



NATIONAL OPEN UNIVERSITY OF NIGERIA
Plot 91 Cadastral Zone Nnamdi Azikiwe Express Way, Jabi-Abuja
FACULTY OF MANAGEMENT SCIENCES
DEPARTMENT OF FINANCIAL STUDIES
JANUARY 2018 EXAMINATION

COURSE CODE: BFN411

CREDIT UNIT: 3

COURSE TITLE: PUBLIC FINANCIAL MANAGEMENT

TIME ALLOWED: 2^{1/2} HOURS

Instructions:

- 1. Attempt question number one (1) and any other three (3).**
 - 2. Question number 1 is compulsory and carries 25 marks while the other 3 questions carry 15 marks each. Present all your points in coherent and orderly manner.**
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1 a. Modern governments intervene in the market economy through the provision of public goods and income distribution. Specifically discuss any five (5) of those instruments for government intervention in the economy. **(15 marks).**

1b. What do you understand by Monetary Policy? **(4 marks).**

1c. Mention three basic kinds of monetary policy decisions. **(6 marks)**

2a. Briefly discuss Value Added Tax (VAT). **(8 marks).**

2b. What are the main characteristics of Value Added Tax? **(3 marks).**

2c. Mention any five (5) goods and three (3) services that are VAT exempted. **(4 marks).**

3a. Define and discuss briefly Government (Public) Accounting with emphasis on the key variables of the definition. **(5 marks).**

3b. For a developing country like Nigeria, in what five (5) ways can government spending be classified? **(10 marks).**

4a. Define Budget. **(5 marks).**

4b. Discuss four basic dimensions a public budget. **(10 marks).**

5a. Discuss any four (4) functions of budgetary control. **(10 marks).**

5b. Explain **Cost-Benefit Analysis** in the context of Public sector projects. **(5 marks).**

6a. Define Public Debt. **(3 marks).**

6b. Define Deficit Financing. **(4 marks).**

6c. Discuss four (4) developmental functions of the World Bank (International Bank for Reconstruction and Development). **(8 marks).**