

Name of Urban Local Body : JHARGRAM MUNICIPALITY  
BALANCE SHEET AS ON 31 March 2015

Code No.	Description of Item	Schedule No	Current Year		Previous Year	
			Amount	Amount	Amount	Amount
<b><u>SOURCES OF FUNDS</u></b>						
Reserves and Surplus						
310	MUNICIPAL (GENERAL) FUND	B-1	41091192.85 ✓		37175571.45	
311	EARMARKED FUNDS	B-2	30907053.00 ✓		31111136.00	
312	RESERVES	B-3	113773446.62 ✓		83368294.44	
				185771692.47		151655001.89
Grants,Contribution for Specific purposes						
320	GRANTS ,CONTRIBUTIONS FOR SPECIFIC PURPOSES	B-4	194364756.18 ✓		167055723.18	
				194364756.18		167055723.18
Loans						
330	SECURED LOANS	B-5	0.00		0.00	
331	UNSECURED LOANS	B-6	0.00		0.00	
				0.00		0.00
<b>TOTAL</b>				<b>380136448.65</b>		<b>318710725.07</b>
<b><u>APPLICATION OF FUNDS</u></b>						
Fixed Assets						
Gross Block						
410	FIXED ASSETS	B-11	258275859.00 ✓		198909253.00	
Less: Accumulated Depreciation						
411	ACCUMULATED DEPRECIATION	B-11	137045662.18 ✓		109904624.22	
			121230196.82		89004628.78	
412	CAPITAL WORK-IN-PROGRESS	B-11	29168495.00 ✓		23734632.00	
				150398691.82		112739260.78



For M/S C. PATRA & CO

S. Bhunia  
Partner  
23/08/2017

Chairman  
Jhargram Municipality



Code No.	Description of Item	Schedule No	Current Year		Previous Year	
			Amount	Amount	Amount	Amount
Investments						
420	INVESTMENTS-GENERAL FUND	B-12	3041592.00		2782580.00	
421	INVESTMENTS-OTHER FUND	B-13	30917182.00		29833280.00	
			33958774.00		32615860.00	
Working Capital						
Current assets, loans & advances						
430	STOCK-IN-HAND	B-14	1156107.50		1169822.50	
431	SUNDRY DEBTORS (RECEIVABLES)	B-15	28318674.80		27623333.43	
432	ACCUM. PROVISIONS AGAINST DEBTORS (RECEIVABLES)	B-15	0.00		0.00	
440	PRE-PAID EXPENSES	B-16	0.00		10291.00	
450	CASH AND BANK BALANCE	B-17	174552041.13		150389921.96	
460	LOANS, ADVANCES AND DEPOSITS	B-18	2254335.00		2209356.00	
461	ACCUM.PROVISIONS AGAINST LOANS,ADVANCES & DEPOSITS	B-18	0.00		0.00	
Less: Current Liabilities & Provisions						
340	DEPOSITS RECEIVED	B-7	8309474.00		6986151.00	
341	DEPOSITS WORKS	B-8	79.00		79.00	
350	OTHER LIABILITIES (SUNDRY CREDITORS)	B-9	2192622.60		1060890.60	
360	PROVISIONS	B-10	0.00		0.00	
			195778982.83		173355604.29	
Other Assets						
470	OTHER ASSETS	B-19	0.00		0.00	
			0.00		0.00	
Misc.Expenditure(to the extent not written off)						
480	MISCELLANEOUS EXPENDITURE TO BE WRITTEN OFF	B-20	0.00		0.00	
			0.00		0.00	



For M/S C. PATRA & CO

S. Bhunia  
Partner

23/08/2017

Chairman  
Jhargram Municipality



Name of Urban Local Body : JHARGRAM MUNICIPALITY  
BALANCE SHEET AS ON 31 March 2015

Code No.	Description of Item	Schedule No	Current Year		Previous Year	
			Amount	Amount	Amount	Amount
	<b>TOTAL</b>			<b>380136448.65</b>		<b>318710725.07</b>



For M/S C.PATRA & CO

*S. Bhunia*  
S. Bhunia  
Partner 23/08/2017

*[Signature]*  
Chairman  
Jhargram Municipality



Form 88 [Vide Rules 239 & 260]  
Name of Urban Local Body : JHARGRAM Municipality  
**INCOME AND EXPENDITURE STATEMENT FOR THE PERIOD 01-APR-2014 TO 31-MAR-2015**

