



NATIONAL OPEN UNIVERSITY OF NIGERIA
Plot 91 Cadastral Zone Nnamdi Azikiwe Express Way, Jabi-Abuja
FACULTY OF MANAGEMENT SCIENCES
DEPARTMENT OF FINANCIAL STUDIES
2021_2 EXAMINATION

Course Code: ACC418

Credit Unit: 3

Course Title: PUBLIC SECTOR ACCOUNTING AND FINANCE

Time Allowed: 2^{1/2}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.

Question 1

IPSAS 13 prescribes for lessees and lessors, the appropriate accounting policies and disclosures to apply in relation to finance and operating leases. From the above:

explain the following terms:

- i) Lease **(4 marks)**
- ii) Contingent rent **(4 marks)**
- iii) Economic life **(4 marks)**
- iv) Finance lease **(4 marks)**
- v) Analyse the characteristics of Finance Lease to a non-accountant. **(9 marks)**

(25 marks)

Question 2

What are the responsibilities of the Chief Executive Officer (CEO) of parastatals in public procurement? **(15 Marks)**

Question 3

What are the sources of revenue for government hospitals and what books of accounts are they required to keep? **(15 marks)**

Question 4

The Public Accounts Committee (PAC) is a Committee of the National Assembly responsible for the consideration of the Auditor General of the federation's report. Discuss. What are functions of Public Accounts Committee? **(15 marks)**

Question 5

What are the sources of authority for the audit of public accounts? Give reasons why the implementation of Nigeria's budget is said to be inefficient or ineffective. **(15 marks)**