



**Pakistan Institute
of Public Finance Accountants**

Model Solutions

Public Works Accounts Rules & Procedures (Application)

CGAGP | CGA | Treasury | Public

May Exam-2026

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Q.1.

				Form No. 26								
			RUNNING ACCOUNT BILL B.									
		(Referred to in paragraphs 212, 215 and 217)										
Cash Book voucher No.		C.V. No.		58	dated	20-8-2025						
Name of Contractor:		M/s.Design Construction										
Name of work:		Rehabilitation of Roads										
Serial No. of this Bil		2 nd Running Bill										
No. & date of his previous bill for this work:					Ist Running Bill.							
Reference to Agreement No:												
Date of written order to commence work:												
Date of actual completion of work.												
			Accounts of work executed									
AVERAGE PAYMENTS FOR			Item of work	Unit	Rate	Quantity executed upto date as per MB	PAYMENT ON THIS BASIS OF		Remarks			
Total as per previous Bill	Since Previous bill	Total up to					Up to date	Since previous bill				
	1	2	date	4	5	6	7	8	9	10		last bill
Rs.	Rs.	Rs.	.	Rs.	Rs.		Rs.	Rs.			qunaties.	
16,000,000	8643147.5	7356852.5	Mobilization advanced									
			Dismantling Brick Soling	% Cft	6460	6800	439280	180880		2800	4000	258400
			Dismantling R.C.C. 1:2:4	% Cft	17900	5900	1056100	447500		2500	3400	608600
			Dismantling Road Pavement	% Cft	5660	43000	2433800	56600		1000	42000	2377200
			Earth work embankment	% Cft.	17010	67000	1139670	671895		39500	27500	467775
			Relaying of old material as Sub Base	% Cft	7800	18000	1404000	639600		8200	9800	764400
			P/L sub base	% Cft.	19500	29000	5655000	3919500		20100	8900	1735500

			P/L brick edging	P. Rft	150.8	9500	1432600	603200		4000	5500	829400
			P/L Base course	% Cft.	19500	58000	11310000	7605000		39000	19000	3705000
			P/L plant premixed bitumino us carpet 4%	% Sft	18800	48000	9024000	9024000		48000	0	0
			Lane Marking with paint	Per Rft	82.7	8200	678140	678140		8200	0	0
							34572590	23826315				10746275
								34572590				
16000000	8643148	7356853	Deduct value of work done previously				10746275					
	"D"	"B"	Total value of work done to date since previous bill				23826315	23826315				
			Account of "Secured Advance" allowed on the security of material brought to site.									
Quantity Outstanding From Previous bill	Deduct Quantity Utilized in work measured since Previous bill	Quantity Outstanding including brought to site since Previous bill	Full rate is assessed By the Divisional Officer	Description of Material	Unit		Up to date amount of advance	Reference of Divisional Officer Written Order				
						Reduced Rate at which advance is admissible			Reasons for non-clearance of advances when outstanding more than three months			
1	2	3	4	5	6	7	8	9	10			
60000	60000	0	15600	crush	% cft	11700	0					
							0					
		70000	15800	crush	% cft	11850	8295000					
							0					
			Total amount as per this account				8295000	"C"				
			Deduct amount as per previous bill				7020000					
			Net amount since previous bill in words: Minus				-1275000	"E"				
		IV. Memorandum of Payment										
1	Total value of work actually measured as per Acct. 1 Col 8 Entry A								34572590			
2	Total "upto date" Advance payments for Mobilization Advance								7356853			
3	Total upto date Secured Advance as per Entry C								8295000			

