



Summer Exam-2015

AGP SECTOR

New Accounting Model (NAM) [04.05.2015]

(Common to all)

Subjective

Marks-75

Duration: 2 hrs. 15 Mins.

[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 COA, codify the followings: (only Alpha Numeric codes should be given in one line without explanation)

- | | | |
|-------|---|-----------|
| (i) | Defence Affairs & Services Defence Savings Certificates | 04 |
| (ii) | Motor Car Advance to Government Servants of Director Food Punjab | 04 |
| (iii) | Pension Fund Liability of Azad Jammu & Kashmir | 04 |
| (iv) | Revenue Division (FBR) Income Tax Receipts | 04 |
| (v) | Receipt for the Sale of other Government Assets by Inter Provincial Coordination Division | 04 |
| (vi) | Revaluation of Fixed Assets, Investment by the Government | 04 |

Q.2. (a) From the following data suggest a sub-ledger entry by picking the relevant data of payroll. **08**

	Rs.
Benevolent Fund	1,000
Income Tax	10,000
Capital Gain Tax	14,500
G.P. Fund	4,500
Petroleum Levy	12,000
Sui Gas Surcharge	3,500
Net Pay	100,000

(b) From the following statistics, prepare the Revised Estimates of Expenditure Budget of DDO XYZ. Ignore the effects of commitments. **08**

- | | | |
|-------|--------|--|
| (i) | A07401 | Last FY Nov. to June. Rs.2,000,000
CFY July to Oct Rs.1,000,000 |
| (ii) | A07402 | Last FY Nov. to June Rs.1,000,000
CFY July to Oct. Rs.500,000 |
| (iii) | A07403 | Last FY Nov. to June. Rs.1,000,000
CFY July to Oct. Rs.500,000 |

Contd. on back

Part 'B'

- Q.3. (a)** Describe in one or two lines what for the Departmental Treasuries are established? **07**
- (b)** Name three General Ledger Accounts required to be cleared on monthly basis. **07**
- (c)** Name the Statements on which the Annual Account comprises. **07**

OR

Who prepares the Annual Appropriation Accounts of the SAE? How the SAE is included in the Annual Appropriation Accounts of the Government?

- Q.4. (a)** Under what condition a pensioner can receive his/her pension through his/her representative? **07**
- (b)** Describe the Accounting Policy regarding the maintenance of Computerized Electronic Accounting Records? **07**

OR

Name the considerations that apply to the retention of particular Accounting Records.



Summer Exam-2015

AGP SECTOR

Financial Audit Manual (FAM) [07.05.2015]

(Common to all)

Subjective

Marks-75

Duration: 2 hrs. 15Mins.

[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. (a)** The Auditors and the DAGP must possess the required competence. **Explain.** **08**
- (b)** List the information an auditor generally gathers for most audits to understand the entity's business. **07**
- Q.2. (a)** Describe the methods of understanding the system and application of Internal Controls in an entity. **08**
- (b)** State the Role of Supervision during the field work to ensure the quality of the Audit Work. **07**
- Q.3. (a)** Describe the tests of details applied to individual transactions that make up an account balance. **08**
- (b)** List the information often included in permanent Working Paper File. **07**

Part-II

- Q.4. (a)** When do you think a Conflicting Evidence occurs? Give three examples. **09**
- (b)** What options are available to an auditor when Most Likely Error is greater than Materiality? **06**
- Q.5. (a)** State the Legislative basis under which the DAGP conducts audit. **08**
- (b)** List the tools that ensure the quality of the auditor's opinions and statements during the reporting phase. **07**
- Q.6. (a)** Describe the role of Information Technology and Audit Methods Specialist in improving the quality of audit. **08**
- (b)** Write a comprehensive note on 'Audit Follow up'. **07**



Summer Exam-2015

AGP SECTOR

Financial & Management Accounting [06.05.2015]

(Commercial Audit)

Subjective

Marks: 75

Duration: 2 hrs. 15

[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.** The Almond Company was confronted with the two mutually exclusive investment projects, A and B which have the following after-Tax Cash Flows: **15**

Project	Cash Flows (per year)				
	0	1	2	3	4
A	(12,000)	5,000	5,000	5,000	5,000
B	(12,000)	-	-	-	25,000

Based on these Cash Flows:

- Calculate each project's NPV and IRR. (Assume that the Firm's Cost of Capital after taxes is 10 percent)
- Which of the two projects would be chosen according to the IRR Criterion?
- How can you explain the differences in rankings given by the NPV and IRR methods in this case?

