



**Pakistan Institute
of Public Finance Accountants**

Model Solutions

**Public Works Accounts
Rules & Procedures (Application)**

AGP | CGA | Treasury | Public

Winter Exam-2025

MODEL SOLUTIONS – DISCLAIMER

INTRODUCTION

The Model Solutions are provided to students for clear understanding of relevant subject and it helps them to prepare for their examinations in organized way.

These Model Solutions are prepared only for the guidance of students that how they should attempt the questions. The solutions are not meant for assessment criteria in the same pattern mentioned in the Model Solution. The purpose of Model Solution is only to guide the students in their future studies for appearing in examination.

The students should use these Model Solutions as a study aid. These have been prepared by the professionals on the basis of the International Standards and laws applicable at the relevant time. These solutions will not be updated with changes in laws or Standards, subsequently. The laws, standards and syllabus of the relevant time would be applicable. PIPFA is not supposed to respond to individual queries from students or any other person regarding the Model Solutions.

DISCLAIMER

The Model Solutions have been developed by the professionals, based on standards, laws, rules, regulations, theories and practices as applicable on the date of that particular examination. No subsequent change will be applicable on the past papers solutions.

Further, PIPFA is not liable in any way for an answer being solved in some other way or otherwise of the Model Solution nor would it carry out any correspondence in this regard.

PIPFA does not take responsibility for any deviation of views, opinion or solution suggested by any other person or faculty or stake holders. PIPFA assumes no responsibility for the errors or omissions in the suggested answers. Errors or omissions, if noticed, should be brought to the notice of the Executive Director for information.

If you are not the intended recipient, you are hereby notified that any dissemination, copying, distributing, commenting or printing of these solutions is strictly prohibited.



Winter Exam-2025

Solutions – Public Works Accounts Rules & Procedures (Application)

- Q.1.** 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 and bitumen are perishable items 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.2.**
- a) A departmental inquiry should be conducted and responsibility for the loss fixed. The cement bags will continue to be borne on stock so long as orders of competent authority for a recovery or write off on survey report Form CPWA 18 are obtained.
 - b) As contained in Para 135 (a) CPWA Code the timber found surplus should be taken as a receipt and its value at once credited as revenue receipt or a receipt on capital account as the case may be.
 - c) Minus balance with plus quantity shows that the issue of bricks during the period concerned were made at rates higher than the current issue rates. This difference of Rs. 410,000 (10,000+400,000) will be adjusted by debit to stock and credit to revenue. Plus, entry of Rs. 410,000 without quantity will be made in column 19 of Half yearly register of stock Form CPWA 12.
 - d) Plus, balance of Rs. 30,000 against nil quantity of tuff tiles shows that either its issue rate was reduced during the current half year or tuff tiles were issue at rates lower than the current issues rate. The difference of Rs. 30000 will be adjusted by credit to stock and debit to Losses on stock. Minus entry of Rs. 30000 without quantity will be made in column 19 of Half yearly register of stock Form CPWA 12.
- (Para 129(e) CPWA Code Article 102 (c) (2) of Account Code Vol. III)
- Q.3.** Adjustment by credit to Government of an unclaimed balance of Rs. 61,000 to the purchases and debit to purchases. **(Para 346-347 of CPWA Code)**.
- Q.3.** The furniture will be entered in accounts of Tools and Plants. Form CPWA 14. No adjustment in the value of accounts is required in this case.
- Q.4.** Debit the amount to the revenue account of the project if separate capital accounts of the road are maintained, otherwise debit to contingencies of the sanction estimate **(Para 308 of CPWA Code.)**
- Q.4.** The profit will be adjusted under the orders of competent authority, according to which either the manufacture estimate will be credited by the amount of gain/profit or it will be credited to revenue head concerned. **(Para 342 of CPWA Code)**
- Q.4.** If the building is transferred free of charge no readjustment of the cost is necessary otherwise the amount will be credited to the concerned major head of receipt. **(Para 407 of CPWA Code.)**



Winter Exam-2025

Solutions – Public Works Accounts Rules & Procedures (Application)

- Q.4.** The amount of pay of computer operators will be debited to the minor head of establishment under the major head concerned. (Article 38 and 118 of Account Code Vol.III.)
- d**

0.5.

Form No. 26												
RUNNING ACCOUNT BILL B.												
(Referred to in paragraphs 212, 215 and 217)												
Cash Book voucher No.	C.V. No.	53	dated	23-8-2025								
Name of Contractor:	M/s. Eisa Govt. Contractor											
Name of work:	Construction of Roads											
Serial No. of this Bill:	2 nd Running Bill											
No. & date of his previous bill for this work:	1st 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 quantities.
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.				
20,000,000	14537045	5462955	Mobilization advanced									
			Dismantling Brick Soling	% Cft	6560	5800	380480	242720		3700	2100	137760
			Dismantling R.C.C. 1:2:4	% Cft	27900	6700	1869300	948600		3400	3300	920700
			Dismantling Road Pavement	% Cft	5760	33000	1900800	1152000		20000	13000	748800
			Earth work embankment	% Cft.	27010	75000	2025750	1364005		50500	24500	661745
			Relaying of material as Sub Base	% Cft	9800	19000	1862000	950600		9700	9300	911400
			P/L sub base	% Cft.	28500	31000	8835000	6327000		22200	8800	2508000
			P/L brick edging	Per Rft	290.8	11100	3227880	1686640		5800	5300	1541240
			P/L Base course	% Cft.	31500	68000	21420000	12285000		39000	29000	9135000
			P/L plant premixed bituminous carpet 4% Bitumen	% Sft	27800	53000	14734000	14734000		53000	0	0
			Painting traffic lane 5" wide with reflective chlorinated rubber (CR) paint.	Per Rft	233.7	8100	1892970	1892970		8100	0	0
							58148180	41583535				16564645
							58148180					
20000000	14537045	5462955	Deduct value of work done previously					16564645				
	"D"	"B"	Total value of work done to date since previous bill					41583535	41583535			



Winter Exam-2025

Solutions – Public Works Accounts Rules & Procedures (Application)

- Q.6.** The cost of excavator and its depreciation will be debited to the concerned work for which the excavator was purchased. (Para 142 CPWA Code Article 37(b) of Account Code Vol. III.
- a** The expenditure incurred on annual repair of unprotected monuments will be debited to Repairs: Building: General Administration. Foot Note 32 Appendix 2 of CPWA Code.
 - b** As per Footnote 27 Appendix 2 CPWA Code the expenditure incurred on re-metaling of road for extension of metal surface from 10 ft to 12 feet will be debited to original work after obtained approval of competent authority who approved the estimate of the work
 - c** As per Footnote 27 Appendix 2 CPWA Code the expenditure incurred on account of Notice Boards will be debited to Civil Works : Repairs: Communications.
