

**AGENDA 99.7.2: APPENDIX 99.7.2**

**(NBAA)  
THE NATIONAL BOARD OF ACCOUNTANTS AND AUDITORS  
TANZANIA**

**EXAMINERS' AND PERFORMANCE REPORT**

**11<sup>TH</sup> DIPLOMA IN IPSAS EXAMINATIONS – FEBRUARY 2022**

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## TABLE OF CONTENTS

	<b>PAGE</b>
<b>CHAPTER ONE</b> Introduction .....	3
<b>CHAPTER TWO</b> Executive Summary .....	4
<b>CHAPTER THREE</b> Analysis of Examination Performance .....	6
• C01 Closed Book .....	6
• C02 Open Book .....	9
<b>CHAPTER FOUR</b> Accounting Manpower.....	13

## **CHAPTER ONE**

### **INTRODUCTION**

#### **1.1 Foreword**

The introduction of Diploma in IPSAS is in accordance to the authority granted to the Board under the Accountants and Auditors (Registration) Act [Cap.286 Revised 2002] Section 4, where the Board has the mandate to conduct examinations and grant diplomas, certificates and other awards of the Board in accountancy and allied subjects. Under this mandate and effort to meet the demand of the highly specialized personnel in International Public Sector Accounting Standards, diploma in IPSAS was introduced. The Board started courses on Diploma in IPSAS in July 2016 and continues with the course to date. Normally the course has two examination sessions in each year. A candidate who will fail either single or both papers will be required to re-sit in the next examination session.

#### **1.2 Objective of the report**

The Report is intended to avail to trainers and candidates, the examinations' overall general performance, specific areas of weaknesses and suggestions for improvement. It is an important guide to candidates as well as trainers, setters, markers and moderators of the Board's future examinations.

Analysis of the examination performance is presented in this report. The Examiners' Report is supported by relevant statistical analysis of the candidates' performance in each examination paper.

#### **1.3 Acknowledgement**

On behalf of the Board and on my own behalf, I wish to convey my very sincere appreciation to all persons who willingly supported the Board in this demanding professional task. I am indeed particularly thankful to the Board's Examiners, Markers, Invigilators, the Board's Secretariat, the Education and Publications Committee and the Governing Board for their much-appreciated co-operation during the whole process of the NBAA's 11<sup>th</sup> Intake Diploma in IPSAS examinations session.

Once again, I would like to reiterate that the Examiners' Report is prepared to help trainers and the Board's candidates to improve on their future performance by learning from previous experiences. I therefore, call upon readers of this Report to come up with constructive suggestions on how to improve further the examination process and reports arising therein.

Yours sincerely,

**CPA Pius A. Maneno**  
**EXECUTIVE DIRECTOR**

## CHAPTER TWO

### EXECUTIVE SUMMARY OF THE 11<sup>TH</sup> DIPLOMA IN IPSAS EXAMINATIONS SESSION

#### 2.1 Preamble:

The Board conducts its **Diploma in IPSAS** examinations twice in a year during the months of August and February. The 11<sup>th</sup> Intake Diploma in IPSAS examinations were conducted on Monday 21<sup>st</sup> and Wednesday 23<sup>rd</sup> February, 2022.

A total of 76 candidates sat for the examinations which had two papers. 68 candidates sat for both papers closed book paper (C01) and open book paper (C02), while 03 candidates sat for closed book paper (C01) and 05 candidates sat for open book paper (C02).

The candidature distribution in this session is as shown in Table 1:

**Table 1:** Candidature distribution in 11<sup>th</sup> Diploma in IPSAS examination session

Examinationa Paper	No. of entries
CO1 Closed Book Paper and CO2 Open Book Paper	68
CO1 Closed Book Paper	03
CO2 Open Book Paper	05
<b>Total</b>	<b>76</b>

#### 2.2 Examination Performance

**Table 2: Paper-wise Candidates' Performance 11<sup>th</sup> Diploma in IPSAS Examinations February 2022**

SUBJECT	NO. CANDIDATE	PASS	%	FAIL	%
CO1 Closed Book Paper	71	64	90.1	7	9.9
CO2 Open Book Paper	73	66	90.4	7	9.6

**Table 3: Overall Candidates' Performance 11<sup>th</sup> Diploma in IPSAS Examinations February 2022**

Description	Pass	Referred (C01 or C02)	Failed (C01 & C02)	Total
No. of Candidates	64	10	02	76
Percentage	84.2	13.2	2.6	100

#### 2.2.1 Candidates qualifying for the award of letters of success for Diploma in IPSAS Certificate

In this 11<sup>th</sup> Intake Diploma in IPSAS examinations sixty-four 64 candidates qualified for the award of the Diploma in IPSAS.

