

Eastern University, Sri Lanka

Final Year First Semester Examination in Bachelor of Commerce
(Specialization in Accounting and Finance)

2017/2018 (January 2020)

(Proper/Repeat)

DAF 4023 Public Sector Accounting and Financial Regulations

No. of questions: 05

No. of pages: 05

Time: 3.00 hours

Answer all questions

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

- 1) His Excellency the President of Sri Lanka, 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 the subject of the "Government Financial Regulations, Interpretation, Amendments, etc" to

 - a. the Parliament
 - b. the Treasury
 - c. the Minister of Finance
 - d. the Chief Accounting Officer

- 2) has the power to release money from the Contingencies Fund.

 - a. The President
 - b. Parliament
 - c. Minister of Finance
 - d. Ministry of Finance

- 3) Financial Provision for the government is authorized by

 - a. The President
 - b. Parliament
 - c. Minister of Finance
 - d. Cabinet

- 4) After authorization of supplementary estimate by the Parliament, warrant will be issued.

 - a. Special
 - b. Advance
 - c. Requisition
 - d. General

- 5) Which indicate the expenditure head in the budget estimate?
- 1, 25, 100, 399
 - 22, 35, 1003, 525
 - 1001, 1201, 1301, 1401
 - 2001, 2201, 2301, 2401
- 6) Which indicate the Financing code in the budget estimate?
- 11, 21, 13, 14, 15
 - 19, 11, 12, 13, 14
 - 11, 12, 14, 16, 17
 - 11, 12, 14, 16, 21
- 7) Budget estimate shall be called as Appropriation bill after the approval of the
- Parliament
 - Cabinet
 - Committee on development secretary at treasury
 - Relevant Ministry
- 8) Expenditure that can be charged to the Consolidated Fund without Parliamentary approval through the Appropriation Act provisions.
- Expenditure for Department of External Resources under Asian Infrastructure Investment Bank Agreement (Ratification) Act, No. 7 of 2016.
 - Expenditure for the Departments which falls under A class department
 - Capital Expenditure for stated owned University
 - Construction of three-story school building under the foreign aid loan
- 9) Fund generated by Sri Lanka through income tax is categorised as
- Advance Account Activity
 - Consolidate fund
 - Contingencies fund
 - Special statutory funds
- 10) can be appointed as chief accounting officers
- Secretary to the Ministries, Secretary to the Treasury, and Secretary to the Treasury
 - State Minister of Finance, Secretary to the Ministries, and Deputy Secretary to the Treasury
 - Secretary to the Ministries, Auditor General, and Chairman Election Commission of Sri Lanka
 - Chairman Election commission of Sri Lanka, Government Agent, and Secretary

(II) Write whether following statements are True/False in the answer scripts.

- 1) Authorization, Assessment, and Acceptance are the three stages in public receipts.
- 2) Vice-chancellor of a University and Government Agent in a Kachchery are considered as Chief Accounting officer.
- 3) Special Statutory Funds are created by Law other than an Appropriation Act.
- 4) Sectoral Plans requires two stage approval procedure in all situations.
- 5) President shall have the power to release money in all emergency circumstances.
- 6) "A and B" Class departments are permitted to utilize their direct receipts as part of their Imprest.
- 7) Advance Accounts show four types of limits, such as, Maximum limit of Expenditure, Minimum limit of Receipts credited to the Accounts, Maximum limit of Debit Balances and Maximum limit of Liabilities.
- 8) No sum can be withdrawn from the consolidated fund except under the authority of a warrant under the hand of the Prime Minister.
- 9) Contingencies Fund Advance Warrants shall be issued by the Minister of Finance for the release of funds from the Contingencies Fund before obtaining parliament approval.
- 10) Imprest Authority shall be sent by the treasury before issuing warrants by the minister of finance.

(10 x 01 = 10 Marks)

(III) Write the appropriate F. R. Number given below for matching the following related items.

**FR 2, FR 3, FR 17, FR 19, FR 35, FR 77, FR 78, FR 82, FR 100,
FR 105, FR 126, FR 133, FR 135, FR 137, FR 756**

- 1) Contingencies Fund. _____
- 2) Special Law Services. _____
- 3) Planning of Capital Expenditure. _____
- 4) Preliminary Approval. _____
- 5) Estimates of Revenue. _____
- 6) Annual Survey of Stores in all Departments. _____
- 7) Maximum Recoverable Value of loss. _____
- 8) Treasury Supervision and Control. _____
- 9) Delegation of Functions for Financial Control. _____
- 10) Internal Audit. _____

(10 x 0.5 = 05 Marks)

- (IV) Write the appropriate answer by writing the letter indicating the relevant department in section II which matches the following for the key activities in section I.

Section I	Section II
1) Public expenditure management	A. Department of Fiscal Policy
2) Formulation of national and sectoral policies	B. Department of Public Enterprises
3) Government fund manager	C. Department of National Planning
4) Improve governance in Public Enterprises	D. Department of Commerce
5) international trade relations	E. Department of National Budget
6) Formulation of tax policy and related statutes	F. Department of Import and Control
7) Public sector cadre management	G. Department of Management Services
8) Import licenses	H. Department of Management Affairs
9) Facilitation of legitimate trade	I. Sri Lanka Customs
10) Conduct Special Investigations	J. Department of Treasury Operations

(10 x 0.5 =

(Total:)

02. (I) Managing consolidated fund is a vital role of the government. Explain the provision constitution of Sri Lanka regarding management of consolidated fund matters relating to its nature and operations, indicating what flows into the fund, and how withdrawals (expenditure) can be made from the fund.
- (II) Suppose a department wants to purchase a multimedia projector. Its value is expected to be around Rs.125,000. What are the procedures required to be followed until making the purchase to supplier? And, explain one of key responsibility of each respective officer at each stage.
- (III) Government Procurement Guidelines are issued in order to enhance the transparency of the Government procurement process to minimize delays and to obtain financially sound, advantageous and qualitatively the best services and supplies for the nation. Discuss the key procurement procedures and procurement methods in the guidelines.

(Total:)

03. (I) Briefly explain the term Supplementary Estimate. Discuss that for what kind of expenditure during 2018, the Supplementary Estimate was taken by the government. **(05 Marks)**
- (II) Briefly explain meaning of loss and discuss the items which are not considered as loss in the public sector organization. **(05 Marks)**
- (III) You are working as an "Accounting officer" of a particular Department. Unfortunately, a computer was stolen from your department recently. As a superior officer what are the action you should take regarding to this incident? **(05 Marks)**
- (Total: 15 Marks)**
04. (I) Many government ministries and departments operate "Various Advance Account Activities", in the performance of its services. Explain. **(05 Marks)**
- (II) Explain the budgetary process practiced in Sri Lanka. **(05 Marks)**
- (III) Explain different types of "sub imprest" used by a department. **(05 Marks)**
- (Total: 15 Marks)**
05. Write short notes on any four from the following aspects.
- (I) Types of warrant issued by minister of finance
- (II) Foreign Aid Loan and Grant
- (III) COPA/COPE
- (IV) Public Investment Programme
- (V) Treasury Single Accounting System (TSA)
- (Total: 04 x 05 = 20 Marks)**