



NATIONAL OPEN UNIVERSITY OF NIGERIA
Plot 91 Cadastral Zone Nnamdi Azikiwe Express Way, Jabi-Abuja
FACULTY OF MANAGEMENT SCIENCES
DEPARTMENT OF FINANCIAL STUDIES
2019_2 EXAMINATION

Course Code: ACC418

Credit Unit: 3

Course Title: PUBLIC SECTOR ACCOUNTING AND FINANCE

Time Allowed: 2 1/2 HOURS

Instructions:

- 1. Attempt Question one (1) and any other three (3) Questions.**
- 2. Question 1 is compulsory and carries 25 marks while the other 3 Questions carry 15 marks each.**
- 3. Present all your points in a coherent and orderly manner.**

Q1. The Ministry of Agriculture in Kogi State of Nigeria is about to prepare its 2019 Budget for submission to the State Budget and Planning Department. The Rural and Extension Division of the Ministry has made available to you the following information in respect of its personnel costs.

Job Title	Number in post	Grade Level (GL)	Salary
Director of Agriculture	1	17	60,000x 20,000
Deputy Director of Agriculture	2	16	55,000x 18,000
Assistant Director of Agriculture	3	15	50,000x 15,000
Chief Accountant	4	14	45,000x 12,000
Assistant Chief Accountant	5	13	40,000x 10,000
Principal Accountant	4	12	35,000x 9,000
Senior Extension Officers	8	10	30,000x 8,000
Senior Superintendent Officer 1	5	09	25,000x 7,000
Senior Superintendent Officer II	10	08	20,000x 6,000
Principal Trade Officer	12	10	30,000x 8,000
Senior Trade Officer	10	09	25,000x 7,000
Higher Trade Officer	12	08	20,000x 6,000

Executive Trade Officer	15	07	15,000 x 5,000
Assistant Executive Trade Officer	18	06	12,000x 4,000
Clerical Officer	25	04	10,000x 3,000
Assistant Clerical Officer	20	03	8,000 x 2,000
Office Assistant	5	03	8,000 x 2,000
Drivers	10	03	8,000 x 2,000
Cleaners	12	03	8,000 x 2,000

The following relevant information is also available.

- (i) All the salary levels shown above are step 2 of the grades and it is the Ministry's policy to prepare personnel cost budget based on step 5 of the grade level.
- (ii) The Director is retiring, and One Deputy Director, two Assistant Directors, one Chief Accountant are due for promotion during the budget year.
- (iii) During 2019, four Senior Extension Officers will be employed to strengthen the Rural and Extension Division.
- (iv) Staff allowances constitute 80% of staff salary.

Required to: Prepare in summary form, personnel cost budget for the Rural and Extension Division of the Ministry. **(25 Marks)**

Q2. Discuss the objectives and forms of a Parastatal. **(15 marks)**

Q3. Explain the sources of revenue available to Government Hospitals and Universities. **(15 marks)**

Q4. Analyse the political and economic benefits of International Public Sector Accounting Standards (IPSAS) to the Nigerian Public Sector. **(15 marks)**

Q5. Describe the factors that militate against effective budgeting and implementation in Nigeria. **(15 marks)**

Q6. Explain what each of the following means:

- a) Interim Audit **(3 marks)**
- b) The Public Accounts Committee (PAC) **(3 marks)**
- c) Finance Officers Of Local Government **(3 marks)**
- d) Supplementary Estimate **(3 marks)**
- e) Salary variation advice **(3 marks)**