



Pakistan Institute of Public Finance Accountants

Summer Exam-2016

AGP/PG/PMAD/PUBLIC Sectors

Financial Audit Manual (FAM) [05.05.2016]

Marks - 75
Subjective

Duration: 2 hrs. 15 min
Additional time – 15 min for Paper Reading

[Instructions]

- Ensure that the question paper delivered to you is the same, in which you intend to appear.
- Read the instructions given on the title page of Answer Script.
- **Books are not allowed.**
- Start each question from fresh page.

Attempt all questions from PART-I and any two from PART-II

Part-I

- Q.1.** Describe the role of the Auditor-General in promoting Parliamentary Control and Public Accountability in Pakistan. 15
- Q.2. (a)** List four tests of details and explain any one of them. 08
- (b)** State five basic elements that make up an Internal Control Structure in an entity. Explain any one of them. 07
- Q.3. (a)** What do you understand by Audit Objective and Audit Scope? 08
- (b)** Describe the situations in which scope limitation may arise and state the reporting objective. 07

Part-II

- Q.4. (a)** The Auditor has a professional responsibility to ensure that the evidence obtained is reliable. Explain. 07
- (b)** Describe the components of DAGP Strategic Audit Plan. 08
- Q.5. (a)** What are the main indicators of weaknesses that can contribute to fraud in an entity? 08
- (b)** Describe the importance of audit follow-ups in an audit process. 07
- Q.6. (a)** Describe the eight values held by the DAGP for exercise of its mandate. 08
- (b)** What is the purpose of assessing Inherent Risk and Control Risk at planning stage of Audit? 07



Pakistan Institute of Public Finance Accountants
Summer Exam-2016
PUBLIC SECTOR

Construction, Stores & Works Accounts (Practical) [04.05.2016]
(Pakistan Railway Accounts Department)

Marks-75
Subjective

Duration:2 hrs.30 Mins.
Additional time – 15 min for Paper Reading

[Instructions]

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- Start each question from fresh page.

Books Allowed:

- | | | |
|-------------------------------------|---|------------------------|
| • Engineering Code | • State Railway Code for Mechanical Dept. | • Way & Works Manual |
| • Account Code Vol-1 | • Modernized Accounting Procedure Manual | • Manual of X/ Section |
| • Manual of Stock Verification | • State Railway Code for Stores Dept. | • Store Manual |
| • Public Purchase Procurement Rules | • An Introduction to the Accounts and Audit | • General Code Vol-1 |

- Q.1.** Define following and also give two to three examples:
- | | |
|----------------------------|-----------|
| (i) Detailed Estimates | 05 |
| (ii) Revised Estimates | 05 |
| (iii) Completion Estimates | 05 |
- Q.2.** What is the purpose of Open Competitive Bidding? What is the difference between single stage and two stage bidding procedure? Write in detail. **15**
- Q.3.** A lot of scrap composed of Permanent Way Material is lying at General Stores Depot, Moghalpura, Lahore. How the whole lot could be disposed off in accordance with the laid down procedures? **15**
- Q.4.** (a) Difference between Proforma Oncost and General Oncost? **7.5**
- (b) How will you charge the oncost under following circumstances? **7.5**
- | | |
|---|--|
| (i) A plant at C&W shop has been losing its value on yearly basis | |
| (ii) A new work order needs an experiment prior to starting of job | |
| (iii) The labour had to wait for three hours due to power failure in workshop | |
- Q.5.** (a) Define Workshop Account Current? What is its purpose? **7.5**
- (b) Prepare the Workshop Account Current with the help of following information **7.5**
- | | |
|--|--|
| (i) Opening Balance Rs. 235,000 | |
| (ii) Labour Rs. 145,000 | |
| (iii) Freight Charges Rs. 35,000 | |
| (iv) Proforma Oncost Rs. 75,000 | |
| (v) Work done on Deposit Account Rs. 100,000 | |
| (vi) Capital Works Rs. 215,000 | |



Pakistan Institute of Public Finance Accountants Summer Exam-2016

PUBLIC SECTOR

General & Rev. Accts. of Railways (Practical) [05.05.2016]
(Pakistan Railway Accounts Department)

Marks-75

Subjective

Duration:2 hrs.30 Mins.

Additional time – 15 min for Paper Reading

[Instructions]

- Ensure that the question paper delivered to you is the same, in which you intend to appear.
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- Start each question from fresh page.

