - The culture of helping oneself and ones friends
- (10)
[50]

QUESTION 5

- 5.1
- Bankers of the government of the day ✓✓
 - Control the national revenue fund ✓✓
 - The only bank allowed to released banknotes and coins in SA ✓✓
 - Custodian of the country's gold reserves ✓✓
 - To protect the value of the rand: SA currency in international trade ✓✓
 - Funding the exchequer ✓✓
 - Control foreign exchange reserves held in the country ✓✓
- (14)
- 5.2
- Inflation and the effect on capital and operation costs ✓✓
 - Technological development ✓✓
 - Political and / or social instability ✓✓
 - National disasters ✓✓
 - Allocation of more functions(duties) to other government bodies ✓✓
 - Urbanization. ✓✓
 - Maladministration. ✓✓
- (14)
- 5.3
- Particular service are services that can easily apportioned or broken up into parts and these parts can be charged to the public ✓✓
- (2)
- 5.4
- Apportionable ✓✓
 - Exclusive ✓✓
 - Exhaustible ✓✓
 - Direct return ✓✓
 - No monopolies ✓✓
- (10)

- 5.5
- Apportion able – can be divided into units for consumption✓✓
 - Exclusive – non payer will not receive the service✓✓
 - Exhaustible – must be replenished continuously✓✓
 - Direct return – the taxpayer receive value for each unit paid✓✓
 - No monopolies – various service providers are available✓✓
- (10)
[50]

TOTAL: 200