



NATIONAL OPEN UNIVERSITY OF NIGERIA
Plot 91 Cadastral Zone NnamdiAzikiwe Express Way, Jabi-Abuja
FACULTY OF MANAGEMENT SCIENCES
DEPARTMENT OF FINANCIAL STUDIES
2025_2 EXAMINATIONS_

Course Code: BFN 852

Credit Unit: 3

Course Title: PUBLIC FINANCIAL MANAGEMENT

Time Allowed: 2 ½ HOURS

Instructions:

1. Attempt Question 1 and any other three (3) Questions.
2. Question 1 is compulsory and carries **25 marks** while the other 3 Questions carry **15 marks** each.
3. Present all your points in a coherent and orderly manner.

QUESTION ONE

- (a) Fiscal policy has several limitations. Identify and appreciate these limitations **8marks**
 - (b) Explain the measures taken by the Federal Government through CBN to manage the country's domestic debt **8marks**
 - (c) What are the characteristics of value- added tax? **3marks**
 - (d) State six (6) limitations of cost-benefit analysis **6marks**
- Total: 25 Marks**

QUESTION TWO

- (a) The revenue allocation formula was proposed by the Revenue Mobilization, Allocation and Fiscal Commission in 2003 and submitted to the National Assembly through the Presidency, as prescribed by the 1999 Constitution. Using the knowledge of the course (public financial management) to present the sharing formula of the revenue in a vertical and horizontal form **15marks**

QUESTION THREE

- (a) Explain the classifications of public debt **9marks**
 - (b) Define the following:
 - (i) Public sector. **2marks**
 - (ii) Private sector **2marks**
 - (iii) Finance **2marks**
- 15marks**

QUESTION FOUR

- (a) A Project is evaluated based on the benefits accruing from it. Carefully identify and discuss five classifications of benefits. **10marks**
 - (b) State the objectives of privatization **5marks**
- Total: 15 Marks**

QUESTION FIVE

- (a) What are the components of non-oil revenue in Nigeria **9marks**
 - (b) What are the objectives of the international monetary fund (IMF) **5marks**
 - (c) Define commercialization **1mark**
- Total: 15 Marks**