



Pakistan Institute of Public Finance Accountants

Winter Exam-2016

AGP/PG/PMAD/PUBLIC Sectors

New Accounting Model (NAM) [07.11.2016]

Marks-75

15 Mins.

Subjective

Duration: 2 hrs.

Additional time – 15 min for Paper Reading

[Instructions]

- Ensure that the question paper delivered to you is the same, in which you intend to appear.
- Read the instructions given on the title page of Answer Script.
- **Quote reference of relevant para/section with the name of relevant manual.**
- Start each question from fresh page.

Books Allowed:

- Accounting Policies and Procedures Manual (APPM)
- Manual of Accounting Principles (MAP)
- Chart of Accounts (CoA)

Part 'A'

Q.1. Using Chart of Accounts (COA), Codify/De-Codify the followings

- | | | |
|-------|--|----|
| (i) | Labour, Manpower and Overseas Pakistan, Contribution to International Organization for Migration Electronic Communication. | 04 |
| (ii) | Administration Health AJ&K, Medical Colleges Receipt. | 04 |
| (iii) | Finance Department Treasuries Balochistan, Cash Balance with Treasuries. | 04 |
| (iv) | Director General Public Relations Punjab, Special Drawing Account (SDA) Cheques. | 04 |
| (v) | 2688 00000701 | 04 |
| (vi) | 2776 00004917 | 04 |

Q.2. (a) Comment in one word answer using either “Admissible” or “Inadmissible” against each of the following actions of the Delegated Officers with justified reference from NAM.

- | | | |
|------|--|----|
| (i) | A delegated office in the Accounts Section of AG Punjab refused to investigate a difference of Rs 2.5 Million in the Payroll credit advice and the bank return on the plea that it is the difference which will automatically be settled in the next month(s). | 04 |
| (ii) | During reconciliation of payroll expenditure a sum total of Rs.1.367 Million noted for by the delegated officer in the Accounts Section, the items were on the payroll credit advice but were missing in the bank return by Rs. 1.236 Million. The delegated officer, instead of treating the total amount, treated Rs. 1.236 Million as the un-presented Cheques. | 04 |

Contd. on back

- (b) Comment in one word answer using either “**Admissible**” or “**Inadmissible**” against each of the following actions of the Ministry with justified reference from NAM.
- (i) Ministry of Inter- Provincial Co-ordination exceeded Revised estimates of the budget over the approved grant by Rs. 200 Million. The Ministry of IPC demanded from Ministry of Finance with the only justification that there was a casting error due to which the difference arose. **04**
- (ii) Revised budget of Ministry of Interior (Rs. 250 Million) is 16.6 % lesser than the approved grant (Rs. 300 Million). The Ministry of Interior explained the reasons of the saving in detail as to why the saving in the lower formations clubbed to aggravate up to 16.6 %. The Cheques amounting to Rs. 10.5 Million were issued by AGPR on the last day of the financial year, which were deposited and referred to State Bank but could not be encashed. **04**

Part ‘B’

- Q.3.** (a) Who is competent to authorize payments and withdrawals from the Consolidated Fund and Public Accounts of the Federal, Provincial Governments and District Government? **Elaborate with reference to law.** **07**
- (b) What is “Internal Control System”? And who is responsible to ensure it in centralized accounting entities? **07**
- (c) What are the instructions regarding scrutiny of the outstanding commitments? **07**

OR

Who is the Central Banker of the Government? Who undertakes the primary responsibility of the majority of transactions of the Government in banking service?

- Q.4.** (a) Federal Government incurred an expenditure of Rs. 5 Million and charged for issue of supply to Provincial Government Punjab, Give entries of recognition of expenditure in Federal Government Accounts and recognition of inter-entity transfer in Punjab Accounts. **07**
- (b) Who is required to maintain the assets and liabilities of Trust Account in Public Account? How the Public Account record is kept viz-a-viz Consolidated Fund Records? **07**

OR

Enlist the five qualitative characteristics of Information.