Present value of Re. 1 at 4th year is:

10%	20%	22%
0.6830	0.4823	0.4526

PVIFA of Re.1 at 4th year is:

10%	20%	24%	28%
3.1699	2.5887	2.4043	2.2410

- Q.2.** XYZ Appliance Store sells an average of 160 units per month. Each order the store places is for 300 units. The cost per unit is Rs.5. The cost per order is Rs.12. Carrying Cost is Rs.0.15. The Rate of Return is 18 percent. The Tax Rate is 46 percent. **13**

- What is the investment in Average Inventory?
- What is the Annual Ordering Cost?
- What is the Annual Holding Cost?
- What is the Opportunity Cost of Holding Inventory?
- What is the total cost of the inventory excluding the purchase price?

Contd. on back

- Q.3.** Comparative Balance Sheets of Ryan Company at the end of 2013 and 2014, and Income Statement for the year 2014 is as follows; **13**

Balance Sheet

Assets	2013	2014	Liabilities & O/E	2013	2014
Cash	Rs.20,000	Rs.15,000	Accounts payable	Rs.40,000	Rs.50,000
Accounts receivable	45,000	50,000	Accrued interest	12,500	10,000
Merchandise inventory	40,000	65,000	Notes payable-bank	30,000	---
Prepaid expenses	10,000	5,000	Mortgage bonds payable	---	30,000
Buildings & equipment	70,000	85,000	Common stock	150,000	185,000
Less all. For dep.	(7,500)	(17,500)	Retained earnings	(10,000)	7,500
Land	45,000	80,000			
Total:	Rs.222,500	Rs.282,500		Rs.222,500	Rs.282,500

Income Statement for 2014

Sales	Rs.175,000
Less cost of goods sold	(70,000)
Gross profit	105,000
Less selling, marketing and admin. expenses	(50,000)
Operative profits	55,500
Less interest expenses	(10,000)
Profits before taxes	45,500
Less income taxes	(18,000)
Net Income	Rs. 27,500

During the year, land was acquired for Rs. 25,000 in exchange for common stock, par Rs. 35,000, and equipment of Rs. 15,000 was acquired for cash.

Required:

Prepare Statement of Cash Flows for the year 2014.

- Q.4.** Explain the following with reference to IAS Framework: **09**
- (a) Relevance
 - (b) Prudence
 - (c) Neutrality
- Q.5.** K&K Co. has been manufacturing and trading steel girders. Its Trial Balance for the year-ending 31st March, 2014 is noted below, alongwith some additional information. **25**

K&K Co. Trial Balance As at 31st March 2014

	Dr. (Rs.000)	Cr. (Rs.000)
Sales		28,353
Opening Inventories	3,206	

Contd....

Purchases	8,162	
Manufacturing Wages	7,333	
Other Manufacturing Costs	974	
Selling and Distribution Costs	2,020	
Administration Costs	835	
Investment Income		246
Interest paid on the Bank overdraft	50	
Interim Dividend	800	
Long-Term Investment	2,885	
Fixed Assets at cost	15,753	
Depreciation		4,396
Trade Receivables	2,967	
Prepayments	132	
Staff Loans	23	
Bank and Cash Balances	110	
Bank overdraft		1,978
Trade Payables		756
Accruals		423
10% Debenture redeemable in 2013		3,000
Four million ordinary shares of 50 paisa each		2,000
Share premium		300
Retained profits: 1 st April 2013		3,598
	45,050	45,050

Additional information:

- (a) Closing inventories have been counted and valued at Rs. 1,263,000.
- (b) The tax charge for the year has been estimated at Rs. 1,924,000.
- (c) A final dividend of sixty paisa per share has been proposed.
- (d) No interest has been paid or charged on the debenture. The debenture was raised on 1st April, 2013. This will have to be accrued for.
- (e) All other routine adjustments have been made(e.g. Depreciation, Bad Debts)

Required:

Prepare Income Statement, Balance Sheet and Statement of Changes in Equity of K&K Co. for the year ending 31st March 2014.