Books Allowed:

- Railway Accounts Code Vol 1 & 2
- Coaching & Goods Tariff Code
- State Railway General Code
- Pakistan Railway Commercial Manual
- Military Tariff
- Manual of IA ICG Balance Sheet, Coaching Goods and A & AR Sections of TA Branch.

Part - A [Attempt any two questions]

- Q.1.** What is Propriety of Expenditure? Is it the responsibility of Accounts Department in ensuring propriety of expenditure? **12.5**
- Q.2.** Write a detailed note on the Scale Check Register? What are the instructions for posting the Scale Check Register? **12.5**
- Q.3.** How is the inspection of Executive Offices conducted by the Accounts Office? Write in detail. **12.5**
- Q.4.** What is a Cadre Register? Write in detail the instructions for maintenance of Cadre Register. **12.5**

Part - B [Attempt any two questions]

- Q.5.** What is the purpose of Statement of Approximate Receipts and Revenue Expenditure? Explain your answer with example? **10**
- Q.6.** Write a detailed note on "Finance Accounts". **10**
- Q.7.** Define Remittance Transactions? What is the classification of Remittance Transactions? **10**

Part - C [Attempt any one question]

- Q.8.** Define Local Classification of Passengers Return. What checks are applied by the Accounts Office on Local Classification of Passengers? **15**
- Q.9.** Define "Parcel Way Bills". How the check of Parcels Way Bills carried out? **15**

Part - D [Attempt any one question]

- Q.10.** Describe in detail the purpose, format and check of Station Balance Sheet. **15**
- Q.11.** What are the main items to be checked during check of Goods Traffic Receipts? How Goods Invoices are checked in the Accounts Office. **15**



Pakistan Institute of Public Finance Accountants

Summer Exam-2016

AGP SECTOR

Financial & Management Accounting [04.05.2016]

(Commercial Audit)

Marks - 75
Subjective

Duration: 2 hrs. 15 Mins.

Additional time – 15 min for Paper Reading

[Instructions]

- Ensure that the question paper delivered to you is the same, in which you intend to appear.
- Read the instructions given on the title page of Answer Script.
- **Start each question from fresh page.**

Attempt all Questions

- Q.1.** Malik Plc is a limited liability company selling computer hardware in a very competitive market. Its summarized financial statements are given below:

Malik Plc
Income Statement for the year ended 31st December 2016

	Rs.000
Revenue	675
Cost of Sales	(505)
Gross Profit	170
Selling & Administration Expenses	(80)
Profit from Operations	90
Finance Cost	(10)
Profit before Tax	80
Income Tax expense	(25)
Net profit for the period	55

Malik Plc
Statement of Financial Position as at 31st December 2016

	Rs.000	Rs.000
Assets		
Non-Current Assets		756
Current Assets		
Inventory	170	
Trade Receivables	60	
Cash and Bank	6	236
		992
Equity and Liabilities		
Capital and reserves		550
Rs.1 Ordinary shares		162
		712
Current Liabilities		
Trade payables	160	
Taxation	30	190
Non-Current Liabilities		
10% Loan Notes		90
Total Equity and Liabilities		992

Contd. on back

The following are ratios for Malik Plc for the ended 31 December 2016 and industry average ratios for 2016:

Ratio	Malik Plc 2015	Industry Average 2016
Operating Profit Margin	17.7%	19%
Current Ratio	1.3	1.2
Acid Test (Quick) Ratio	1.1	1
Trade Payables period	119.1 Days	125 Days
Inventory Turnover	112 Days	110 Days

Required:

- (a) Calculate the following ratios for Malik Plc for the year ended 31st December 2016. **10**
State the formula used for calculations clearly.

- (i) Operating Profit Margin
- (ii) Current Ratio
- (iii) Acid Test (Quick) Ratio
- (iv) Trade Payables Period in days
- (v) Inventory Turnover in Days

- (b) Comment on Malik Plc's performance using the information given and the ratios calculated in part (a). **05**

- Q.2.** Tom Co. is an expert crockery maker and has a substantial value of inventory at yearend. **10**
However it is unclear to the Finance Director on how to value inventory at yearend. He has summarized the following information regarding inventory:

Type of Inventory	Units	Cost/unit (Rs.)	Selling Price Per Unit (Rs.)	Other information
A	100	1,500	1,800	100% complete. Estimated selling expenses are Rs.200/unit.
B	50	1,500	1,800	100% complete. Estimated selling expenses are Rs.350/unit.
C	100	800	1,200	80% complete. Costs to completion are Rs.200/unit and estimated selling expenses are Rs. 300/unit.