**Pakistan Institute of Public Finance Accountants
Winter Exam-2016**

AGP/PG/PMAD/PUBLIC Sectors

Financial Audit Manual (FAM) [10.11.2016]

**Marks-75
Subjective**

**Duration: 2 hrs. 15 min
Additional time – 15 min for Paper Reading**

[Instructions]

- Ensure that the question paper delivered to you is the same, in which you intend to appear.
- Read the instructions given on the title page of Answer Script.
- **Books are not allowed.**
- Start each question from fresh page.

**Attempt all questions from PART-I and any two from
PART-II**

Part-I

- Q.1. (a)** Describe when a component is considered to be in error for a Financial Statement Audit. **08**
- (b)** Define Conflicting Audit Evidence. Give three examples. **07**
- Q.2. (a)** Integrity is the core value of Ethics. Explain. **08**
- (b)** What information an adverse opinion on Government Statements convey to its users? **07**
- Q.3. (a)** List four attributes of Audit Evidence and explain any one of them. **08**
- (b)** As Director General Audit, what factors would you consider when assigning specific staff to audits? **07**

Part-II

- Q.4. (a)** Describe the purpose and contents of the Management Representation Letter. **08**
- (b)** Define the Internal Control Structure of an entity and state its general objectives. **07**
- Q.5. (a)** Describe how Information Technology and Audit Method Specialists contribute to the overall quality of the Audit Work. **08**
- (b)** Describe the purpose of Financial Audit Manual (FAM). **07**
- Q.6. (a)** Describe the Vision, the Mission and three Values held by the DAGP. **08**
- (b)** Define any three of them: **07**
- (i)** Known Error
 - (ii)** Basic Precision
 - (iii)** Upper Error Limit
 - (iv)** Planned Precision



Pakistan Institute of Public Finance Accountants

Winter Exam-2016

AGP SECTOR

Financial & Management Accounting [09.11.2016]

(Commercial Audit)

Marks-75
Subjective

Duration:2 hrs.15 Mins.
Additional time – 15 min for Paper Reading

[Instructions]

- Ensure that the question paper delivered to you is the same, in which you intend to appear.
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- **Start each question from fresh page.**

Attempt all Questions

- Q.1.** An investor is considering the purchase of shares in either Roman Ltd. or Greek Ltd. Both companies are in the same line of business and their accounts are summarized below:

Statement of Financial Position as at 31st October 2015

	Roman Ltd.		Greek Ltd.	
	Rs.000	Rs.000	Rs.000	Rs.000
Assets				
Non-current Assets				
At Cost	420		1,070	
Accumulated Depreciation	(113)		(144)	
		307		926
Current Assets				
Inventory	138		167	
Receivables	69		98	
Cash and Cash equivalents	96	303	9	274
		610		1,200
Equity and Liabilities:				
Share Capital and reserves				
Share capital		370		900
Retained earnings		170		69
		540		969
Non Current Liabilities				
10% loan notes		-		80
Current Liabilities				
Trade Payables	60		120	
Interest Payable	-		1	
Income Tax	10	70	30	151
		610		1,200

Income Statement for the year ended 31st October 2015

	Roman Ltd.		Greek Ltd.	
	Rs.000	Rs.000	Rs.000	Rs.000
Sales revenue		596		678
Cost of sales		(394)		(526)
Gross Profit		202		152

Contd. on back

Expenses:				
-Administrative	(36)		(45)	
-Selling and distribution	(53)		(56)	
-Depreciation	(14)		(19)	
-Loan Note Interest	-		(8)	
		(103)		(128)
Net Profit		99		24

Required:

- (a) Calculate the following six ratios for both companies, clearly showing the ratio formulae and figures used. **09**
- (i) Current Ratio
 - (ii) Quick Ratio (Acid Test Ratio)
 - (iii) Receivables Collection Period
 - (iv) Return on Capital Employed
 - (v) Gross Profit Percentage
 - (vi) Net Profit Percentage
- (b) Prepare, for the investor, comments on the performance and position of Roman Ltd. and Greek Ltd. using the ratios calculated in part (a). **06**

Q.2. An entity, **A Ltd.**, prepared a Trial Balance at 31st March 2015 as follows:

