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University Examinations 2024/2025

THIRD YEAR SECOND SEMESTER EXAMINATION FOR THE DEGREE OF BACHELOR
OF COMMERCE

BFC 3376: PUBLIC SECTOR ACCOUNTING

DATE: JANUARY 2025

TIME: 2 HOURS

INSTRUCTIONS: Answer question *one* and any other *two* questions

QUESTION ONE (30 MARKS)

- a) What are the bases of public sector accounting? Explain each giving examples. (8 marks)
- b) Discuss the objectives of public sector accounting. (8 marks)
- c) Explain two types of public expenditure control. (4 marks)
- d) What are the principles of public sector accounting (10 marks)

QUESTION TWO (20 MARKS)

- a) Differentiate between Public sector and Private Sector. (6 marks)
- b) Explain the following terms as used in public finance. (6 marks)
 - i. Deficit and surplus budget.
 - ii. Regressive income tax
 - iii. Progressive income tax

- c) State and explain the types of Information Produced by Public Sector Organizations.
(8 marks)

QUESTION THREE (20 MARKS)

The National Police Service has the following transactions in the financial record for the month of June, 2018:

		'000'
9011	licences	600,000
9012	Licences for hunting	800,000
9013	Marriage licence	1,400,000
9001	Education fee	700,000
9002	Medical fee	1,640, 000
9003	Registration fee	1,340,000

1. Below the line revenue

10001	reserve of adversity advance	76,000
10002	repayment of motor vehicle van	260,000
10003	repayment correspondences advances	150,000
10004	repayment of salary advance	26,000

Expenditure

2001	Personal Cost salaries	1,460,000
2002	Local transport travelling	160,000
2003	Power and fueling generators	150,000
2004	Overhead expenses	344,000
2005	Research and statistics	66,000
2006	Re-orientation	94,000

2. Below the line Expenditures

20001	Loan for wedding dress	74,000
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20002 Personnel Advances	85,100
20003 Housing Loan	294,000
20004 Common wealth Advance	166,000
Opening balance for the month(receipt side=1,894,000)	

Required:

Prepare the transcript for the month ending 31st June, 2018 (20 marks)

QUESTION FOUR (20 MARKS)

The approved estimates and actual expenditure details of the Ministry of Agriculture for the year 2007 /2008 were as follows:

CODE	Details	Approved estimates K£	Actual Expenditure K£
000	Personal emoluments	123280	97520
050	House Allowance	19,550	14,260
080	Passage and Leave	41,040	667
100	Travelling and accommodation	1,334	1,656
110	Transport and maintenance	16,100	13,593
120		4,600	3,312
190	Postal and Telecom expenses	17,480	16,882
196		5,980	4,738
230	Miscellaneous charges	21,000	39,800
620	Training expenses	1,000	5,560
	Purchase of equipment		
	AIA (Realised income)		

The ministry made fair equal withdrawals from the exchequer in July 2007, October 2007, January 2008 and May 2008. In total, the ministry had drawn K\$200,000 by the year-end.

Required:

The general account of vote

The exchequer account

The PMG account

Statement of assets and liabilities as at 30th June 2008.

QUESTION FIVE (20 MARKS)

- (a) Differentiate between public sector and private sector. (8 marks)
- (b) Define and explain the importance of a public budget (6 marks)
- (c) What are the problems of public sector accounting? (6 marks)