Required:

Calculate the Value of Inventory at yearend.

- Q.3.** (a) Explain the difference between Research and Development expense and how are both kinds of expenses treated in Financial Statements? **04**

- (b) Jerry Co. has recently decided to change depreciation percentage on its Property, Plant and Equipment from 20% to 25% as they feel that this reflects usage of P, P&E better in Financial Statements. The Finance Manager is unclear on how this change should be treated in Financial Statements. **03**

Explain whether the case mentioned above is a change in accounting estimate or policy and what impact will it have on financial statements?

- (c) Describe the Going Concern concept. **03**

Contd....

- Q.4.** Kamil & Sons, a sole proprietor has provided the following details to its accountant along with a Trial Balance as at 31st May 2015, end of its financial year.

Trial Balance as at 31st May 2015

	Dr. (Rs.)	Cr. (Rs.)
Sales		241,320
Purchases	150,000	
Discount Allowed	10,800	
Discount Received		2,880
Accumulated Depreciation as at 01st June 2014		
-Property		12,000
-Equipment		22,800
Inventory as at 01 June 2014	30,000	
Capital as at 01 June 2014		72,780
17% Long-term Loan		18,000
Irrecoverable Debts	2,760	
Purchase Returns		9,000
Salaries and Wages	35,280	
Drawings	14,400	
Loan Interest	3,060	
Other Operating Expenses	10,620	
Trade Payables		21,600
Trade Receivables	22,800	
Cash in Hand	180	
Cash at Bank	780	
Property at Cost	72,000	
Equipment at Cost	48,000	
Allowance for Receivables as at 01 June 2014		300
	400,680	400,680

Other information provided with the information above is as follows:

- Inventory as at 31st May 2015 has been valued at cost at Rs. 25,200.
- Salaries and wages for the month of May were unpaid at 31st May 2015, amounting to Rs. 480.
- Other Operating Expenses include Rs.180 paid for June 2015.
- Allowance for receivables is to be maintained at 2% of trade receivables.
- Depreciation charge for the year ended 31st May 2015 should be calculated according to the following policy:
 - Property: 1.5% per annum using the Straight Line Method; and
 - Equipment: 25% per annum using the Reducing Balance Method.

Required:

- a) Prepare Kamil & Sons' Statement of Financial Position as at 31st May 2015. **10**
- b) Prepare the Income Statement for the year ended 31st May 2015. **10**

Contd....

Q.5. The following information is from Afridi Plc.

	Rs.
Purchase of a building (Out of purchase price Rs.50,000 is outstanding and advance paid in last year was Rs.20,000)	150,000
Sale of vehicle (book value of Rs.92,000)	85,000
Depreciation charged during the year on non-current assets	53,000
Dividend received	156,000
Interest on the deposit in bank received	45,000
Dividend Paid	50,000
Obtained loan from bank	200,000
Long-term investment in bank	250,000

Additional Information

- Sale of long-term investments with a carrying amount of Rs.120,000 at a loss of Rs.25,000.
- Repaid the loan Rs.20,000 (out of this, Rs.12,000 is paid for interest).
- Issued for cash 100,000 ordinary shares of Rs.5 each at a premium of Rs.1.

Required:

- (a) Prepare cash flow from investing activities for the year ended 31 December 2015. **06**
- (b) Prepare cash flow from financing activities for the year ended 31 December 2015. **04**

Q.6. (a) Jerry Co. purchased an equipment for Rs. 850,000 on 01st March 2006 for business use. It was estimated that the residual value of the vehicle would be Rs. 15,000 at the end of 4 years. Jerry Co. has a policy to charge depreciation on pro-rata basis. It prepares financial statements with the financial year ending every 31st December. On 01st January 2008, Jerry Co. decided to revalue the equipment to Rs.600,000 and charge depreciation on reducing balance at 20%. This equipment was then sold on 30 June 2009 for Rs.350,000.

