



FJI PUBLIC SERVICE

EXAMINATION – U

27th August 2008

PAPER B – THE GOVERNMENT ACCOUNTING SYSTEM

**Time: 2 .5 Hours {2pm-4.40pm}
(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 U
PAPER B – GOVERNMENT ACCOUNTING SYSTEM

**PLEASE ANSWER ANY TWO QUESTIONS IN EACH OF THE SECTIONS. IN
TOTAL YOU MUST ANSWER ONLY TEN QUESTIONS.**

SECTION A – FMA 2004 AND AUDIT ACT (20 marks)
[ANSWER ANY TWO QUESTIONS]

Question 1 (10 marks)

What are the five core principles of responsible financial management?

Question 2 (10 marks)

What are the five duties the Auditor General must satisfy himself with?

Question 3 (10 marks)

List down five features of the Internal Auditor.

SECTION B – BUDGET AND MONITORING SPENDING (20 marks)
[ANSWER ANY TWO QUESTIONS]

Question 4 (10 marks)

Describe performance budgeting and; (4 marks)
give three advantages of it. (6 marks)

Question 5 (10 marks)

Link the following using arrows or boxes in the correct order before explaining what each of them is about:

Performance Portfolio Statement, Business Plan, Strategic Development Plan, Individual Work Plan, Annual Corporate Plan

Question 6 (10 marks)

Describe what you understand by

(i) Outcomes (4 marks)

(ii) Outputs (4 marks)

and also give an example for each of the above two. (2 marks)

SECTION C – BALANCE SHEETS AND REPORTS (20 marks)
[ANSWER ANY TWO QUESTIONS]

Question 7 (10 marks)

From the following, prepare a statement of expenditure for the month of June by filling in the blank boxes.

Seg	Provision	Exp b/f	Exp for June	Total Exp	Balance
1	85,000	40,000			
2	15,000	6,000			
3	10,000	5,000			
4	12,000	7,000	500	7,500	4,500
5	13,000	7,500			
6	20,000	2,000			
13	18,000	7,800	2,000	9,800	8,200
			(5 marks)	(2 ½ marks)	(2 ½ marks)

Payments for the month of June are:

Vat \$2,000; subsistence \$500; wages for driver \$400; telephone bill \$1,000; electricity bill \$200; stationery \$150; FNPF for driver \$36; staff salaries \$7,000; fuel for vehicle \$500; FNPF for established staff \$900

Question 8 (10 marks)

Under the new chart of accounts, there are seventeen characters (numbers or digits) to describe an expenditure allocation, for example 1-04105-04502-030101. Describe what the digits represent. Three have been done for you.

Digit	Represents	
1	Fund type	
2 to 3		2 marks
4		2 marks
5 to 6		2 marks
7 to 11		2 marks
12 to 13		2 marks
14 to 15	Expenditure classification in the seg or items	
16 to 17	Sub items	

Question 9 (10 marks)

All agencies must prepare an Annual Corporate Plan for each financial year. List down five information that should be shown in the corporate plan.

SECTION D – FINANCE INSTRUCTIONS 2005 (20 marks)

[ANSWER ANY TWO QUESTIONS]

Question 10 (10 marks)

From the following prepare a Manufacturing account statement for the year ended 31 December 2007 to show the cost of goods manufactured

Raw materials as at 1 st January	\$3,000
Work in Progress as at 1 st January	\$2,000
Indirect Labour	\$1,000
Direct Labour	\$3,000
Factory overhead	\$10,000
Raw materials as at 31 st December	\$5,000
Work in progress as at 31 st December	\$8,000
Purchases for the year	\$20,000

Question 11 (10 marks)

Prepare a bank reconciliation based on the following information:

Cheques written during the month	\$19,500
Cheques posted during the month	\$18,200
Cheques presented during the month	\$18,000
GL Balance at the end of the month	\$18,500
Unpresented cheques at beginning of month	\$17,000

Question 12 (10 marks)

Department XY received a cheque from Mr. Z for \$500 being payment of fees on 17/01/08. This cheque was later dishonoured by the bank on 23/01/08 and incurred a \$10 fee. As a result the consolidated fund account was debited for \$510. The full amount was later made good by Mr. Z. Show the four journals that will be raised both by department XY and the Ministry of Finance. For this question, please disregard VAT. One entry has been done for you.

Department XY upon receiving \$500 from Mr. Z on 17/01/08

Dr:	\$	(1 mark)
Cr: Revenue (fees)	\$500	

Treasury after receiving bank statement for 17/01/08

Dr:	\$	(1 ½ marks)
Cr:	\$	(1 ½ marks)

Treasury after receiving bank statement for 23/01/08

Dr:	\$	(1 ½ marks)
Cr:	\$	(1 ½ marks)

Department XY when receiving charges from Treasury for 23/01/08

Dr:	\$	(1 ½ marks)
Cr:	\$	(1 ½ marks)

SECTION E – FINANCE MANAGEMENT REGULATIONS SUPPLIES & SERVICES 2005 (20 marks)

[ANSWER ANY TWO QUESTIONS]

Question 13 (10 marks)

What is the role of the Agency Tender Board and what is its membership, i.e who are members of this board?

Question 14 (10 marks)

In the vehicle running sheet, list down five things that should be listed (or entered) in it.

Question 15 (10 marks)

Permanent Secretaries have been given authority via the FMA to write off losses. Discuss the steps that have to be taken for the write off of an asset valued at \$4,800.