**2.2.2 Candidates required to sit for the referred paper(s)**

In this 11<sup>th</sup> Intake Diploma in IPSAS examinations eleven (10) candidates are required to re-sit one paper on either C01 or C02.

**2.2.3 Candidates required registering and sitting for all papers**

In this 11<sup>th</sup> Intake Diploma in IPSAS examinations two (02) candidates failed both papers and are required to register and sit for both papers.

## CHAPTER THREE

### Analysis of Examination Performance

#### 3.1 C01 – CLOSED BOOK PAPER

##### I: PRINCIPAL LEARNING OUTCOME

Principal learning outcome of this paper is to examine candidates' ability to apply International Public Sector Accounting Standards in providing accounting services for the public sector.

##### II: STRUCTURE OF THE QUESTION PAPER:

The paper comprised four questions of which candidates were required to answer all.

##### III: ACCOUNTING STANDARDS EXAMINED AND CANDIDATES' PERFORMANCE

In this examination session, candidates were examined on the following Accounting standards:

#### QUESTION 1: IPSAS 1 – PREPARATION OF FINANCIAL STATEMENTS

Candidates were required to use the given information to prepare: -

- (i) Statement of financial performance for the year ended
- (ii) Statement of financial position as at the year ended
- (iii) Appropriate accounting policies

Candidates' performance in this question was satisfactory. Out of 71 candidates who answered the question, 52 (73.2 %) passed while 19 (26.8%) candidates failed.

Most of the candidates failed to distinguish revenue from exchange and no exchange transactions and some failed to prepare the appropriate accounting policies for the given items of revenue and assets.

#### QUESTION 2: IPSAS 17 – PROPERTY, PLANT AND EQUIPMENT

Candidates were required to: -

- (a) Use the given information to prepare: -
  - (i) Extract statement of financial position and extract statement of financial performance for the comparative prior period.
  - (ii) Extract statement of financial position and extract statement financial performance for the current period.
- (b) Use the given information to prepare: -
  - (i) Amount to be included as a cost of a completed office building on initial recognition.

- (ii) Extract statement of financial position and extract statement financial performance for the year ended.

Candidates' performance in this question was satisfactory. Out of 71 candidates who answered the question, only 31 (43.7%) passed while 40 (56.3%) candidates failed.

Most of the candidates failed to apportion the amount of depreciation based on the period it was used, and also failed to calculate the amount of revaluation loss.

**QUESTION 3: CONCEPTUAL FRAMEWORK FOR GENERAL PURPOSE  
FINANCIAL REPORT (GPFRs)  
IPSAS 14 – EVENTS AFTER REPORTING DATE  
IPSAS 19 – PROVISIONS CONTINGENT LIABILITIES AND  
CONTINGENT ASSETS**

Candidate were required to: -

- (a) Assess the given observations and indicate qualitative characteristics involved therein.
- (b) Use the given scenarios to indicate the required proper accounting treatment.
- (c) Explain the meaning of events after the reporting date and the terms “adjusting events” and no-adjusting events”.

Candidates' performance in this question was satisfactory. Out of 71 candidates who answered the question, 48 (67.6%) passed while 23 (32.4%) candidates failed.

Most of the candidates failed to prepare accounting treatments of the given events.

**QUESTION 4: IPSAS 31 – INTANGIBLE ASSETS  
IPSAS 12 – INVENTORIES**

Candidates were required to:

- (a) Use the given information to prepare: -
  - (i) Journal entries to record the identified intangible asset in the accounting records
  - (ii) Extract statement of financial position as at the year ended
  - (iii) Extract statement of financial performance as at the year ended
- (b) Use the given information to prepare: -
  - (i) Extract statement of financial performance as at the year ended
  - (ii) Extract statement of financial position as at the year ended
  - (iii) The required disclosures

Candidates' performance in this question was satisfactory. Out of 71 candidates who answered the question, 33 (46.5%) passed while 38 (53.5%) candidates failed.

