

**2020**  
**COMMERCE**  
**Accounting for Local Bodies**  
**Group-2**  
**Paper-III**  
**[B.Com. Part-II PRACTICAL]**  
**(For Both Honours and General Candidates)**  
**[Module-I]**  
**New Syllabus - Blended Mode**

Full Marks : 50

Time : 1  $\frac{1}{2}$  Hours

**[FOR ANSWERING QUESTION NO. 1 AND 2, COPY THE GIVEN BLANK FORMATS IN YOUR ANSWER BOOK OR TAKE A PRINTOUT & ATTACH THOSE WITH YOUR ANSWER BOOK]**

1. From the following information write a Cash Book of **Jogachha Gram Panchayat** in the format given at the end of this question:

| Date     | Particulars  | Amount (Rs.) |
|----------|--|--------------|
| 01.05.20 | Opening Balance  | 13,700       |
|          | Cash-  |              |
|          | Bank-  | 7,10,500     |
| 01.05.20 | Paid Electricity Bill to WBSEDCL by cheque   | 15,200       |
| 02.05.20 | Paid salary to Executive Assistant by cheque   | 30,000       |
| 03.05.20 | Received Untied Fund from Govt. of West Bengal (cheque)  | 6,00,000     |
| 04.05.20 | Taxes Collected - received in cash from tax collector A. Kundu                                 | 13,400       |
| 04.05.20 | Toll Tax - received in cash from collector B. Roy  | 7,800        |
| 05.05.20 | License fee on Vehicle -in cash from A. Banerjee Rs.4,500 and in cheque from A. Molla Rs.7,000 | 11,500       |
| 05.05.20 | Rent Received from Community Hall (cash)   | 5,400        |
| 05.05.20 | Paid telephone charges in cash   | 2,340        |
| 06.05.20 | Paid Office Expenses in cash to Shibu Das  | 850          |
| 06.05.20 | Paid for Repairing of Tube Wells-Cash  | 5,400        |
| 10.05.20 | Received Grant under SSK scheme from Govt. of WB in cheque                                     | 70,000       |
| 10.05.20 | Received Donation in cash from A. Hembram  | 5,000        |
| 15.05.20 | Payment made to Sishu Bharati from SSK Scheme in cheque  | 1,50,000     |
| 15.05.20 | Taxes Collected - received in cash from tax collector A.Kundu                                  | 4,300        |
| 15.05.20 | Paid Travelling Expenses to secretary in cash  | 550          |
| 20.05.20 | Collection from Charak Mela - in cash from collector B.Roy                                     | 32,000       |
| 20.05.20 | Paid Advance against Salary to Executive Assistant (cheque)                                    | 15,000       |
| 22.05.20 | Paid for Construction of Health Centre to BB Construction (cheque)                             | 4,00,000     |
| 22.05.20 | Commission Paid to tax Collector A.Kundu - Cash  | 1000         |
| 22.05.20 | Grant from PMGSY scheme from Central Govt. in cheque   | 70,00,000    |
| 28.05.20 | Paid for road construction under PMGSY to Haldar & Co in cheque                                | 12,00,000    |
| 30.05.20 | Bank Charges by SBI  | 300          |

Note: Assume that separate bank accounts have not been opened for funds received from Govt. under different schemes.

# Form 1-Cash Book

..... Gram Panchayat

( 2 )

16(C)PR/NS

| RECEIPTS |                                |      |     |      |      |              | PAYMENTS |                 |      |       |     |      |      |              |
|----------|--------------------------------|------|-----|------|------|--------------|----------|-----------------|------|-------|-----|------|------|--------------|
| Date     | From Whom Received and Purpose | R No | L F | Cash | Bank | Sig. of E.A. | Date     | To Paid Purpose | Whom | V. No | L F | Cash | Bank | Sig. of E.A. |
|          |                                |      |     |      |      |              |          |                 |      |       |     |      |      |              |

|                  |                  |
|------------------|------------------|
| Total Receipts:  | Total Payments:  |
| Opening Balance: | Closing Balance: |
| Grand Total:     | Grand Total:     |

Signature of the Secretary / Authorized Employee with date

2. From the Receipts & Payments Account given below, prepare an Income and Expenditure Account of Newtown Municipality for the year ended on 31.03.2020, in the format given at the end of the question.

Ignore the “Previous Year” column of the said Format.

