



**UNIVERSITY OF KABIANGA**

**UNIVERSITY EXAMINATIONS  
2016/2017 ACADEMIC YEAR  
SUPPLEMENTARY/SPECIAL EXAMINATION**

**FOR THE DEGREE OF  
BACHELOR OF BUSINESS MANAGEMENT**

**COURSE CODE:     BBM 300**

**COURSE TITLE:    GOVERNMENT ACCOUNTING**

**DATE: 12<sup>TH</sup> SEPTEMBER, 2017     TIME: 8.00 A.M. - 11.00 A.M.**

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**INSTRUCTIONS TO CANDIDATES**

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**UNIVERSITY OF KABIANGA**  
**UNIVERSITY EXAMINATIONS FOR BACHELLOR OF BUSINESS MANAGEMENT**  
**YEAR THREE SEMESTER ONE**

**BBM 300:Government Accounting Supplementary Exam**

**QUESTION ONE**

- a) Briefly explain the following techniques used in government accounting: (15marks)
- i. Budgetary accounting
  - ii. Cash accounting
  - iii. Accrual accounting
  - iv. Commitment accounting
  - v. Fund accounting
- b) The following information relates to a governmental unit for the fiscal year 2015/2016.
- |                                 |            |
|---------------------------------|------------|
| Gross estimates:                | Ksh720,000 |
| Appropriation-In-Aid estimated: | Ksh90,000  |
| Drawings from the exchequer     | Ksh450,000 |
| Actual gross expenditure        | Ksh520000  |
| Actual appropriation-in-aid     | Ksh120,000 |

**Required:**

- a) Prepare the following accounts: \
- i. General Account of vote (GAV)
  - ii. Exchequer A/C
  - iii. PMG A/C
- b) Statement of assets and liabilities as at 30 June 2016.(10marks)

**QUESTION TWO**

The following are extracts from the trial balance for revenue head No. 180 – 240, Airport revenue collection for the year ended 30<sup>th</sup> June 2014:

Code	Details	Dr(Sh)	Cr (Sh)
630	Renting building and equipment	807,456	
631	Rent from land		3,796,205
651	Aviation landing fee		3,542,221
652	Airport passenger tax		3,991,029
670	Other airport receipts		798,144
	Payment of revenue to exchequer	13,288,687	

The following additional details are made available:

- i) Balance in hand at 30<sup>th</sup> June 2014 Ksh2,568,242.
  - ii) Estimated receipts for the year:
- | CODE | AMOUNT       |
|------|--------------|
| 630  | Ksh1,000,000 |
| 631  | Ksh2,500,000 |
| 651  | Ksh3,000,000 |

652 Ksh3,600,000  
670 Ksh1,100,000

**Required:**

- a) A statement of revenue for the year ended 30<sup>th</sup> June 2014  
b) Give appropriate footnotes for material differences between estimates and the actual receipts.  
(15marks)

**QUESTION THREE**

Prepare a statement of revenue for the year ended 30.6.2015 for Ministry of Domestic Affairs:

Exchange Control fees (Code 740) – Estimated receipts		Ksh300,000
- Actual receipts		Ksh3,460,968
Insurance premiums (Code 750) - Estimated receipts		Ksh130,000
- Actual receipts		Ksh174,000
Other income (Code 679) - Estimated receipts	Ksh20,000	
- Actual receipts		Ksh10,334
Extra exchequer income (Code 999) – Estimated receipts		Ksh1,055,000
- Actual receipts		Ksh6,843,238
Payments to exchequer		Ksh8,68,422
Balance due to exchequer (1 July 2015)		Ksh249,529

(15marks)

**QUESTION FOUR**

Explain the role and objectives of internal audit in a public sector organisation. (15marks)  
(15marks)

**QUESTION FIVE**

Discuss the responsibilities of the Public Accounts Committee. (15marks)