

Note: Attempt any Five Questions, including Q.No.10, which is compulsory. All question carry equal marks.

- Q.1.** Define the following terms with reference to the income tax ordinance, 2001.
a. Liaison Office b. Whistle Blower c. Employment d. Speculation Business
- Q.2.** Discuss the legal provision regarding the exemption of the following under the second schedule of income tax ordinance 2001.
a. Scholarships b. Income of Text Book boards c. Seller of Real estate d. Income of trusts
- Q.3.** Enlist and explain categories of persons required to be registered under sales tax act 1990.
- Q.4.** Discuss the procedure for filing of appeals and references to the commissioner of in land revenue.
- Q.5.** Define the following terms under the sales tax act 1990.
a. Active taxpayer b. Special Judge c. Banking company d. Retail price
- Q.6.** Discuss in detail the legal procedure of refund of tax under income tax ordinance 2001.
- Q.7.** Explain the various types of losses. How can these be set off and carried forward ?
- Q.8.** Discuss various types of relief and allowances which may be claimed as tax credit by an individual.
- Q.9.** What are the various types of penalties (at least twelve) that can be imposed under the income tax ordinance 2001?
- Q.10.** Mr. Tariq Masood born on June 25, 1951, working as a full time teacher, Provided the following data regarding his income :

Income from salary	650000
Income from business (including foreign income Rs.100000)	180000
Tax paid in foreign	10000
Income from other sources	150000
Tax deducted at source from salary	20000
Share from AOP	20000
Donation to university (recognized by the HEC)	30000

Calculate tax liability of Mr.Tariq Masood for the tax year 2017.

S.#	Taxable income	Rate of tax
1	Rs. 400000 to Rs.500000	2% of amount exceeding Rs.400000
2	Rs.500000 to Rs. 750000	Rs.2000 +5% of amount exceeding Rs.500000
3	Rs.750000 to Rs. 1400000	Rs.14500 + 10% of the amount exceeding Rs.750000

Note: Attempt any FIVE questions. All questions carry equal marks.

- Q.1.** All agreements are not contracts, but all contracts are agreement. Explain with reference to essentials of contract.
- Q.2.** What is meant by persons competent to contract? Explain the legal rules regarding their competency to contract.
- Q.3.** What remedies are available to aggrieved party in the case of breach of contract?
- Q.4.** Differentiate between contract of indemnity and contract of guarantee.
- Q.5.** What is bailment? How bailment can be discharged?
- Q.6.** What is agency? What are the rights and duties of an agent?
- Q.7.** Define unpaid seller. What are the rights of unpaid seller?
- Q.8.** Define Negotiable instruments. What are characteristics of a cheque?
- Q.9.** Describe the dissolution of a firm.
- Q.10.** What is common carrier? What are the Characteristics of common Carrier?

Note: Attempt any FOUR questions. All questions carry equal marks.

- Q.1.** Discuss the economic factors of economic development in Pakistan.
- Q.2.** Discuss rural financial markets and agricultural credit in Pakistan.
- Q.3.** Discuss the issues affecting the small scale manufacturing sector in Pakistan.
- Q.4.** Discuss the balance of payments situation in Pakistan.
- Q.5.** Discuss the development of means of transportation and their effects in Pakistan.
- Q.6.** Discuss the problems in banking sector of Pakistan.
- Q.7.** Discuss the role of education in development of Pakistan.
- Q.8.** Write a detailed note on any two of the following:
- (a) Major exports and imports of Pakistan
 - (b) Labor problems
 - (c) The green revolution in Pakistan

Attempt any five questions, all carrying equal marks

Q.1 Following information was taken from records of B Company Ltd for the year ended December 31, 2012. Material inventory decreased by Rs.20, 000 during the year. Remaining inventories were as follow:

<u>Inventories</u>	<u>January 1</u>	<u>December 31</u>
Material in process	Rs.8, 000	Rs.10, 000
Labour in process	Rs.5, 000	Rs.10, 000
FOH in process	Rs.4, 000	Rs.9, 000
Finished goods 200 units	Rs. 116,000	100units

Purchases during the year were Rs.420,000 and purchases returns were Rs.20,000. Factory overhead applied to the production at the rate of 60% of direct labour cost. Cost of material used was 70% of current manufacturing cost or total factory cost. Number of finished goods units sold during the year was 1,100. At the end of year actual factory overhead cost totaled Rs.90,000.