Required:

Calculate the following:

- (i) Accumulated Depreciation till 31st December 2007. **02**
- (ii) Revaluation Surplus/Deficit upon revaluation. **02**
- (iii) Profit/Loss on disposal of the equipment. **02**
- (b) Discuss the problems with using historical cost accounting during a period of rising prices and explain how these problems may be overcome. **04**



Pakistan Institute of Public Finance Accountants

Summer Exam-2016

AGP/PG/PMAD/PUBLIC Sectors

New Accounting Model (NAM) [02.05.2016]

Marks-75
Subjective

Duration: 2 hrs. 15 Mins.
Additional time – 15 min for Paper Reading

[Instructions]

- Ensure that the question paper delivered to you is the same, in which you intend to appear.
- Read the instructions given on the title page of Answer Script.
- **Quote reference of relevant para/section with the name of relevant manual.**
- Start each question from fresh page.

Books Allowed:

- Accounting Policies and Procedures Manual (APPM)
- Manual of Accounting Principles (MAP)
- Chart of Accounts (CoA)

Part 'A'

Q.1. Using Chart of Accounts (COA), Codify/De-Codify the followings

- | | | |
|-------|--|----|
| (i) | F081CGA1H01106 | 04 |
| (ii) | B8002F02126 | 04 |
| (iii) | 00002171 | 04 |
| (iv) | Federal Estate Office Street Lighting | 04 |
| (v) | Sindh Agriculture Extension & Research Malkana | 04 |
| (vi) | Chief Inspector Mines Punjab Exploratory Operation | 04 |

Q.2. (a) Comment in one word answer using either “Admissible” or “Inadmissible” against each of the following actions of the Govt. Officers;

- | | | |
|-------|--|----|
| (i) | Gratuity was paid by the dealing Accounts Officer to the claimant in cash as insisted by the claimant on humanitarian ground. | 02 |
| (ii) | The dealing Accounts Officer refused to process the gratuity payment for want of the written sanction by the delegated authority despite the fact that the authority sent a special messenger with the request to process the case duly witnessed by responsible sub-ordinates of the delegated authority. | 02 |
| (iii) | The dealing Accounts Officer processed the case for pension payment of a deceased Govt. Employee from the day of death of the pensioner despite the fact that the legal heir applied three months after the death of the Pensioner. | 02 |
| (iv) | A Pakistani Pensioner abroad was refused to be given pension by the Foreign Mission of Pakistan on the pretext that they do not have adequate trained staff to disburse pension and keep record. | 02 |

Contd. on back

- (b) Prepare the Revised estimates of expenditure budget for the Current Financial Year (CFY) from the following data in Rs. (million): **08**

Financial Year	Actual July to Oct	Actual Nov to June	Re-appropriation +/-	NIS	Original Budget Estimates
CFY	4,500	Not available	-150	250	3,500
Previous Financial Year	3,500	7,500	Nil	–	3,000

Part 'B'

- Q.3.** (a) Describe the Constitutional Provisions regarding reports on accounts of the Federation and Provinces. **07**
- (b) Describe the Accounting structure of the Provincial Government. **07**
- (c) Up to what extent the cash basis of the accounting was considered sufficient and what made it necessary to switch over from cash basis. **07**

OR

Comment in the light of policy on the following statement, "Government is the owner of Entities and Funder of Services".

- Q.4.** (a) Which law deals in the Group Insurance of Government Employees? Who gives consultation to the Government Department regarding claims of the insurance other than Government Employees Group Insurance? **07**
- (b) Under which Rules/ Instructions the estimates of work shall be prepared? **07**

OR

What are the responsibilities of the Works Department with reference to the anticipated excess or saving in funds placed at its disposal for doing work on behalf of other Department?



Pakistan Institute of Public Finance Accountants

Summer Exam-2016

AGP & PMAD Sector

Pay, Pension & TA Rules (Practical) [02.05.2016]
Defence Audit (AGP Sector)/ PMAD Sector

Marks-38
Subjective

Duration: 1hrs. 15 Mins.
Additional time – 10 min for Paper Reading

[Instructions]

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Books Allowed:

- Pay & Allowances Regulations Vol I & II
- Pension Regulations Vol I, II & III
- Supplementary Rules (in FR & SR)
- Financial Regulations Parts I & II
- Military Leave Rules
- Passage Regulations
- Accounts Manual
- Relevant Military Accts. Dept. Manuals & Procedures Code
- CSR (Pay & Pension rules applicable to PMAD)
- Pay Accounting in Fields Service- general Instructions
- Regulation for PAF, PN, Army in Pakistan (Rules & Instructions)

Attempt all Questions

Q.1. (a) Lt. Col Bilal Yaseen proceeded on a course of instructions having duration of 45 days. 05
On rejoining his unit he submitted his TA/DA claim as under:

- Full Daily allowances

Audit Officer refused to admit the claim. **Comment on the said action.**

(b) Mrs. Naheed Akhtar an officer of Accounts Group was transferred from CMA(RC) 05
Rwp. To CMA (PC) Peshawar. She claimed TA/DA of her husband Mr. Akhtar Ali
who is also an Accounts Group Officer posted at Peshawar.

