

# UGANDA MARTYRS UNIVERSITY

FACULTY OF BUSINESS AND MANAGEMENT  
DEPARTMENT OF ACCOUNTING AND FINANCE

YEAR III SEMESTER I EXAMINATIONS 2022/2023  
BACHELOR OF BUSINESS ADMINISTRATION AND MANAGEMENT-NKOZI

COURSE CODE: 3111  
COURSE NAME: PUBLIC SECTOR ACCOUNTING

Date: Tuesday 16<sup>th</sup> May, 2023  
Time: 3 HOURS

## INSTRUCTIONS:

1. The Examination paper consists of six Questions
2. Attempt **Question One and ANY OTHER THREE questions.**
3. All questions carry equal marks.
4. Your work must be neat and show all relevant workings



## Question One

The following Trial Balance relates to Uganda Technical College Tororo, a public tertiary educational institution in Uganda, as at 30/06/2022.

	DR	CR
		4,575,622
Fees Income		
Establish Post	5,312,430	
Allowance	856,670	
Consultancy Fees		655,600
Legal Cost	25,059	
GOU grant		1,540,000
Consultancy Cost	565,500	
Non- Establish Post	1,253,600	
Seminars cost	500,000	
Sponsorship	8,100	9,066,828
Receivables	468,050	
Payables		182,840
20% loan		8,600
Books and Research Allowance	150,765	
Plant and Machinery	3,000,000	250,000

Motor Vehicle	2,505,000	352,000
Building	12,300,000	756,000
Software	995,500	150,000
Other Incomes		211,430
Project Work Supervisory Allowance	48,500	
Cash and Bank	294,233	
Training and Workshop cost	104,000	
Bad debt provision (student fees)		4,940
Work In Progress	8,251,735	
Other Expenses	71,000	
Withholding Tax		90,500
Accumulated Fund		11,205,270
Utilities Bills	560,053	
Proceeds from Sale of Admission Forms		9,196,270
Superannuation	278,500	
End of Service Benefits	298,040	
Stationery Stock	399,165	
	38,245,900	38,245,900

#### Additional Information

- The college has adopted the accrual basis International Public Sector Accounting Standards (IPSAS) as the basis for the preparation of its financial statements.
- Stationery stock as at 30/06/2022 was Shs 200,500,000 but have a Net Realizable Value of Shs 155,254,000
- Social benefits of Shs 1, 720,000 yet to be paid during the year was included in the Work in Progress value. Consultancy cost amounting to Shs234, 500,000 was incurred but not yet paid.
- Books and Research Allowance was received from Government during the period amounting to Shs 337,530,000 for disbursement to qualified Lecturers and Administrative staff.
- Provision is to be made for interest on loans.
- 60% of the receivables represent an amount of students' fees outstanding as at 30/06/2021. Provision for doubtful debt is estimated to be 5% of outstanding school fees.
- The College uses straight line basis of depreciation for Capital Assets. Capital Assets and their useful lives are detailed out below:



Assets	Useful Life
Plant and Machinery	8 years
Motor Vehicle	5 years
Building	50 years
Software	7 years

**Required:**

- a) Prepare a Statement of Financial Performance for Uganda Technical College Tororo for the year ended 30/06/2022. (15 Marks)
- b) Prepare a Statement of Financial Position as at 30/06/2022. (10 Marks)

**Question Two**

- a) The Local Government Institutional and Legal Framework provides for the political and administrative setup of local governments, the election of local councils and for any other matters connected to the administration and operations of local authorities.

In view of the above provisions, you have been requested by Ministry of Local Governance (MoLG) to make a presentation at a local government staff workshop.

**Required:**

In your presentation, discuss the:

- i. Functions of the Accounting Officer as per Local Government Act, 1997. (5 marks)
  - ii. Function of Local Council as per Local Government Finance and Accounting Regulations, 2007. (7marks)
- b) The Local Government Act, 1997 provides for the establishment of Local Government Public Accounts committee (LGPAC) comprising four members appointed by the district council on the recommendation of the District Executive Committee and one member appointed in the case of a district with more than one urban authority, by an electoral college of the urban council executive committee members in that district; and in the case of a district with only one urban authority, by the urban council on the recommendation of the urban executive committee. Discuss the function of the LGPAC (13 marks)

### **Question Five**

The Government of Uganda has adopted a number of public financial management reforms including the introduction of the Treasury Single Account (TSA) in the Integrated Financial Management System (IFMS).

#### **Required:**

- a) Discuss the justification for the implementation of the TSA in Uganda (06 marks)
- b) Discuss the Benefits and Challenges of implementing IFMS in the different government entities (19 marks)

### **Question Six**

*“Accountants working with public sector entities are faced with various threats and challenges in the work environment either directly or indirectly”.*

#### **Required:**

- a) Identify threats that professional accountants face in the work environment. (12 marks)
- b) Identify measures that can be implemented in the work environment to reduce threats to acceptable. (13 marks)

**THE END**