Required:

- Calculate number of units manufactured during the year
- Prepare cost of goods manufactured statement
- Calculate the cost per unit manufactured during the year
- Calculate the value of ending finished goods inventory
- Prepare cost of goods sold statement

Q:-2 The following trisections related to the Moon Manufacturing Company, Lahore. The factory is situated in Gujrat. The payroll cost for the month Rs.1,60,000, employees income tax withheld Rs.8,000, deduction for provident fund at the rate of 10% of gross payroll were vouchered to pay. Payroll analysis sheet revealed the following information:-

Direct Labour	Rs.90,000
Indirect Labour	Rs.20,000
Sales Salaries	Rs.30,000
Office Salaries	Rs.20,000

Note: employer provident fund contribution (EPFC) is at the same rate. Rate of social security fund contribution (SSCF) is 5% of gross pay.

Required: Prepare journal entries to record this information in the general and factory office books.

Q: 3 The Inam Company manufactures toys according to the specifications of its customers. An Order No. 501 called for the manufacture of 100 toys. It is anticipated that 10% of the toys started in process are spoiled and have to be sold as seconds (this spoilage is considered as normal loss). On final inspection, however, only 5 toys were rejected and transferred to the spoiled goods inventory to be sold at Rs. 2 each.

Costs recorded on Order No. 501 were as follows: Direct materials Rs.300, Direct Labour Rs.400, Factory overhead Rs.300

Required: prepare entries to record the following:

- a) Cost of processing Order No.501
- b) Cost of spoiled work
- c) Transfer of 95 good toys to finished goods inventory, and
- d) Sale of 5 imperfect toys.

- Q.4** Monthly demand =1,000 units. Annual carrying cost per unit= Rs.15
Minimum usage =25 units per week. Reorder period is 4 to 6 weeks.
- Cost of placing an order =Rs.100.
Normal usage =50 units per week.
Maximum usage =75 units per week.

Required: Compute from the above

1. Re-order Quantity
2. Re-order Level
3. Minimum Level
4. Maximum Level
5. Average Stock Level

Q:5 For a Department the standard overhead rate is Rs.2.75 per hour and the overhead allowances are as follows:

Activity levels (HOURS)	Budgeted overhead allowance
3,000	Rs. 10,000
7,000	18,000
11,000	26,000

You are required to complete:

- a) The fixed cost
- b) The standard activity level on which the standard overhead rate has been fixed
- c) In a period the activity level of the same department was 10,000 hours and actual overhead incurred was Rs.22,000, calculate volume variance and expenditure variance.

Q:-6 During the month of April 2006 the following costs were incurred in department No.2 of Arsalan Ltd.

Material Cost	Rs.9000
Labour cost	Rs.4250
FOH Cost	Rs.5100

During the month 20,000 units with a total cost of Rs.38,000 had been transferred into the department from department 1 of these, 15,000 units were completed and transferred to department 3 and 4,000 units were in process. On 30th April being $\frac{3}{4}$ complete as to Material, $\frac{1}{2}$ complete as to Labour and FOH.

Required:- prepare a cost of production report of dept 02 for April 2006.

Q:7 Mr. A takes 9 hours to complete a job on daily wages and 6 hours on a scheme of payment by results. His day rate is 0.75 paise per hour; the material cost of the product is Rs.4 and overhead is recovered at 150% of the total direct wages. Calculate the factory cost of product under:

- a) Piece work plan
- b) Rowan plan
- c) Halsey plan

Q.8 What is incentive Scheme? Discuss various incentive plans in detail

(30)

سوال نمبر 1۔ مندرجہ ذیل جملوں میں سے کوئی پندرہ لکھ کر ان کا ترجمہ کیجئے؟

- (1) أكلت الخبز الخادمة (2) كان رأيه موافقا ومطابقا لرأى (3) النظافة تجلب الصحة (4) يوم القيامة يختم الله على الأفواه (5) شرح الله صدرك للإيمان (6) الحمية رأس كل دواء (7) انا واثق من كلامي تماما (8) في الحديقة سبعون زائرا (9) النافذة بعيدة عن السبوره (10) هل شبعت من الطعام (11) البنت تحمل السلة (12) التشاور هو اساس التفاهم بيننا (13) يصد الشيطان عن فعل الخير (14) كدت الخادمة في العمل (15) اربط بقرتي عند الشجرة (16) هل تلك ورقة (17) هذا جدارك (18) سيارة محمود قرب المنزل (19) تلك خريطة باكستان (20) قدمت بنت الى المدرسة (21) مسح يده بالورقه (22) قطفت البنت زهرة (23) انت بدات عملك في الصباح (24) عني يحسن الى الفقراء (25) في الفندق ثمانون غرفة (26) هل شبعت من الطعام (28) اشكومن الم في راسي (29) اقدمنا راسخة فوق ارضنا (30) هل صافحت الضيف

(30)

