



## Winter Exam-2023

### Solutions – Budgeting, Accounting and Financial Reporting (Application)

**Q.1.** Budget Manual -19.2

Objectives=05 marks  
Actual role=10 marks

**Total Marks 15**

**Q.2.** Budget Manual-10.3

Need=08 marks  
Impact=07 marks

**Total Marks 15**

**Q.3.** Accounting entries will be made in accordance with Para 12.12.3 of the Acc. and Fin. Reporting Manual.

20 marks for all the entries

**Total Marks 20**

**Q.4.** WAPDA Act-22 and general orientation about budget will be assessed.

Who approves=05 marks  
Sources of funding=10 marks

**Total Marks 15**

**Q.5.** Answer will be examined in accordance with A&FRM-definitions and Para 7.1

What is intangible=05 marks  
List of Intangibles=05 marks  
Depreciation=05 marks

**Total Marks 15**

**Q.6.** Net Present Value 10

Year	Cash Flow in Rs.	Present Value Discount Factor (14%)	Present Value
0	-404,424	1.00000	-404,424
1	86,890	.87719	76,219
2	106,474	.76947	81,929
3	91,612	.67497	61,835
4	84,801	.59208	50,209
5	84,801	.51937	44,043
6	75,400	.45559	34,351
7	66,000	.39964	26,376
8	92,400	.35056	32,392
Net present value			-404424 + 407354 = 2,930

As the NPV is Positive, the project is feasible.

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**Total Marks 20**

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