Code No	Item/Head of Account	Schedule No	Previous Year Amount (Rs.)	Current Year Amount (Rs.)
1	2	3	4	5
<b>INCOME</b>				
110	TAX REVENUE ITEMS	I-1	6941506.90	7080623.77 ✓
120	ASSIGNED REVENUES AND COMPENSATIONS	I-2	3810702.00	3983770.00
130	RENTAL INCOME FROM MUNICIPAL PROPERTIES	I-3	967152.00	1304961.00 ✓
140	FEES AND USER CHARGES	I-4	11101583.60	6344905.00 ✓
150	SALE AND HIRE CHARGES	I-5	733227.00	932800.00 ✓
160	REVENUE GRANTS, CONTRIBUTIONS AND SUBSIDIES	I-6	88349915.90	102982541.82 ✓
170	INCOME FROM INVESTMENTS	I-7	236955.00	259012.00 ✓
171	INTEREST EARNED	I-8	123792.58	131890.15 ✓
A	Total - INCOME		112264834.98	123020503.74
<b>EXPENDITURE</b>				
210	ESTABLISHMENT EXPENSES	I-10	25503052.00	31349667.00 ✓
220	ADMINISTRATIVE EXPENSES	I-11	5896349.00	5195911.00 ✓
230	OPERATION AND MAINTENANCE	I-12	32005033.00	25200571.00 ✓
240	INTEREST AND FINANCE CHARGES	I-13	212742.60	268443.38
250	PROGRAMME EXPENSES	I-14	22049300.00	21669881.00 ✓
272	DEPRECI	I-0	20934006.38	27220408.96 ✓
280	PRIOR PERIOD	I-0	2422000.00	8200000.00
B	Total - EXPENDITURE		109022482.98	119104882.34
A-B	Gross surplus/(deficit) of income over expenditure		3242352.00	3915621.40
			SURPLUS	SURPLUS



For M/S C.PATRA & CO

S. Bhunia  
Partner

23/08/2017

Chairman  
Jhargram Municipality





JHARGRAM MUNICIPALITY  
JHARGRAM DIST: JHARGRAM

AUDIT REPORT FOR THE YEAR :: 2014 - 15

**C. PATRA & CO.**

CHARTERED ACCOUNTANTS  
MIRZABAZAR  
MIDNAPORE - 721 101  
PASCHIM MEDINIPUR, WEST BENGAL  
MOBILE NO. 9679999362 / 9434258726

BRANCH OFFICE  
H 11.5, 11.7 NBCC VIBGYOR TOWER  
NEWTOWN, RAJARHAT, KOLKATA - 700 156  
MOBILE NO. 9831352898/7980661358

**C. PATRA & CO.**  
CHARTERED ACCOUNTANTS

MIRZABAZAR  
MIDNAPORE - 721 101  
MOBILE NOs. 9434258726 / 9679999362

Ref. No. Audit/JM/12-13/01

Date: 23.08.2017

To,

The Chairman,  
Jhargram Municipality,  
Jhargram, Dist: Jhargram

Sub: Audit Report for the Financial Year 2014-15

Sir,

We have conducted Internal Audit of Accounts of Jhargram Municipality for the Financial Year 2014-15 in terms of your appointment vide Memo no. 1858(9)/IG-25 dated 19.07.2017 and submit our Audit Report for the Financial Year 2014-15 for kind perusal and necessary action at your end.

Thanking you,

Yours faithfully,

For C. Patra & Co  
(Chartered Accountants)



(S. Bhunia) 23/08/2017  
Partner  
Membership No. 050630



Encl: As above

**AUDIT REPORT FOR THE YEAR 2014 - 15**

We have conducted audit of the Balance Sheet, Income Expenditure Account and Receipts & Payments Accounts of Jhargram Municipality for the Financial Year 2014 – 15 and report that, we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.

The Balance Sheet and Income & Expenditure Account and Receipt & Payments Accounts dealt with by this report have been drawn up in the format Prescribed under Accounting Manual for Urban Local Bodies (Part – 5 : Forms & Formats) following the Significant Accounting Principles as per Accounting Manual Part-3.

