



NATIONAL OPEN UNIVERSITY OF NIGERIA
Plot 91, Cadastral Zone, Nnamdi Azikiwe Express Way, Jabi-Abuja
Faculty of Management Sciences, Department of Financial Studies
JULY Examination 2017

Course Code: MPA858

Credit Unit: 3.

Course Title: PUBLIC FINANCIAL MANAGEMENT

Time Allowed: 2 AND HALF HOURS

Instructions:

- 1. Attempt Question 1 and any other three (3) Questions.**
- 2. Question 1 is compulsory and carries 25 marks while the other 3 Questions carry 15 marks each.**
- 3. Present all your points in a coherent and orderly manner.**

1a. The focus of financial management has shifted from the traditional treasury function to the modern concept. Discuss succinctly how the traditional concept differs from the modern interpretation.

1b. Discuss four (4) limitations of budgetary control in the public sector

1c. Nigeria's external debt management strategies have varied from time to time since the early 1980s, when the debt crisis was pronounced. However, in 1988, comprehensive measures were set out with some notable policy objectives. Discuss four (4) of these objectives

2a. what do you understand by Fiscal Policy?

2b. Explain the concept of Open Market Operation (OMO).

3a. State the three main characteristics of Value Added Tax (VAT)

3b. Explain the concept of Performance Budgeting

4a. Differentiate between Progressive tax and Regressive tax systems by stating five (5) characteristics each of the tax systems.

4b. Discuss at least five (5) steps for Capital Budgeting decision

5a. Discuss briefly the four developmental roles of the World Bank.

5b. What is Zero-Based Budgeting (ZBB)?

6a Discuss succinctly six(6) principles of Taxation

6b State three (3) objectives of International Development Association (IDA) as established in 1960