Formative assessment SO1

1. List two benefits of budgeting

|  |
| --- |
|  |
|  |
|  |
|  |

1. Which financial records does a manager use to control income and expenses?

|  |
| --- |
|  |
|  |

1. Refer back to the Management Budget Report for the year 2003 and answer the following questions:

|  |  |
| --- | --- |
| What was the total income for the year? |  |
| What was the difference between the budgeted income and the actual income? |  |
| How much was spent on purchases for the year? |  |
| What was the difference between the budgeted expenses and the actual expenses? |  |

1. Refer back to the payments and expenses report for March 2003 and list the expenses that are indicated on the report.

|  |  |
| --- | --- |
|  |  |
|  |  |
|  |  |

1. List at least four other expenses you can think of that a business or government department will have.

|  |  |
| --- | --- |
|  |  |
|  |  |

1. How should a selling price be calculated?

|  |
| --- |
|  |
|  |

1. If your total cost of a case of wine (with twelve bottles) is R 120. What is the cost of one bottle of wine?

|  |
| --- |
|  |
|  |

1. You have decided to add a mark-up of 100% to the wine. At what price will you sell the wine?

|  |
| --- |
|  |
|  |

1. Explain the role of bank staff today

|  |
| --- |
|  |
|  |
|  |
|  |
|  |
|  |
|  |
|  |

1. What is the difference between a savings account and a cheque account?

|  |
| --- |
|  |
|  |

1. What is a cheque?

|  |
| --- |
|  |

1. What is a debit card?

|  |
| --- |
|  |

1. What is a budget?

|  |
| --- |
|  |
|  |

1. Give 2 reasons for budgeting

|  |
| --- |
|  |
|  |
|  |
|  |

1. Why should you save?

|  |
| --- |
|  |
|  |
|  |
|  |
|  |

1. Where does the Minister of Finance get the money to allocate to the various state departments?

|  |
| --- |
|  |
|  |
|  |

1. Exployees’ tax is paid according to either P.A.Y.E. or S.I.T.E. Explain these two forms of personal tax

|  |
| --- |
|  |
|  |
|  |
|  |
|  |

1. When is VAT paid and what is the current VAT rate?

|  |
| --- |
|  |
|  |
|  |
|  |

Explain profit

|  |
| --- |
|  |