



**Pakistan Institute
of Public Finance Accountants**

Model Solutions

**Public Financial
Management, Financial
Rules, Financial Control and
Budgeting (Provincial)
(Application)**

PG | CGA

Winter Exam-2024

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Q.1. PBM-16.3 & 16.4.

a The **Appropriation Accounts** consist of:

- (a) a grand summary giving a general view of the total expenditure under each Grant / Appropriation compared with the total Grant / Appropriation sanctioned there under.
- (b) audited accounts of all the expenditure of the year whether “Authorized” or “Charged” in the form of a separate appropriation account for each Grant / Appropriation, with any important observations which considered necessary to make as a result of audit investigation, and
- (c) the financial irregularities, including cases relating any previous year that become ripe for inclusion since the last report was written, which are of sufficient consequence to justify inclusion.

The **Finance Accounts** deal with the Accounts of the Province as a whole, including transactions relating to debt, deposits, sinking funds, advances, suspense accounts and remittance business and general financial matters that do not strictly fall within the functions of the Public Accounts Committee as laid down in Rule 177 of the Rules of Procedure of the Provincial Assembly of the Punjab, 1997, which have been reproduced Part II of Appendix A.

Q.1. The **exclusion principle** states, "the owner of a private good may exclude others from use unless they pay." It excludes those who are unwilling or unable to pay for the private good, but does not apply to public goods that are known to be indivisible. Examples: slice of pizza, an expensive hotel, social clubs like gymkhana.

Non-exclusive goods are the opposite of goods that follow the exclusion principle, meaning that one person's consumption of the good does not exclude others from also consuming it. These goods are often referred to as public goods or non-rivalries goods. For examples: street lighting, public parks and national defense.

Q.1. Annual Budget Statement:

c The Annual Budget Statement shows:

(a) the sums required to meet expenditure described by the constitution as expenditure charged upon the Provincial Consolidated Fund; and

(b) the sums required to meet other expenditure proposed to be made from the Provincial Consolidated Fund; and shall distinguish expenditure on revenue account from other expenditure.

Schedule of authorized expenditure:

The Chief Minister shall authenticate by his signature a schedule specifying—

(a) the grants made or deemed to have been made by the Provincial Assembly under Article 122, and

(b) the several sums required to meet the expenditure charged upon the Provincial Consolidated Fund but not exceeding, in the case of any sum, the sum shown in the statement previously laid before the Assembly. (2) The schedule so authenticated shall be laid before the Provincial Assembly but shall not be open to discussion or vote thereon. (3) Subject to the Constitution, no expenditure from the Provincial Consolidated Fund shall be deemed to be duly authorized unless it is specified in the schedule so authenticated and such schedule is laid before the Provincial Assembly as required by clause (2).



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Q.2. (TR-7/2)

- a** Direct appropriation of departmental receipts for departmental expenditure is authorized in the following cases:
- (a) In the case of moneys received on account of the services of summons, diet money of witnesses and similar purposes in Civil, Revenue and Criminal cases.
 - (b) In the case of fees received by Government servants appointed Notaries Public
 - (c) In the case of cash receipts utilized in accordance with departmental regulations by the Public Works Department to defray expenditure on current works,
 - (d) In the case of cash found on the persons of prisoners at the time of their admission to jail, and used for the repayment by Jail Superintendents,
 - (e) In the case of cash received by the Forest Departmental and utilized in meeting immediate local expenditure;
 - (f) In the case of moneys received from students on account of lost library books and utilized for the purchase of other books for library.
 - (g) In the case of receipts on account of the market value of green fodder given to bullocks out of the farm produce of the Government Educational Institutions.
 - (h) In the case of remittances received from local bodies and other institutions entitled to purchase against cash payments and returned to them by the Provincial Stationery Office as being too late for supplies to be made within the financial year.

Q.2. (PT&RTIATR-13/4)

- b** Where the information is refused, the public information officer shall, within the time-limit specified under section 10, inform the applicant specifying:
- (a) the reasons on account of which and the provision of this Act under which the requested information is refused.
 - (b) procedure for internal review or complaint against the decision, and
 - (c) name and designation of the person who may provide full or limited access to the exempted information.

Q.2. (PBM-2.31)

- c Punjab share in NFC Award:**
Punjab share in divisible pool is 51.74%
Total divisible pool is=Rs 6.83 trillion or Rs 6830 billion
So, Punjab will get the following amount:
 $6830 \times 51.74\% = \text{Rs } 3533.8 \text{ billion.}$

Q.3. Introductory entries on each set of measurements may be on the following lines.

Name of work:	Cavalry overhead bridge Lahore
Situation/locality of work:	cavalry ground Lahore Cantt
Agency executing the work:	LDA
Name of contractor:	M/s Alpha Company
Number & date of agreement:	Letter No.....dated 01.9.2022
Date of written order to commence work:	Letter no.... 15.9.2022
Date of completion of work:	31.01.2023
Date of measurement:	15. 10.2022



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Actual measurement to be made on following.

1 format of Form DFR-PW-20

Particulars	No	L	B	D	Contents

Q.4. Section-8 of the Punjab Sales Tax on Services Withholding Rules is relevant reference.

If the services are received by a government office, the AG office will account for the amount and will transfer through cheque in name of the Chairperson of the Authority before 15th of the following month.

The services are received by District or Local Government the DAO, or the AG will transfer withheld amount to Chairperson of the Authority. The services are received by an office under MAG, the MAG office will transfer withheld amount to Chairperson of the Authority before 15th of the following month.

Q.5. DFR-2.8, appendix-1/Part-III.

Q.6. Corrupt practices are explained in PPRA Act/definition-2.

Corrupt practices mean offering, giving, receiving or soliciting anything of value to influence the action of public official, bidder or contractor in procurement process. It may include any of the following:

- Coercive practices.
- Collusive practices.
- Offering, giving, receiving or soliciting anything of value to influence the action.
- Any act of omission or misrepresentation.
- Obstructive practices.
