



"Investing in Africa's Future"

COLLEGE OF HEALTH, AGRICULTURE & NATURAL SCIENCES

MAC 306 : GOVERNMENT ACCOUNTING

END OF SECOND SEMESTER EXAMINATIONS

APRIL/MAY 2019

LECTURER: D S Z MOYO

DURATION: 3 HOURS

INSTRUCTIONS

1. Do not write your name on the answer sheet

2. Use Answer Sheets Provided

3. Begin your answer for Each Question on a New Page

4. Credit is Given for Neat Presentation

**BACHELOR'S DEGREE IN HEALTH SERVICES MANAGEMENT (BHSM)
FINAL EXAMINATION IN**

MAC 306: GOVERNMENT ACCOUNTING – 2018/2019

Question 1 is compulsory. Answer question 1 and three others.

1. At the beginning of the 2016 financial year the Ministry of Domestic Affairs – Vote 27 had the following provisions as detailed in the Budget Estimates

CURRENT EXPENDITURE	
	\$
A. Employment costs	800 000
B. Goods and services	1 193 000
C. Maintenance	339 000
D. Current transfers	40 000
E. Programmes	980 000
CAPITAL EXPENDITURE	
F. Acquisition of assets	<u>657 000</u>
TOTAL	<u>\$4 009 000</u>

At the end of the year the recorded expenditure of the Ministry was as follows:

A Employment costs	
Basic salaries	883 379
Housing allowance	8 062
Transport allowance	2 978
Cash-in-lieu of leave	15 863
B Goods and Services	
Communication, information supplies and services	84 768
Education material, supplies and services	3 012
Hospitality	16 752
Medical Supplies and services	5 400
Office supplies and services	80 653
Rental and hire expenses	564 251
Training and development expenses	81 432
Domestic travel expenses	629 700
Foreign travel expenses	476 043
Utilities and other service charges	29 394
Financial transactions	3 565
Institutional provisions	48 686
C Maintenance	
Physical infrastructure	10 790
Technical and office equipment	14 200
Vehicle and mobile equipment	25 875
Fumigation and cleaning services	8 765
Fuels, oil and lubricants	30 798
Other goods not listed above	9 900
D Current transfer	
Subscriptions to various organizations	20 000

E Programmes

Intellectual clubs and associations	841 628
Income generating projects	159 123

F Acquisition of fixed assets

Furniture and equipment	109 300
Vehicles, plant and mobile equipment	166 000
Construction works	120 000

a) You are required to prepare the final account of the Ministry of Domestic Affairs in the form of the main statement for publication in the Financial Report for the year ended December 31, 2016. (20 marks)

b) As a Financial Advisor to the Ministry comment on the Vote outcome and identify the contributing factors which largely contributed to the above result. (10 marks)

c) In your monitoring of the expenditure of Vote 27 Ministry of Domestic Affairs detailed above, you realize that some expenditures have been misallocated as follows:

- i) Hospitality expenses of \$515-00 on payment voucher number 035 were wrongly charged to Institutional provisions;
- ii) Domestic travel expenses of \$347-75 on payment voucher number 025 were wrongly charged to Transport allowance and;
- iii) Physical infrastructure expenses of \$659-00 on payment voucher number 120 were wrongly charged to Construction works.

You are required to comment and make the necessary adjustments.

(10 marks)

2. What are the second and third stages of the Zimbabwe Government Budget Cycle? Discuss.

(20 marks)

3. Imagine that one of your departments say the Laboratory is in need of a new microscope. Discuss the major steps and processes that are supposed to be taken or followed in the procurement process and identify the major controls that are expected at each level. What is Taxation? Select any four Revenue Heads and; identify and discuss at least two items under each Head.

(20 marks)

4. Certain fundamental principles have been built in into the Statutory Laws of Zimbabwe in order to enhance the effectiveness of the Auditor-General. Identify the Statutes concerned and discuss.

(20 marks)

5. Define and write short notes on any **five** of the following:

- a) Accounting Officer
- b) Advance
- c) Audit Circular No. 1
- d) Appropriation Act
- e) Finance Act
- f) Blue Book
- g) Exchequer Account

- h) Paymaster-General's Account
- i) R B M
- j) S S B

(20 marks)

6 What is Taxation? Select any four Revenue Heads and; identify and discuss at least two items under each Head.

(20 marks)

7. On Government financial reporting the GASB identified six basic characteristics that should be inherent in any report that effectively communicates financial information about public resources. Identify these and discuss.

(20 marks)

8. Comment on the “concept of funds” and discuss the legal framework of funds in the Zimbabwean context.

(20 marks)