

# Schedule - 21

## South Dum Dum Municipality

### Notes to Accounts

2013-14

1. The Balance of Provident Fund as per Treasury Cash Book is Rs. 6,47,18,621.00 where as the balance as per treasury Pass Book is Rs. 2,11,40,012.00 which was not yet reconciled. The Balance as showing in Sch-B-13 is Pass Book balance.
2. The Balance of Pension Fund as per Bank Account was Rs.1091576.05 which was also shown in Pension Fund code 3117001
3. All Rectification items has been adjusted through following Journal vouchers –

Code	Journal Voucher No.	Date	Amount (Rs.)	Remarks
1303001, 4318006	581	31.03.2014	352301.96	Being wrong code rectification
3117001, 2103002	582	31.03.2014	513294.00	Being family pension transfer to pension fund
4318001	585	31.03.2014	88907530.00	Being adjustment of property tax with property tax control account.

4. The assets which are in permissible possession but no economic benefits are derived from them.
5. Every effort is made to include all assets and liabilities in this opening Balance Sheets, if any items is undisclosed shall be included in due course with the approval of appropriate authority.

## **SIGNIFICANT ACCOUNTING POLICIES:**

- 1) **Fixed Assets:**-Fixed Assets have been valued at historical Costing basis, as and when records were available. All fixed assets are carried at cost less accumulated depreciation. All assets which have fully depreciated shall carry a book value of at least Re.1/-  
Assets created out of grant fund are accounted as per AS-12 of Institute of Chartered Accountant of India.
- 2) **Depreciation:**-Depreciation has been provided on straight line basis by the useful life time as prescribed in the state accounting manual.
- 3) **Capital Works in Progress:**-Assets under erection /installation on existing projects and capital expenditures on new projects (including advances for capital works and stores) have been shown under the caption "Capital Works in Progress".
- 4) **Investments:**-Investments have been recognized at cost. Interest on investments have been recognized as and when due.
- 5) **Stock:**-The Stock lying at the year end have been valued at cost in accordance with the **First in First out (FIFO)** method.
- 6) **Basis:**-Revenue income like Property Tax, Water Tax, Market Rent and other rental incomes from municipal property have been accounted for on accrual basis. All other revenue incomes are accounted for on the cash basis as per state Manual.
- 7) **Grants:**-Revenue Grants have been recognized as incomes on actual basis. Capital Grants are treated as liabilities till such time that the fixed assets have been constructed or acquired. For grant accounting AS-12 of Institute of Chartered Accountant of India has been followed.
- 8) **Interest expenditure** on loan has been recognized on accrual basis.

**Accountant**

**South Dum Dum Municipality**

**Finance Officer**

**South Dum Dum Municipality**

**Chairperson**

**South Dum Dum Municipality**