Comment on admissibility of TA/DA to her husband.

Q.2. Mr. Muhammad Anwar NCB of Major Muhammad Akram Awais drawing pay in Z-3 10
scale @ Rs. 7,340 prior to revision of A1-1/2014 due to permanently inducted his post in
Z-1 pay scale.

Fix his pay in Z-1 scale after receipt of Army instruction and also explain the entitlement
of CILQ/Conveyance Allowance in said scale.

Q.3. (a) What are the primary conditions that are to be fulfilled before the service qualifies for 05
pension in case of Civilian Govt. Officer?

(b) L/Hav. Ali Ahmed was seriously wounded during an Army operation against enemy 05
on 02-04-2015 and he died on 25-05-2015. Comment.

Q.4. Explain the salient features/procedures of Revised System of Pay Accounting. 08



Pakistan Institute of Public Finance Accountants Summer Exam-2016

AGP & PMAD Sector

Pay, Pension & TA Rules (Theory) [02.05.2016]
Defence Audit (AGP Sector)/ PMAD Sector

Marks-38
Subjective

Duration: 1hrs. 15 Mins.
Additional time – 10 min for Paper Reading

[Instructions]

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Attempt all Questions

- Q.1.** Explain the following: **10**
- On Promotion (i) Col. & below (ii) Brig. & above
 - On reversion to Lower Ranks (i) Col. & below (ii) Brig. & above
 - On Re-promotion (i) Col. & below (ii) Brig. & above
 - On First Appointment
 - On Erroneous Promotion
- Q.2.** What do you understand by Command/Staff/Charge/Instructional Pay? Explain in detail the principles/conditions for its admissibility. **10**
- Q.3.** Write short notes on the following: **10**
- Over-stay of Leave
 - Extension of Leave
 - Classification of Leave
 - Leave year
 - Casual Leave
- Q.4.** Explain the details rules regarding recovery of rent respecting under mentioned categories of Civilian Govt. Servant when occupying MES building: **08**
- Rent payable by Civilian Govt. Servant paid from Defense Estimate
 - Rent payable by Civilians paid from Central (Civil) Revenues



Pakistan Institute of Public Finance Accountants Summer Exam-2016

AGP & PUBLIC SECTOR

Postal Accounts Technical (SB, MO, CC) (Practical) [04.05.2016]

Postal Accounts Branch

Marks-80

Duration: 2 hrs.30 Mins.

Subjective

Additional time – 15 min for Paper Reading

[Instructions]

- Ensure that the question paper delivered to you is the same, in which you intend to appear.
- Read the instructions given on the title page of Answer Script.
- Start each question from fresh page.

Books Allowed:

- | | | | |
|----|----------------------------------|----|--------------------------|
| 1. | P & T Technical Audit Code Vol-I | 3. | Post Office Manual Vol-I |
| 2. | Post Office Manual Vol-VI | 4. | Post Office Guide |

Attempt all Questions

Q.1. Define the following:

- | | |
|--|----|
| (i) Remitter and Payee | 04 |
| (ii) Deposit and Depositor | 04 |
| (iii) Dead Accounts and Dormant Accounts | 04 |
| (iv) Double Payment and Short Payment | 04 |

Q.2. Comment on the following, quoting the rules:

- | | |
|--|----|
| (a) Automatic conversion of Fixed Deposit Account into Ordinary Account. | 04 |
| (b) Withdrawals from Lunatics Accounts. | 04 |
| (c) Loss or theft of certificates before issue. | 04 |
| (d) No. of closed account not to be used again. | 04 |

Q.3. (a) What procedure should be observed in Audit Office in respect of undelivered pass-books received for safe custody? 06

- | | |
|--|----|
| (b) Treatment of undelivered Pakistan Saving Certificates in Audit Office. | 05 |
| (c) What errors are found in the course of Audit of Money Orders? | 05 |

