



Eastern University, Sri Lanka

Final Year First Semester Examination in Bachelor of Commerce (Specialization in

Accounting and Finance)

2013/2014 (January 2016)

(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 script from the following multiple choice questions.

- i. The department responsible for asset management is
 - a. Department of Development Finance
 - b. Department of Fiscal Policy
 - c. Department of Public Finance
 - d. Treasury operation Department

- ii. The department deals with formulate, develop, follow up, review and update the policies, systems and procedures in Public Finance Management is
 - a. Department of Public Finance
 - b. Treasury operation Department
 - c. Department of Management Audit
 - d. Department of State Accounts

- iii.shall have full control over public finance.
 - a. Ministry of Finance
 - b. Treasury
 - c. Cabinet
 - d. Parliament

- iv. has the authority to release fund as advance from the contingencies fund.
 - a. Minister of Finance
 - b. President of Democratic Socialist Republic of Sri Lanka
 - c. Secretary-General of Parliament
 - d. Secretary to the Treasury

- v. Financial provision for the government of Sri Lanka is authorized by
- General Treasury
 - Minister of Finance
 - Secretary to the Treasury
 - Parliament of Sri Lanka
- vi. Widows' and Orphans' Pension Fund is a.....
- Consolidated Fund
 - Special Law Services
 - Contingencies Fund
 - President's Fund
- vii. Payment of Salary for the public officers is a.....expenditure
- Capital
 - Advanced
 - Recurrent
 - Special Law
- viii. is considered as a special law services
- Travelling Expenses
 - Festival Advance
 - Expenditure made as per the Constitution of the Government of Sri Lanka
 - Contractual Services
- ix. Warrants have to be issued by the to release money from consolidated fund.
- Cabinet
 - Parliament
 - Minister of Finance
 - Secretary to the Treasury
- x.warrant will be issued to release money for service.
- Special
 - Advance
 - General
 - Special law

- xi. After authorization of supplementary estimate by the Parliament,
..... warrant will be issued.
- a. Special
 - b. Advance
 - c. Requisition
 - d. General
- xii. is responsible to the parliament with respect to finance.
- a. Chief Accounting Officer
 - b. Auditor General
 - c. Minister of Finance
 - d. Secretary to the Treasury
- xiii. can be appointed as chief accounting officers.
- a. Secretary to the Ministries, Secretary to the Treasury, Secretary to the Cabinet
 - b. State Minister of Finance, Secretary to the Ministries, Deputy Secretary to the Treasury
 - c. Secretary to the Ministries, Auditor General, Chairman Election commission of Sri Lanka
 - d. Chairman Election commission of Sri Lanka, Government Agent, Additional Secretary
- xiv. Chief accounting officers are appointed by
- a. Cabinet
 - b. Ministry of Finance
 - c. General Treasury
 - d. Minister of Finance
- xv. Auditor General is appointed by.....
- a. Cabinet
 - b. President of Democratic Socialist Republic of Sri Lanka
 - c. Parliament
 - d. Public Service Commission

(15 x 01 = 15 Marks)

(II) State whether following statements are true/false.

- i. Contingencies fund advance warrants will not be issued unless already financial provisions exists in the appropriation act. **(True / False)**
- ii. A letter is issued by the Treasury to each department, stipulating the amount of money that will be released by way of imprest, for expenditure referred to as imprest authority. **(True / False)**
- iii. Damage caused by floods to tank bunds, culverts, bridges, roads, railway and buildings is considered as losses as per the FR 102. **(True / False)**
- iv. Authorization, approval, certification and acceptance are the four stages to make public expenditure. **(True / False)**
- v. Vice chancellor is considered as chief accounting officer in respect of financial transactions of his University. **(True / False)**
- vi. The chief function of the Treasury is to maintain control and supervision over government finance. **(True / False)**
- vii. An officer, who is empowered to commission supplies, works or services referred to in these regulations as authorizing officer. **(True / False)**
- viii. After delegation of duties to an officer by the accounting officer, if such officer misuses his delegated powers, the accounting officer will be accountable for such acts and defaults. **(True / False)**
- ix. No Bill or motion, shall be introduced to the Parliament unless such motion has been approved by the Cabinet of Ministers. **(True / False)**
- x. Imprest should be surrendered to the Treasury on the 31st of December for the Sri Lanka Missions abroad also not allowed to use that imprest for ensuing financial year. **(True / False)**

(10 x 0.5 = 05 M)

(Total: 20 M)

02. (I) For the purpose of managing public funds, the Government uses different types such as consolidated fund, contingencies fund and special statutory funds. Explain briefly the purpose, creation and withdrawals of each type of fund used by government.

(09 M)

(II) Explain the services in which expenditure made from the Consolidated Fund

(04 M)

(III) Discuss the role of treasury in managing public to enhance the prosperity of Economy of Sri Lanka.

(07 M)

(Total: 20 M)

03. (I) Differentiate small and large projects according to the FR 03 in the following aspects.
- Cost
 - Time frame
 - Nature of the approval procedure
- (06 Marks)**
- (II) State the components of annual estimates and list out the available sources of financing for the estimate?
- (07 Marks)**
- (III) Budgetary process involves integrated action of various government organizations in Sri Lanka. Discuss.
- (07 Marks)**
- (Total: 20 Marks)**
04. (I) Explain the role played by the parliament in the control of public finance in Sri Lanka.
- (07 Marks)**
- (II) Suppose, due to floods in December 2015, many people in several districts were homeless needing food and shelter to be provided by the Government of Sri Lanka. But the Government did not have sufficient budgetary provisions for 2015 to manage this crisis situation.
- a. What is the name of fund mentioned in the constitution to managing urgent and unforeseen expenditure?
- b. State the methods provided for obtaining funds for the purpose.
- (07 Marks)**
- (III) An Accounting officer can issue part of departmental Imprest as a Sub Imprest to his subordinates. Discuss different types of sub Imprest that can be issued by an accounting officer.
- (06 Marks)**
- (Total: 20 Marks)**
05. Write short notes on any four from the followings aspects.
- (I) Board survey and its functions
- (II) Advance account activity and its different types
- (III) Losses and waivers
- (IV) Classification of departments based on imprest management practices
- (V) Responsibilities of chief accounting officer and accounting officer in a public establishment
- (Total: 04 x 05 = 20 Marks)**