



**Pakistan Institute
of Public Finance Accountants**

Model Solutions

PS Accounting (Application)

**AGP | PG | PMAD | KPG | SG | Public
Sector**

Winter Exam-2025

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Q.1. [Answer: Chapter-1 of AP&PM and MoAP]

(a)

Q.1. [Answer: 2.1 MoAP]

(b)

Q.2. (i) [Answer at Page 17 & 39 of CoAs 15-12-2024]

(a) Exp: A 09, A 096, A 09601- 99]

(ii) [Answer at Page 12&13/34&35 of CoAs 15-12- 2024]

Exp: A05, A 053, A 05301-20]

(iii) [Answer at Page 08/30 of CoAs 15-12-2024]

Exp: A 03, A 037, A 03701-70]

(iv) [Answer at page 1 of CoAs 15-12-2024]

Direct Taxes: B 01, B 011, B 01141-50]

(v) [Answer at page 7/30 of CoAs 15-12-2024]

Non Tax Revenue: C 02, C 025, C 02501-20]

Q.2. (i) [Answer at page 4/9 of CoAs 15-12-24]

(b)

(ii) [Answer at page 14/34 of CoAs 15-12-24]

(iii) [Answer at page 01/06 of CoAs 15-12-24]

(iv) [Answer at page 21/43 of CoAs 15-12-24]

(v) [Answer at page 02/07 of CoAs 15-12-24]

Q.3. [Answer: AGP and CGA Ordinance, 2001]

a

OR

[Answer: AGP Ordinance-2001 and Chapter I of MSO of the DoAGP]

Q.4.

CASH FLOW FROM OPERATING ACTIVITIES	
Profit before levies and income taxes	3,798,901
Dividend income	(2,409)
	3,796,492
Adjustments for non-cash items	
Net mark-up / interest income	(5,301,023)
Depreciation	119,238
Amortization	12,999
Reversal of credit loss allowance	(34,126)
Gain on sale of property and equipment	(2,176)
Provision for Sindh Workers Welfare Fund	77,529
Reversal/ charge for defined benefit plan	(170,365)
	(5,297,924)
Decrease / (Increase) in operating assets	
Advances	1,626,114



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Other assets (excluding advance taxation)	(13,334)
	1,612,780
Decrease / (Increase) in operating assets	
Borrowings from financial institutions	14,575,461
Other liabilities (excluding current taxation)	13,585
	14,589,046
Interest received	10,883,300
Interest paid	(5,247,023)
Income tax paid	(1,293,124)
Net cash generated from operating activities	19,043,546
CASH FLOW FROM INVESTING ACTIVITIES	
Net investments	(18,915,054)
Dividends received	2,409
Investments in property and equipment	(13,347)
Proceeds from disposal of property and equipment	4,099
Net cash used in from investing activities	(18,921,893)
CASH FLOW FROM FINANCING ACTIVITIES	
Payments of lease obligations against right-of-use assets	(100,297)

Q.5. Such disclosure in accounts shows that fund is only created in the previous year while it is not the fact and this treatment is a gross negligence on the part of the Finance Department and AG Sindh.

Due to this non-disclosure during current year 2012-13 the amount of investment has been understated by the unreported amount.

It is suggested that disclosure be made in the financial statements of current financial year to depict a true and fair picture of such statements.

OR

Implication

Monthly bank reconciliations are carried out by the Accountant General Sindh, therefore such differences should not arise.

Moreover, this is a case of non-observance of the requirements of APPM for preparation of bank reconciliations on specified formats.

The above practice raises a doubt regarding the accuracy and reliability of the data used by the Government in preparing the Financial Statements and misleads the user of the Financial Statements about the true and fair position of the state of affairs of the Government.

Inadequate follow up procedures may result in long outstanding unresolved balances appearing in the financial statements and entail future complications.

Recommendation

These balances should be reconciled as soon as possible.

Q.6. [Answer: 2.2.2.9-2.2.2.12 of AP&PM]

a

Q.6. [Answer: 7.2.6 and .7.4.6 of AP&PM]

b



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Q.7. Answer at 13.6.2 of AP&PM

OR

- (a) Answer at 4.6.14.4 of AP&PM
- (b) Answer at 4.14.7.1 of AP&PM
- (c) Answer at 4.14.7.2 of AP&PM
- (d) Answer at 4.14.7.3 of AP&PM
