



**Pakistan Institute  
of Public Finance Accountants**

# **Model Solutions**

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

**AGP | CGA | Treasury**

**Summer Exam-2024**

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## **Summer Exam-2024**

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

- Q.1.** Solution Attached as Annex-1
- Q.2.** The Divisional Officer before signing the cheque should have seen carefully that the bills amount and work done as per Measurement book was same as paid in cheque. The amount can easily be detected at the time of signing of cheque. The overpayment will come to light when reconciling the amount of cheque with the treasury officer at the time preparation of form 51 settlement with treasuries as per procedure shown in Para 508 of CPWA Code.  
(Para 223 and 508 of CPWA Code 432 of Audit Manual)
- Q.3.** As per Para 242 -243 of CPWA Code the value of materials recoverable from the contractor should at once be debited to this personal account by charge to the suspense head "Contractors-Other Transactions" in accounts of the work concerned and credited to the Suspense head "Stock".
- Q.4.** A contractor is supposed to supply without charge labourers for counting weighing and assisting in measurements of work on item rate basis and he was not entitled for any payment to daily wages employees for helping the SDO to record measurements of the work. However if there is a specific terms in the agreement for such payment then the claim is genuine one and admissible under the terms and conditions of agreement.
- Q.4.** The contractor should bear the charge of compensation of Rs. 200,000 as the contractor is himself required to provide lights to protect the public against road accidents as a result of non provision or defective lighting during the execution of works on road.  
(Para 403 of Audit Manual)
- Q.5.** According to Para 228 (a) of CPWA Code the secured advance is always allowed through a formal agreement i.e. Indenture Bond. Government should first obtain lien on the material than the secured advance was admissible after receipt of material at site on non perishable items i.e. Steel bricks crush etc. . In this case the secured advance was allowed on cement which is perishable in violation of rules which was irregular and an undue benefit was given to the contractor therefore recovery along with 12% interest should also be made for the amount utilized by the contractor without receipt of material at site under clause 6 of indenture bond.
- Q.6.** The cost of excavator and its depreciation will be debited to the concerned work for which the excavator was purchased.  
(Para 142 CPWA Code Article 37(b) of Account Code Vol. III.)
- Q.6.** The expenditure incurred on annual repair of unprotected monuments will be debited to Repairs: Building: General Administration.  
Foot Note 32 Appendixes 2 of CPWA Code.
- Q.6.** As per Footnote 27 Appendix 2 CPWA Code the expenditure incurred on retarring of road for extension of metal surface from 10 ft to 12 feet will be debited to original work after obtained approval of competent authority who approved the estimate of the work.

- Q.6.** As per Footnote 27 Appendix 2 CPWA Code the expenditure incurred on account of Notice  
**d** Boards will be debited to Civil Works : Repairs: Communications
- Q.7.** No transfer adjustment is required in this case. The records of works i.e. the work abstract  
**a** and the register of works should be made over to the newly formed Division for further action.
- Q.7.** Balance standing under public works Deposit of the suspense head “purchases” should be  
**b** transferred to the newly formed Division through a transfer entry by debit to “Public works Deposit” of the suspense head purchases and credit to S. Remittances; Cash Remittances and adjustments between officers rendering accounts to the same Audit Office. Transfer between Public works Officers  
**(Para 167,-173 of CPWA Code)**

