



**Pakistan Institute
of Public Finance Accountants**

Model Solutions

PS Accounting (Application)

AGP | PMAD | PG| Public |KPG|SG

Summer Exam-2025

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Q.1. Manual of Chart of Accounts

(a)

- Q.1.** (i) Answer at 19/74 of CoAs
 (b) (ii) Answer at 30/74 of CoAs
 (iii) Answer at 40/74 of CoAs
 (iv) Answer at 60/74 of CoAs

- Q.1.** (v) Answer at 42/74 of CoAs
 (c) (vi) Answer at 11/74 of CoAs

Q.2.

Description	Rs.
Cash balance as per Accountant General Book	5,000
Add: 02 un presented cheque/payments for:	
Article 1	500
Article 2	1,000
	6,500
Add: Receipts in bank statement but not in AG record	2,500
	9,000
Less: Payments in bank statement but not in AG record	1,500
Adjusted cash balance as per Accountant General	2,500
Cash balance as per bank statement	5,000

Q.3.
a

	2022-23	% Inc. / (Dec)	2021-22	% Inc. / (Dec)	2020-21
Income from grants:					
The grant from the Higher Education Commission (HEC) for recurring	343.256	28	267.663	(3)	274.791
Grant from HEC for Tenure Track Faculty	0	(100)	69.991	194	23.791
Textile Cess for recurring	3.665	(39)	6.006	(14)	6.955
Total grants	346.921	1	343.661	12	305.537
Income from own sources:					
Fee from students	536.89	16	464.697	32	352.811
Income from sample testing and research projects	38.44	40	27.374	64	16.684
ORIC Performance overhead	3.964	(39)	6.501		0
Other income	97.098	56	62.235	65	37.724
Total income from own Sources	686.391	22	560.808	38	407.22
Grants amortized during the year	206.252	(5)	217.932	(14)	253.195
Total income	1239.565	10	1,122.40	16	965.953
Expenditure:					
Salaries, wages and other benefits	671.391	19	561.949	39	404.554
Employees retirement benefits	246.305	37	180.08	23	146.453
Repair and maintenance	22.808	(20)	28.684	14	25.18
Communication	27.426	25	21.996	(16)	17.674
					33.755

Utilities	48.442	(7)	52.369	(35)	
Travelling and transportation	28.382	86	15.278	128	6.708
Printing and stationery	4.24	19	3.551	(17)	4.277
Remuneration to part-time / visiting teachers	13.834	9	12.673	3	12.326
Merit scholarships and gold medals	15.599	6	14.759	19	12.451
HEC need based financial assistance	11.575	(2)	11.785	(8)	12.836
Others	0	-100	77.34	137	32.629
Amortization of Development Grant	206.252	(5)	217.932	(14)	253.195
Total Expenditure	1340.729	15	1,160.87	21	962.038
Surplus / (deficit) before depreciation	(101.163)	163	(38.463)	(1083)	3.914
Depreciation	43.281	16	37.408	4	35.981
Surplus / (deficit) after depreciation	(145.318)	89	(76.744)	134	(32.794)
Other comprehensive income/(loss)					
Total Surplus/(deficit) for the year	(156.709)	45	(108.184)	62	(66.766)

Q.3.
b Textile cess decreased by 39% from Rs 6.006 million (2021-22) to Rs. 3.665 million in 2022-23. Furthermore, income from Research, Innovation and Commercialization had also decreased by 39% from Rs. 6.501 million (2021-22) to Rs. 3.964 million in 2022-23. The abnormal decrease in textile cess and income from Research, Innovation and Commercialization needs to be considered.

Revenue of the University has increased by 10% from Rs 1,122.404 million (2021-22) to Rs. 12.39.565 in 2022-23 whereas total expenditure increased by 15% from Rs. 1160.870 million (2021-22) to Rs. 1,340.729 million in 2022-23. The substantial increase of 5% in total expenditure as compared to revenue needs to be considered.

The total operating expenses increased by 20% from Rs. 942.934 million (2021-22) to Rs. 1,134.476 million in 2022-23. The major increase includes in retirement benefits by 37% Communication by 25%, Traveling and transportation by 86%. Management should minimize these increases.

The University is in deficit since last 3 years. The deficit increased by 89% from Rs 76.744 million (2021-22) to Rs. 145.318 million in 2022-23 which is abnormally on very high side.

Q.4. Answer at chapter - 4.7 of AP&PM

OR

Answer at 4.5.1.3 of AP&PM

Q.5. Answer at 2.2.2.9 of AP&PM

OR

Referred to MoAP

Q.6. Answer at 11.3.3.1 of AP&PM

a

Q.6. Answer at 11.4.3.2 of AP&PM

a

(i)

Q.6. Answer at 11.4.3.4 of AP&PM

a

(ii)

Q.7. Answer at 13.6.2 of AP&PM

OR

(a) Answer at 4.6.14.4 of AP&PM

(b) Answer at 4.14.7.1 of AP&PM

(c) Answer at 4.14.7.2 of AP&PM

(d) Answer at 4.14.7.3 of AP&PM