Q.4. Comment on the following, quoting the rules:

- | | |
|--|----|
| (a) The Postmaster asks a contractor to take away old and useless furniture for his office and to supply in lieu new chairs. | 04 |
| (b) In a Post Office it is the practice to destroy sub-vouchers/contingent bill after a period of 3 months. | 04 |
| (c) After the expiry of the period of the Fixed Deposit Account the depositor neither extends the period nor does he close the account, be converted into an ordinary Saving Bank Account. | 04 |
| (d) A claim relating to a period, the records of which have been destroyed in the usual course is sent by the Post Master for pre-audit. | 04 |

Contd. on back

Q.5. (a) Close the Money Order Objections Book with the following entries:

	Rs.	
(i) Money Order Short Payment	200/-	02
(ii) Money Order Excess Payment	350/-	02
(iii) Refund of Short Payment	150/-	02
(iv) Recovery of Over Payment	250/-	02
(v) Wrong Payment	500/-	02

(b) Describe the actions required to be taken by a postmaster in respect of:

- | | |
|--|-----------|
| (i) Money order paid to wrong person. | 03 |
| (ii) Payment of Money Orders after one year. | 03 |



Pakistan Institute of Public Finance Accountants

Summer Exam-2016

AGP/PG/PUBLIC SECTORS

Public Works Accounts Rules & Procedures (Practical) [04.05.2016]

(GAA, CGA, CDA, LFA TRY)

Marks - 38

Duration: 1 hr. 15 Mins.

Subjective

Additional time – 10 min for Paper Reading

[Instructions]

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Books Allowed:

1. CPWA Code
2. CPWD Code
3. Audit Code
4. Books of Forms referred in CPWA code
5. Accounts Code Vol - III
6. Chart of Accounts
7. Audit Manual

Attempt all Questions

- Q.1.** What do you know about the procedure for maintenance of register for Cheque Books and Receipt Books in Public Work Department? Discuss in detail. **09**
- Q.2.** Why the operation charges and value of out turn are necessary in Manufacture Account? Give your comments as per existing rules and procedure in this regard **09**
- Q.3.** Post the following transactions in the Cash Book of Divisional Officer of Public Works Department for the month of February, 2016 and close it:- **20**

Date	Description	Amount (Rs.)
31-1-16	Closing Contents:	
	(i) Cash	70,000.00
	(ii) Postage Stamp	4,000.00
	(iii) Temporary advance with Sub-Engineer Eisa	62,000.00
	(iv) Cheque No. 0058630 drawn for self laying in the chest	72,000.00
	(v) Cheque No. 0058638 in favour of a contractor lying in chest	431,295.00
01-02-16	Payment made to daily labourers (Repair of Building)	64,000.00
01-02-16	Imprest given to Sub-Engineer Safdar	62,000.00
03-02-16	Payment made to the contractor through Cheque No. 0058640 for the work "Construction of Residential Buildings"	
	(i) Amount of Bill	760,000.00
	(ii) Less 10% against Bad Work	
	(iii) Less 10% Security	
	(iv) Less 7.5 % Income Tax	
	(v) Rs. 70,000.00 hire charges of machinery	
03-02-16	Contractor received the cheque lying in the Divisional Office	431,295.00
10-02-16	Amount of temporary advance rendered by Sub-Engineer Eisa:	
	(i) Expenditure as per Muster Roll for repair of building	55,500.00
	(ii) Cash returned	6,500.00
10-02-16	Cheque No. 0058625 dated 26-1-16 cancelled	425,550.00
22-02-16	Cheque No. 0055626 dated 27-8-15 renewed	395,550.00
24-02-16	Cheque No. 0058641 drawn for self for chest	62,000.00
29-02-16	Sub-Engineer Safdar paid & recouped full imprest against contingencies	
29-02-16	Payment made to work charges establishment (Repair of Building)	30,000.00
29-02-16	Cash received on account of sale proceed of old material	28,000.00
29-02-16	Cash found short	1,000.00



Pakistan Institute of Public Finance Accountants
Summer Exam-2016

AGP/PG/PUBLIC SECTORS

Public Works Accounts Rules & Procedures (Theory) [04.05.2016]

(GAA, CGA, CDA, LFA, TRY)

Marks-38

Duration:1 hr.15 Mins.

