Knowledge Questionnaire 7456

**60 Points**

**Specific outcome 1:** Pose questions, collect and organise data

**Assessment Criteria**

* Situations or issues that can be dealt with through statistical methods are identified correctly
* Variables contributing to a problem situation are identified and addressed in data gathering
* Appropriate and efficient methods are used to collect, record and organise data
* Data samples are of adequate size and are representative of the population

1. Define a budget in your own words. (1)

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1. Explain the following. (3)

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| Fixed Expenses |  |
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| Changing Expenses |  |
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| Luxury Expenses |  |
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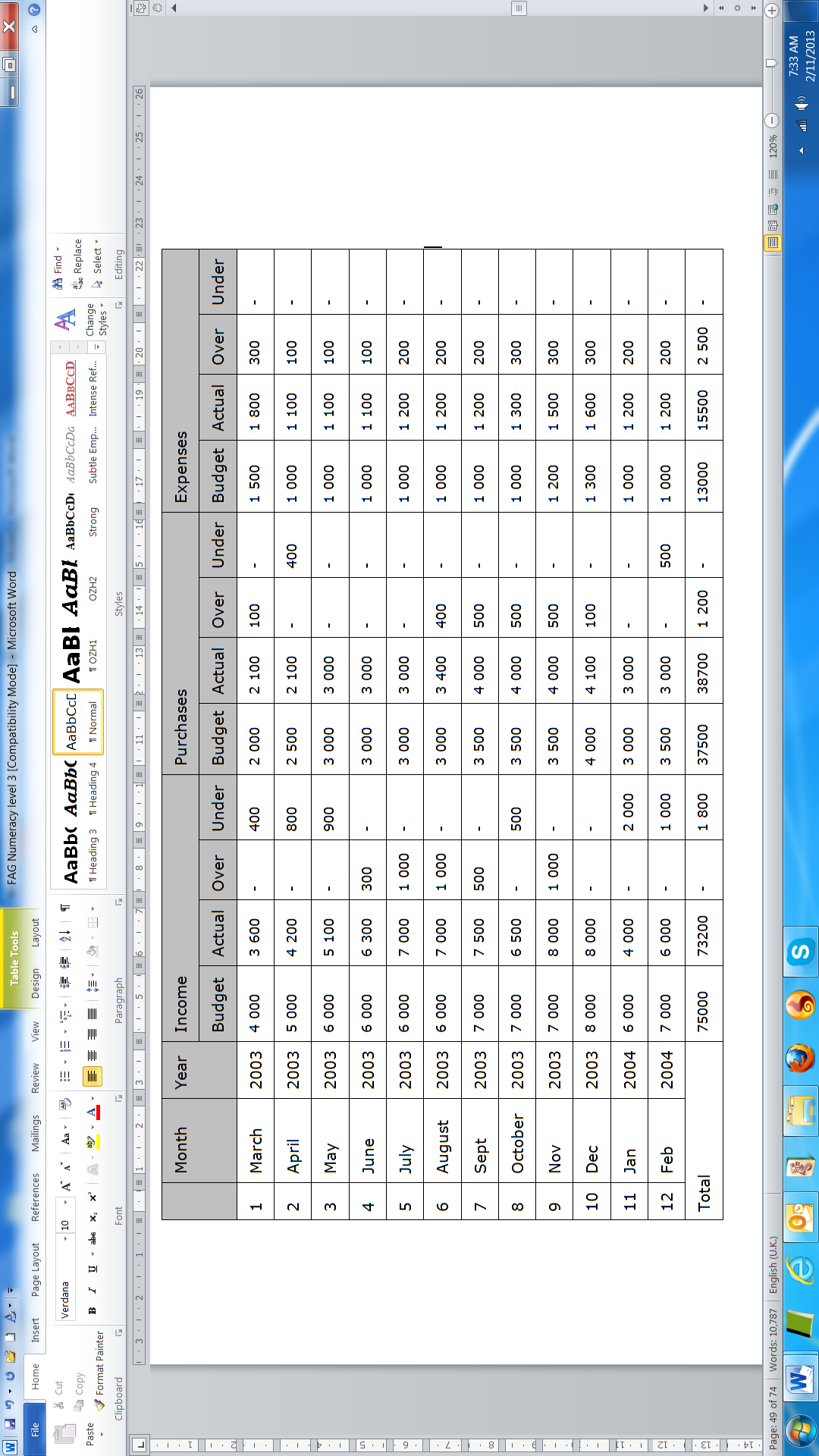
1. Where does the Minister of Finance get the money to allocate to the various state departments? List at least four forms of taxation. (4)