Summer Exam-2015

AGP SECTOR

Pay, Pension & TA Rules (Practical) [05.05.2015]

(Defense Audit Branch)

Subjective

Marks-38

Duration: 1 hr. 15 Mins.

[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:

- 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) Major Muhammad Aslam proceeded on a course of instruction in March-2014 for two months. He was attached with a unit. He submitted his TA/DA claim as under: **10**

- Full DA for 60 days
- Re-imbusement of double room hotel charges 60 days

CMA(MC) Multan refused to admit the claim. **Comment** on the action of CMA(MC).

(b) Sub Abdul Haq was dismissed from service in the Pakistan Army. He has submitted his TA/DA claim for himself and family from his last station to his home town. **Comment.**

Q.2. Lt. Col. Muhammad Bilal proceeded on retirement putting more than 3 years service on completion of his service limit prescribed for the rank. Calculate his Pension/Commutation on the basis of following particulars: **10**

Date of birth	06.05.1965
Date of Cadet Service	02.11.1978
Date of Commission	28.03.1980
Last pay drawn	Rs. 27,805 PM
Non Q.S.	Nil
Last Rank held	More than 3 years
Date of SOD	29.03.2005
Date of SOS	29.03.2006

Q.3. Mr. Muhammad Azeem, Assistant Audit Officer of CLA (DS) Lahore Cantt had drawn Rs. 60,000/- Motor Cycle Advance. He refunded the advance in 12 equal installments. Calculate amount of interest to be recovered from AAO. The rate of interest to be charged is 14.84%. **10**

Q.4. (a) What are the main responsibilities of Data Coder Cell? **04**

(b) Suggest measures to curb the adjustment of fake TRs? **04**



Summer Exam-2015

AGP SECTOR

Pay, Pension & TA Rules (Theory) [05.05.2015]

(Defence Audit Branch)

Subjective

Marks-38

Duration: 1 hr. 15 Mins.

[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.** What is Education Training Grant and explain the circumstances in which the expenditure was incurred from Educational Training Grant. **10**
- Q.2.** Define the following: **10**
- Time Scale Pay
 - Permanent Post
 - Tenure Post
 - Compensatory Allowance
 - Joining Allowance
- Q.3.** What do you understand for the term “Casualty” and who will regulate the Pay and allowances of Officers and others who become casualties during operation? **10**
- Q.4.** Define any four of the following: **08**
- Qualify Service
 - Military Service
 - Satisfactory Service
 - Combatant Service
 - Family Pension to daughter



Summer Exam-2015

AGP SECTOR

Postal Accounts Technical (SB, MO, CC) (Practical) [06.05.2015]

(For Postal Accounts Examinees)

Subjective

Marks-80

Duration: 2 hrs.30 Mins.

[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) Procedure if payee cannot be found | 03 |
| (ii) Re-payment when payee cannot be found | 03 |
| (iii) Re-opening an Account | 03 |
| (iv) Errors and Omissions | 04 |
| (v) Broadsheet of Balances | 03 |

- Q.2. (a)** What procedure should be observed in Audit Office in respect of disposal of the spoiled and unclaimed Postal Order received from Postmasters? **06**
- (b)** What procedure should be observed in respect of re-issue of void Money Orders in Audit Office? **04**
- (c)** What procedure should be observed in the Audit Office in respect of closed and used-up Pass Books? **06**

Q.3. Comment on the following, quoting the rules:

- | | |
|--|----|
| (i) Issue of Duplicate Pass-Book | 04 |
| (ii) Certificates Spoiled before issue | 04 |
| (iii) Custody of Savings Certificates | 04 |
| (iv) Return of un-disclosed amounts | 04 |

