

**Goa Vidyaprasarak Mandal's  
GOPAL GOVIND POY RAITURCAR COLLEGE OF COMMERCE AND  
ECONOMICS, PONDA – GOA**

**B.COM. CBCS (SEMESTER - V) EXAMINATION, JANUARY 2021**

**GOVERNMENT ACCOUNTING – DSE 3**

**Duration : 2 hours**

**Marks : 80**

- Instructions: 1) Question No.1 is compulsory  
2) Answer any three questions from remaining  
3) Figures to the right indicate maximum marks.

Q I) KTC Ltd registered under Companies Act 2013, provides you the following trial balance as on 31/03/2020. You are required to prepare the statement of profit and Loss for the year ended 31/03/2020.

Particulars	Debit (₹)	Credit (₹)
Earnings from operation		1,00,00,000
Casual contract earnings		50,000
Pass Issue Collection		15,400
Concessional Seasonal Pass		1,50,000
Mail Receipts		50,000
Luggage Receipts		84,500
Parcel Income		89,450
Interest Income		25,675
Rental Income from Investment Properties		75,000
Bus stand parking license fees		55,000
Toilet fee collections		7,500
Sale of scrap		1,60,000
Subsidy from Govt for student pass		20,00,000
Salaries & Wages	13,38,605	
Contribution towards PF	2,50,000	
Consumption of Stores & Spares	1,34,600	
Diesel & Fuel	12,00,000	
Water	55,000	
Rental Income from Investment Properties	43,600	
Insurance	89,000	
Repairs to operating fleet	1,20,000	
Electricity charges	54,000	
Chairman travelling expenses	12,000	
Directors sitting fees	15,720	
Repairs to Directors vehicles	10,000	
Advertisement	65,000	
Postage & Telephones	23,000	
Legal & Professional fees	1,02,000	
Sales Commission	50,000	
Interest on Loan	2,00,000	

**Additional Information: -**

- 1) Loose Tools written off ` 1,28,000.
- 2) Depreciate Central Workshop @ 15% (BV ` 2,50,000)  
Plant & Machinery @ 10 % (BV ` 75,000)

Operating Fleet @ 10% (BV ` 45,00,000)

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- 3) Provide for outstanding salaries & Wages ` 1,50,000.
- 4) Insurance Prepaid ` 16,700.
- 5) Provide for taxation @ 30%. (20)

Q II) The trial balance of Electricity Corporation Ltd. for the year ended 31/03/2020 is as under.

Particulars	Debit (` in 000's)	Credit (` in 000's)
Equity Shares of ` 10/- each		50,000
14% Preference Shares of ` 100/- each		15,000
Patents & Trade Marks	2,504	
15% Debentures		24,700
16% Term Loan		15,300
Land (Addition during the year ` 2050)	12,450	
Building (Addition during the year ` 5080)	35,134	
Plant & Machinery	57,058	
Mains	4,524	
Meters	3,150	
Electrical Instruments	1,530	
Office furniture	2,450	
Capital Reserve		4,020
Contingency Reserve		12,030
General Reserve		1,000
Transformers	16,440	
Opening Balance of Profit & Loss A/C		350
Profit for the year 2019-20 subject to adjustment.		5,000
Stock in hand.	12,050	
Sundry Debtors	6,246	
Contingency Reserve Investment	10,010	
Other Investment	2,000	
Cash & Bank	3,254	
Public Lamps	3,040	
Depreciation fund		25,816
Sundry Creditors		6,524
Proposed Dividend		12,100
	<b>1,71,840</b>	<b>1,71,840</b>

Adjustments: -

- 1) Transfer to Contingency Reserve ` 1,70,000 and to General Reserve ` 2,00,000.
- 2) Loss on Contingency Reserve Investment ` 10,000.
- 3) Make a provision for debts considered doubtful ` 10,14,000. (20)

Prepare Balance sheet of the Electricity Corporation Ltd. as on 31/03/2020.

**Q III A)** From the following particulars of a Gram Panchayat, Prepare Receipt & Payment Account for the year ended 31/03/2020. **(10)**

Grants from Government	
For Inspectors	70,000
For other employees	50,000
Grant from Central Government	40,000
Receipts from ZP for District Plans	20,000
Receipts from Panchayat Committee from forest resources	15,000
Payment for General Administration	40,000
Expenses of Inspectors	50,000
Expenses of Public Health	30,000
Street Lighting	10,000
Expenditure for local sports	10,000
Expenses on works of ZP for District Plans	8,000
Newspaper & Periodicals	1,500
Sale of Newspaper	100
Payment of Duties	5,000
Receipts from Taxes & Duties	20,400
Receipts from state Government Properties	3,000
Receipts from loan from state Government	25,000
Entertainment Expenses	4,000
Miscellaneous Expenses	16,800
Balance in Hand on 01/04/2019	10,000

**Q III B)** What are the various sources of revenue for the Panchayats? **(10)**

**Q IV)** Central Mine Planning & Design Institute provides the following information:

Purchase Price of Machine	₹ 1,60,000
Installation Charges	₹ 40,000
Salvage Value	₹ 80,000
Economic Life	4 years
Working capital Required	₹ 20,000
Annual earnings before dep. & tax.	₹ 1,30,000
Rate of Tax	30%

Calculate ARR if the method of depreciation is:

- 1) Straight Line Method.
- 2) WDV @ 20%. **(20)**

**Q VA)** What are the basic principles of Government Accounting? **(10)**

**Q V B)** Enlist the accounting procedure for Government Expenditures. **(10)**

**Q VI)** Explain the following: **(5 x 4 = 20)**

- a) Audit of Government Accounts
- b) Features of Municipal Accounting
- c) Importance of Capital Budgeting
- d) Features of Electricity Companies

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