	Dr (Rs.)	Cr (Rs.)
Equity Shares @Rs.1 each		40,000
Share premium		12,500
Trade and other payables		25,342
Land and Buildings-Cost	281,450	
Land and Buildings-Accumulated Depreciation		65,332
Plant and machinery-Cost	94,400	
Plant and machinery-Accumulated Depreciation		24,500
Trade receivables	13,676	
Accruals		1,217
7% bank loan 2020		26,000
Cash and equivalents		848
Retained Earnings 01 st April 2014		11,467
Interest paid	455	
Sales revenue		480,742
Purchases	153,444	
Administrative expenses	37,266	
Distribution expenses	23,587	
Allowance for receivables-01 st April 2014		550
Inventory-01 st April 2014	84,220	
	688,498	688,498

Contd. on back

The following information is relevant to the preparation of the Financial Statements for the year ended 31st March 20X1. The inventories at 31st March 20X1 were valued at a cost of Rs.87,004.

- Included within land and buildings is non-depreciable land as a cost of Rs.100,000.
- During the year, an item of plant and machinery was disposed of for Rs.3,500. This plant and equipment had cost Rs.10,000 and had a carrying value of Rs.2,500 at the disposal date. The cash receipt had been wrongly included within sales revenue.
- Depreciation is to be charged to cost of sales for the year ended 31st March 20X0 as follows:
 - (a) Buildings – 2% per annum on a straight-line basis
 - (b) Plant and machinery – 25% per annum on a straight-line basis
- Trade receivables include an amount of Rs.276, which is regarded as irrecoverable and is to be written off. In addition, the allowance for receivables is to be adjusted to five per cent of trade receivables at 31st March 20X1. Any amounts to be charged to profit or loss should be included within administrative expenses.
- The bank loan was taken out on 1st October 20X0 and is repayable in 20X5.
- Included within administrative expenses is an amount of Rs.2,500 for insurances. This payment covers the fifteen month period to 30th June 20X1.
- An accrual should be made for unpaid distribution costs of Rs.4,567.
- The income tax charge for the year has been estimated at Rs.33,740.

Required:

Prepare the Statement of Profit or Loss of **A Ltd.** for the year ended 31st March 20X1. **15**

- Q.3.** Smart Enterprises runs a computer software business. The proprietor purchases a car for himself, and later for his Chief Assistant, Peter. The relevant data is as follows:

	Date of purchase	Cost (Rs.)	Estimated life	Estimated residual value (Rs.)
Proprietor's Car	01 st June 2006	20,000	3 years	2,000
Peter's Car	01 st January 2007	8,000	3 years	.2,000

The straight-line method of depreciation is to be used.

Required:

- (a) Prepare the motor vehicles account and the accumulated depreciation of the motor vehicles account for the years to 31st December 20X7. (You should allow for the proportionate monthly use of the car while computing the annual charge of depreciation.) **10**
- (b) Calculate the net book value of the motor vehicles as at 31st December 20X7. **02**

- Q.4.** Given below is the draft Trial Balance of XYZ Ltd.

	Debit	Credit
	Rs.	Rs.
Purchases	600,000	
Directors' Fee	40,000	
Distribution expense	50,000	

Contd.....

Car	50,000	
Stationery	20,000	
Plant and Machinery	300,000	
Receivables		
Jane	10,000	
John	5,000	
Edward	6,000	
Doe	7,000	
Others	80,000	
Cash	35,000	
Sales		1,000,000
Share Capital		175,000
Payables		
Todd		8,000
Others		20,000
Total	1,203,000	1,203,000

The following errors were discovered;

- Sales to Jane for Rs.1,200 were omitted from the sales day book
- Sales to John for Rs.1,200 were recorded in the sales day book but debited to Edward's account and not John's account.
- Purchase of a car for Rs.10,000 was recorded as a distribution expense.
- Goods sold to Doe for Rs.1,000 were recorded in the sales day book correctly but not recorded in Doe's-receivables account. At the same time goods purchased from Todd for Rs.1,000 were recorded in the purchase day book but not recorded in Todd's-payables account.
- A sales invoice (cash) of Rs.1,400 was recorded as Rs.1,600 and carried to the ledger accounts with the same amount of Rs.1,600.
- Directors' fees paid were credited to directors' fees account and debited to cash Rs.5,000.
- A stationery bill for Rs.5,100 is recorded as Rs.1,500 in the cash book.