Subjective

Additional time – 10 min for Paper Reading

[Instructions]

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- Read the instructions given on the title page of Answer Script.
- **Start each question from fresh page.**

Attempt all Questions

- Q.1. Write short notes on the following:**
- | | |
|---|-----------|
| (i) Standards of Financial Propriety | 03 |
| (ii) Post Review of Audit | 03 |
| (iii) Disposal of Receipts | 03 |
| (iv) Temporary Advance | 03 |
| (v) Rate of Cost and Inclusive rate of Cost | 03 |
| (vi) Advice of Transfer Debit (or Credit) | 03 |
- Q.2.** What kind of primary object should be kept in view by an Inspecting Officer during Inspection and Local Audit of Public Works Division? **10**
- Q.3.** How the recoveries of hiring and other charges of Tools and Plant lent out to private persons will be made by the Division? Give your comments with reference to existing rules and procedures. **10**



Pakistan Institute of Public Finance Accountants
Summer Exam 2016

AGP/Public Sector

Service & Financial Rules [02.05.2016]

(GAA, PT&T, Postal Accts, Customs, Corml. Audit, Railway Audit, Inland Revenue, PRAD)

Marks - 75
Subjective

Duration: 2 hrs. 15 min
Additional time – 15 min for Paper Reading

[Instructions]

- Ensure that the question paper delivered to you is the same, in which you intend to appear.
- Read the instructions given on the title page of Answer Script.
- Commutation Table is printed on the back of this Question Paper.
- **Start each question from fresh page.**

Attempt all Questions

- Q.1.** A Government Servant in BS-16 (10,000-800-34,000) was drawing basic pay of Rs.22,800/- PM on 31.05.2014. He was granted selection Grade BS-17 (16,000-1200-40,000) on 31.05.2014. **20**
- He was declared surplus due to re-organization and absorbed in another department in regular Pay Scale BS-16 on 1.12.2016. Pay Scales were revised on 1.7.2015 and BS-16 was Rs.12,910-1035-43,960 while BS-17 was Rs.20,680-1,555-51,780. Fix pay on grant of selection Grade BS-17 and on absorption.
- Q.2.** What are the instructions for maintaining Cash Book? **15**
- Q.3.** Describe circumstances under which Anticipatory Pension is admissible? **10**
- Q.4.** What are the grounds of penalty under Govt. Servants (E&D) Rules 1973? **10**
- Q.5. Comment:**
- (a) A loss of Rs.500,000/- of Public Money occurred due to negligence was subsequently made good from the person responsible for it. Therefore, the same was not reported to the Higher Authority and Accountant General. **05**
- (b) G.P. Fund of Rs.800,000/- and loan of Rs.100 million raised by Federal Government were credited to Public Account of the Federation. **05**
- (c) After bid opening, a procuring agency decided to make modification in evaluation criteria to conform to procurement requirements. **05**
- (d) Lien of Govt. Servant holding permanent post substantively was terminated during suspension. **05**

COMMUTATION TABLE

Age next Birthday	No. of years Purchased	Age next Birthday	No. of years Purchased
20	40.5043	51	17.6526
21	39.7341	52	17.0050
22	38.9653	53	16.3710
23	38.1974	54	15.7517
24	37.4307	55	15.1478
25	36.6651	56	14.5602
26	35.9006	57	13.9888
27	35.1372	58	13.4340
28	34.3750	59	12.8953
29	33.6143	60	12.3719
30	32.8071	61	11.8632
31	32.0974	62	11.3684
32	31.3412	63	10.8872
33	30.5869	64	10.4191
34	29.8343	65	9.9639
35	29.0841	66	9.5214
36	28.3362	67	9.0914
37	27.5908	68	8.6742
38	26.8482	69	8.2697
39	26.1009	70	7.8778
40	25.3728	71	7.4983
41	24.6406	72	7.1314
42	23.9126	73	6.7766
43	23.1840	74	6.4342
44	22.4713	75	6.1039
45	21.7592	76	5.7858
46	21.0538	77	5.4797
47	20.3555	78	5.1854
48	19.6653	79	4.9030
49	18.9841	80	4.6321
50	18.3129		



Pakistan Institute of Public Finance Accountants Summer Exam-2016

AGP SECTOR

Works (MES) Stores (Practical) [04.05.2016] (Defence Audit Branch)

Marks - 38
Subjective

Duration: 1 hr. 15 Mins.
Additional time – 10 min for Paper Reading

[Instructions]