Most of the candidates failed to incorporate issues of amortization when calculating the book value of the intangible asset, and also failed present appropriate line items required for each statement.

#### **IV: GENERAL OBSERVATIONS**

(a) **Assessment of the paper**

The panel of examiners found the examination to be fair, well balanced containing both easy and moderate questions which were relevant to the candidates' level and was well within the prescribed syllabus.

(b) **Overall Candidates performance**

Candidates' performance in this examination paper was satisfactory. Out of 71 candidates who answered the examination paper, 64 (90.1%) passed while 7 (9.9%) candidates failed.

The candidates' overall performance in the paper is as shown in Table 4 below:

**TABLE 4**

**C01 CLOSED BOOK PAPER CANDIDATES' PERFORMANCE ANALYSIS**

<b>CLASSIFICATION OF MARKS</b>	<b>0-49</b>	<b>50-100</b>	<b>TOTAL</b>
<b>NO. OF CANDIDATES (FREQUENCY)</b>	7	64	<b>71</b>
<b>PERCENTAGE</b>	9.9	90.1	<b>100</b>



### **3.2 C02 – OPEN BOOK PAPER**

#### **I: PRINCIPAL LEARNING OUTCOME**

Principal learning outcome of this paper is to examine candidates' ability to apply International Public Sector Standards in providing accounting services for public sector.

#### **II: STRUCTURE OF THE QUESTION PAPER:**

The paper comprised four questions of which candidates were required to answer all.

#### **III: ACCOUNTING STANDARDS EXAMINED AND CANDIDATES' PERFORMANCE**

In this examination session, candidates were examined on the following Accounting standards:

#### **QUESTION 1: IPSAS 33 – FIRST TIME ADOPTION OF ACCRUAL BASIS IPSASs IPSAS 24 – PRESENTATION OF BUDGET INFORMATION IN FINANCIAL STATEMENTS**

Candidates were required to:

- (a) Prepare a presentation describing: -
  - (i) Benefits for adopting IPSAS in the public sector.
  - (ii) Options available for accounting items of Property PLANT AND equipment in the process of first time adoption and implementation of IPSASs accrual as per IPSAS 33.
  - (iii) Challenges that would be faced in the process of adoption and implementation of IPSAS accrual.
- (b) Use the given information to: -
  - (i) Prepare a statement of comparison of budget and actual amounts for the year ended.
  - (ii) Provide three main disclosures requirements as per IPSAS 24.

Candidates' performance in this question was satisfactory. Out of 73 candidates who answered the question, 54 (74%) passed while 19 (26%) candidates failed.

Most of the candidates not only failed to prepare the comparison of budget and actual amounts but also failed to identify whether there is an increase or decrease in the statement of comparison of budget and actual amounts.

**QUESTION 2: IPSAS 4 – THE EFFECT OF CHANGES IN FOREIGN EXCHANGE RATES**

**IPSAS 37 – JOINT ARRANGEMENTS**

Candidates were required to:

- (a) Use the given foreign exchange transaction to describe the required accounting treatment at initial recognition and at the closing date.
- (b) Prepare a presentation to: -
  - (i) Distinguish between a joint venture and a joint operation by explaining how are they accounted for in the books of investor.
  - (ii) Use the given information to show how the equity shares acquired should be accounted for in the books of investor.

Candidates' performance in this question was satisfactory. Out of 73 candidates who answered the question, only 41 (56.2%) passed while 32 (43.8%) candidates failed.

Most of the candidates failed to apply equity method to account for equity shares acquired by the entity for the year ended.