سوال نمبر 2۔ مندرجہ ذیل جملوں میں سے کوئی دس جملے لکھیں اور ان کا عربی ترجمہ کریں؟

- (1) میں کل سکول حاضر ہوں گا (2) ننگ مکان تاریک ہے۔ (3) میرا استاد نیک آدمی ہے۔ (4) یہ سستا قلم ہے۔ (5) دیہات میں رہنے والوں کے دل پاک و صاف ہوتے ہیں (6) میں امتحان لینے والا ہوں بدلہ لینے والا نہیں۔ (7) حامد زمین پر بیٹھا۔ (8) میں نے کتاب حاصل کی۔ (9) استاد کار میں سوار ہوئے۔ (10) میز کے نیچے بیٹی ہے۔ (11) عورت چھت پر چڑھی (12) یہ تیری تصویر ہے۔ (13) اس نے اپنے ہاتھ کو کاغذ سے صاف کیا۔ (14) لڑکا کھڑکی سے دیکھتا ہے (15) ایک مینیٹ میں تیس دن ہوتے ہیں۔ (16) کیا یہ مزے دار پھل ہے۔ (17) یہ ڈاکٹر کا کلینک ہے (18) میں کل نہیں آؤں گا۔ (19) تیرا بھائی پہنچا۔ (20) سکول کہاں واقع ہے۔ (25) یہ آسان سبق ہے (26) میں نے تصویر کو دیکھا (27) یہ خوبصورت گھر ہے (28) یہ استاد کی گھڑی ہے۔ (29) یہ اللہ کا بندہ ہے۔ (30) وہ اس کا دفتر ہے

(20)

سوال نمبر 3۔ اسمائے خمسہ اور اسم عدد کی تعریفیں ضروری قواعد کے ساتھ لکھیں اور ہر ایک کی پانچ پانچ مثالیں دیں۔؟

یا

مندرجہ ذیل الفاظ کو عربی فقروں میں استعمال کریں اور ترجمہ بھی کیجئے۔

- (1) شرب (2) سریر (3) طویلة (4) صديق (5) ورقة
(6) تحت (7) المسجد (8) سبعة (9) سقف (10) شارع

(20)

سوال نمبر 4۔ مندرجہ ذیل سوالات لکھیں اور ان کے بلقابل عربی میں جوابات لکھیں؟

- (1) كم ساعة في اليوم؟ (2) الى أين تنظر؟ (3) ماذا سقط على الارض؟ (4) هل تلك مراة؟ (5) لماذا تكتب؟
(6) أين الجامعة؟ (7) ماذا تدرس؟ (8) متى تعود من المدرسة؟ (9) كم قلبا عندك؟ (10) هل عندك كتاب؟

یا

مندرجہ ذیل جملوں کو مکمل کیجئے اور ساتھ ترجمہ کریں۔

- (1) تلك _____ سريعة (2) _____ المنزل مفتوح (3) دراجة _____ قوية
(4) لا _____ الكاذب (5) اختي _____ (6) ابی _____ من السفر (7) محمود مفید
(8) سافر _____ الى الحج (9) الله قريب _____ (10) یاكل _____ الفاكهة

Note: Attempt any FIVE questions. All questions carry equal marks.

- Q.1. The following are the extracts from the draft balance sheet of ABC Company Ltd. as on 31-12-2017:

Authorized Capital:

15000 ordinary shares of Rs. 20 each 300,000

Issued & Subscribed Capital:

8,000 ordinary shares of Rs. 20 each fully called up 160,000

Reserve Fund 90,000

Profit & Loss Account 60,000

A resolution was passed by the company determining of 2 ordinary shares for every 5 shares held at present. For this purpose Rs. 35,000 are to be provided out of Reserve Fund and the balance out of Profit and Loss Account.

Make necessary Journal entries to give effect to the resolution and show how they would affect the Balance Sheet.

- Q.2. A company issued 1000 6% Debentures of Rs. 100 each. Give Journal Entries and the Balance Sheet in each of the following cases:
1. The debentures are issued at par and redeemable at par.
 2. They are issued at discount of 5% but redeemable at par.
 3. They are issued at premium of 5% but redeemable at par.
 4. They are issued at discount of 4% but redeemable at premium of 5%
 5. They are issued a par but redeemable at 5% premium.
- Q.3. From the following Trial Balance of Usman and Company on 31st December, 2017, prepare Trading and Profit and Loss Account and the Balance Sheet.