Q.4. Describe the action required to be taken by Post Master on the followings:

- | | |
|---|----|
| (i) Adjustment Errors | 03 |
| (ii) Deposit not bearing profit | 03 |
| (iii) Money Order paid to wrong person | 04 |
| (iv) Postal Order of payment by Post Master | 03 |
| (v) Custody of Certificates | 03 |

Contd. on back

Q.5. From the following, calculate the balance at the credit of a Saving Bank Account in Post Office closed on 31.12.2014 and also interest due for the year 1-1-2014 to 31-12-2014 at the rate of 9% on closing balance: 16

	(Rs.)
(i) Opening Balance	175,550
(ii) Deposited on 28-02-2014	50,990
(iii) Interest for the last year (1-1-2014 to 31-12-2014)	18,000
(iv) Withdrawal on 30-04-2014	30,000
(v) Deposited on 20-05-2014	90,500
(vi) Withdrawal on 27-06-2014	25,000
(vii) Tax on interest charged on 1-09-2014	500
(viii) Withdrawal on 15-12-2014	20,000



Summer Exam-2015

AGP SECTOR

Public Works Accounts Rules & Procedures (Practical) [06.05.2015]

(GAA, CGA)

Subjective

Marks-38

Duration: 1 hr. 15 Mins.

(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. 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 deviations in the amount of Technical Sanctioned Estimate? Briefly explain. **09**
- Q.2.** The Cash Book is the most important accounts record of the Public Works Division. How the accounts of Cash Transactions are maintained in the Cash Book? **09**
- Q.3.** Prepare 2nd Running Bill of M/s. ACE Engineering Co. of the Work "Construction Of Quarters " paid vide Vr. No. 28 dated 8-3-2015 from the following data:- **20**

Sr. No.	Item of Work	Unit	Rate Rs.	Upto date Quantity	Quantities Paid in last Bill
1.	Excavation in foundations	o/oo Cft.	2,220	14,500	9,500
2.	Brick ballast in foundations	% Cft.	6,315	7,000	4,500
3.	Brick Work	% Cft	7,000	6,500	5,000
4.	R.C.C.	% Cft	10,000	7,000	2,000
5.	Fabrication of Steel	Per KG	80	3,000	1,000
6.	Wood Work	Per Sft.	400	700	-

- (i) Advance Payment of Rs. 100,000 and Rs. 80,000 was given in the last running bill against item No. 2 and 3 which is to be recovered in this Bill.
- (ii) Further Advance of Rs. 350,000 is to be given against the item of R.C.C Work in this bill.
- (iii) Secured Advance of 50,000 Bricks was given in last bill at Market Rate of Rs. 8,000 per thousand which is to be adjusted in this bill.
- (iv) Secured Advance against 20 Ton Steel is to be given in this bill at Market rate of Rs. 60,000 per Ton.
- (v) Add Premium @ 100% on all items except item No. 6.
- (vi) Deduct Security Deposit and Income Tax as per Rules.



Summer Exam-2015

AGP SECTOR

Public Works Accounts Rules & Procedures (Theory) [06.05.2015]

(GAA, CGA)

Subjective	Marks-38	Duration: 1 hr. 15 Mins.
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(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. Write short notes on the following:**
- | | |
|--|-----------|
| (i) Scrutiny of Rules and Orders | 03 |
| (ii) Audit of Sanction to Expenditure | 03 |
| (iii) Administrative Approval | 03 |
| (iv) Disposal of Receipts | 03 |
| (v) Secured Advance | 03 |
| (vi) Rate of Cost and Inclusive Rate of Cost | 03 |
- Q.2.** Audit of Stores and Stock is an important function of Audit. What do you know about the Audit of Stores and Stock Account? Discuss briefly. **10**
- Q.3.** Measurement Book is an important document in P.W. Division. Describe the important instructions for recording detail measurements in the Measurement Book? **10**



Summer Exam 2015

AGP SECTOR

Service & Financial Rules [05.05.2015]

