

29 APR 2015  
EASTERN UNIVERSITY

**Eastern University, Sri Lanka**  
**Final Year First Semester Examination in Bachelor of Commerce**  
**2012/2013 (February/ March 2015)**  
**(Proper/ Repeat)**

**DAF 4023 Public Sector Accounting and Financial Regulations**

No. of questions: 05

No. of pages: 02

Time: 3.00 hours

Answer all questions

01. (i) Explain the ways that consolidated fund admit inflows and outflows belonging to the Government of the Democratic Socialist Republic of Sri Lanka. (07 Marks)
- (ii) Explain the structure of the Ministry of Finance and Treasury in Sri Lanka, and key functions executed by Treasury of Sri Lanka. (07 Marks)
- (iii) Provision for expenditure from the consolidated fund falls into two main categories - supply services and special law services. Differentiate the two types of provision with examples. (06 Marks)

(Total: 20 Marks)

02. (i) Explain the role played by the parliament in controlling the public finance in Sri Lanka. (07 Marks)
- (ii) Explain the budgetary process practiced in democratic socialist republic of Sri Lanka. (07 Marks)
- (iii) When executing a project planning for a public sector organization, sequence of steps have to be taken for getting approval from the government.
- a. Explain how project can be classified as per F.R 3.
- b. Briefly explain the approval procedure for the above mentioned project. (06 Marks)

(Total: 20 Marks)

03. (i) Calculate maximum recoverable value regarding following losses:

Type of loss	Actual loss (Rs.)	Cost of Replacement (Rs.)
1. Loss of cash	80,000	
2. Loss of stamps	42,000	
3. Loss of laptop	75,000 (Book value)	Rs.90000
4. Damage of cupboard	9,500 (Book value)	Rs.16000
5. Loss of chicken	20 birds @ Rs 450 each	Rs.510 per birds
6. Depreciation of machinery	Depreciation @ 10% on book value of Rs.1,500,000	

Further information:

- Assume custom duty is 10% and other government tax 5% on goods purchased.
- Transport cost incurred as follows:
  - Laptop - Rs.5000
  - Table - Rs.2000
  - Chicken - Rs.2500

(ii) Suppose a department wants to purchase a printing machine. Its value is expected to be around Rs.350000. What are the procedures required to be followed until the payments to supplier. And, explain one of key responsibilities of each responsible officer at each stage.

(iii) Explain the different types of warrants that the Minister in charge for the supply of finance needs to be issued for releasing fund for public expenditure.

(Total: 2)

04. (i) Explain the Imprests and Sub Imprest used in public sector organizations.

(ii) Classify the departments by its distinct characters subject to managing imprest.

(iii) Explain the term "Advance Account Activity" and its different types used in public sector organisations.

**Marks)**

(iv) Sometimes, the working losses in manufacturing and trading advanced account activities may occur. Explain different type of losses explained in the advanced account activities and treatment for that loss.

(Total: 2)

05. Write short notes on any four from the followings:

(i) Different type of procurement committee in the public sector of Sri Lanka

(ii) Board survey and its functions

(iii) Role of internal auditor

(iv) Component of annual estimates

(v) List out procurement methods used in the public sector of Sri Lanka

(Total: 04 x 05 = 20)