



(NBAA)
THE NATIONAL BOARD OF ACCOUNTANTS AND AUDITORSTANZANIA

EXAMINERS' AND PERFORMANCE REPORT

2ND CERTIFICATE IN IPSAS EXAMINATIONS – AUGUST 2023

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CHAPTER ONE

INTRODUCTION

1.1 Foreword

The introduction of Certificate in IPSAS is in accordance to the authority granted to the Board under the Accountants and Auditors (Registration) Act, Cap.286, 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, certificate in IPSAS was introduced. The Board started Certificate in IPSAS in August 2022 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 2nd Intake Certificate 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 2ND CERTIFICATE IN IPSAS EXAMINATIONS SESSION

2.1 Preamble:

The Board conducts its **Certificate in IPSAS** examinations twice in a year during the months of August and February. This session is the 02nd Intake Certificate in IPSAS examination session in which the examinations were conducted on Monday 21st and Wednesday 23rd August, 2024.

There were five (5) candidates who sat for the examinations for one subject with two papers, thus all five (5) candidates sat for both papers closed book paper (C01) and open book paper (C02).

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

Table 1: Candidature distribution in 2nd Certificate in IPSAS examination session

Subject	No. of entries
CO1 Closed Book Paper and CO2 Open Book Paper	05
CO1 Closed Book Paper only	-
CO2 Open Book Paper only	-
Total	05

2.2 Examination Performance

Table 2: Paper-wise Candidates' Performance 2nd Intake Certificate in IPSAS
Examinations August, 2023

SUBJECT	NO. CANDIDATE	PASS	%	FAIL	%
DO1 Closed Book Paper	05	4	80.0	1	20
DO2 Open Book Paper	05	4	80.0	1	20

**Table 3: Overall Candidates' Performance 02nd Certificate in IPSAS
Examinations August, 2023**

Description	Pass	Failed (C01 & C02)	Total
No. of Candidates	4	01	05
Percentage	80	20	100

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

In this 2nd Intake Certificate in IPSAS examinations four (4) Candidates qualified for the award of the Certificate in IPSAS.

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

In this 2nd Intake of Certificate in IPSAS examinations no candidates who were required to sit one paper on either C01 or C02.

2.2.3 Candidates required registering and sitting for all papers

In this 02nd Intake Certificate in IPSAS examinations one (01) candidates failed both papers and is required to register and sit for both papers C01 and C02.

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- PRESENTATION OF FINANCIAL STATEMENTS

From given information candidates were required to: -

- (i) Prepare entity Statement of Financial Performance for the year ended.
- (ii) Prepare entity Statement of Financial Position as at the year end.

Candidates' performance in this question was satisfactory. Out of 5 candidates who answered the question, 4 (80%) passed while 1 (20%) candidates failed.

There were no major weakness observed in this question.

**QUESTION 2: IPSAS 14 – EVENTS AFTER THE REPORTING DATE
IPSAS 19 – PROVISION, CONTINGENT LIABILITIES AND
CONTINGENT ASSETS
IPSAS 21 – IMPAIRMENT OF NON-CASH GENERATING ASSETS**

Candidates were required to: -

- (a) Explain with examples the meaning and accounting treatments of the following items: -
 - (i) Liabilities
 - (ii) Contingent assets
 - (iii) Contingent liabilities
 - (iv) Events after the reporting date
 - (v) Provision
- (b) Use the given information to determine: -
 - (i) Recoverable amount of the impaired asset
 - (ii) The amount of impairment loss if any
 - (iii) Journal entries to account for the impairment loss

Candidates' performance in this question was satisfactory. Out of 5 candidates who answered the question, 4 (80%) passed while 1 (20%) candidates failed.

Most of candidates failed to explain the meaning and the accounting treatment of contingent liabilities and contingent assets.

QUESTION 3: A MULTIPLE CHOICE QUESTION FROM VARIOUS STANDARDS

From various given situations candidates were required to choose the most correct answer among the four given alternatives.

Candidates' performance in this question was satisfactory. Out of 5 candidates who answered the question, 4 (80%) passed while 1 (20%) candidates failed.

There were no any major weaknesses observed in this question since the performance was satisfactory.

QUESTION 4: IPSAS 20 – RELATED PARTY DISCLOSURES

CONCEPTUAL FRAMEWORK FOR GENERAL PURPOSES FINANCIAL REPORTS (THE FRAMEWORK)

Candidates were required to:

- (a) Use the given information to demonstrate their understanding on the term ‘Related Party’.
- (b) Mention four (4) important items to be disclosed in the notes to financial statements with respect to related party disclosure relationships.
- (c) From the given explanation’s candidates were required to:
 - (i) Describe any four main users of financial information of a public sector reporting entity.
 - (ii) Discuss any three (3) matters that the information provided in a General Purposes Financial Reports (GPFRs) help primary users to assess the reporting entity.

