



**Pakistan Institute of Public Finance Accountants**  
**Winter Exam-2015**

**PMAD SECTOR**

**Internal Audit Framework [03.11.2015]**

**Marks-75**  
**Subjective**

**Duration: 2hrs. 30Mins.**  
**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**

- Q.1. (a)** What action by a controller should be taken when canons of Financial Propriety are found violated infringed by any rule or order? **08**
- (b)** What is the system and the procedure for payment, scrutiny and post audit of establishment bill of a Controller Office? **08**
- Q.2. (a)** The audit of reasonability of rates is considerably difficult and demand exercise of great intelligence. What course of action an audit officer should adopt while conducting such audit? **08**
- (b)** Write a note on: **06**
- i)** Appropriation Audit
- ii)** Re-appropriation
- iii)** Appropriation Account (Defence Service)
- Q.3. (a)** What points are seen during Local Audit of Kit Inventories? **04**
- (b)** Define:
- i)** Consignors' LAO **02**
- ii)** Consignee LAO **02**
- Q.4. (a)** Define Grace Period in DGDP contracts for delay in supply of stores by Local and Firms abroad. **04**
- (b)** What is the procedure to declare an item of store for purchase as propriety? **04**
- Q.5. (a)** Define Bid and competitive bidding under PPRA Rules. **04**
- (b)** What are conditions to enter into direct contracting by a procurement agency under PPRA Rules? **06**

**Contd. on back**

<b>Q.6. (a)</b> Enlist organizations for Local audit of those, CLA(DP) has been formed.	<b>04</b>
<b>(b)</b> Define:	
<b>i)</b> Cost Center.	<b>03</b>
<b>ii)</b> WBS Element.	<b>03</b>
<b>iii)</b> Reports Generation.	<b>03</b>
<b>iv)</b> Data Analysis.	<b>03</b>
<b>v)</b> Elements in table need to verify data's integrity.	<b>03</b>

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**Pakistan Institute of Public Finance Accountants**  
**Winter Exam-2015**

**PMAD SECTOR**

**Military Accounting Procedure (Practical) [05.11.2015]**

**Marks-50**

**Duration:1 hr.30 Mins.**

**Subjective**

**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:**

- Military Accounts Code
- Pamphlet of Revenue, Debt and Remittance Heads
- Classification Hand Book of Defence Services Receipts and Charges

**Attempt all Questions**

- Q.1.** What are Heads, the amounts of which will be closed to Government Account and to the Balance Head? **07**
- Q.2.** a) Raise T.E. to adjust M.I.D Schedule of CMA(RC) Rawalpindi by CLS(DS) worth Rs. 50,000 transferring GPF balance, out of which Rs.10,000 of Mr. X are not pertained to CLA(DS) Lahore. **05**
- b) Raise T.E. to transfer debit of Rs.200,000 on account of POL drawn by Ministry of Defence Vehicles from PAF Base Chaklala Supply Depot. **05**
- Q.3.** An amount of Rs.33,000 deposited by army unit in favour of CMA(LC) Lahore Cantt. at Civil Treasury Lahore in settlement of Local Audit objection regarding overpayment of “wheat” locally purchased, was wrongly adjusted by CLA(DS) Lahore. Make rectifying T.E. in CLA(DS) Lahore Office and adjustment eventually by CMA(LC) Lahore on receipt of original TR from CLA(DS) Lahore. **10**
- Q.4.** Raise P.M. in payment of permanent Advance sanctioned by Government to an Army Unit located at Rawalpindi under audit jurisdiction of CMA ISO Rawalpindi. The amount of sanctioned Permanent Advance is Rs.200,000. **05**
- Q.5.** What is existing system of Civil Exchange Account by Defence Accounts Officers with AGPRs on monthly basis? **08**
- What action is taken by representative of Defence Accounts Officer, if any wrong debit is shown in exchange account under Head-IV and what is procedure to clear it?
- Q.6.** a) What is procedure to write off Government Account under P-Deposit and Advances? **05**
- b) How transfer of balances of Q-Loan and Advances from one Controller to another Controller is reconciled? What is form of the report used for this purpose? **05**

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**Pakistan Institute of Public Finance Accountants  
Winter Exam-2015**

**PMAD SECTOR**

**Military Accounting Procedure (Theory) [05.11.2015]**

**Marks-50**

**Duration:1 hr.30 Mins.**

**Subjective**

**Additional time – 10 min for Paper Reading**

**[Instructions]**

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**Attempt all Questions**

- Q.1.** What are general duties and responsibilities of Controllers as Defence Accounting Officer? **10**
- Q.2.** What is principle of classification in general? **05**
- Q.3.** What is procedure to write-back original items of Military Exchange Account, incorrectly passed to another Controller? **04**
- Q.4.** What are heads against which advances are classified on the Defence Services Books? Briefly explain each advance? **10**
- Q.5.** Write a note on submission of Annual Consolidated Abstract (ACA) of the Progress Register under Head II & IV of balances outstanding. **07**
- Q.6.** Define the term Verification of Balances and its relation with the report of Review of Balances? **07**
- Q.7.** What do you know about all Pakistan Consolidated Compilation of Defence Services and Consolidation of R.D.R heads? **07**

