Form - 81

[Vide Rules 239 & 260]

Name of ULB : Haldia Municipality
Balance Sheet
Statement Showing on 01-Apr-2013 to 31-Mar-2014

Amount in Rs.

Code No.	Description of items	Schedule No.	Current Year		Previous Year	
			Amount	Amount	Amount	Amount
	SOURCES OF FUNDS					
	RESERVES AND SURPLUS					
310	Municipal (General) Fund	B-1		983,212,888.32		961,615,852.03
311	Earmarked Funds	B-2		44,826,148.90		42,886,983.90
312	Reserves	B-3		283,397,991.80		191,932,514.51
320	Grants, Contributions for specific purposes	B-4		200,599,801.50		260,803,179.50
	LOANS					
330	Secured Loans	B-5	0.00		0.00	
331	Unsecured loans	B-6	0.00	0.00	0.00	0.00
	TOTAL			**1,512,036,830.52**		**1,457,238,529.94**
	APPLICATION OF FUNDS					
410	FIXED ASSETS INCLUDING STATUES & HERITAGE ASSETS	B-11				
	Gross Block		1,880,608,345.7		1,673,269,016.	
411	Less: Accumulated Depreciation		831,727,702.80		708,254,696.61	
	Net Block		1,048,880,642.9		965,014,319.67	
412	Capital Work-in-progress		75,212,297.00	1,124,092,939.9	138,284,678.00	1,103,298,997.
	INVESTMENTS					
420	Investment - General Fund	B-12	56,935.00		1,356,935.00	
421	Investment - Other Funds	B-13	17,646,847.90	17,703,782.90	15,707,682.90	17,064,617.90
	WORKING CAPITAL					
	CURRENT ASSETS, LOANS & ADVANCES					
430	Stock in hand (Inventories)	B-14	10,942,420.00		20,397,498.00	
	Sundry Debtors (Receivables)					
431	Gross Amount	B-15	377,678,647.00		378,021,372.00	
432	Less: Accumulated provision against bad and doubtful receivables	B-15	-7,257,111.00		0.00	
440	Prepaid expenses	B-16	0.00		0.00	
450	Cash and Bank Balance	B-17	123,298,708.67		128,911,477.37	
460	Loans, Advances and Deposits	B-18	3,250,003.00		9,508,435.00	
461	Accumulated provisions against loans, advances & deposits	B-18	0.00		0.00	
	Less : Current Liabilities and Provision					
340	Deposits received	B-7	50,485,168.00		72,409,818.00	
341	Deposits works	B-8	14,076,320.00		208,435.00	
350	Other libilities (Sundry Creditors)	B-9	112,259,106.00		138,958,509.00	
360	Provisions	B-10	0.00	345,606,295.67	0.00	325,262,020.37
470	Other Assets	B-19		24,633,812.00		11,612,894.00
	Miscellaneous Expenditure (to the extent not written off)					
480	Miscellaneous expenditure to be written off	B-20		0.00		0.00
	TOTAL			**1,512,036,830.52**		**1,457,238,529.94**