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Form No. 26											
RUNNING ACCOUNT BILL B.											
(Referred to in paragraphs 212, 215 and 217)											
Cash Book voucher No.		C.V. No.		68		Dated		12.2.2024			
Name of Contractor:		M/s. AQ Enterprises.									
Name of work:		Construction of Residence for staff.									
Serial No. of this Bill:		2 <sup>nd</sup> Running Bill									
No. & date of his previous bill for this work:		1st Running Bill.									
Reference to Agreement No:											
Date of written order to commence work:											
Date of actual completion of work.											
Accounts of work executed											
AVERAGE PAYMENTS FOR WORK NOT YET MEASURED			Item of work	Unit	Rate	Quantity executed upto date as per MB	PAYMENTON THIS BASIS OF ACTUAL MEASUREMENT		Remarks		
Total as per previous Bill	Since Previous bill	Total up to					Up to date	Since previous bill			
1	2	date	4	5	6	7	8	9	10		last bill
Rs.	Rs.	Rs.		Rs.	Rs.		Rs.	Rs.			qunaties.
35000000	13130102.5	21869897.5	Mobilization advanced								
			Dismantling brick work in lime or cement mortar.	% Cft	7,700	9000	693000	77000		1000	8000
			Dismantling cement concrete plain 1:4:8	% Cft	8,444	10000	844400	0		0	10000
			Dismantling cement concrete reinforced.	% Cft	16,272	8000	1301760	0		0	8000
			Excavation in foundation of building	% Cft.	9,000	10000	90000	0		0	10000
			Cement concrete brick or stone ballast 1:4:8	% Cft	18,414	6000	1104840	184140		1000	5000
			Pacca brick work in foundation and plinth 1:6	% Cft.	24,456	18000	4402080	0		0	18000
			Pacca brick work in ground floor 1:4	% Cft	25,666	23000	5903180	5903180		23000	0
			Fabrication of mild steel reinforcement bar cage for R.C.C deformed bars	% Kg.	24,755	73000	18071150	18071150		73000	0
			P/L reinforced cement concrete	Per Cft	800	24000	19200000	19200000		24000	0
			P/F M.S. sheet hollow pressed frame of	Per Sft	650	1400	910000	910000		1400	0
							52520410	44345470			8174940
							52520410				
35000000	13130102.5	21869897.5	Deduct value of work done previously				8174940				
	"D"	"B"	Total value of work done to date since previous bill				44345470	44345470			
			Account of "Secured Advance" allowed on the security of material brought to site.								
Quantity Outstanding From Previous bill	Deduct Quantity Utilized in work measured since Previous bill	Quantity Outstanding including brought to site since Previous bill	Full rate is assessed By the Divisional Officer	Description of Material	Unit	Reduced Rate at which advance is admissible	Up to date amount of advance	Reference of Divisional Officer Written Order	Reasons for non-clearance of advances when outstanding more than three months		
1	2	3	4	5	6	7	8	9	10		
110000	50000	60000	14000	Bricks	per % Nos	10500	630000				
							0				
		40	195000	Steel	Metric Ton	146250	5850000				
							0				
			Total amount as per this account				6480000	"C"			
			Deduct amount as per previous bill				1155000				
			Net amount since previous bill in words: Minus				-5325000	"E"			
IV. Memorandum of Payment											
1	Total value of work actually measured as per Acct. 1 Col 8 Entry A								52520410		
2	Total "upto date" Advance payments for Mobilization Advance								21869897.5		
3	Total upto date Secured Advance as per Entry C								6480000		
4	Total:								80870307.5		
Figures in worksAbstract	5. Deduct amount withheld								0		

	a	From previous Bill as per last Running Account Bill (an amount of Rs. 500000 withheld in last bill released in this bill)						0			
	b	Fom this Bill						0			
6. Balance i.e. Uptodate payment (Item 4-5) ...Entry "K"								80870307.5			
	7 . Total amount of payment already made as per " Entry "K" of last running bill			35000000	8174940	1155000	500000	0	43829940		
8. Payment now to be made as per detailed below:-								37040367.5			
a) By recovery of amount creditable to this Work Rs.											
Total 5(b) + 8a .....(G)											
b) By recovery of amounts creditable to other Works											
or head of accounts											
4434547	i) Security Deposit @ 10 %						4434547				
2963229.4	ii) Income Tax @ 8%						2963229.4				
29642591.1	c) By Cheque						29642591.1				
37040367.5	Total 7(b) + 7(C) ..... (H)							37040367.5			
<b>Pay Rs</b>								<b>only.</b>			
							( Dated initial of Disbursing Officer)				