In addition a summarised statement of Total Receipts (both Capital and Revenue) and Total Payments (both Capital and Revenue) has been prepared in the given format which has been verified by us and attached as **Annexure- I.**

In our opinion proper books of Accounts and other relevant records have been maintained by the Jhargram Municipal authority as per Accounting Manual for Urban Local Bodies (Part – 5 : Forms & Formats ] as it appears from our examination of such Books and subject to the observation noted below :

**1. Compliance regarding Audit Report of Annual Financial Statement for the year 2011 – 12 by Examiner of Local Accounts, West Bengal.**

- a) Assets and Depreciation: Excess Depreciation of Rs. 89129.41 charged on Fixed Assets created out of Govt. Grants and Municipal Fund - Municipal Authority has not yet taken action on this.
- b) Stock in Hand: Closing Stock value of Rs. 59004.00 wrongly charged to Income and Expenditure Account - Municipal Authority has not yet taken action on this.
- c) Claim for 20% of Ad-hoc Bonus paid to employees by the Municipal Authority was not shown as income of The Municipality - Municipal Authority has not yet taken action on this.
- d) Interest earned from investments in Banks out of various Unutilized Grants has been credited to income of the year instead of credit to special Fund and Grants - Rectification Entry passed in the year 2015-16.

**2. Notes on Accounts :**

**(i) Fixed Assets and Depreciation:** Fixed Assets are capitalised based on the date of payment of final bills of work done. It should be done based on the date of completion of the work or on the date it is put to use.

**(ii) Outstanding Capital Commitment:** As per Accounting Manual of ULB (Part-3) estimated amount of contracts remaining to be executed on capital account and not provided for will form part of capital commitment and to be disclosed as Notes to Accounts. Municipal Authority has not done this.





**(iii) Property Tax Receivables:** Age-wise analysis of Receivables of Property Tax as required under para 3.1.4(d) of Accounting Manual for ULB (Part-2) should be carried out and shown as Notes to Accounts. Such analysis has not been carried out and not shown as Notes to Accounts.

Further the balances shown as receivable from individual assesses in property tax register are not reconciled with the statement of accounts. This is to be reconciled every year.

**(iv) Sundry Debtors-Any other receivable:** Any other receivable of Rs. 6000.00 is shown as outstanding since long. This should be identified and recovered , in case of non-recovery it is to be written off with the approval of competent authority.

**(v) Stock of rice as on 31.03.2015** for Cooked Mid Day Meal Programme (CMDMP) has not been disclosed as Note to Accounts

**(vi) Other Liabilities:**

**(a) Liability for expenses:** Under provision of liabilities (Expenses payable): Bills pertaining to the Financial Year 2014-15 not paid but received up to 31.05.2015 are not accounted for as liability under various heads of expenses. Consequent impact on expenditure/sundry creditors and surplus/Municipal (General) Fund for the year have not been ascertained.

**(b) Advance collection of property Tax :** Advance collection of property Tax of Rs. 6760.60 carried forward from previous year has not been credited to property tax income.

### **3. General Observation and suggestions:**

**(i) Fixed Assets:** Physical verification of fixed assets has not been be carried out to check the existence and possession of the assets. It should be followed on regular basis at periodic interval ( say in a cycle of three years i.e. 1<sup>st</sup> year: Furniture & Fixture, 2<sup>nd</sup> year: Plant & Machinery, electrical equipment& fittings, 3<sup>rd</sup> year: Land, Buildings and other assets) .

**(ii) TDS from Contractor:** Proper details regarding date of deductions and deposits, TDS Return are not maintained. Timely deposits and compliance of TDS could not be checked.

**(iii) Sales Tax Payable :** Proper details are not maintained. Timely deposit could not be checked.

**(iv) Festival Advance:** Festival Advance of Rs. 2000/- is required to be recovered. In case it becomes irrecoverable, the amount may be written off with the approval of competent authority .

**(v) Property Tax receivable** as on 31.03.2015 is Rs. 252.46 lakhs . It has decreased by Rs. 16.60 lakhs over previous year. Extra efforts needs to be taken to recover the huge amount of outstanding.

