

 Pakistan Institute of Public Finance Accountants	May Exam-2026 [08.May.2026] [09:30 am – 12:15 pm] Additional time – 15 min for Paper Reading
Financial System of District Education and Health Authorities (Application) Treasury	
Marks-80	Subjective

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:

1. Local Government Act
2. District Education and Health authorities Budget Rules (as amended to date)
3. District Education and Health authorities delegation of Financial Powers Rules (as amended to date)
4. District Education and Health authorities Accounts Rules (as amended to date)
5. Rules of Business (as amended to date)
6. Any other relevant rule made under Local Government Act

Attempt all Questions

Q.1. What is the difference between Municipal Corporation and District Council? Discuss in detail. **10**

Q.2. A tender for rehabilitation of drainage system of Layyah City amounting to Rs. 15,000,000 was called by the Municipal Council and opened on 15.01.2026.

Three firms participated, their names and quoted rates are as under;

S.No.	Firms	Amount in (Rs.)
1.	M/s XYX	15,500,000
2.	M/s ABC	16,500,000
3.	M/s AZY	17,500,000

In the light of above comparative statement, **M/s XYX** stood lowest.

Required:

Write recommendations for submission before the Executive Council for approval of work to the lowest bidder. **10**

Q.3. What is Re-appropriation? Why Principal Accounting Officers make re-appropriation in later part of the year? **10**

Q.4. Approval of budget of District Council is an uphill task. Discuss in detail. **10**

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Q.5. Grant No. 1

S.No.	Head of Accounts	Allocation for the year 2025-26	Expenditure upto March 2026
1.	Pay of Officers	100,000,000	76,800,000
2.	Allowances of Officers	10,000,000	8,400,000
3.	Pay of Staff	50,000,000	38,000,000
4.	Allowances of Staff	50,000,000	37,900,000
5.	Adhoc Pay	30,000,000	22,800,000
	Total	240,000,000	183,900,000

Grant No. 2

S.No.	Head of Accounts	Allocation for the year 2025-26	Expenditure upto March 2026
1.	Purchase of Machinery & Equipment	30,000,000	20,000,000
2.	Purchase of Tools & Plants	25,000,000	17,500,000
3.	Utilities	50,000,000	35,800,000
4.	POL	30,000,000	21,500,000
5.	Others	30,000,000	19,900,000
	Total	165,000,000	114,700,000

Required:

Make a proposal for Technical Supplementary Grant going to the Executive Council for re-appropriation of funds within the allocated budget for the year to avoid the demand for further supplementary budget or taking up of liabilities.

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Q.6. Following is the allocation of Budget of District Education Authority for the year 2025-26:

S.No.	Head of Accounts	Allocation for the year 2025-26	Expenditure upto Feb. 2026
1.	Pay of Officers	100,000,000	90,000,000
2.	Allowances of Officers	60,000,000	54,000,000
3.	Pay of Staff	70,000,000	60,000,000
4.	Allowances of Staff	40,000,000	35,000,000
5.	Adhoc Pay	20,000,000	10,000,000
6.	Purchase of Machinery & Equipment	50,000,000	20,000,000
7.	Purchase of Furniture	20,000,000	15,000,000
8.	Utilities	30,000,000	20,000,000
9.	POL	10,000,000	7,000,000
10.	Others	5,000,000	10,000,000
	Total	405,000,000	321,000,000

Required:

(a) Make the Revised Budget for the year by keeping in view the monthly pace of expenditure.

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(b) Prepare budget for the year 2026-27 in the light of revised budget for the year 2025-26, by enhancing 20% (ERE) Employees Related Expenditure and 10% in Non-ERE heads.

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Q.7. AUDIT PARA: NO PHYSICAL VERIFICATION OF DEAD STOCK REGISTER

During the Audit scrutiny of accounts records of the District Education Authority, Rahimyar Khan for the year 2024-25, it was noticed that a lot of dead stock material is in use of Authority. But since many years, its physical verification has not been conducted by the Controlling Officer since many years.

As per rules the physical verification of dead-stock material is required to be conducted annually and Controlling Officer has to record a certificate thereof about accuracy of the material.

Due to non-conduct of physical verification of dead stock, the pilferage or shortage of material cannot be ruled out.

-Sd-
(Mr. T.M Khan)
Audit Officer

Required:

Write a reply for Audit for settlement of Para.

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