

**Goa Vidyaprasarak Mandal's**  
**GOPAL GOVIND POY RAITURCAR COLLEGE OF COMMERCE AND**  
**ECONOMICS, PONDA-GOA**  
**B.COM. CBCS (SEMESTER – V) EXAMINATION,**  
**AUGUST 2020**  
**GOVERNMENT ACCOUNTING**

**Duration:- 2 hours**

**Marks: 30**

Instructions: 1) Answer any five sub questions from Q. No. I carrying 2 marks each.  
 2) Answer any four sub questions from Q. No II carrying 5 marks each.

**Q I) Answer the following (Any Five):**

- Explain in short what do you mean by Contingency Fund.
- Explain the term Votable and Non Votable Items.
- List out the importance of Capital Budgeting.
- State some of the important receipts of Transport Corporations.
- How the final accounts are prepared by a Electricity Company?
- What are the features of Panchayat Accounting?
- State some of the powers of Municipalities.
- State the techniques of Capital Budgeting (Any four).

**Q II) Answer the following (Any Four):**

- A. BPC Ltd is interested in investing in a new project. The expected original investment will be ₹ 2,00,000/- the life of the project being five years with no salvage value. The expected net cash inflow after depreciation but before tax during the life of the project will be as follows:

Year	1	2	3	4	5
Amount (₹)	85,000	1,00,000	80,000	80,000	40,000

The project will be depreciated at 20% under WDV method. The company is subject to 30% tax rate. You are required to calculate Net Cash Flow After Tax (CFAT).

- B. From the following particulars relating to Canacona Panchayat, reprepare Receipt & Payment Account for the year ended 31/03/2019.

Particulars	Amount
Grants from State Government	
Towards Salaries	70,000
Towards Maintenance	50,000
Grants from Central Government.	40,000
Receipts from ZP for District Plan	20,000
Receipts from Panchayat Samiti	15,000
General Administration Expenses	40,000
Staff Salaries	50,000
Public Health Expenses	50,000
Street Lighting	10,000
Expenditure for Local Sports	10,000
Expenditure on work of ZP for District Plan	8,000
Office expenses	1,500
Sale of Scrap (Income)	100
Payment of Duties	5,000
Receipts from taxes	20,400
Receipts from State Govt. Properties	3,000
Loan Receipts from State Govt.	25,000
Entertainment expenses	4,000
Miscellaneous Expenses	16,800
Balance in hand on 1/04/2018	10,000

C. A project of 20 years life requires an original investment of ₹ 2,00,000/-. The other relevant information is given below:

Average annual earnings before Depreciation & Tax ₹ 40,000

Annual Tax rate is 50%

Calculate Pay Back Period.

D. From the following information , you are required to prepare the note on Fixed Assets attached to the Balance Sheet as on 31/03/2019 of a transport company.

Original value of Fixed Assets were as under:

Building 12,00,000

Plant & Machinery 8,40,000

Furniture & fixture 4,56,000

Depreciation charged till 31/03/2018 was

Building 2,43,400

Plant & Machinery 3,45,600

Furniture 1,35,860

Charge Depreciation on assets under WDV method at following rates:

Building 10%

Plant & Machinery 15%

Furniture 10%

You are required to clearly disclose the same in Gross Block, Depreciation and Net Block Format.

E. From the following balances of Power Light Ltd., you are required to prepare statement of Profit & Loss for the year ended 31/03/2019.

Particulars	Debit	Credit
Land	1,80,000	
Share Capital		6,58,800
Sundry Creditors		1,200
Rent & Taxes	6,000	
Expenses of Management	14,400	
Cost of Distribution	6,000	
Sale of Current		1,56,000
Meter Rent		6,000
Interest on Debentures	12,000	
Interim Dividend	24,000	
Profit & Loss A/C (1/04/2018)		34,200
Depreciation	24,000	

F. Explain the accounting procedure for Government Expenditure.

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