**(vi) Rental Income receivable** as on 31.03.2015 is Rs. 30.66 lakhs. It has decreased by Rs. 2.05 lakhs over previous year. Extra efforts needs to be taken to recover the huge amount of outstanding.

**(vii) Materials issued to contractor :** Materials worth Rs. 69087/-issued to contractor is lying unadjusted since previous year. This may be adjusted or recovered.



(viii) **Electricity Bills raised by WBSEDCL:** Electricity bills raised by WBSEDCL on municipality are not recorded and kept properly. As a result the amount of Rs. 82.00 lakhs deducted on account of electricity charges from the grants payable to the municipality could not be verified with the bills. Year of accrual of expenditure could not be checked.

(ix) **EMD and SD :** Party wise details of Earnest Money Deposit and Security deposit maintained are not reconciled with the Annual Balance Sheet. Age wise analysis should be carried out for refund of very old deposits, if any, otherwise the unclaimed deposits may be taken to income of the municipality.

(xi) **PF Ledger:** Individual employee wise PF ledger is maintained. But the PF ledger balances needs to be reconciled with the records of accounts department.

**(xii) Other Observations:**

- (a) Register for payment of bills to contractors is not maintained by the department.
- (b) Register of works as per Form-57 are not properly maintained by engineering department - information like estimate amount, date of commencement of work, date of completion of work, date of receipt of completion report from the Site Engineer, expenditure of previous year brought forward are not recorded. As such Record keeping needs improvement.

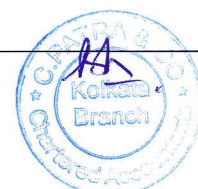
**(Xiii) Expenditure and Income Analysis : (Details in Annexure –II)**

**(a) Expenditure analysis**

HEAD OF EXPENDITURE	Increase(+) Decrease(-) over FY: 2013-14 (Rs. Lakhs)	% variation in 2014-15 over 2013-14
Overall increase	38.19	4.34
Establishment Expenses	58.46	22.92
Administrative expenses	(-) 7.01	(-) 11.89
Operation % Maintenance	(-) 68.04	(-) 21.26
Programme expenses	(-) 3.79	(-) 1.72
Prior period expenses (Electricity expenses Rs. 82 lakhs_	58.02	241.95

**(b) Income Analysis**

HEAD OF INCOME	Increase(+) Decrease(-) over FY: 2013-14 (Rs. Lakhs)	% variation in 2014-15 over 2013-14
Overall increase	48.07	5.22
Sale, Hire charges	1.99	27.15
Rental Income	3.38	34.95
Assigned Revenue and compensation	1.74	4,57
Fees and other charges	(-) 47.56	(-) 42.84
Revenue Grants, contributions subsidies	86.82	12.74





Subject to the above observation, we report that the Balance Sheet, Income & Expenditure Account and Receipts & Payments Accounts are in agreement with the Books of accounts.


In our opinion and to the best of our information and according to the explanations given to us, the said Financial Statements subject to above report, give a true and fair view in conformity with Accounting Principles generally accepted in India

- (a) In case of Balance Sheet, the State of affairs of the Jhargram Municipality as at 31<sup>st</sup> March 2015
- (b) In case of Income & Expenditure account, the Surplus (excess of income over expenditure) for the year ended on that date.

Dated : 23 rd August, 2017  
Place : Jhargram



FOR C. PATRA & CO.  
( CHARTERED ACCOUNTANTS)