Required:

- (a) Show the journal entries for correction of errors with their description. **14**
- (b) Identify and explain TWO errors that cannot be highlighted by preparing a trial balance. Explain why preparing a trial balance cannot highlight them. **04**

Q.5. The Statement of Financial Position for ABC Co., a limited liability company, as at 31st May 2010 is provided below together with comparative figures for the previous year.

ABC Co.

Statement of Financial Position as at 31st May

	2010		2009	
	Rs.000	Rs.000	Rs.000	Rs.000
Assets				
Non Current Assets		625		470
Current Assets				
Inventory	106		72	

Contd.....

Trade Receivables	85		47	
Bank	2	193	22	141
TOTAL ASSETS		818		611
Equity and Liabilities				
Capital and Reserves				
Ordinary Share Capital (shares of Rs.1 each)		625		469
Share Premium		32		16
Retained Earnings		98		40
		<u>755</u>		<u>525</u>
Non Current Liabilities				
10% Loan Note		-		20
Current Liabilities				
Trade Payables	38		47	
Taxation	25	63	19	66
TOTAL EQUITY AND LIABILITIES		818		611

Additional information for the year ended 31st May 2010

- Interest paid was Rs.2,000.
- There was no over or under provision of tax.
- Dividends of Rs.31,000 were paid.
- Depreciation was Rs.94,000.
- Non-current assets with a carrying amount of Rs.25,000 were sold at a profit of Rs.6,000.

Required:

- a) Calculate the profit before tax of ABC Co. for the year ended 31st May 2010. **05**
- b) Prepare a Statement of Cash Flows from operating activities for ABC Co. for the year ended 31st May 2010 in accordance with IAS 7 – Statement of Cash Flows, using the Indirect Method. **10**



Pakistan Institute of Public Finance Accountants
Winter Exam-2016

AGP & PMAD Sector

Pay, Pension & TA Rules (Practical) [07.11.2016]
Defence Audit (AGP Sector)/ PMAD Sector

Marks-38
Subjective

Duration: 1hrs. 15 Mins.
Additional time – 10 min for Paper Reading

[Instructions]

- Ensure that the question paper delivered to you is the same, in which you intend to appear.
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Books Allowed:

- Pay & Allowances Regulations Vol I & II
- Pension Regulations Vol I, II & III
- Supplementary Rules (in FR & SR)
- Financial Regulations Parts I & II
- Military Leave Rules
- Passage Regulations
- Accounts Manual
- Relevant Military Accts. Dept. Manuals & Procedures Code
- CSR (Pay & Pension rules applicable to PMAD)
- Pay Accounting in Fields Service- general Instructions
- Regulation for PAF, PN, Army in Pakistan (Rules & Instructions)

Attempt all Questions

- Q.1.** Calculate Income Tax liability as per data of salary and other adjustable Tax deductions at source of Mr. 'A' for further crediting the amount into Revenue Department (F.B.R) Tax year =2013-2014, Moreover Govt. Employee is residing in Govt. accommodation: **10**

		Rs.
i) Gross income as per Pay Slips July 2013 to June 2014	=	1,528,711
ii) HRA	=	129,660
iii) Conveyance Facility	=	50,004
iv) Less exempted allowance	=	28,387
v) Tax deducted from salary	=	115,500
vi) Tax deduction from Mobile Phone	=	1,000
vii) Tax deduction with car token	=	1,750
viii) Tax deduction from Bank(cash with drawal)	=	1,200

- Q.2. (a)** Calculate, rate of Monthly subscription of officer in the rank of Deputy Controller Military Accounts (K.C) B-18 with the help of revised pay scale for the Civil Employee–2016, w.e.f. July 1st, 2016. **10**
- (b)** Progressive total of Mr. B on a/c of GP fund deductions is coming as 189,960 w.e.f. 01/07/2015 to 30/06/2016. Calculate interest for the year (2015 – 2016). **05**
- Q.3.** Explain the salient features of Pay and Allowances of Armed Forces personnel (2005) effective from 01-07-2005 and also write the special Pay and Allowances admissible to Armed Forces personnel shall stand abolished in said revised Pay Scale. **05**

