



**Pakistan Institute
of Public Finance Accountants**

Model Solutions

**Public Works Accounts
Rules & Procedures
(Application)**

Summer Exam-2023

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Q.1. Solution Attached as Annex-1

Total Marks 30

Q.2. = 55000 sft x 79 /100
= 43450 lbs x 0.453592
= 19708.57 kg @ Rs. 198.50 per kg
= Rs. 3,912,151

Total Marks 10

Q.3. A.

Bricks = 8,000 cft x 1,350 /100 x 60/100 = 64,800 Nos. @ Rs. 6,000 % Nos. = Rs. 388,800

B.

Brick bats. = 8,000 cft x 40/100 = 3,200 cft @ Rs 2400% cft = 76,800

Total: A+ B = Rs. 388,800 +Rs. 76,800 = Rs. 465,600

Total Marks 10

Q.4. The bill was drawn to utilize the budget grant which was irregular. The made on the basis of import documents was also not in order. Payment for supplies was not permissible until the stores have been received. The payment can neither be treated as an advance payment nor a secured advance. It was a irregular to draw a cheque to utilized the budget grant.

Note 2 under Para No. 220 and Para 69 of CPWA Code

220) Before the bill of a contractor is prepared, the entries in the measurement hook relating to the description and quantities of work or supplies should be scrutinised by the Sub-divisional Officer and the calculations of "Contents or area" should be checked arithmetically under his supervision. The bill should then be prepared, from the measurement entries, in one of the forms prescribed in paragraphs 212 to 219 applicable to the case. The rates allowed should be entered by the Sub-divisional Officer, either in the abstract of measurements, *vide* paragraph 209 (c), or in the bill itself. Full rates as per agreement, catalogue, indent or other order should be allowed only if the quality of work done or supplies made is up to the stipulated specification. When the work or supplies fall short of that standard, and under the agreement it is permissible to make a final payment if the contract is determined, or an on account payment if the contract is to run on, only such a fraction of the full rate should be allowed as is considered reasonable, with due regard to the work remaining to be done and the general terms of the agreement.,

Note 2.—As a general rule, payment for supplies is not permissible until the stores have been received and surveyed. If in any case the local Administration has permitted payment on production of a Railway receipt, the payment will be treated as an .advance against final settlement on receipt of the stores.

Total Marks 10

Q.5. The amount incurred in excess of deposit received should be debited to suspense head "Miscellaneous Public Work advances under the major head concerned.
Para 357 and 361 of CPW A Code.

Para 357-

Outlay on Deposit Works is required to be limited to the amounts of deposits received. Any expenditure on deposit works incurred in excess of the amount deposited is chargeable to



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Miscellaneous P. W. Advances pending recovery, to effect which action should be taken at once. See paragraph 361.

Para 361-

The detailed accounts of this head should be kept in Form 67, "Suspense Register. For items falling under the class "Expenditure incurred on Deposit Works in excess of deposits received" details are not necessary, as these are recorded in the Schedule of Deposit Works, Form 65. For each of the other three classes of items, a separate set of folios should be reserved, and all the items under each class should be detailed so that their clearance may be watched individually. An abstract should be prepared to show the totals of all the classes.

Total Marks 20

- Q.6.**
- a) A departmental inquiry should be conducted and responsibility for the loss fixed. The cement bags will continue to be borne on stock so long as orders of competent authority for a recovery or write off on survey report Form CPWA 18 are obtained.
 - b) As contained in Para 135 (a) CPWA Code the timber found surplus should be taken as a receipt and its value at once credited as revenue receipt or a receipt on capital account as the case may be.
 - c) Minus balance with plus quantity shows that the issue of bricks during the period concerned were made at rates higher than the current issue rates. This difference of Rs. 105,000 (5,000+100,000) will be adjusted by debit to stock and credit to revenue. Plus entry of Rs. 105000 without quantity will be made in column 19 of Half yearly register of stock Form CPWA 12.
 - d) Plus balance of Rs. 30,000 against nil quantity of tuff tiles shows that either its issue rate was reduced during the current half year or tuff tiles were issue at rates lower than the current issues rate. The difference of Rs. 30,000 will be adjusted by credit to stock and debit to Losses on stock. Minus entry of Rs. 30,000 without quantity will be made in column 19 of Half yearly register of stock Form CPWA 12.

Para 129(e) CPWA Code Article 102 (c) (2) of Account Code Vol.III

Total Marks 20

- Q.7.**
- a As laid down in paragraph 209(d) CPWA Code receipt of supplies is recorded in the measurement book. These record entries form the basis of payments for supplies. The safeguard against double payments, paragraph 222 ibid lays down that when a bill is prepared every page containing detailed measurements should be scored out by diagonal red ink line and when payment is made an endorsement should be made in red ink, on the abstract of measurements giving a reference to the number and date of voucher of payment. The Divisional Officer on receipt of the claim will have to pass it on the Sub-Divisional for verification of the supplies who will refer to the measurements under paragraph 200(d) ibid and find that the payment has already been made. The second claim should not be honored.
- Q.7.**
- b The record of refunds of deposits is required be kept against the original deposit vide paragraph 189 CP WA Cod. It safeguards against double payments.

Total Marks 10