  
( S. Bhunia ) 23/08/2017  
Partner  
M.No. 050630

**STATEMENT OF TOTAL RECEIPTS AND PAYMENTS (2014-15)**

ANNEXURE- I

SL NO	RECEIPTS	AMOUNT(Rs in Lakh)
<b>A</b>	<b>Revenue Receipts (1+2+3)</b>	<b>1061.5</b>
<b>1</b>	<b>Own source revenue</b>	
x	Tax Revenue	<b>51.58</b>
i)	Property tax	50.91
ii)	Other tax (levied and collected by municipal body)	0.67
y	Non Tax Revenue	<b>84.45</b>
i)	Fees & fines	63.31
ii)	User Charges	9.35
iii)	Other non-tax revenue (levied and collected by municipal body)	11.79
	<b>Total Own Source Revenue (x+y)</b>	<b>136.03</b>
<b>2</b>	<b>Other Revenue Receipts</b>	
i)	Income from interest/investments	
ii)	Other Revenue income	
	<b>Total of Other Revenue Receipts</b>	
<b>3</b>	<b>Transfer Grant &amp; Assigned Revenue</b>	<b>925.47</b>
i)	State Assigned Revenue	39.84
ii)	State Finance Commission (SFC) Grants/Devolution	90.37
iii)	Octroi compensation	
iv)	Other State Government Transfers	334.77
v)	Central Finance Commission (CFC) Grant	141.01
vi)	Other Central Government Transfers	319.48
vii)	Others	
<b>B</b>	<b>Capital Receipts</b>	
	Sale of Municipal Fixed Assets (If any)	
	Loans (from State Govt. or Banks etc.)	
	State Capital Account Grant (under State Schemes etc.)	640.83
	Central Capital Account Grant (under Central Schemes etc.)	0.81
	Other Capital Receipts	
	<b>Total of Capital Receipts</b>	<b>641.64</b>
	<b>Total Receipts of the ULB for the year 2014-15 (A+B)</b>	<b>1703.14</b>

SL NO	PAYMENTS	AMOUNT(Rs in Lakh)
<b>A</b>	<b>Revenue Expenditure</b>	
i)	Establishment & Administrative Expenditure	346.33
ii)	Operation and Maintenance	246.48
iii)	Interest on Loan paid during the year	
iv)	Any other revenue expenditure not covered under i), ii) & iii)	216.7
	<b>Total revenue expenditure (A)</b>	<b>809.51</b>
<b>B</b>	<b>Capital Expenditure</b>	
i)	All developmental works under Central/State specific schemes	648.00
ii)	Loan Repayments (Principal Amount)	
iii)	Other Capital expenditure	39.08
	<b>Total Capital Expenditure (B)</b>	<b>687.08</b>
	<b>Total Expenditure [A+B]</b>	<b>1496.59</b>



FOR C. PATRA &amp; CO.

  
( S. Bhunia ) 23/08/2017

Partner

M.No. 050630

**Jhargram Municipality**  
**Jhargram, Dist: Jhargram**

**Annexure-II**

**Financial Year: 2014-15**

<b>Head of Expenditure</b>	<b>2013-14</b>	<b>2014-15</b>	<b>Rs/Lakhs</b>	
	<b>(a)</b>	<b>(b)</b>	<b>Variation</b>	<b>% Variation</b>
			<b>(b-a)</b>	
Establishment	255.03	313.49	58.46	22.92
Administrative	58.96	51.95	-7.01	-11.89
Operation and Maintenance	320.05	252.01	-68.04	-21.26
Programme Expenses	220.49	216.7	-3.79	-1.72
Interest and Financing charges	2.13	2.68	0.55	25.82
Prior Period Expenses	23.98	82	58.02	241.95
<b>Total:</b>	<b>880.64</b>	<b>918.83</b>	<b>38.19</b>	<b>4.34</b>

<b>income Analysis</b>	<b>(Excluding contributions to Fixed Assets)</b>			
<b>Head of Income</b>				
Tax revenue	69.41	70.81	1.4	2.02
Assigned Revenue Compensation	38.1	39.84	1.74	4.57
Rental Income	9.67	13.05	3.38	34.95
Fees & other charges	111.01	63.45	-47.56	-42.84
Sale and Hire charges	7.33	9.32	1.99	27.15
Revenue Grants, Contributions	681.54	768.36	86.82	12.74
anubsidiesd S			0	
Income from Investments	2.37	2.59	0.22	9.28
Interest Earned	1.24	1.32	0.08	6.45
			0	
<b>Total:</b>	<b>920.67</b>	<b>968.74</b>	<b>48.07</b>	<b>5.22</b>

<b>Property Tax Receivable</b>				
Residential Buildings	113.67	122.16	8.49	7.47
Government Buildings	122.19	130.3	8.11	6.64
<b>Total:</b>	<b>235.86</b>	<b>252.46</b>	<b>16.6</b>	<b>7.04</b>

<b>Rental Income Recevable</b>	<b>28.61</b>	<b>30.66</b>	<b>2.05</b>	<b>7.17</b>
--------------------------------	--------------	--------------	-------------	-------------