- Ensure that the question paper delivered to you is the same, in which you intend to appear.
- Read the instructions given on the title page of Answer Script.
- **Start each question from fresh page.**

Books Allowed:

- MES Regulation
- MES Local Audit Manual
- Army Regulations Quarters and Rents
- Financial Regulations Part – I & II
- MES Unit Accountant's Manual
- Store Accounting Instructions
- LAOs Handbook Part – I & II
- Military Audit Code
- Military Accounts Codes
- Current Orders in AIs (P) PAOs
- Manual and Procedure Codes
- RAP Rules
- Factory Accounting Rules
- Classification Code List (Defence Services) & Pamphlet
- Debt and Remittance Heads with Code Numbers "Revised Edition" 2008 by MAG
- Financial Regulations (Army & Air Force) Vol I
- Financial Regulations (Navy)
- System of Financial Control and Budgeting

Attempt all Questions

Part - I (MES)

- Q.1.** What are four sections of Statement "I" of Annual Review of MES Expenditure and what does each section described? **04**
- Q.2.** In which statement the following transactions are shown in Annual Review of MES Expenditure: **04**
- (i) Capital value of Military Buildings.
 - (ii) Mileage of roads in Cantt.
- Q.3.** During Audit of Expenditure actually incurred on maintenance and renewal of furniture, what limit of sanctioned percentage of repairs and renewal is to be particularly observed? **04**
- Q.4.** Cement was issued to a contractor from Central Stock by G.E. (Air) Chaklala for use in capital work in progress for construction of residential accommodation. How will you see in Audit that there is correct classification to the relevant debit and credit heads? **04**
- Q.5.** How will you see in Audit when expenditure specifically pertaining to maintenance of permanent building in Air Force is being charged to operational works under non-residential accommodation – Defence Capital Account met from revenue? What should be the correct head of classification? **03**
- Q.6.** An MES contractor's final bill against a completed work was not admitted for payment in June due to certain audit observations and the Controller of Accounts allowed to place the available funds, in Miscellaneous Deposit Head to avoid lapsing. What are your Audit Comments? **03**

Contd. on back

Part - II (STORES)

- Q.7.** Sugar Valuing Rs.125,000 was issued to PAC Kamra from Army Supply/Store Depot. During Audit it was observed that such transaction has been classified in reduction of expenditure. What is your Audit Opinion? **03**
- Q.8.** Store valuing Rs.500,000 has been issued on loan to a ship of Pakistan Navy. How such transaction will be dealt with by Naval Store Officer: **04**
- (i) If such store is returned within six months from the date of issue
 - (ii) If not returned within six months from the date of issue
- Q.9.** Describe system for authorizing cash assignment to Defence Disbursing Officer and the procedure to transfer cash assignment from a Defence Disbursing Officer to another. **05**
- Q.10.** As an Audit Officer, what main points you will see during Audit of Budget Estimates? **04**



Pakistan Institute of Public Finance Accountants
Summer Exam-2016

AGP SECTOR

Works (MES) Stores (Theory) [04.05.2016]
(Defence Audit Branch)

Marks - 38
Subjective

Duration: 1 hr. 15 Mins.
Additional time – 10 min for Paper Reading

[Instructions]

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- **Start each question from fresh page.**

Attempt all Questions

Part - I (MES)

- Q.1.** What audit instructions in case of MES contractors' bills are to be observed? **06**
- Q.2.** What are main points for audit of material at site accounts of works? **04**
- Q.3.** What does Statements "A", "B", "C" & "D" of Annual Review of MES Expenditure reflect? **04**
- Q.4.** What do you know about Statement "A" of Annual Review of MEs Expenditure/ What may be the main reasons for variation between the modified appropriation and the actual expenditure? **04**
- Q.5.** A Defence Disbursing Officer i.e. G.E. (MES) issued cheque in excess of Cash Assignment, which was also cleared for payment by the State Bank of Pakistan. What are your audit comments on such transactions? **04**

Part - II (STORES)

- Q.6.** What is the relation between Defence Plan and the Budget Estimate of non-recurring expenditure such as Purchase of Stores? **04**
- Q.7.** Define: **04**
- (i) Preliminary Revised Estimate
- (ii) Final Revised Estimate
- Q.8.** Define Survey Report and the role of Naval Store Officer for wanting Survey Reports? **04**
- Q.9.** What is basic fundamental rule on which whole system of Budgetary Control rests against expenditure of Stores? **04**