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

Subjective **Marks - 75** **Duration: 2 hrs. 30 Minutes**
[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)** A Government Servant was drawing pay @ Rs.18,000/- in BS-16 (10,000-800-34,000) w.e.f 1.1.2012. His post was upgraded alongwith incumbent on 1.3.2013 in BS-17 (16,000-1200-40,000). He was promoted in BS-18 (20,000-1500-50,000) on 1.7.2014. He applied for re-fixation of pay on 1.12.2014. **15**
- Required:**
- i) Fix pay on 1.03.2013 and 1.7.2014
 - ii) Re-fix pay on 1.12.2014
- (b)** A Government Servant posted in Karachi proceeded on leave on full pay for 4 months in Hyderabad. After expiring of 2 months leave, he was called back to H.Q in view of exigencies of services. **Calculate** TA/DA admissible to the Officer. **10**
- Q.2. Comment:**
- (i)** An inquiry under E&D Rules was being conducted against a Govt. Servant. He applied for pre mature retirement which was rejected by the Competent Authority. **07**
 - (ii)** A Govt. Servant was compulsorily retired from service. He applied for leave encashment equal to 365 days leave at his credit. **07**
 - (iii)** A Govt. Department decided to attach 1/10 of pension of a retired Govt. Official in satisfaction of decree of a Court of Law. **06**
- Q.3.** Describe the role of Financial Advisor with regard to approval of Budget Order and New Item Statement. **10**
- Q.4.** What are the responsibilities of a Controlling Officer while incurring expenditure from Public Funds? **10**
- Q.5. Define:**
- (a)** Counter Signed and Special Contingencies **05**
 - (b)** Adhoc Appointment **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		



Summer Exam-2015

AGP SECTOR

Works (MES) Stores (Practical) [06.05.2015]

(Defence Audit Branch)

Subjective

Marks-38

Duration: 1 hr. 15 Mins.

[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 A.Is (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 is PM (Punching Medium) for payment of final bill against lump sum CA to M/S ABC Islamabad by G.E. (Air) Chaklala for new work chargeable to Capital Head (non-residential): **10**

i) The amount of CA is	Rs. 25 millions	
ii) Works omitted vide D.O.	Rs. 1 million	
iii) Issue of MES Stores	Rs. 4 millions	
iv) Payment made on RAR	Rs. 9.4 millions	After deducting Income Tax of Rs. 0.6 millions
v) Charge Income Tax at appropriate rate		

- Q.2.** In what manner capital value of a building is affected, through amendment? **03**
- Q.3.** What are basis to calculate Constructional Cost of Work? **05**

Part - II (STORES)

- Q.4.** Under what circumstances stores are dispatched by other than cheapest mode of carriage? **05**
- Q.5.** What is Appropriation and Re-Appropriation of Funds? **05**
- Q.6.** How Losses of Stores in transit between Pakistan and Foreign Countries are dealt with? **06**
- Q.7.** What details of Fruit Trees are held in record of Farms Wing? **04**



Summer Exam-2015

AGP SECTOR

Works (MES) Stores (Theory) [06.05.2015]

(Defence Audit Branch)

Subjective

Marks-38

Duration:1 hr.15 Mins.

[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

Part - I (MES)

- Q.1.** Differentiate Secured Advances to Contractors and the Payment on Running Account. **04**
- Q.2.** What is the procedure to obtain Standing Security Bonds and the Security Deposits from MES Contractors? What are various forms of Security Deposits? **05**
- Q.3.** What are the functions and responsibilities of DW & CE regarding Budget and Stores? **06**
- Q.4.** What is Construction Accounts and who are responsible for its maintaining, checking of accuracy and periodically inspection? **04**

Part - II (STORES)

- Q.5.** What are Financial Canons in incurring or sanctioning expenditure and the role of Audit Officer? **08**
- Q.6.** What is Budget Estimate and what are general principles to be observed in the preparation of Budget Estimates? **06**
- Q.7.** What is system for verification of credit of locally purchased Stores in the Ledger of receiving units? **03**
- Q.8.** What the following stands for: **02**
- (i) CVSD
 - (ii) DITD
 - (iii) DDMI
 - (iv) Consignee



Summer Exam-2015
AGP SECTOR
Performance Measurement (05.05.2015)

Duration: 3 hrs.

