

	UNIVERSITY OF RUHUNA FACULTY OF MANAGEMENT AND FINANCE	No. of Pages : 04 No. of Questions: 07 Total Marks : 70
	BACHELOR OF BUSINESS ADMINISTRATION HONOURS DEGREE 4000 LEVEL FIRST SEMESTER END EXAMINATION (REPEAT OLD SYLLBUS) – AUG/SEP 2022	<i>Three Hours</i>
ACC 4112 – Public Sector Accounting and Finance		
Instructions <ul style="list-style-type: none"> ➔ This Question paper includes seven (07) questions ➔ Answer (05) questions including question number one. 		

Question 01

Following information were taken place in the Department of Transport for the month ended 30 November 2021.

Description	Amount Rs.	Classification of transaction
Imprest from Treasury	450,000	Imprest
Collection from Fine charges	20,000	20.03.20.13
Purchase of Computers	200,000	978-1-1-1300
Re-imbursement of petty cash imprest		
- Stationeries	2,500	978-1-1-1401
- Traveling	3,500	978-1-1-1402
Receipt from a sale of damaged office equipment	125,500	20,03,10,14
Telephone charges	22,500	978-1-1-1200
Tender Deposits	45,000	Deposit A/C
Surcharges on overtime paid to Mr. Thejan	5,000	Surcharge A/C
Expenses for conducting inspections	20,500	978-1-1-1208
Income from booking charges	30,000	20,03,10,05
Refund of Tender Deposits	20,000	Deposits A/C
Advances for fuel – Mr. Kumar	22,500	Advance A/C
Income from issuing driving license	75,500	20,03,11,05
Training programme for the staff	95,000	978-1-1-1501
Received a cheque from Department of Education for settlement of a loan balance of Mrs. Amanda	60,000	A.P.O.A.A.
Salaries and Wages (Net)	520,000	978-1-1-1210

Following additional information was provided for the month ended 30 November 2021.

- (i) The opening cash balance of the Department of Transport as at 31/10/2021 is Rs.110,000.
- (ii) Vote Ledger of the Department consists with Gross salaries and Wages of Rs.600, 000.It includes deductions for W. & O. P. Fund, Rent and Insurance at 4:3:1 ratio respectively.
- (iii) Rs.50,000 had been given as an advance to Mr. Silva for the accommodation and traveling for an official Seminar in the last month and he produced bills and vouchers only for Rs.35,000 and settle the balance on last day of the month.
- (iv) The Sub Imprest of Rs.40, 000 was given to Mr.Kanchana. He paid Rs.25, 000 to purchase stationery. The balance settled.

Assuming that you are the accountant of the Department of Transport, prepare followings for the month of November 2021 without classification column.

- | | |
|---|------------|
| (a) Cash Book | (08 marks) |
| (b) Authorized Imprest Account as shown in the Departmental Books | (04 marks) |
| (c) Vote Ledger | (02 marks) |

(Total Marks 14)

Question 02

- (a) According to the article 150 (1) of the Constitution of Democratic Socialist Republic of Sri Lanka, 1978 there are two exceptional scenarios where sums can be withdrawn from the Consolidated Fund without issuing warrants by the Minister of Finance.

Briefly explain these two exceptional scenarios stated in Article 150 (3) and (4)

(05 marks)

- (b) List out the types of revenue that forms the consolidated fund and the expenses that can be charged on the consolidated fund.

(04 marks)

- (c) State 04 of any activities that the Finance Act No.38 of 1971 deals with the activities of the boards, corporations.

(05 marks)

(Total Marks 14)

Question 03

- (a) Compare between a General Warrant and a Special Warrant.

(05 marks)

- (b) Department of Inland Revenue is established for collecting taxes which is set out by related laws and regulations.

Briefly describe the responsibilities of Inland Revenue Department.

(05 marks)

- (c) Briefly explain the two instances which a supplementary estimate can be authorized by the Cabinet.

(04 marks)

(Total Marks 14)

Question 04

- (a) Sri Lankan Public Sector is now moving away from cash basis accounting and adopting accrual basis accounting. The public sector is now following Sri Lanka Public Sector Accounting Standards (SLIPSAS).

State the benefits of adopting SLIPSAS to the public sector.

(05 marks)

- (b) List out the 03 objectives of the Public Sector Accounting Standards Committee (PSASC).

(04 marks)

- (c) Contrast between General Purpose Financial Statements and Special Purpose Financial Statements.

(05 marks)

(Total Marks 14)

Question 05

- (a) Briefly explain the course of Action which should be taken when losses occur in a government department.

(04 marks)

- (b) List out the general responsibilities of Accounting Officers and Revenue Accounting Officers.

(06 marks)

- (c) State four (04) cases where Virement Procedure should not be adopted when the transfer of financial provisions.

(04 marks)

(Total Marks 14)

Question 06

(a) Briefly discuss the five (05) functions of the Internal Audit Units in relation to the financial operations of a governmental department.

(04 marks)

(b) The Service pledge of the Ministry of Finance in Sri Lanka states that “we will provide our services to the public with access, respect, responsiveness, and Effectiveness while ensuring transparency and accountability.”

Discuss six (06) main codes of conducts which are expected to be followed by the public servant serving at the Ministry of Finance and Planning.

(06 marks)

(c) Briefly explain the duties and functions of the Auditor-General.

(04 marks)

(Total Marks 14)

Question 07

Write short notes on following topics

(a) Objectives of Public Enterprises

(b) Difference between Public Sector Accounting and Private Sector Accounting

(c) Sources of money received to the government department

(d) Waivers

(03.5 marks each)

(Total Marks 14)
