

Eastern University, Sri Lanka
Faculty of Commerce and Management
Final Year First Semester Examination in Bachelor of Commerce Honours in
Accounting and Finance
2021/2022 (February 2024)
(Proper/Repeat)
DAF 4143 Public Sector Accounting

No. of questions: 05

No. of pages: 05

Time: 03 Hours

Answer all questions.

01. (I) Write the appropriate answer on the script for the following multiple-choice questions.

- 1) True statement regarding Special Statutory Funds except
 - a. such funds are not included in the General Estimates.
 - b. any provision in the annual estimates for those funds would be by way of contributions or grants.
 - c. such funds created by statutes enacted by Parliament.
 - d. such fund comprises all monies belonging to the Republic which are not allocated for specific purposes.

- 2) Sri Lanka Public Sector Accounting Standards (SLPSASs) are issued by the;
 - a. Chartered Institute of Management Accountants.
 - b. Ministry of Finance and Planning.
 - c. Public Sector Accounting Standard Committee.
 - d. Institute of Chartered Accountants of Sri Lanka.

- 3) Sri Lanka Public Sector Accounting Standards applicable except;
 - a. Local Authorities.
 - b. Government Business Enterprises.
 - c. All Statutory Boards (non-commercial).
 - d. Central Government and Provincial Councils.

- 4) Payment for purchasing furniture for the Government department is a.....expenditure.

- a. Capital
- b. Advanced
- c. Recurrent
- d. Special Law

5) Deposits maintained by the Department of Examinations, Sri Lanka is categorized as

- a. Special statutory funds
- b. Advance Account Activity
- c. Consolidate fund
- d. Contingencies fund

(5 x 2 =10 Marks)

(II) Write the appropriate answer by writing the letter indicating the relevant sections matches in Section II for the following related items.

Section I	Section II
1) Management Services	a. Ensure efficiency, economy and safety in handling funds belonging to the Consolidated Fund
2) National Budget	b. Provision of accounting support to the government organizations for the execution of the National Budget.
3) State Accounts	c. Granting approval to create cadre and to fill the vacancies identifying the posts to be suppressed and revision to the cadre.
4) Treasury Operations	d. Assistance and guidance to achieve the expected outcomes of public sector organizations through strengthening of internal control
5) Department of Management Audit	e. Public expenditure management/ Formulation of the National Budget.

(5 x 1 = 05 Mark)

(III) Write in the answer scripts the appropriate words given below which fills the blanks for the following sentences.

*Statutory Boards, Minister, Article 44(1), Minister of Finance, Cabinet of Ministers
Director-Generals, His Excellency the President, Departments, Minister of Finance,
President*

- A. (1)....., acting under the powers vested on him by paragraph (1) (a) of Article 44 of the Constitution of the Democratic Socialist Republic of Sri Lanka, has assigned to the (2)....., the subject of the “Government Financial Regulations, Interpretation, Amendments, etc”.
- B. The Financial Regulations of the Government of Sri Lanka is a subject that has been assigned to the (3)....., by the (4)....., exercising the powers vested in him under (5)....., a of the Constitution of the Democratic Socialist Republic of Sri Lanka.
- C. As a matter of convenience and expedition, Secretaries to the Ministries are requested to address their correspondence to the (6) of the appropriate Departments/ Divisions of the Treasury/ dealing with the subjects Under correspondence.
- D. These Financial Regulations are binding on all Government (7)....., (8)....., and Similar Institutions.
- E. No Bill or motion, authorizing the disposal of, or the imposition of charges upon, the Consolidated Fund or other fund of the Republic, or the imposition of any tax or the repeal, augmentation or reduction of any tax for the time being in force shall be introduced in Parliament except by a (9) and unless such Bill or motion has been approved either by the (10)..... or in such manner as the Cabinet of Ministers may authorize.

(10 x 0.5 = 05 Marks)

(Total: 20 Marks)

02. (I) Effective imprest management is one of important aspect in public finance management for the Treasury. Do you agree with this statement. Explain. (07 Marks)
- (II) Explain different types of “sub imprest” used by a public department. (06 Marks)
- (III) Explain why Government of Sri Lanka uses different types of funds for managing public finance. Discuss. (07 Marks)
- (Total: 20 Marks)

03. (I) Approval procedure for all type of projects are same. Do you agree with this statement. Justify. (07 Marks)
- (II) Certain types of activities in government sector organizations are funded by the government through Advance Account Activities. Discuss with relevant examples. (07 Marks)
- (III) Discuss the challenges in the present budgetary process practiced by the democratic socialist republic of Sri Lanka. (06 Marks)
- (Total: 20 Marks)

04. (I) Evaluate the significance of internal audit for government sector organizations. (06 Marks)
- (II) Calculate maximum recoverable value regarding following losses in government sector organizations.

Type of loss	Actual loss (Rs.)	Cost of Replacement (Rs.)
a) Loss of cash	25,000	-
b) Loss of stamps	3,000	-
c) Loss of Lap Equipment	135,000 (Book value)	230,000
d) Damage of Table	12,000 (Book value)	20,000
e) Loss of Goats	5 nos. @ Rs 10000 each	
f) Depreciation of machinery	Depreciation @ 10% on book value of Rs .800,000	-

Further information:

- Assume custom duty is 5% and other government tax 10% on goods purchased.
- Table can be repaired with the cost of Rs. 5000 including Transport.
- Transport cost for Table (new) for Rs. 2000 and for goats Rs. 8500.

(06 Marks)

(III) Discuss the role played by the Parliament in the control of public finance in Sri Lanka.

(08 Marks)

(Total: 20 Marks)

05. Write short notes on four three from the following's aspects.

- (I)** Chief Accounting Officer and Accounting officer
- (II)** Foreign aid loans and Reimbursable foreign aid grant.
- (III)** Procurement Committees and their Functions
- (IV)** Public Payments Procedures
- (V)** Committee on Public Accounts

(Total: 04 x 05 = 20 Marks)