Marks-100

[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.** A company produces a single product. The planned production and sales for the latest quarter was 46,000 litres. The budgeted costs per litre were as under:

	Rs.
Prime costs	5.20
Production overheads – all fixed	2.80
Non-production overheads	
Variable	0.65
Fixed	1.70
	10.35

Actual production and sales during the quarter were as follows:

Production:	46,000 litres
Sales:	45,600 litres (at Rs. 12 per litre)

There was no finished inventory at the beginning of the period. Both fixed as well as variable costs were incurred as per the budget.

Required:

- (a) Prepare a Profit Statement for the period using Absorption Costing. **08**
- (b) Briefly explain the main difference between Absorption Costing and Marginal Costing and calculate the increase/decrease in profits if marginal costing was used instead of absorption costing. **06**
- Q.2.** Star Ltd has designed a new product **MLH**. Based on the current market, the price of **MLH** has been fixed at Rs. 200 per unit.

Cost of each unit of **MLH** has been estimated as under;

Direct Material:	5 kg at Rs. 12/kg. Loss in production is estimated at 10% of the material used
Direct Labour:	2 hours at Rs. 20 per hour.
Production overheads:	Rs. 25 per direct labour hour

Required:

- (a) Expected Cost of Production. **02**
- (b) Target Cost of Product if the Target Profit is 30% of Sales. **02**
- (c) The Size of Cost Gap **02**

Contd. on back

Q.3. A company manufactures three products. Sales demand for the products in the next period is estimated as follows:

Product A	6,200 units
Product B	8,000 units
Product C	11,500 units

Selling prices and unit costs are estimated as under:

	Product A Rs.	Product B Rs.	Product C Rs.
Selling Price	9.70	11.10	13.80
Costs:			
Direct Materials	2.80	3.90	4.92
Direct Labour (Rs. 8 per hour)	2.40	2.40	3.20
Variable Overheads	0.90	0.90	1.20
Fixed Overheads	2.70	2.70	3.60

The company is experiencing a shortage of direct labour and estimates that a maximum of 8,500 labour hours will be available in the next period.

Required:

Determine the Production Schedule for the next period which will maximize profit.

14

Q.4. A publisher makes an initial payment of Rs. 25,000 to authors for each accepted manuscript. Thereafter, royalty is paid at 15% of the net sales price of the books sold.

The net sales price of a book is the revenue received by the publisher which is the listed selling price of the book less the bookstore margin of 20% of the listed selling price.

A particular book has a listed selling price of Rs. 15. Costs incurred on the book by the publisher (excluding payments to the author) are:

	Rs.
Variable costs per copy	3.20
Total fixed costs	80,000

Required:

Calculate the number of copies of the book that need to be sold to allow the publisher to:

a) Break Even.

09

b) Make a profit of Rs. 35,000.

03

Q.5. Mars Limited (ML) operates an activity-based costing system and projected the following, for the next year.

Cost Pool	Cost (Rs.)	Number of Drivers
Production Set-ups	105,000	300 set-ups
Product Testing	300,000	1,500 tests
Component Supply and Storage	25,000	500 orders
Customer Orders and Deliveries	112,500	1,000 orders

The annual costs of production and general overheads which cannot be linked to any specific activity are estimated at Rs. 900,000 and these overheads are absorbed on a direct labour hour basis. Total direct labour hours for next year are estimated at 300,000 hours.

ML is introducing a new product AB1. The projected cost and profit relating to AB1 is as follows:

Component Cost:	Rs. 1 per unit
Direct Labour:	10 minutes per unit at Rs. 7.80 per hour
Profit Mark up:	40% of total unit cost

During the next year, ML expects to receive 100 orders of 60 units per order and 60 orders of 50 units per order for Product AB1. 900 units would be produced in each production run. Four tests would be carried out during each production run to ensure that quality standards are maintained. Components would be purchased prior to each production run.