Candidates’ performance in this question was satisfactory. Out of 5 candidates who answered the question, 3 (60%) passed while 2 (40%) candidates failed.

There were no any major weaknesses observed in this question since the performance was satisfactory.

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 5 candidates who attempted the examination paper, 4 (80%) passed while 1 (20%) 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**

CLASSIFICATION OF MARKS	0-49	50-100	TOTAL
NO. OF CANDIDATES (FREQUENCY)	01	04	5
PERCENTAGE	20	80	100

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 2 – CASH FLOW STATEMENTS

From the given information candidates were required to: -

- (a) Indicate the benefits of preparing a Cash flow Statement for the year ended.
- (b) Prepare a Cash flow Statements (using direct method) of the entity for the year ended.

Candidates' performance in this question was satisfactory. Out of 5 candidates who answered the question, 4 (80%) passed while 1 (20%) candidates failed.

Candidates who failed were not able to identify items to be included in the cash flow statements while others included non-cash items in the cash flows statements.

QUESTION 2: IPSAS 37 – JOINT ARRANGEMENTS

IPSAS 3 – ACCOUNTING POLICIES, CHANGES IN ACCOUNTING ESTIMATES AND CORRECTION OF ERRORS

Candidates were required to:

- (a) Use the given information to: -
 - (i) Distinguish between ‘joint venture’ and ‘joint operation’
 - (ii) Explain how joint ventures and joint operations are accounted for in both separate and consolidated financial statements.
 - (iii) The difference between public sector combination and consolidation.
- (b) Explain as guided by IPSAS 3:
 - (i) Guiding principles for formulating accounting policies.
 - (ii) Conditions that mandate a change in accounting policy.
 - (iii) Treatment of changes in accounting policy.
 - (iv) Treatment of changes in accounting estimates.

Candidates’ performance in this question was satisfactory. Out of 5 candidates who answered the question, only 5 (100%) passed while there is no any candidate who failed.

Some of the candidates on the part (b) (i) were not able to explain the guiding principles for formulating a change in accounting policy.

QUESTION 3: VARIOUS STANDARDS

Candidates were required to define the following items:

- (i) Social benefits
- (ii) Non-current assets held for sale
- (iii) Impairment of assets
- (iv) Service Concession arrangements
- (v) Employee benefits

Candidates’ performance in this question was not satisfactory. Out of 5 candidates who answered the question, 3 (60%) passed while 2 (40%) candidates failed.

Candidates who failed were not able to calculate expected credit loss hence more than 80% failed to prepare extract statement of financial performance and extract statement of financial position.

QUESTION 4: IPSAS 17 – PROPERTY, PLANTS AND EQUIPMENTS

IPSAS 9 – REVENUE FROM EXCHANGE TRANSACTIONS

IPSAS 23 – REVENUE FROM NON-EXCHANGE TRANSACTIONS

From the given explanation and information, candidates were required to:

- (a) Illustrate how the donated asset would be treated in the books of accounts of the entity for the year ended.
- (b) From the given sources of revenue to:
 - (i) Explain how they should be treated in the financial statements of the reporting entity.
 - (ii) Indicate with examples the differences between ‘exchange transactions’ and ‘non-exchange transactions’.

Candidates’ performance in this question was not satisfactory. Out of 5 candidates who answered the question, 3 (60%) passed while 2 (40%) candidates failed.

Candidates performance in this question was satisfactory and therefore there were no any major weaknesses identified.

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 5 candidates who attempted the question, 4 (80.0%) passed while 1 (20.0%) candidates failed.

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

TABLE 5

C02 OPEN BOOK PAPER CANDIDATES' PERFORMANCE ANALYSIS

CLASSIFICATION OF MARKS	0-49	50-100	TOTAL
NO. OF CANDIDATES (FREQUENCY)	1	4	5
PERCENTAGE	20.0	80.0	100

CHAPTER FOUR

ACCOUNTING MANPOWER CREATED BY THE BOARD UP TO AUGUST 2023

In an effort to meet the demand of the highly needed accounting personnel in the country, the Board has been able to create cumulatively 49 accounting manpower through Certificate in IPSAS examinations since its inception in August 2022.

Table 6 below shows the statistics of graduates per session and cumulatively since August 2012.

**TABLE 6: DIPLOMA IN IPSAS GRADUATES – CUMULATIVE STATISTICAL ANALYSIS
FROM AUGUST 2022 TO AUGUST 2023**

EXAMINATION SESSION	DIPLOMA IN IPSAS	
	NO.	CUM.
1 ST SESSION AUGUST,2022	45	45
2 ND SESSION AUGUST,2023	04	49



