

 <b>Pakistan Institute of Public Finance Accountants</b>	<b>May Exam-2026</b> <b>[05.May.2026] [09:30 am – 12:15 pm]</b> <b>Additional time – 15 min for Paper Reading</b>
<b>WAPDA Accounts and Financial Reporting (Application)</b> <b>AGP</b>	
<b>Marks-80</b>	<b>Subjective</b>

**Duration: 02 Hours 30 Minutes**

**[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:**

- Standard Accounting and Financial Reporting Manual of WAPDA

- Q.1. (a)** In your view which are the three most common reasons causing discrepancies between the Cash Book Balance and the Bank Statement. **03**
- (b)** Prepare Bank Reconciliation Statement for the month of December, 2025 for the ABC Project based on following data: **12**
- (i) Office of the ABC Project.
  - (ii) The Bank Statement of December 2025 depicts a balance of Rs. 6,050,556.
  - (iii) The cashbook shows a balance which is Rs. 7,035,650 more than stated by the bank.
  - (iv) Bank profit of Rs. 46,000 was earned but not recorded in the cash book.
  - (v) Service charges amounting to Rs. 130,000 were shown deducted in the bank statement which were not due in view of office and is under inquiry.
  - (vi) Other services charges of Rs. 161,094 were deducted by the bank but not stated in the cash book.
  - (vii) Two cheques amounting to Rs. 526,000 and Rs. 424,000 were received from WAPDA Authority, but payment did not appear in the Bank Statement.
  - (viii) A cheque for Rs. 210,000 was issued for payment to the contractor but did not appear in Bank Statement.
- Q.2.** Why has WAPDA preferred and adopted accrual basis of accounting over the cash basis? How it differs from cash basis of accounting and what are its weaknesses? **15**
- Q.3.** Explain the purpose of Debit Advice and Credit Advice. Under what circumstances these advices are issued. Name FIVE services for which services for credit/debit advices can be raised. **10**
- Q.4.** Why has WAPDA adopted double entry system in its accounting? Describe its strengths and weaknesses with reference to single entry system. **15**

***Contd.....***

**Q.5.** Prepare accounting entries for the following transactions:

- On 15<sup>th</sup> July 2021, WAPDA Power Wing has acquired a Generator with Class 'F' insulation on lease for 10 years at a cost of Rs. 5 million. This asset can only be used by WAPDA without major modification. **05**
- In June 2025, contractors bill comprising Rs. 34.5 million for the contractor, Rs. 2.5 million mobilization advance and Rs. 1.6 million Tax deduction at source was approved. **05**
- Invoice for cost of electricity amounting to Rs. 70 million was issued by WAPDA to the NTDC on 10.10.2025. **05**

**Q.6.** As Head of Accounts Wing, how will you deal with following cases:

- (a) A difference in the figures of expenditure prepared by the Project unit and the Head Office has occurred. **04**
- (b) Indirect costs of a project are to be apportioned. **03**
- (c) Useful life of an asset is required to be determined. **03**

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