Chairman
Haldia Municipality

Haldia Municipality
City centre, Debhog, Haldia
Purba Medinipur

Form 88 [Vide Rules 239 & 260
3109001- EXCESS OF INCOME AND EXPENDITURE

Statement Showing on 01-Apr-2013 to 31-Mar-2014

Expenditure	Schedule No.	Previous Year Amount(Rs.)	Current Year Amount(Rs.)	Income	Schedule No.	Previous Year Amount(Rs.)	Current Year Amount(Rs.)
2723102 DRAINS-OPEN	I-0	7978982.60	8308764.20	1100101 PROPERTY TAX FROM RESIDENTIAL BUILDINGS	I-1	8048037.00	7976192.00
2723104 CULVERTS	I-0	1407157.67	1537732.93	1100102 PROPERTY TAX FROM COMMERCIAL BUILDINGS	I-1	226046898.00	206364001.00
2723201 WATER PIPELINES	I-0	4057229.25	7964285.91	1100107 SURCHARGE ON PROPERTY TAX	I-1	79157362.00	72293880.00
2723202 DEEP TUBE WELLS	I-0	370403.60	410673.40	1100201 WATER TAX ON RESIDENTIAL BUILDINGS	I-1	7516703.00	8426316.00
2723203 WATER TANKS	I-0	333510.00	333510.00	1101101 ADVERTISEMENT TAX -LAND HOARDING	I-1	8985.00	4198.00
2723204 BORE WELLS	I-0	4299382.40	4752458.80	1201001 ENTERTAINMENT TAX	I-2	6400000.00	7920000.00
2723301 LAMP POSTS	I-0	14379590.05	17890364.55	1201003 MOTOR VEHICLE TAX	I-2	2653300.00	0.00
2724012 SUBMERSIBLE PUMPS	I-0	692177.25	633709.30	1202002 MOTOR VEHICLE TAX	I-2	0.00	3072786.00
2725001 AMBULANCES	I-0	115764.00	99351.20	1301002 RENT FROM SHOPPING COMPLEXES	I-3	0.00	18000.00
2725002 BUSES	I-0	418077.80	418077.80	1301003 RENT FROM AUDITORIUMS	I-3	2084000.00	2060500.00
2725003 CARS	I-0	0.00	61516.75	1301004 RENT FROM ART GALLERIES	I-3	5000.00	0.00
2725004 JEEPS	I-0	51151.90	51151.90	1301006 RENTAL INCOME FROM PLAYGROUNDS	I-3	5000.00	0.00
2725005 MOTOR CYCLES	I-0	4519.30	4519.30	1303001 RENT FROM GUEST HOUSES	I-3	0.00	250000.00
2725006 TRUCKS	I-0	152901.90	171552.60	1304001 RENT FROM LEASE OF LANDS	I-3	257337.00	408412.00
2725009 TRACTORS	I-0	136019.00	111197.60	1309004 RENT FROM LEASE OF LANDS	I-3	780586.00	0.00
2726001 COMPUTERS	I-0	601741.20	1155683.60	1309005 OTHER RENTS	I-3	27000.00	0.00
2726002 XEROX-MACHINES	I-0	46835.00	0.00	1401001 REGISTRATION OF CARTS	I-4	2355.00	1500.00
2726004 COMMUNICATION EQUIPMENTS	I-0	0.00	167087.50	1401004 REGISTRATION OF PROFESSIONALS/ENLISTMENT FEES	I-4	6391195.00	6859096.00
2726005 REFRIGERATORS	I-0	750.00	749.00	1401105 LICENSING FEES FOR STAFF QUARTERS	I-4	0.00	20.00
2726008 T.V. SETS	I-0	3999.00	0.00	1401301 FEES FOR COPYING	I-4	6000.00	0.00
2726009 AIR CONDITIONERS	I-0	26458.50	31828.00	1401302 BIRTH AND DEATH CERTIFICATE FEES	I-4	92965.00	128945.00
2203003 TRAVELING AND CONVEYANCE -OTHERS	I-11	257517.00	191950.00	1401401 DEVELOPMENT FEES	I-4	14873.00	898588.00
2204001 INSURANCE-VEHICLES	I-11	144884.00	196073.00	1401405 PARKING FEES	I-4	0.00	70000.00
2205101 LEGAL FEES	I-11	818131.00	528240.00	1401406 SITE CLEARANCE FEES	I-4	0.00	30000.00
2205204 CONSULTANCY CHARGES	I-11	436236.00	12690.00	1404004 LIBRARY FEES	I-4	1000.00	3300.00
2206002 ADVERTISEMENT AND PUBLICITY	I-11	243900.00	694038.00	1404006 HOUSE CONNECTION FOR WATER	I-4	4104262.00	4065105.00
2208004 ASSESSMENT CHARGES	I-11	119592.00	0.00	1404010 MUTATION FEES	I-4	565334.00	380767.00
2301001 ELECTRICITY EXPENSES	I-12	17873253.00	22562182.00	1404012 ERECTION OF BUILDING FEES	I-4	7936458.00	3514836.00
2301002 DIESEL EXPENSES	I-12	2642463.00	2595371.00	1404014 BUILDING/DEVELOPMENT FEES	I-4	0.00	3250.00
2302001 BULK PURCHASE OF ELECTRICITY	I-12	10790000.00	0.00	1405005 GARBAGE COLLECTION FEES	I-4	3597950.00	3710802.00
2302002 BULK PURCHASE OF WATER	I-12	9910522.00	3773237.00	1405015 SUPPLY OF EXTRA WATER/SPECIAL WATER SUPPLY/WATER TANKER	I-4	261000.00	345750.00
2303001 CENTRAL STORE	I-12	131354.00	427074.00	1407001 SERVICE CHARGES	I-4	27819.00	41859.00
2303004 MEDICAL STORE	I-12	0.00	784855.00	1407002 PERCENTAGE ON DEPOSIT WORKS	I-4	0.00	1644.00
2303005 HEALTH STORE	I-12	284950.00	0.00	1501101 SALE OF TENDER FORMS	I-5	215100.00	794860.00
2303006 STATIONARY STORE	I-12	803490.00	1153076.00	1501103 FOOD LICENSE FORM	I-5	20.00	0.00
2303010 SANITARY AND CONSERVANCY STORE	I-12	1599119.00	3543522.00	1501105 SALE PERMISSION FORM	I-5	20340.00	21690.00

