

## Additional Term 1 test

### SECTION A

#### QUESTION 1

Four options are provided as possible answers to the following questions. Choose the answer and write only the letter (A–D) next to the question number.

1.1	A group of people who can provide their own needs without outside assistance from part of a ... society		
	A		self-sufficient
	B		independent
	C		traditional
	D		modern
1.2	Productive use of resources ...		
	A		results in high unemployment
	B		increased costs for the business
	C		increases productivity
	D		encourages crime

(2 × 2 marks) (4)

#### QUESTION 2

Choose a description or example from Column B that matches a term in Column A. Write only the letter next to the question number.

1	Direct tax	A	Paid by business and workers
2	Income tax	B	Customs duties, VAT, toll fees
		C	Property tax, income tax, tax paid on profits

(2 × 2 marks) (4)

#### QUESTION 3

Give ONE word/term from the box for each of the following descriptions. Write only the word/term next to the question number.

capital, current, fixed, non-current, drawings Owner's Equity

**3.1** Liabilities can be ... or ...

**3.2** ... is when an owner withdraws money for his own use.

(3 × 2 marks) (6)

**[Total for Section A: 14]**

**SECTION B: ECONOMY**

**QUESTION 4**

The President of South Africa has warned that continued strike action will seriously damage the economy. He called government, business and unions for talks. The Minister of Finance has said that the economy was at risk as the international investors were losing confidence in South Africa. The municipal workers strike has affected the KwaZulu-Natal's local government finances. It has forced some municipalities to use private consultants. This has added more financial strain on the resources. Adding to all the woes of municipalities, the Auditor General said that lack of adequate internal control and general lack of skills and staff has led to revelations of misappropriated funds and maladministration.

- 4.1 Identify THREE levels of government in South Africa. (3)
- 4.2 Explain the responsibility of the National Government, especially referring to the article above. (4)
- 4.3 If you were the President, would you call business and industry leaders to talk about the problem in the article? Give reasons for your answer. (8)
- 4.4 Do you think the municipalities mentioned above are fulfilling their obligations to their people? Give reasons for your answer. (6)

**[Total for Section B: 21]**

**SECTION C: FINANCIAL LITERACY**

**QUESTION 5**

- 5.1 Identify the source document used by a municipality when entering cash received from customers in their subsidiary journal. (1)
- 5.2 Explain how a municipality can see whether they have used their money wisely. (6)
- 5.3 Complete the following table:

	Assets	Liabilities	Owner's Equity
5.3.1	56 000	21 000	?
5.3.2	125 000	?	125 000
5.3.3	?	23 500	
5.3.4	950 000	?	863 250

(4 x 2 marks) (8)

**[Total for Section C: 15]**

Section	Ques.	Topic	Cognitive levels			Marks	
			1	2	3		
A	1	2, 2				4	
	2	2,	2			4	
	3		2, 2, 2			6	
B	3	21				21	
C	4		15			15	
Total		27	23	18	18	14	50
				15	20	15	

## Additional Term 1 test memorandum

### SECTION A

#### QUESTION 1

- 1.1 A – self-sufficient✓✓  
 1.2 C – increases productivity✓✓ (4)

#### QUESTION 2

- 1 C – property tax, income tax, tax paid on profits✓✓  
 2 A – paid by business and workers✓✓ (4)

#### QUESTION 3

- 3.1 current,✓✓ non current✓✓  
 3.2 drawings✓✓ (6)

**[Total for Section A: 14]**

### SECTION B: ECONOMY

#### QUESTION 4

- 4.1 National,✓ Provincial,✓ Muncipal or local✓ (3)  
 4.2 Use your discretion for learners' answers. Learners must select some of the responsibilities of national government that relate to the article. They must explain the responsibilities and not just list them, e.g. – infrastructure; budget; labour legislation; security; education, etc.  
 4.3 Use discretion with learners' answers. They must give their opinion. This must be supported by logical reasons. (They must provide four facts written in full sentences.) (8)  
 4.4 Use discretion with learners' answers. They must give their opinion. This must be supported by logical reasons. *Sample answer:* No, they are misusing money; using expensive consultants; no internal control of work and finances; lack of skills, etc. (They must provide three facts written in full sentences.) (6)

**[Total for Section B: 21]**

### SECTION C: FINANCIAL LITERACY

#### QUESTION 5

- 5.1 Duplicate receipt✓ (1)  
 5.2 Learners must describe a budget and explain how this will control the way the municipality allocates its financial resources. (6)  
 5.3.1 R35 000✓✓  
 5.3.2 R0✓✓  
 5.3.3 R143 500✓✓  
 5.3.4 R86 750✓✓ (8)

**[Total for Section C: 15]**