Required:

(a) Calculate the activity – based recovery rates for each cost pool. 04

(b) Calculate the total unit cost and selling price of Product AB1. 09

Q.6. The following information relates to Yazdan Motor Car Company for the year ended 31st December 2014 and 2013.

Operating Results	<u>2014</u>	<u>2013</u>
	Rs.	Rs.
Sales	5,930	4,096
Gross profit	570	272
Operating profit	470	184
Profit before taxation	496	180
Profit after taxation	270	110
Dividend	50	28
Profit retained	220	82
Capital employed:		
Share capital	170	142
Revenue reserves	580	334
Unappropriated profit	2	1
	752	477
Long term and deferred liabilities	842	12
	1,594	489
Represented by:		
Property, plant & equipment	124	100
Non current receivables	28	24
	152	124
Current Assets		
Stores & spares	24	26
Stock in trade	1,214	822
Trade debtors	48	36
Cash & bank	514	304
Other current assets	1,152	82
	2,952	1,270
Less: Current liabilities	1,510	905
Net current assets	1,442	365
Total Assets	1,594	489

Required:

From the above information calculate the following for both the years:

- | | |
|------------------------------|-----------|
| (a) Gross Profit Percentage | 02 |
| (b) Current Ratio | 02 |
| (c) Quick Ratio | 02 |
| (d) Debt Equity Ratio | 02 |
| (e) Inventory Turnover Ratio | 02 |
| (f) Debtor Days | 02 |

- Q.7.** The Capital employed at Division **A** of Moon Ltd is Rs. 2 million. Currently, the division earns a return on investment of 22%. It can make an additional investment of Rs. 500,000 for a 5 year life with nil residual value. The average net profit from this investment would be Rs. 48,000 per annum. Division **A**'s cost of capital is 14%.

Required:

Calculate Residual Income before and after additional investment.

07

- Q.8.** A company manufacturing 'distempers' operates a Standard Costing System. The Standard Cost of one of its products is as follows:

Materials	Quantity	Standard Price Per kg	Total (Rs.)
A	40 kg.	Rs.75	3,000
B	10 kg.	Rs.50	500
C	50 kg.	Rs.20	1,000
Material Cost per unit (Total)			4,500

The Standard Input Mix is 100 kg. and the standard output of the finished product is 90 kg.

Actual output of the finished product was 420,000 kg. The actual consumption for the period was as follows:

A	240,000 kg	@ Rs. 80 / kg
B	40,000 kg	@ Rs. 52 / kg
C	220,000 kg	@ Rs. 21 / kg

Required:

Calculate the following Material Variances:

- | | |
|--------------------|-----------|
| (a) Cost Variance | 04 |
| (b) Price Variance | 04 |
| (c) Usage Variance | 04 |
| (d) Mix Variance | 05 |
| (e) Yield Variance | 05 |



Summer Exam-2015

AGP Sector

Bus. Com. & Beh. Studies (06.05.2015)

Duration: 3 hrs.

Marks-100

[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. Rephrase the following sentences using the “You” attitude? **05**

1. To help us process this order, we must ask for another copy of the requisition.
2. We are pleased to announce our new flight schedule from Atlanta to New York, which is any hour on the hour.
3. We offer MP3 players with 50, 75, or 100 gigabytes of storage capacity.
4. You should never use that type of paper in the copy machine.
5. You must correct all five copies by noon.

Q.2. You are Manager Loan Department. You have received Rs. 2.5 million running finance loan request which you have to decline. Assume necessary details and draft a refusal letter? **10**

Q.3. Paraphrase the following passage taken from Raymond S. Nickerson's "How We Know and Sometimes Misjudge What Others Know: Imputing One's Own Knowledge to Others". **10**

In order to communicate effectively with other people, one must have a reasonably accurate idea of what they do and do not know that is pertinent to the communication. Treating people as though they have knowledge that they do not have can result in miscommunication and perhaps embarrassment. On the other hand, a fundamental rule of conversation is that one generally does not convey to others information that one can assume they already have.

