



FEDERAL PUBLIC SERVICE COMMISSION
COMPETITIVE EXAMINATION FOR
RECRUITMENT TO POSTS IN BS-17
UNDER THE FEDERAL GOVERNMENT, 2014

Roll Number

ACCOUNTANCY AND AUDITING, PAPER-II

TIME ALLOWED:	(PART-I MCQs) 30 MINUTES	MAXIMUM MARKS: 20
THREE HOURS	(PART-II) 2 HOURS & 30 MINUTES	MAXIMUM MARKS: 80

- NOTE:**(i) **Part-II** is to be attempted on the separate **Answer Book**.
(ii) Attempt **ONLY FOUR** questions from **PART-II**, selecting **ONE** question from **EACH SECTION A,B,C and D. ALL questions carry EQUAL marks**.
(iii) Candidate must write **Q. No.** in the **Answer Book** in accordance with **Q. No.** in the **Q. Paper**.
(iv) No Page/Space be left blank between the answers. All the blank pages of Answer Book must be crossed.
(v) Extra attempt of any question or any part of the attempted question will not be considered.
(vi) Use of Simple Calculator is allowed.

PART-II

SECTION-A (COST ACCOUNTING)

- Q. No. 2.** When Financial Accounting delivers the goods, why Cost Accounting records are needed? Make out a case for introduction of Cost Accounting in all Industries. State your rationale with expected productive results. **(20)**

- Q. No. 3.** The following information is available regarding Job No. 101: **(20)**

<u>Direct Labour Cost</u>	<u>Cost (Rs.)</u>	<u>Hours</u>
Week of November 2	75,000	600
Week of November 9	83,000	750
Week of November 16	82,000	720
Week of November 23	460,000	400

Direct Material Cost:

Material purchased direct for the job:	Rs. 580,000
Material issued from store:	Rs. 120,000

Manufacturing Expenses:

Applied @ Rs. 80 per direct labour hour

Other Direct Manufacturing Cost:

Loading & Shipping and Installation:	Rs. 75,000
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Administrative and Selling Expenses:

To be charged @ 10 % of total cost to make and install

Selling price of the machine is Rs. 1,525,000

Required:

Prepare a Job Order Cost Sheet including a summary showing the Profit or the Loss relating to above Job number.

SECTION-B (AUDITING)

- Q. No. 4.** Explain various types of Audit Reports required by a duly qualified Auditor under the Companies Ordinance, 1984. First list the names of Audit Reports and later explain the salient feature governing the above Audit Reports. Along with this, briefly explain the four types of Audit Reports with expression of Auditor's opinion. **(20)**

- Q. No. 5.** Describe procedures governing verification of the following items: **(5 each) (20)**
- Deferred taxation
 - Investments held
 - Cash in transit
 - Long term liabilities

ACCOUNTANCY AND AUDITING, PAPER-II

SECTION-C (INCOME TAX LAW)

- Q. No. 6.** The following data are available relating to Mr. X for the year ended on June 30, 2012: **(20)**
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|----|--|---------------|
| 1. | Salary | Rs. 2,400,000 |
| 2. | Bonus | 400,000 |
| 3. | Prize Bond Winning | 200,000 |
| 4. | Dividends received from listed company | 400,000 |
| 5. | Casual Income | 200,000 |
| 6. | Rent received from owned property | 400,000 |

Required:

Compute Taxable Income and Tax payable by Mr. X under different sources of Income.

- Q. No. 7.** Describe procedure involved under Universal Self-Assessment Scheme under Income Tax Law. What checks and balances exist for successful and smooth operation of the above scheme? **(20)**

SECTION-D (BUSINESS ORGANIZATION AND FINANCE)

- Q. No. 8.** You have been invited by management to form a Public Listed Company in Pakistan. State steps which you will take to implement the above directive. List points in the light of Companies ordinance 1984 for formation of the above Listed Company. **(20)**
- Q. No. 9.** Describe the following terms used in the field of finance in Pakistan. Illustrate your answer. **(5 each) (20)**
- Bridge Finance
 - NIB modes of financing
 - Quick ratio
 - Inventory turnover
