



**NAMIBIA UNIVERSITY
OF SCIENCE AND TECHNOLOGY**

FACULTY OF COMMERCE, HUMAN SCIENCE AND EDUCATION

DEPARTMENT OF TECHNICAL, VOCATIONAL EDUCATION AND TRAINING

QUALIFICATION: DIPLOMA IN TECHNICAL AND VOCATIONAL EDUCATION AND TRAINING: MANAGEMENT	
QUALIFICATION CODE: 06DTVM	LEVEL: 6
COURSE CODE: BMT620S	COURSE NAME: BUDGET AND ASSET MANAGEMENT
SESSION: NOV 2022	PAPER: 1
DURATION: 3 HOURS	MARKS: 100

FIRST OPPORTUNITY EXAMINATION QUESTION PAPER	
EXAMINER(S)	Ms Kristofina Junias
MODERATOR:	Ms Rejoice Quest

INSTRUCTIONS
<ol style="list-style-type: none">1. Answer ALL the questions.2. Read all the questions carefully before answering.3. Number the answers clearly

THIS QUESTION PAPER CONSISTS OF _4_ PAGES (Including this front page)

SECTION A

Question 1

Indicate whether the following statements are true or false.

[10]

- (a) Budgeting is a discrete once-a-year activity
- (b) The first step in preparing a budget is one must gather information about what the organisation wants to achieve
- (c) Operating budget is the best-suited type of budget for a TVET college
- (d) Budgets do not have to be followed in a submissive manner
- (e) Budget deficit refers to a decrease in expenses during a period of time
- (f) A variance report/statement is a tool used for budgetary control
- (g) Asset management refers to asset maintenance
- (h) A decision to acquire an asset should be based on the lowest purchase price but not on the potential operating costs of an asset
- (i) An asset management policy is used to monitor the condition and performance of assets.
- (j) A direct procurement is permitted where only one supplier has the exclusive right to manufacture the goods or to supply the goods, works or services to be procured, and no suitable alternative is available.

SECTION B

Question 1

You are a newly appointed Head of Otjokovare Vocational Training College. The College offers the following trades; Hospitality; Office Administration, Bricklaying, Joinery and Carpentry, Electrical installation and Automotive Mechatronics. The College does not receive enough training grants from NTA and a number of trainees struggle to pay for their tuition fees. The College is finding it difficult to make ends meet during the current financial year.

Write an essay suggesting strategies you will employ to turn around the financial position of the College in the next and subsequent financial cycles

[50]

Question 2

As a head of a TVET College, how would you go about the budgeting process?

- (a) Outline steps you would follow during the budgeting process [5]
- (b) What budgeting approach would you prefer and why? [2]

Question 3

Managing assets effectively for utilities is not optional these days. Whether it is in asset-heavy or non-asset-heavy industries, asset management is crucial. Buildings; computers; office, classroom and workshop furniture; air conditioners; workshop machinery; and office equipment are many of the fixed physical assets that need to be managed at a TVET College.

- (a) State two reasons why it is important to manage assets. [2]
- (b) Use the list of the fixed physical assets given and develop an asset management plan for any of the assets in terms of quantity and state of the asset; levels of service; lifecycle management and management strategies. [10]

Question 4

The Namibian Public Procurement Act 15 of 2015 regulates the procurement of goods, works and services, the letting or hiring of anything or the acquisition or granting of rights for or on behalf of, and the disposal of assets of, public entities. As a head of a public vocational training centre you will be an accounting officer:

- (a) Outline any three powers and functions of an accounting officer [3]
- (b) As the head of a vocational training centre you discover that the TVET trainers need to go for a Continuous Professional Development (CPD). The budgeted amount for CPD is not much, but your desire is to have your trainers go through a CPD programme worth the value and time.
 - (i) What type of service will be procured for this intervention? [1]
 - (ii) What method of procurement is suitable for the type of service you mentioned in (i)? [1]
- (c) With examples from the TVET context, state two conditions in which a request for a sealed quotation method of procurement is applicable. [4]

(d) A bricklayer and Plastering Trainer Ms. Immanuel writes a submission to you stating that the only two remaining brick-cutting machines just broke thus, She is requesting that the institution do an emergency procurement of at least five machines otherwise there will be no training taking place. As the head of the institution; the accounting officer responds to Ms Immanuel's submission stating the requirements of the procurement act as well as offering alternative solutions to the situation. **[12]**

END