Contd. on back

- Q.4. (a)** Explain the amount of assistant package for families of Govt. Servant who die in service subject to approval of Prime Minister regarding amendment/addition, effective from 15-06-2013 in the u/m cases. **05**

In Service Death	Amount	Security related death	Amount
1-16		1-16	
17		17	
18-19		18-19	
20 & above		20 & above	

- (b)** Write the amount of package admissible to the Officers/Official incapacitated and released from service for having become invalid and are still serving in the Department as a result of injury in encounters/bomb blast, riots/watch and ward duty or terrorist activity. **03**



**Pakistan Institute of Public Finance Accountants
Winter Exam-2016**

AGP & PMAD Sector

Pay, Pension & TA Rules (Theory) [07.11.2016]

Defence Audit (AGP Sector)/ PMAD Sector

**Marks-38
Subjective**

**Duration: 1hrs. 15Mins.
Additional time – 10 min for Paper Reading**

[Instructions]

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Attempt all Questions

- Q.1.** Explain in detail the procedure introduced during 2006 regarding revised rates of daily allowances admissible to officials and officers while on tour/duty outside Pakistan. **10**
- Q.2.** Describe the salient feature regarding revision of basic Pay Scales & Allowances of Civil Servants of the Federal Government (2016). **10**
- Q.3.** Explain the following: **08**
- a) Time Scale Pay
 - b) Permanent Post
 - c) Tenure Post
 - d) Joining Time
 - e) Compensatory Allowance
- Q.4.** What is the Casual Leave (Limit)? Explain the circumstances in which the Casual Leave will be extended. **05**
- Q.5.** What do you understand by following (any four): **05**
- a) Flying Allowance Army Aviation Pilots
 - b) Non-Practicing Allowance
 - c) Special Services Group Allowance
 - d) Camp Kit Allowance
 - e) Entertainment Allowance
 - f) Messing Allowance at Training Camps etc

**Pakistan Institute of Public Finance Accountants
Winter Exam-2016**

AGP & PUBLIC SECTOR

Postal Accounts Technical (SB, MO, CC) (Practical) [09.11.2016]

Postal Accounts Branch

Marks-80

Duration: 2 hrs.30

Mins. Subjective

Additional time – 15 min for Paper Reading

[Instructions]

- Ensure that the question paper delivered to you is the same, in which you intend to appear.
- Read the instructions given on the title page of Answer Script.
- Start each question from fresh page.

Books Allowed:

1. P & T Technical Audit Code Vol-I
2. Post Office Manual Vol-VI
3. Post Office Manual Vol-I
4. Post Office Guide

Attempt all Questions

Q.1. Define the following:

- | | |
|---|----|
| (i) Control Account | 03 |
| (ii) Consolidation of Credit Transfers | 03 |
| (iii) Void Money Orders | 03 |
| (iv) Broadsheet of Balances | 03 |
| (v) Abstract of objections and Error Book | 04 |

Q.2. Describe the action required to be taken by a Postmaster in respect of:

- | | |
|---|----|
| (a) Unclaimed money orders. | 05 |
| (b) Disposal of money orders when remitter cannot be found. | 06 |
| (c) Payment of money orders after one year. | 05 |

Q.3. What action should be taken in the following cases? Quote rules in support of your answers:

- | | |
|---|----|
| (a) A person to whom money order for Rs. 2,500/- was alleged to have been wrongly paid refused to refund the amount. | 05 |
| (b) D. G. Post Office issued certain amendments to the Pakistan Post Office Saving Certificate rules. | 05 |
| (c) A cash certificate was held jointly by Messrs A and B. Mr. A expired on 01-12-2013 and Mr. B expired on 01-01-2014 when the amount due on the cash certificate was Rs. 15,000/-. The Postmaster paid the amount of the cash certificate on 01-03-2014 to the representative of Mr. A. | 06 |

Q.4. (a) Close the Money Order Objections Book with the following entries:

- | | Rs. | |
|---|-------|----|
| (i) Money Order Excess Payment | 500/- | 02 |
| (ii) Wrong Payment of Money Order | 700/- | 02 |
| (iii) Refund of Short Payment of Money Orders | 300/- | 02 |

- (b) What errors are found in the course of audit of Money Orders? 04

Contd. on back

(c) Write short note on the following;