4	Total:							50224443			
Figures in worksAbstract	5. Deduct amount withheld										
	a	From previous Bill as per last Running Account Bill						0			
	b	Fom this Bill						0			
	6. Balance i.e. Uptodate payment (Item 4-5) ...Entry “K”							50224443			
	7 . Total amount of payment		16000000	10746275	7020000	0	0	33766275			
	8. Payment now to be made as per detailed below:-							16458168			
	a) By recovery of amount creditable to this Work Rs.										
	Total 5(b) + 8a(G)										
	b) By recovery of amounts creditable to other Works										
	or head of accounts										
2382632	i) Security Deposit @ 10 %				2382632						
1481235	ii) Income Tax @ 9 %				1481235						
12594301	c) By Cheque				12594301						
16458168	Total 7(b) + 7(C) (H)							16458168			
Pay Rs								only.			
						(Dated initial of Disbursing Officer)					



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- Q.2.** Dismantling of reinforced cement concrete = $5,900 \text{ cft} \times 3.06 = 18,054 \text{ kg @ Rs. 120 per kg}$
= Rs. 2,166,480
- Q.3.** Rule 7 of Statement A of Appendix 2 CPW A Code
- Q.4.** (Statement E of Appendix No. 2 of CPW A Code and Articles 66 to 72 of Account Code Vol. III)
a.b
- Q.5.** Divisional Officers may, in such cases, sanction advances up to an amount not exceeding 75 per cent, of the value (as assessed by themselves) of such materials, provided that they are of an imperishable nature and that a formal agreement is drawn up with the contractor under which Government secures a lien on the materials and is safeguarded against losses due to the contractor postponing **(Para 228 of CPWA Code)**. As the cement bag is a perishable item therefore no secured advance was admissible to the contractor therefore the payment was unauthorized. Further as per clause 7 of indenture bond 12 % interest needs to be recovered from the contractor for the period for which the amount utilized by the contractor.
- Q.6.** The entry of Refund of cash of Rs. 95,000 as Security Deposit will appear in cash book. It will
a be classified as P- Deposit and Advances: Civil Deposits Public Works Deposit: Cash Deposits of contractors as security. It will be noted in deposit register Form CPWA 67 as debit against the original entry in the deposit register. **(Para 388 of CPWA Code)**.
b In case of a Bank Deposit receipt of Rs. 150,000 received as a security no entry will be made in the regular account of the Division. The receipt will be held in safe custody. It is a transaction connected with interest bearing securities. The item will be noted in Register of Interest Bearing Securities Form CPW A Code 85. **(Para 390 and 403 of CPWA Code)**.
c The amount of loss due to revaluation of stores will be debited to head of civil works: Losses to stock. (Footnote 32 of Appendix 2 of CPWA Code)
d Plus balance of Rs 60000 without any quantity against the bitumen in stock shows that:
(i) The rate of the bitumen was reduced during the currency of the half year.
(ii) The issue rate lower than the current issue rate.
(iii) A part of bitumen was stolen.
- Q.7.** The bill was drawn to utilize the budget grant which was irregular. The bill made on the basis of import documents was also not in order. Payment for supplies was not permissible until the stores have been received. The payment can neither be treated as an advance payment nor a secured advance. It was irregular to draw a cheque to utilize the budget grant.

Note 2 under Para No. 220 and Para 69 of CPWA Code)

- 220)** Before the bill of a contractor is prepared, the entries in the measurement book relating to the description and quantities of work or supplies should be scrutinised by the Sub-divisional Officer and the calculations of "Contents or area" should be checked arithmetically under his supervision. The bill should then be prepared, from the measurement entries, in one of the



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forms prescribed in paragraphs 212 to 219 applicable to the case. The rates allowed should be entered by the Sub-divisional Officer, either in the abstract of measurements, *vide* paragraph 209 (c), or in the bill itself. Full rates as

per agreement, catalogue, indent or other order should be allowed only if the quality of work done or supplies made is up to the stipulated specification. When the work or supplies fall short of that standard, and under the agreement it is permissible to make a final payment if the contract is determined, or an on account payment if the contract is to run on, only such a fraction of the full rate should be allowed as is considered reasonable, with due regard to the work remaining to be done and the general terms of the agreement,

Note 2.—As a general rule, payment for supplies is not permissible until the stores have been received and surveyed. If in any case the local Administration has permitted payment on production of a Railway receipt, the payment will be treated as an advance against final settlement on receipt of the stores.
