

Schedule - 21

South Dum Dum Municipality

Notes to Accounts

2014-15

1. The Balance of Providend Fund as per Treasury Cash Book is Rs. 61426176.00 where as the balance as per treasury Pass Book is Rs. 17564575.00 which was not yet reconciled. The Balance as showing in Sch-B-13 is Pass Book balance.

2. All Rectification items has been adjusted through following Journal vouchers –

Date	JV No.	Naration
31.03.15	394	Treasury adjustment
31.03.15	392	Grant adjustment
31.03.15	386	Wrong code rectification
31.03.15	374	Wrong code rectification

3. The assets which are in permissible possession but no economic benefits are derived from them.
4. 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.

Accountant
South Dum Dum Municipality
Municipality

Finance Officer
South Dum Dum Municipality

Chairperson
South Dum Dum

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 form 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.

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