- (i) Abstracts of Objection 02
- (ii) Error Book 02
- (iii) Adjustment Register 02

Q.5. From the following details calculate the balance at the credit of a saving account closed on 30-06-2014 and also interest due for the year 01-07-2013 to 30-06-2014 at the rate of 6% on closing balance: **16**

- Opening Balance 01-07-2013 550,000/-
- Deposited on 01-09-2013 50,250/-
- Deposited on 01-10-2013 30,000/-
- Withdrawal on 01-12-2013 25,000/-
- Interest for last year (01-07-2012 to 30-06-2013) on 02-01-2014 2,500/-
- Tax charged 12-02-2014 400/-
- Deposited on 01-04-2014 256,000/-
- Withdrawal on 05-05-2014 30,000/-



Pakistan Institute of Public Finance Accountants

Winter Exam-2016

AGP/PG/PUBLIC SECTORS

Public Works Accounts Rules & Procedures (Practical) [09.11.2016]

(GAA, CGA, CDA, LFA TRY)

Marks - 38
Subjective

Duration: 1 hr. 15 Mins.
Additional time – 10 min for Paper Reading

[Instructions]

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Books Allowed:

1. CPWA Code
2. CPWD Code
3. Audit Code
4. Books of Forms referred in CPWA code
5. Accounts Code Vol - III
6. Chart of Accounts
7. Audit Manual

Attempt all Questions

- Q.1.** What do you know about the Audit of Accounts of Project Estimates? Discuss in detail. **09**
- Q.2.** What do you know about the authorized forms of bills and vouchers for payment in Public Works Department? **09**
- Q.3.** Prepare 2nd Running Bill paid vide Vr. N0. 20 dated 18-8-2016 to M/s. AB Engineers of the Work “Rehabilitation of water supply scheme” from the data given below: **20**

Sr. No.	Item of Work	Unit	Rate Rs.	Upto date Quantity	Quantities executed previously
1.	Dismantling of Cement Concrete	% Cft.	3,206	10,856 Cft	5,000 Cft.
2.	Excavation of trenches	c/cft.	2,706.05	60,000 Cft.	30,000 Cft.
3.	P/L Cutting G.I. Pipe 3” Dia	Per Rft.	409.65	22,000 Rft.	12,000 Cft.
4.	P/L Cutting G.I. Pipe 6” Dia	Per Rft.	921.90	20,000 Rft.	10,000 Rft
5.	Back filling of trenches	c/cft.	1,457.30	55,000 Cft	-
6.	Cement concrete 1;2;4	% Cft.	19,856	10,856 Cft	-

- (i) Advance payment of Rs.150,000 was given against item No. 2 in the last bill which will be recovered in this bill.
- (ii) Secured Advance of Rs. 1,575,000.00 was given in 1st Running Bill against item No. 3 for 3” dia Pipe at reduced rate of Rs. 225 Per Rft. which is to be recovered in this bill.
- (iii) Secured Advance against 4,000 Rft 6” dia pipe to be given in this bill at market rate of Rs. 800/- per Rft.
- (iv) Advance Payment of Rs. 400,000 is to be given in this bill against item No. 3.
- (v) Recovery of Bad Work @10 % was made on the total value of work done in the last bill.
- (vi) Recovery at the same rate of the total value of work done may also be made in this bill.
- (vii) Deduct Security Deposit @ 10 % and Income Tax @ 7.5%.



Pakistan Institute of Public Finance Accountants

Winter Exam-2016

AGP/PG/PUBLIC SECTORS

Public Works Accounts Rules & Procedures (Theory) [09.11.2016]

(GAA, CGA, CDA, LFA, TRY)

Marks-38

Subjective

Duration:1 hr.15 Mins.