**QUESTION 3: IPSAS 20 – RELATED PARTY DISCLOSURES**

**IPSAS 3 – ACCOUNTING POLICIES, CHANGES IN ACCOUNTING ESTIMATES AND ERRORS**

Candidates were required to: -

- (a) Prepare a short memo to the Permanent Secretary to: -
  - (i) Use the given information to comment on the Permanent secretary argument.
  - (ii) Describe the reason for the existence of the related party disclosure in the public sector.
  - (iii) Describe the necessity for disclosure of related party relationships and related party transactions in the public sectors.
- (b) Use the given information to: -
  - (i) Correct the error and prepare restated extract statement of financial performance and extract statement of changes in net assets/equity for the year ended.
  - (ii) Describe the reasons as to why IPSAS 3 requires treating a change in accounting estimate prospectively rather than retrospectively. financial assets and recognition of impairment loss.

Candidates' performance in this question was not satisfactory. Out of 73 candidates who answered the question, 35 (47.9%) passed while 38 (52.1%) candidates failed.

Most of the candidates failed to identify reasons for existence of related party relationships reason for treating changes in accounting estimates prospectively instead of treating it retrospectively.

**QUESTION 4: NBAA TECHNICAL PRONOUNCEMENT NO.3 OF 2020  
IPSAS 33 – FIRST TIME ADOPTION OF ACCRUAL BASED IPSAS**

Candidates were required to:

- (a) Prepare a presentation to:
  - (i) Describe what a segment is and when it needs to be reported on.
  - (ii) Matters to be considered when determining activities that should be grouped as a separate segment.
- (b) Prepare a short presentation to: -
  - (i) Describe the current required accounting treatments for lease in the books of lessee as per IPSAS 13
  - (ii) Describe changes that will be brought about by IPSAS 43

Candidates’ performance in this question was not satisfactory. Out of 73 candidates who answered the question, 19 (26%) passed while 54 (74%) candidate failed.

Most of candidates failed to describe changes that will be brought by IPSAS 43 as it is a recently issued standard.

**IV: GENERAL OBSERVATIONS**

**(a) Assessment of the paper**

The panel of examiners found the examination to be fair, well balanced containing both easy and moderate questions which were relevant to the candidates’ level and was well within the prescribed syllabus.

**(b) Overall Candidates performance**

Candidates’ performance in this examination paper was satisfactory. Out of 73 candidates who answered the question, 66 (90.4%) passed while 7 (9.6%) candidate failed.

The candidates’ overall performance in the paper is as shown in table 5 below:

**TABLE 5**

**C02 OPEN BOOK PAPER CANDIDATES’ PERFORMANCE ANALYSIS**

<b>CLASSIFICATION OF MARKS</b>	<b>0-49</b>	<b>50-100</b>	<b>TOTAL</b>
<b>NO. OF CANDIDATES (FREQUENCY)</b>	7	66	<b>73</b>
<b>PERCENTAGE</b>	9.6	90.4	<b>100</b>



## CHAPTER FOUR

### ACCOUNTING MANPOWER CREATED BY THE BOARD UP TO AUGUST 2021

In an effort to meet the demand of the highly needed accounting personnel in the country, the Board has been able to create cumulatively 714 accounting manpower through IPSAS Diploma examinations since its inception in July 2016.

Table 6 below shows the statistics of graduates per session and cumulatively since July 2016.

**TABLE 6: DIPLOMA IN IPSAS GRADUATES – CUMULATIVE STATISTICAL ANALYSIS  
FROM JULY 2016 TO FEBRUARY 2022**

EXAMINATION SESSION	DIPLOMA IN IPSAS	
	NO.	CUM.
1 <sup>ST</sup> SESSION JULY,2016	91	91
2 <sup>ND</sup> SESSION FEBRUARY,2017	35	126
3 <sup>RD</sup> SESSION AUGUST,2017	45	171
4 <sup>TH</sup> SESSION FEBRUARY,2018	49	220
5 <sup>TH</sup> SESSION AUGUST,2018	38	258
6 <sup>TH</sup> SESSION FEBRUARY, 2019	54	312
7 <sup>TH</sup> SESSION AUGUST, 2019	44	356
8 <sup>TH</sup> SESSION FEBRUARY, 2020	65	421
9 <sup>TH</sup> SESSION FEBRUARY, 2021	129	550
10 <sup>TH</sup> SESSION AUGUST,2021	100	650
11 <sup>TH</sup> SESSION FEBRUARY,2022	64	714