Q.4. Write an essay on “Why should I be a good Responsible Citizen?” **15**

Q.5. (a) How does Job Enrichment adds to the motivation of an employee? **05**

(b) What is meant by Attitude? What are its components? **05**

Q.6. Your Organization provides consultancy and training services in the area of Accounting, Finance and Human Resources along with providing different services of Accounts and Finance department as an outward agency. **10**

Write an unsolicited sales letter to introduce your products and services to the prospective corporate clients.

Contd. on back

- Q.7.** Discuss Alderfer's ERG "**Theory of Motivation**". **08**
- Q.8.** What are the characteristics and approaches of a "**Transformational Leader**"? **07**
- Q.9.** You are Director Training and Development. In your organization employee turnover rate is higher than industry average. You have been assigned the task to research the problem and submit a detailed formal report. Assume necessary details. **15**
- Q.10.** Define the following Financial Market Terminologies? **10**
1. Ready Business
 2. Bull
 3. Bull Account
 4. Off-Take
 5. Glut



Summer Exam-2015

PUBLIC SECTOR

Construction, Stores & Works Accounts (Practical) [06.05.2015]

(Pakistan Railway Accounts Department)

Subjective

Marks-75

Duration: 2 hrs.30 Mins.

[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:

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

- Q.1. (a)** The Divisional Engineer noticed during execution of a Civil Work that some additional items were also required to be included in the work. **05**
What procedure should be adopted in this case?
- (b)** A railway line was damaged due to terrorists' attack at Quetta-Chaman Section on 15th January, 2015. The work was required to be urgently commenced by the Executive Engineer, Quetta. How will he initiate the work? Also prepare necessary certificate in this case for approval of the Competent Authority. **10**
- Q.2. (a)** What procedure is adopted by the Executive Authorities after acceptance of a tender in respect of a Civil Work? Describe in detail. **10**
- (b)** Is it possible that a work may be commenced or supplies of material be made prior to execution of contract? If yes, under what conditions? **05**
- Q.3. (a)** What is Bonus System? Under what conditions it is adopted in Railway Workshops? Describe in detail. **7.5**
- (b)** What is the procedure of payment to workshop labour for "Repair Works"? Can Piece Work or Bonus System be introduced for Repair Work? **7.5**
- Q.4.** Write short notes on following:
- (i)** Idle Time **05**
- (ii)** Oncost **05**
- (iii)** Log Register **05**
- Q.5. (a)** How material modifications are undertaken in a Sanctioned Work or Scheme? Explain with examples. **10**
- (b)** What procedure is adopted in respect of Minor Modifications? **05**



Summer Exam-2015

PUBLIC SECTOR

General & Revenue Accounts of Railways (Practical) [04.05.2015] (Pakistan Railway Accounts Department)

Subjective	Marks-75	Duration: 2 hrs.30 Mins.
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- 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:

- 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.** All claims against the Railways should be properly scrutinized. **Comment** in detail. **12.5**
- Q.2.** What is the objective of Statutory Audit? How Audit objections are disposed off? **12.5**
- Q.3.** What is an Audit Inspection Report? What is the role of Accounts Office in dealing with Audit Inspection Reports and rectification of mistakes? **12.5**
- Q.4.** Describe in detail the procedure of Internal Check of Sanctions and Order? **12.5**

Part-B [Attempt any two questions]

- Q.5.** What is Revenue Account Current? List down its main items. **10**
- Q.6.** Describe in detail the Nature and Accounting Treatment of Miscellaneous Advances. **10**
- Q.7.** What are Transfer Certificates? How adjustments are made on the basis of Transfer Certificates? **10**

Part-C [Attempt any one question]

- Q.8.** Define Wharfage and Demurrage. What checks are applied on Wharfage and Demurrage Returns? **15**
- Q.9.** What are Error Sheets? Describe in detail the Role of Outstanding Branch and withdrawal of debits raised against Stations. **15**

Part-D [Attempt any one question]

- Q.10.** How Handling Bills are checked in the Accounts Office? Write in detail. **15**
- Q.11.** What are main items to be checked by the Inspector of Coaching and Goods Stations? **15**