Stock on Jan. 1	Rs. 2000	Rs.
Debtors	2000	
Plant & Machinery	1000	
Wages	500	
Salaries	200	
Ordinary Shares		5000
Freeholds	3000	
Creditors		1000
General Reserve		1000
Travelling Expenses	250	
Purchases	10000	
Sales		15000
Cash in hand	3050	
Total:	22,000	22,000

Stock on 31st December 2017 was Rs. 2500. It was resolved to:

1. Write 10% off on Plant and Machinery.
 2. Reserve 10% on Debtors for doubtful debts.
 3. Place Rs. 100 to Bonus Fund for staff.
 4. Place Rs. 1250 to General Reserve Fund.
 5. Pay 5% dividend on Ordinary Shares and carry the balance forward.
- Q. 4. Ali delivers machinery on hire purchase system for Rs. 5000 to be paid as follows:
- | | |
|------------------------------|----------|
| Down payment | Rs. 800 |
| At the end of the first year | Rs. 1200 |
| At the end of second year | Rs. 2200 |
| At the end of third year | Rs. 800 |
- Interest included in Rs. 5000, being charged on the cash value at 10% p.a.
Show accounts in the books of Hire Vendors.

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- Q. 5. The life fund of a Life Assurance Company was Rs. 86,48,000 as on 31st December 2017. The interim bonus paid during the inter-valuation period was Rs. 148,000. The periodical actuarial valuation determined the net liability at Rs. 74,25,000. Surplus brought forward for the previous valuation was Rs. 850,000. The directors of the company prepared to carry forward Rs. 931,000 and to divide the balance between the shareholders and policyholders in the ration of 1:10.

- Show: 1. Valuation Balance Sheet.
2. Net profit for the valuation period and
3. Distribution of Surplus.

- Q. 6. Define Bank. Describe different types of Loans granted by a banker.

- Q. 7. Pak Traders Lahore opened a branch at Sialkot on 1st January, 2017. The following information is available in respect of the branch for the year:

Goods sent to Branch	Rs. 75,000
Cash Sales at the Branch	50,000
Credit sales at the Branch	60,000
Salaries of the branch staff paid by head office	15,000
Office expenses of the branch paid by the head office	12,000
Cash remittances to branch towards petty cash	6,000
Petty cash at branch on 31-12-2017	500
Debtors at branch on 31-12-2017	5,000
Stock at branch on 31-12-2017	27,000

Prepare Branch Account to show the profit or loss from the branch for the year 2017.

- Q.8. From the following particulars extracted from the financial statement of ABC & Co., compute:

1. Current Ratio
2. Liquid Ratio
3. Inventory Turnover Ratio
4. Debtors Turnover Ratio
5. Creditors Turnover Ratio

Opening Stock	Rs. 47,000	Debtors	Rs. 42,000
Closing Stock	53,000	Cash	10,000
Sales less returns	252,000	Bank	8,000
Provision for bad debts	2,000	Bill Receivable	15,000
Creditors	32,000	Provision for Taxation	15,000
Loose Tools	4,000	Bills payable	29,000
Purchases	180,000	Marketable Securities	8,000

- Q.9. Define Governmental Accounting. Write note on the following:

- a. Cash Book
- b. Contingence Register
- c. Stock Register

- Q.10. You are given the following particulars of a business having three departments:

Particulars	Purchases	Opening Stock	Closing Stock
Department A	1500 Units	200 Units	100 Units
Department B	1000 Units	300 Units	160 Units
Department C	2000 Units	150 Units	200 Units

Additional Information:

1. Purchase was made at a total cost of Rs. 92,000
2. The percentage of gross profit on turnover is the same in each case.
3. Purchases and sale prices are constant for the last 2 years.
4. Selling price per unit: Dep-A Rs. 20 Dep-B Rs. 25 and Dep-C Rs. 30

Required: Prepare Departmental Trading Account

Note: Attempt any FIVE questions. All questions carry equal marks.

- Q.1.** What is meant by Auditing? Explain the objectives of audit.
- Q.2.** Define Final Audit. State its advantages and disadvantages.
- Q.3.** Define Auditor. Discuss the qualification, disqualifications, appointment and removal of an auditor.
- Q.4.** Define statutory report. State its main contents. Draft an imaginary specimen of statutory report.
- Q.5.** What are the main points which an auditor should follow while auditing the accounting records of various concerns?
- Q.6.** Under what circumstances an auditor can be held liable for.
- (a) Criminal liability
- (b) Liability for liable
- Q.7.** Explain the difference between manual and computerized audit.
- Q.8.** What factors an auditor should keep in mind before the commencement of a new audit.
- Q.9.** How would you verify the following;
- | | |
|---------------|----------------------|
| 1. Investment | 2. Plant & Machinery |
| 3. Bank Loan | 4. Goodwill |
- Q.10.** What is Internal Control? Suggest a proper Internal Control System for a large-scale manufacturing concern.