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# Pakistan Institute of Public Finance Accountants

## Winter Exam-2015

### PMAD SECTOR

### Works (MES) Stores (Practical) [04.11.2015]

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

#### Books Allowed:

- MES Regulation
- MES UA Manual
- LAO Handbook Vol – I & II
- Financial Regulations Vol – I & II
- Store Accounting Instructions (SAI)
- Quarters & Rents
- Military Audit Code
- Office Manual – III
- LA Manual

### Attempt all Questions

## Part - I (MES)

- Q.1.** A contractor's bill was not submitted for payment after completion of work in a previous financial year. MES authorities have sought audit opinion for the payment of the bill in current financial year. What will be your audit advice? **03**
- Q.2.** Fund allotment has been issued by the Competent Authority for payment of a bill, which if admitted for payment would exceed the permissible limit of Admn. approval. In what circumstances such payment can be admitted in audit and what is procedure for payment, if the bill relates to arbitration award? **04**
- Q.3.** Who will be the authority on army side to accord Admin. approval for new work valuing Rs. 30 millions and who will be the authority to conclude contract if tender value is Rs. 32 million? Also specify the competent authority to accord technical sanction, in the case. **04**
- Q.4.** Under what circumstances Financial value/transaction of cost of dismantling is treated like surplus stores. How surplus cast iron and re-rollable iron is disposed off? **05**
- Q.5.** A lump sum contract was executed with a contractor (MES) M/s X & Co. During the currency of the contract new MES Schedule of Rates (revised) was issued. M/S X & Co. eventually failed to carry out contract and declared as defaulted contractor. At which MES schedule of Rates viz original or revised, risk and expense contract will be processed? **03**

## Part - II (STORES)

- Q.6.** During local audit of Ration of an unit, it was objected that ration has been overdrawn to the tune of Rs. 37,000, Rs. 47,000 & Rs. 53,000 during last three months. Upon objection OC unit has given undertaking to deposit the amount in easy installments to settle the objection. What is your audit opinion? **03**

Contd. on back

- Q.7.** Milk handled during a month of 50,000 kg in a Military Farm. What should be stock of finished milk after issue of 40,000 kg duly pasteurization, manufacture of evaporated milk & handling including seeming & filling of cans? How any excess or less stock will be adjusted after physical stock taking by LAO at the end of that month? **04**
- Q.8.** What are circumstances under which honest errors of an officer involving financial loss may be condoned? **03**
- Q.9.** Prepare trading account from the following data of manufacturing concern-X: **05**

Purchases	1,000,000
Manufacturing wages	600,000
Electric consumed	50,000
Coal & Gas	5,000
Sales	1,800,000
General Expense	9,000
<b>Depreciation</b>	
a- Plant & Machinery	23,000
b- Patents	
Closing Stock	200,000
Royalties paid	15,000
Travelling Expenses	16,000
Opening Stock	300,000
Sale Returns	10,000

- Q.10.** Under what circumstances it is required for a Government Servant to become a party to a contract and to execute surety for contractor? **04**

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**PMAD SECTOR**

**Works (MES) Stores (Theory) [04.11.2015]**

**Marks - 38**  
**Subjective**

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

**[Instructions]**

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**Attempt all Questions**

**Part - I (MES)**

- Q.1.** What main points are ensured during exercise of financial control for Engineer Service? **04**
- Q.2.** What sort of expenditure can be incurred by Engineering Authority in anticipation of Administrative Sanction? **03**
- Q.3.** What main points are ensured in Technical Control relating to design, execution of work and accounting of expenditure? **04**
- Q.4.** What are conditions for re-appropriation of vacant/surplus military buildings for use as welfare center, and Hilal-e-Ahmar Home? How rent and allied charges thereto will be regulated? **05**
- Q.5.** How you will admit in audit the payment of new capital/major works commenced after 15<sup>th</sup> April? **03**

**Part - II (STORES)**

- Q.6.** What are duties of Local Audit Staff for audit of ration of units? **05**
- Q.7.** What is the procedure to deal when an officer consider that any demand of accounts & documents demanded on him by an Audit Officer to be unnecessary? **04**
- Q.8.** What is the purpose of maintaining Reserve Fund in Military Farm and the rules for its, to regulate? **05**
- Q.9.** What is important role of Audit Officer where competitive tenders have not been sought or where high tenders have been accepted? **05**

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