**Receipts and Payments Account for the year ended 31.03.2020**

| RECEIPTS                          | Amount (₹)         | PAYMENTS                          | Amount(₹)          |
|-----------------------------------|--------------------|-----------------------------------|--------------------|
| Opening Balance-Cash              | 1,13,000           | Salary and Allowance              | 1,40,00,000        |
| -Bank                             | 1,70,40,500        | Staff Group Insurance             | 3,00,000           |
| Municipal Tax Collection          | 33,00,000          | Administrative Exp.-              |                    |
| Tax on Advertisement              | 1,10,000           | (i) Accounts Deptt.               | 2,80,000           |
| Revenue Assigned by Govt. of W.B. | 13,00,000          | (ii) Law Deptt.                   | 1,20,000           |
| Rent from Auditorium              | 1,70,000           | (iii) Engg. Deptt.                | 9,10,000           |
| Rent from Playground              | 38,000             | (iv) Health Deptt.                | 5,60,000           |
| Trade License Fee                 | 13,00,000          | (v) Personnel Deptt.              | 1,20,000           |
| Mutation Fee                      | 16,75,000          | Road Maintenance                  | 45,00,000          |
| Ambulance hire charges            | 30,000             | Water Supply Maintenance          | 23,00,000          |
| Car Parking Charges               | 9,30,000           | Garbage Clearance                 | 15,30,000          |
| Govt. Grants for-                 |                    | Street Electricity Exp.           | 12,00,000          |
| (i) Road Maintenance              | 37,00,000          | Interest on Bank OD               | 17,15,000          |
| (ii) Water supply Maintenance     | 22,00,000          | Health Awareness Programme        | 80,000             |
| (iii) Salary & Allowance          | 1,35,00,000        | Blood Donation Camp Exp.          | 70,000             |
| Interest on Investment            | 1,97,000           | Purchase of Stores                | 20,00,000          |
| Interest from Bank                | 70,000             | Subsidies for Toilet Construction | 14,30,000          |
| Fine                              | 15,000             | Fire Insurance of Buildings       | 3,70,000           |
| Donation                          | 87,000             | Purchase of Cars                  | 12,00,000          |
|                                   |                    | Investment in Govt. Bonds         | 10,00,000          |
|                                   |                    | Closing Balance- In Cash          | 2,10,500           |
|                                   |                    | -In Bank                          | 1,18,80,000        |
| <b>TOTAL</b>                      | <b>4,57,75,500</b> | <b>TOTAL</b>                      | <b>4,57,75,500</b> |

*Additional Information :*

- Depreciation for the year- Rs.18,50,000
- There was no opening and closing balance of Stores.
- Outstanding Exp. as on 31.03.2020: Salary Rs. 3,40,000; Electricity Exp. Rs.1,00,500
- Transfer to Reserve Fund @ 10% of surplus, if any.

In your **workings**, prepare separate schedule for each item of income and expenditure mentioned in the Format. For example-

Prepare a schedule of Tax Revenue (Schedule no I-1), by taking Municipal Tax and Tax on Advertisement. Then put the total of the Schedule in Income and Expenditure Account.

**FORMAT****Name of the Urban Local Body .....****Income and Expenditure Statement for the period from \_\_\_\_\_ to \_\_\_\_\_**

| <b>Code</b> | <b>Item/ Head of Account</b>  | <b>Schedule No.</b> | <b>Current Year Amount (Rs.)</b> | <b>Previous Year Amount (Rs.)</b> |
|-------------|---|---------------------|----------------------------------|-----------------------------------|
| <b>1</b>    | <b>2</b>  | <b>3</b>            | <b>4</b>                         | <b>5</b>                          |
|             | <b>INCOME</b>   |                     |                                  |                                   |
| 110         | Tax Revenue   | I-1                 |                                  |                                   |
| 120         | Assigned Revenues & Compensation  | I-2                 |                                  |                                   |
| 130         | Rental Income from Municipal Properties                                       | I-3                 |                                  |                                   |
| 140         | Fees & User Charges   | I-4                 |                                  |                                   |
| 150         | Sale & Hire Charges   | I-5                 |                                  |                                   |
| 160         | Revenue Grants, Contributions & Subsidies                                     | I-6                 |                                  |                                   |
| 170         | Income from Investments   | I-7                 |                                  |                                   |
| 171         | Interest Earned   | I-8                 |                                  |                                   |
| 180         | Other Income  | I-9                 |                                  |                                   |
| <b>A</b>    | <b>Total Income</b>   |                     |                                  |                                   |
|             | <b>EXPENDITURE</b>  |                     |                                  |                                   |
| 210         | Establishment Expenses  | I-10                |                                  |                                   |
| 220         | Administrative Expenses   | I-11                |                                  |                                   |
| 230         | Operations & Maintenance  | I-12                |                                  |                                   |
| 240         | Interest & Finance Expenses   | I-13                |                                  |                                   |
| 250         | Programme Expenses  | I-14                |                                  |                                   |
| 260         | Revenue Grants, Contributions & Subsidies                                     | I-15                |                                  |                                   |
| 270         | Provisions & Write off  | I-16                |                                  |                                   |
| 271         | Miscellaneous Expenses  | I-17                |                                  |                                   |
| 272         | Depreciation  |                     |                                  |                                   |
| <b>B</b>    | <b>Total Expenditure</b>  |                     |                                  |                                   |
| A-B         | Gross surplus/ (deficit) of income over expenditure before Prior Period Items |                     |                                  |                                   |
|             | Add/Less: Prior Period Items (Net)  | I-18                |                                  |                                   |
|             | Gross surplus/ (deficit) of income over expenditure after Prior Period Items  |                     |                                  |                                   |
|             | <b>Less: Transfer to Reserve Funds</b>  |                     |                                  |                                   |
|             | <b>Net balance being surplus/deficit carried over to Municipal Fund</b>       |                     | .                                |                                   |

3. Answer briefly on any **three** of the following:

5×3=15

- a) Mention the names of the Accounting Standards for Local Bodies.
- b) What are the 'Fundamental Accounting Assumptions'?
- c) Discuss the provision regarding Monthly Statement of Fund Position of Gram Panchayat.
- d) Write the provision regarding Subsidiary Cash Book of Gram Panchyats.
- e) Draw the Format of Cash Book of Gram Unnayan Samity.

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