

Course Code: BFN779

Credit Unit: 2.

Course Title: PUBLIC FINANCIAL MANAGEMENT

Time Allowed: 2 HOURS

Instructions:

1. Attempt Question 1 and any other two (2) Questions.
2. Question 1 is compulsory and carries 30 marks while the other 2 Questions carry 20 marks each.
3. Present all your points in a coherent and orderly manner.

Question ONE

- a. A sound public financial management is critical to the achievement of the aims of the public sector through its role in enhancing the quality of public service outcomes; etc. In your own words, explain what you understand by Public financial management and its concept.
- b. The role of improving management of the flow of financial resources through government and its agencies is made possible by Public financial management in order to improve the quality of public service. State and explain the scope of public financial management as identified. **(30 marks)**

Question TWO

- a. The aim and objectives of public financial management cannot be over emphasized as the finance manager set in motion, plans on how to put the little/surplus funds into work for expansion and diversification plans in order to achieve these objectives. In line with this, state and explain the aims/objectives of public financial management given by ACCA.
- b. Briefly explain the channel through which government report its financial operations to its stakeholders. **(20 marks)**

Question THREE

- a. Fiscal policy is aimed to control inflation, reduce unemployment and maintain a healthy value for public funds, expatiate on this statement.
- b. The goal of a fiscal policy such as accelerated economic development instituted by the central bank of Nigeria is achieved using major tools/instruments, state and explain these instruments. **(20 marks)**

Question FOUR

- a. A Central bank is established by every country as an apex central bank to institute and manage the economy by controlling the supply of money through the instruments of monetary policy, how do you describe a monetary policy?
- b. Enumerate the main objectives of monetary policy in a developing country like Nigeria and discuss challenges if any encountered by the Nigerian government in the implementation of monetary policy. **(20 marks)**