Additional time – 10 min for Paper Reading

[Instructions]

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Attempt all Questions

- Q.4.** Write short notes on the following:
- | | |
|---|-----------|
| a. Audit of Miscellaneous P.W. Advances | 03 |
| b. Manufacture Account | 03 |
| c. Security Deposit | 03 |
| d. Inspection and Local Audit | 03 |
| e. Audit of Expenditure | 03 |
| f. Rectification of Errors | 03 |
- Q.5.** What are the direct and indirect charges of Workshop Account? Give examples and elaborate with reference to relevant Rules and Procedure. **10**
- Q.6.** What do you know about the importance of Muster Roll and Measurement Book in Public Department? Discuss in detail. **10**



Pakistan Institute of Public Finance Accountants

Winter Exam 2016

AGP/Public Sector

Service & Financial Rules [07.11.2016]

(GAA, PT&T, Postal Accts, Customs, Coml. Audit, Railway Audit, Inland Revenue, PRAD)

Marks-75
Subjective

Duration: 2 hrs. 15 min
Additional time – 15 min for Paper Reading

[Instructions]

- Ensure that the question paper delivered to you is the same, in which you intend to appear.
- Read the instructions given on the title page of Answer Script.
- Commutation Table is printed on the back of this Question Paper.
- **Start each question from fresh page.**

Attempt all Questions

Q.1. A Government Servant drawing pay @ Rs. 28,800/- in BS-15 (8,500-700-29,500) was promoted in BS-16 on 31.5.2015 (10,000-800-34,000). Pay Scales were revised on 1.7.2015 and revised BS-16 was Rs. 12,910-1,035-43,960. He was compulsorily retired from service on 1.8.2016 under E&D Rules, 1973. On another revision of pay scales w.e.f 1.7.2016, revised BS-16 was Rs.15,880-1,280-54,280. His date of birth is 01.06.1963 while date of joining service is 01.03.1984.

Calculate:

- a) Pay on promotion in BS-16 and on 31.7.2016. **10**
- b) Pension Emoluments, Gross Pension and Net Pension after commuted portion. **10**

Q.2. Define the following:

- (a) Lien **05**
- (b) Pay **05**
- (c) Direct Contracting under PPRs **05**

Q.3. What are the responsibilities of Principal Accounting Officer with regard to Appropriation Account? **10**

Q.4. Describe general principles to be followed by the Public Officers for entering into contracts involving expenditure from Public Accounts. **10**

Q.5. Comment:

- (a) A borrowing Department did not pay TA to a Govt. Employee for journey on reversion from Foreign Service. **05**
- (b) A Govt. Servant was declared surplus as a result of abolition of post. Before placing him in surplus pool, he was given option to avail leave under leave rules. **05**
- (c) An employee is missing for seven years. His heirs were allowed family pension as he had 27 years qualifying service. **05**
- (d) A Govt. Servant, on his transfer from Islamabad to Lahore was allowed joining time and joining time pay. However, TA was not allowed. **05**



Pakistan Institute of Public Finance Accountants
Winter Exam-2016

AGP SECTOR

Works (MES) Stores (Practical) [09.11.2016]

(Defence Audit Branch)

Marks-38
Subjective

Duration:1 hr.15 Mins.
Additional time – 10 min for Paper Reading

[Instructions]

- Ensure that the question paper delivered to you is the same, in which you intend to appear.
- Read the instructions given on the title page of Answer Script.
- **Start each question from fresh page.**

Books Allowed:

- MES Regulation
- MES Local Audit Manual
- Army Regulations Quarters and Rents
- Financial Regulations Part – I & II
- MES Unit Accountant's Manual
- Store Accounting Instructions
- LAOs Handbook Part – I & II
- Military Audit Code
- Military Accounts Codes
- Current Orders in A.Is (P) PAOs
- Manual and Procedure Codes
- RAP Rules
- Factory Accounting Rules
- Classification Code List (Defence Services) & Pamphlet
- Debt and Remittance Heads with Code Numbers "Revised Edition" 2008 by MAG
- Financial Regulations (Army & Air Force) Vol I
- Financial Regulations (Navy)
- System of Financial Control and Budgeting

Attempt all Questions

Part - I (MES)

