

# SOUTHWESTERN UNIVERSITY NIGERIA

1. (a) What are the distinction between  
 (i) Capital expenditure and revenue expenditure. Give example  
 FACULTY OF SOCIAL & MANAGEMENT SCIENCES  
 DEPARTMENT OF ACCOUNTANCY  
 (ii) Capital receipts and revenue receipts. Give example  
 HND TO BSC CONVERSION PROGRAMME
- (b) The following balances have been extracted from the books of Ahiazu Mbaise local government for the year ended 31st December 2011.

**COURSE CODE: ACC 310 COURSE TITLE: Public Sector Accounting**

General revenue balance	1/1/11	2,750,000.00
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**Instruction:** Answer question 1, and any other 2 questions. TIME: 2 HRS

- |                         |          |            |
|-------------------------|----------|------------|
| Staff salaries          |          | 892,750.00 |
| Sinking boreholes       |          | 69,250.00  |
| Stationery              | 9,000.00 |            |
| Maintenance of vehicles |          | 12,620.00  |
| Statutory allocation    |          | 4,000,380  |
1. (a) What are the distinction between  
 (i) Capital expenditure and revenue expenditure. Give example  
 Salaries of fixed deposit account 5,200.00  
 (ii) Capital receipts and disposal revenue receipts. Give example  
 Refuse disposal expenses 1,800  
 Renovation of schools cost 980,000.00
- (b) The following balances have been extracted from the books of Ahiazu Mbaise local government for the year of ended 31st December 2011.
- |                         |  |              |
|-------------------------|--|--------------|
| Rehabilitation of roads |  | 1,200,580.00 |
| Renewal of licences     |  | 40,420.00    |

You are required to prepared Ahiazu Mbaise local government revenue and expenditure statement for the year ended 31st December 2015:

General revenue balance	1/1/11	2,750,000.00
Staff salaries		892,750.00
Sinking boreholes		69,250.00
Stationery	9,000.00	
Maintenance of vehicles		12,620.00
Cash allocation		4,000,380
Consolidated revenue fund at 1/1/15		36,000.00
Salaries of fixed central government account		5,200.00
Interest from disposal revenue expenses		1,800
Other Renovation of schools cost		980,000.00
Personnel investment	650,500.00	
Deposit	19,500.00	50
Advances	60	
Loans from of central government		1,200,580.00
Renewal of central government licences		40,420.00
Loans to local government		60
Fixed deposit		40

- Additional information:
- (i) D20 should be transferred to development fund for capital project
- (ii) Others charges approved by the fund management committee and paid during the year but which were omitted from the books amounted to D25
- (iii) Total grant of D80 collected from central government for capital projects to be embarked upon during the year had not been recorded in the books
- Other revenue 20
- Personnel are required to cost prepared
- (a) Consolidated revenue fund
- (b) A statement showing the development fund for the year.
- |          |  |    |
|----------|--|----|
| Advances |  | 60 |
|----------|--|----|

2. (a) What are the distinction between  
 (i) Capital expenditure and revenue expenditure. Give example  
 Salaries of fixed deposit account 5,200.00  
 (ii) Capital receipts and disposal revenue receipts. Give example  
 Refuse disposal expenses 1,800  
 Renovation of schools cost 980,000.00
- (b) The following balances have been extracted from the books of Ahiazu Mbaise local government for the year of ended 31st December 2011.
- |                         |  |              |
|-------------------------|--|--------------|
| Rehabilitation of roads |  | 1,200,580.00 |
| Renewal of licences     |  | 40,420.00    |
- You are required to prepared Ahiazu Mbaise local government revenue and expenditure statement for the year ended 31st December 2015:
- |  |            |              |
|--|------------|--------------|
| General revenue balance                      | 1/1/11     | 2,750,000.00 |
| Staff salaries                               |            | 892,750.00   |
| Sinking boreholes                            |            | 69,250.00    |
| Stationery                                   | 9,000.00   |              |
| Maintenance of vehicles                      |            | 12,620.00    |
| Cash allocation                              |            | 4,000,380    |
| Consolidated revenue fund at 1/1/15          |            | 36,000.00    |
| Salaries of fixed central government account |            | 5,200.00     |
| Interest from disposal revenue expenses      |            | 1,800        |
| Other Renovation of schools cost             |            | 980,000.00   |
| Personnel investment                         | 650,500.00 |              |
| Deposit                                      | 19,500.00  | 50           |
| Advances                                     | 60         |              |
| Loans from of central government             |            | 1,200,580.00 |
| Renewal of central government licences       |            | 40,420.00    |
| Loans to local government                    |            | 60           |
| Fixed deposit                                |            | 40           |

