



NATIONAL OPEN UNIVERSITY OF NIGERIA
14/16 AHMADU BELLO WAY, VICTORIA ISLAND, LAGOS
SCHOOL OF MANAGEMENT SCIENCES
SEPTEMBER/OCTOBER 2015 EXAMINATION

COURSE CODE: ACC418 **CREDIT UNIT:** 3
COURSE TITLE: PUBLIC SECTOR ACCOUNTING AND FINANCE
TIME ALLOWED: 2 ¹/₂ HOURS

Instruction:

Attempt question one and any three questions of your choice. Question one carries 25 marks while others carry 15 marks each. Present your answer in coherent and orderly manner.

QUESTIONS

1. You are required to prepare Federation Account and Consolidated Revenue Fund from the following information.

FLows	N'000
Import duties	81,000,000
Export duties	64,000,000
Excise duties	26,000,000
Petroleum profits tax	636,000,000
Companies income tax	890,000,000
PAYE: deductions from the emolument of the Armed Forces	680,000
Police personnel	320,000
Residents of Abuja	240,000
Dividend from Federal Government Investments	640,000
Outflows:	
Remuneration of Statutory Officers	430,000,000
Recurrent expenditure	89,000,000
Transfer to: Development Fund	112,000,000
Contingency Fund	905,000

Note: The revenue allocation formula is:

Federal Government	48.5%
State Government	24%
Local Government	20%
Special Fund	7.5%

2. Explain the following term:
 - i. Annual General Warrant of Recurrent Expenditure;
 - ii. Provisional General Warrant; and
 - iii. Supplementary General Warrant.
3.
 - i. Define the term “revenue control”.
 - ii. Outline seven elements of revenue control
 - iii. What is fund accounting?
4. Outline eight functions of the Accounting officer.
5. Outline ten users (internal and external) of public sector accounting information.
6. The Cash Book of Ifako-Ijaye Local Government showed a debit balance of N1,263,000 as at 31/12/2014. However, the bank account statement showed a credit balance of N1,346,000. On investigation, the following were discovered:
 - (a) Cheque Numbers 51522 and 32552 for N44,000 and N45,000 respectively, have not been presented for payment.
 - (b) Interest on investment of N24,000 has not been posted into the Cash Book.
 - (c) A sum of N18,000 paid into the bank was credited only after the bank statement was issued.
 - (d) Bank charges of N12,000 have not been recorded in the Treasury Cash Book.

You are required to prepare a Bank Reconciliation Statement for Ifako-Ijaye Local Government.