- Q.1.** What is the procedure for preparation of monthly detailed abstract of receipt & charges and depiction of net debts and credits? What is the name of Accounts so prepared in MES? **03**
- Q.2.** A new MT vehicle has been provisioned for CMES, the BOC action of which is pending on the plea of trial while issuing 40 ltrs. POL by POL Station. **02**
Comment.
- Q.3.** The infructuous expenditure has been caused by a decision of Div. Commander. Who will be the authority to sanction it as loss and to which MES Head of Account it will be debited? **03**
- Q.4.** Against an Admin approval of Rs. 5,000,000 the value of lowest tender received was Rs. 5,656,000. The tender issuing officer concluded the contract on the basis of such tender with the approval of next higher contract accepting authority. Offer your audit comments, while identifying the authorities on Army side in the following respect: **04**
- (i) Authority by whom Admin. Approval was sanctioned
- (ii) Who would be the authority to accept the tender in this case?
- Q.5.** In a case of repair work, expenditure in excess of the budget allotment has been met by the re-appropriation from another head within the competence of the authority concerned. Such repair work was sanctioned by the competent technical authority. **Comment from audit point of view.** **03**
- Q.6.** How balances of Rs. 200,000 against a contractor M/S **A** due by him and Rs. 100,000 against another contractor M/S **B** due to him will be regulated, when both contractors have refused to sign final bills? Also indicate relevant code heads for adjustment. **04**

Contd. on back

Part - II (STORES)

- Q.7.** LAOs have instructions to verify the stock by actual counting, weighment or measurement. During stock verification of bagged supplies, upto what extend LAO can accept surplus or shortage from the invoiced weight of bags and those appear to have been tampered? **03**
- Q.8.** During audit by LAO(DP), it has been observed that helicopters on the charge of a formation were declared as obsolete and in replacement of those, the demand placed to DGDP was of the same specification and model except year of make. What is your audit opinion? **04**
- Q.9.** How write off a loss (partly due to theft, fraud or neglect and partly not due to theft, fraud or neglect) is dealtwith by a CFA, when total loss is within his power? Who will be the CFA in case of total loss of store of rupee one million, where there is loss of Rs. 200,000/- due to neglect? **03**
- Q.10.** What is the role and responsibilities of the Inspector, when stores bome on ordnance charge as serviceable are found unfit for issue, while in stock and of the officer incharge of the establishment? **03**
- Q.11.** Under what circumstances Ground Rent is levied and at what rate? **03**
- Q.12.** What are Code Heads for classification of following transaction: **03**
- (i) Expenditure on rebated air travel of uniformed Military personnel
 - (ii) Central purchase of Rice by ASC
 - (iii) Which transaction code Head 02/121/78 represent?



Pakistan Institute of Public Finance Accountants

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AGP SECTOR

Works (MES) Stores (Theory) [09.11.2016]

(Defence Audit Branch)

Marks-38
Subjective

Duration:1 hr.15 Mins.
Additional time – 10 min for Paper Reading

[Instructions]

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- **Start each question from fresh page.**

Attempt all Questions

Part - I (MES)

- Q.1.** Define the following terms; **04**
- (i) Star Price
 - (ii) Causes of Infructuous Expenditure
 - (iii) Hand Receipt
 - (iv) Cash Receipt
- Q.2.** What are check points for audit in MES of Bulb Account? **03**
- Q.3.** Following Stand for: **03**
- (i) AOC
 - (ii) DCAS
 - (iii) DEME
 - (iv) DOS
 - (v) DCMES
 - (vi) ASMF
- Q.4.** What are the fundamental principles in execution of works services under MES? **03**
- Q.5.** A tender received beyond permissible limit of Admin Approval has been accepted with the approval of next contract accepting authority. Comment from Audit point of view. **03**
- Q.6.** What is the procedure for preparation of Estimate for Minor Works? **03**

Part - II (STORES)

- Q.7. (a)** What are articles of Ordnance Supply? **02**
- (b)** Describe, how free issues and payment issues rates of vegetable are levied/calculated? **02**
- Q.8.** What are the restrictions for variation in specification after issue of tender, before concluding contract and after contract? **03**

Contd. on back

- Q.9.** Specify the action to be taken and related Instructions/Certificates required to be adhered, when condemned animals are sold, destroyed or made over to Military Farms. **03**
- Q.10.** What are the basis for preparation of: **03**
- (i)** Preliminary Revised Estimate
 - (ii)** Final Revised Estimates
- Q.11.** In audit of amendments in DGDP contracts extending delivery period, what points will be looked upon? **03**
- Q.12.** What do you understand by Receipt and Charge Heads shown in classification code list and its relation to classification & consolidation in monthly & yearly reports? **03**
