



FIJI PUBLIC SERVICE

EXAMINATION – S

28th August – 2008

PAPER C – THE GOVERNMENT ACCOUNTING SYSTEM

**Time: 2.5 Hours {9am-11.40am}
(10 min. reading time)**

Total Marks: 100

Instructions to Candidates

1. Ensure that your **Index Number is written on** the top right hand corner of every sheet of paper you use. Your name **Must Not** appear anywhere on the answer script.
2. You may use blue or black ink or ballpoint pen. You **Must Not** use a red pen or pencil and answers written in either of this, the answer script will not be marked.
3. Access to reference materials is forbidden.
4. Read each question & instruction very carefully. Note the allocation of marks to each question and distribute your time accordingly.
5. **Ten (10) minutes** is allocated to read the questions. **Do not** start writing until you are told to do so.
6. Use of Mobile phone in the class/ hall is not permitted. It should be switched off before the commencement of the exam.
7. Please note that a candidate will be disqualified from sitting or to continue with the examination if one does not comply with the above and other instructions announced by the invigilator.
8. Candidates must use standard calculators only. Where calculations are required you must show full working on the answer scripts.

EXAMINATION S
PAPER C – GOVERNMENT ACCOUNTING SYSTEM
[ANSWER TEN QUESTIONS ONLY]

It is **Compulsory** to answer **Two (2)** questions from **Each Section**.
Choose **two (2)** other questions from any of the sections. In total you
must answer **10** questions.

SECTION A – FINANCE MANAGEMENT ACT 2004 (FMA) AND AUDIT ACT

Question 1 (10 marks)

Describe the responsibility of the Minister of Finance in accordance with section 6 of the FMA and (2 marks)
give four examples of the powers vested in the Minister. (8 marks)

Question 2 (10 marks)

What is the role of the Permanent Secretary in accordance with section 7 of the FMA and (2 marks)
give four examples of the responsibilities he is expected to carry out. (8 marks)

Question 3 (10 marks)

Name four types of audits conducted by the Auditor General.

SECTION B – BUDGET & MONITORING SPENDING

Question 4 (10 marks)

Government is moving away from input based budgeting to an output based budgeting system.

- (i) Explain what you understand about this statement and (4 marks)
- (ii) Give three advantages about the new system (6 marks)

Question 5 (10 marks)

In order of sequence beginning with the national goal of government as first, put in the correct order the following action documents:

Document	Order
Business Plan	First
Strategic Development Plan	Second
Portfolio Performance Statement	Third
Individual Work Plan	Fourth
Annual Corporate Plan	Fifth

Alternatively, you may write down the documents and link them with arrows in order of ascendancy, for example : Business Plan → Strategic Development Plan → Portfolio Performance Statement → Individual Work Plan → Annual Corporate Plan

Question 6 (10 marks)

In your own words describe the following:

- (i) outputs
- (ii) outcomes
- (iii) virement
- (iv) requisition to incur expenditure

SECTION C - FINANCE INSTRUCTIONS 2005

Question 7 (10 marks)

Your department (department AA) collects trust monies. You have collected \$60, issued a manual receipt and deposited the money into the bank. A month later the department paid out the \$60 to the rightful beneficiary. Complete the following transactions of which one has been done for you:

- (i) On receipt of the money
Dr: \$60 (2 marks)
Cr: Trust account allocation \$60
- (ii) Upon receiving credit in the bank statement the Ministry of Finance raises the following journal
Dr: \$60 (2 marks)
Cr: \$60 (2 marks)
- (iii) Department AA when paying the beneficiary \$60
Dr: \$60 (2 marks)
Cr: \$60 (2 marks)

Question 8 (10 marks)

An officer in your department based in Suva was paid \$500 for an official visit to Lautoka. His duties included the visitation of an island in the Mamanuca group. Upon his return he submitted the following receipts within the seven days period.

Boat fare	\$80
Bus fare	\$30
Hotel bill	\$180
Morris Hedstrom	\$15

The boat fare was for his return trip to the island. Bus fare was for the route Suva/Lautoka and return. Hotel bill was for two nights accommodation for \$120; meals for the two days for \$50; telephone to his brother in Lautoka for \$5; and a roll of film for

\$5 from the hotel gift shop to show his family pictures of the sights he visited. He also bought some soft drinks at Morris Hedstrom for \$15.

Calculate the allowable expenses and state the amount to refund if required to.

Question 9 (10 marks)

Your Minister has to travel overseas to attend a meeting. He will also be visiting our embassies in a number of countries. His travels are as follows:

2 nights in Wellington; 2 nights in Canberra, 2 nights in Kuala Lumpur, 2 nights in London. The official monthly exchange rate for the US dollar is 0.6778. Minister is entitled to an additional 50% top up per diem allowance.

Rates in US dollars for each country per night is as follows:

Wellington \$300

Canberra \$350

Kuala Lumpur \$400

London \$450

Calculate the per diem allowance (in Fijian dollars) your Minister is entitled to receive for each of the four countries.

SECTION D – FINANCE MANAGEMENT REGULATION (SUPPLIES & SERVICES) 2005

Question 10 (10 marks)

When making purchases for the supply of goods and services, a minimum of three quotations must be obtained.

- (i) Why does the above practice need to be done? (4 marks)
- (ii) Name three situations where there is an exception to the minimum three quotation requirement. (6 marks)

Question 11 (10 marks)

Describe the composition, role and function of the Agency Tender Board.

Question 12 (10 marks)

- (i) Who are the members of the Central Tender Board? (7 marks)
- (ii) What is its procurement limit? (3 marks)

THE END