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1. What does the government do with the money the collect through tax? List at least four things. (4)

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1. The next page contains an example of a Budget Management Report. Study this report and answer the questions that follow. (7)



* 1. Was the income more or less than anticipated for the year? By how much? (2)

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* 1. Were the expenses over budget or under budget? By how much? (2)

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* 1. What was the total income for the year? (1)

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* 1. Give the total amount that was spent on purchases and expenses. (1)

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* 1. What was the profit after everything was paid? (1)

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1. Answer the following questions regarding the Income statement shown below. (5)
   1. How much money came into the business as a result of sales
   2. How much money was spent to purchase raw materials
   3. How much was spent on various expense items
   4. What was the net profit before tax
   5. What wasthe net profit after tax

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**INCOME STATEMENT – Actual vs. Budget: 01/04/2006 to 31/03/2007**

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|  | Actual | Budget | Variance | |
|  |  |  | Value | % |
| SALES | 100 000.00 | 80 000.00 | 20 000.00 | 0.20 |
| COST OF SALES (Purchases) | 75 000.00 | 60 000.00 | 15 000.00 | 0.20 |
| OTHER INCOME | 100.00 | 66.00 | 34.00 | 0.34 |
| EXPENSES | 14 300.00 | 16 400.00 | -2 100.00 | -0.15 |
| Bank Charges | 1 000.00 | 800.00 | 200.00 | 0.20 |
| Cleaning | 500.00 | 500.00 | - | - |
| Consumables | 200.00 | 300.00 | -100.00 | -0.50 |
| Entertainment Expenses | 1 500.00 | 1 600.00 | -100.00 | -0.07 |
| Interest Paid | 100.00 | 200.00 | -100.00 | -1.00 |
| Printing & Stationary | 3 000.00 | 3 000.00 | - |  |
| Telephone & Fax | 5 000.00 | 6 000.00 | -1 000.00 | -0.20 |
| Vehicle Expenses | 3 000.00 | 4 000.00 | -1 000.00 | -0.33 |
| NET PROFIT/(LOSS) BEFORE TAX | 10 800.00 | 3 666.00 | 7 134.00 | 0.66 |
| TAX | 3 780.00 | 1 283.10 | 2 496.90 | 0.66 |
| NET PROFIT/(LOSS) | 7 020.00 | 2 382.90 | 4 637.10 | 0.66 |

1. List two benefits of budgeting. (2)

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1. Which financial records does a manager use to control income and expenses? (2)

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1. Refer back to the Management Budget Report for the year 2003 and answer the following questions. (4)

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| 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. How should a selling price be worked out? (4)

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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)

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

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Specific Outcome 2: Represent, analyse and interpret data using various techniques. Use random events to explore and apply, probability concepts in simple life

* The differences between simple and compound interest are described in terms of their common applications and effects
* Methods of calculation are appropriate to the problem types
* Computational tools are used efficiently and correctly and solutions obtained are verified in terms of the context or problem
* Solutions to calculations are used effectively to define the changes over a period of time

1. What is meant by compound interest? (1)

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1. Calculate the compound interest on an investment of R678 which is invested for a period of 12 years at 15,6% interest per year. (5)

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1. What does depreciation mean? (1)

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1. What does appreciation mean? (1)

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1. If your money loses value over 12 years, did the value appreciate or depreciate? (1)

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1. If the value of your house increases over 10 years, did the value of the house appreciate or depreciate? (1)

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**Specific Outcome 3:** Use mathematics to debate aspects of the national economy: Range: Tax, productivity and the equitable distribution of resources

**Assessment Criteria:**

* Values are calculated correctly
* Mathematical tools and systems are used effectively to determine, compare and describe aspects of the national economy
* Debating points are based on well-reasoned arguments and are supported by mathematical information

1. How is productivity measured in business? (1)

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1. List at least two inputs and two outputs that are used to measure productivity. (4)

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| The Inputs are: | The Outputs are: |
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1. In your own words describe why energy resources should be distributed equitably amongst the people and businesses in South Africa. (2)

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1. How can government ensure equitable distribution of resources to encourage agricultural development? (2)

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1. The laws regarding the selection and governing of national, provincial and local governments are set out in the Constitution. Section 214 of the Act states that the provinces are entitled to an equitable share of the national revenue. This includes a portion of the income tax on individuals collected in the province and a percentage of the value added or sales tax collected within the province.
   1. Explain how Section 214 of the Act ensures equitable distribution of resources. (2)

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* 1. Describe how productivity is measured in government departments. (2)

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