2303011 WATER SUPPLY STORE	I-12	1314265.00	1053310.00	1501108 BIRTH CERTIFICATE FORM	I-5	38020.00	43400.00
2303012 ELECTRICITY STORE	I-12	3909865.00	2909581.00	1501109 DEATH CERTIFICATE FORM	I-5	1000.00	1080.00
2305001 REPAIR AND MAINTENANCE-ROADS AND PAVEMENTS	I-12	26405627.00	25318756.00	1501110 PROVISIONAL CERTIFICATE FORM	I-5	10.00	0.00
2305002 REPAIR AND MAINTENANCE- BRIDGES AND FLY OVERS	I-12	223914.00	0.00	1504001 HIRE CHARGES FOR BUS	I-5	120818.00	0.00
2305003 REPAIR AND MAINTENANCE-WATER SUPPLY	I-12	8100910.00	10422459.00	1504002 HIRE CHARGES OF AMBULANCE	I-5	170500.00	204200.00
2305004 REPAIR AND MAINTENANCE-SEWERAGE AND DRAINAGE	I-12	9057039.00	3207965.00	1601001 SALARY GRANT	I-6	13355860.00	6301936.00
2305005 REPAIR AND MAINTENANCE-STREET LIGHT POSTS	I-12	1622730.00	1302654.00	1601002 D.A. SUBVENTION GRANT	I-6	0.00	9563392.00
2305006 REPAIR AND MAINTENANCE-TRAFFIC SAFETY DEVICES	I-12	716770.00	0.00	1601004 PENSION RELIEF GRANT	I-6	0.00	277999.00
2305008 REPAIR AND MAINTENANCE-PARKS AND PLAYGROUNDS	I-12	3540446.00	7873370.00	1601005 FIXED GRANT	I-6	5305398.00	9876353.00
2305105 REPAIR AND MAINTENANCE -MARKETS	I-12	136513.00	375924.00	1601011 CENSUS GRANT	I-6	47149.00	41500.00
2305106 REPAIR AND MAINTENANCE -PUBLIC TOILETS	I-12	5000.00	56562.00	1604001 CONTRIBUTION TOWARDS FIXED ASSETS	I-6	37797526.02	15911120.71
2305109 REPAIR AND MAINTENANCE -HOUSES	I-12	2303239.00	5455038.00	1802052 INSURANCE CLAIM	I-9	21932.00	0.00
2305111 REPAIR AND MAINTENANCE -SCHOOLS	I-12	325622.00	0.00	1808055 RECOVERIES ON DAMAGE OF MUNICIPAL PROPERTY	I-9	0.00	10000.00
2305301 AMBULANCES	I-12	91553.00	293917.00	1601071 HOUSEHOLD SURVEY	I-6	0.00	10000.00
2305303 CARS	I-12	178158.00	111493.00	1201004 TRADE PROFESSION & CALLINGS	I-2	1106600.00	943247.00
2305304 JEEPS	I-12	22628.00	18962.00	1601072 12TH FINANCE COMMISSION	I-6	0.00	14858.00
2305306 TRUCKS	I-12	44240.00	83369.00	1601073 SFC	I-6	3871843.00	5616552.00
2305903 REPAIR AND MAINTENANCE-OFFICE EQUIPMENT	I-12	658195.00	879456.00	1601076 GRANT FOR ADP PREPARATION	I-6	20000.00	0.00
2308003 GARBAGE CLEARANCE EXPENSES	I-12	37081726.00	30948017.00	1401152 LICENCE FEES FOR SUBHAS SAROBAR	I-4	225000.00	0.00
2408001 DISCOUNT ON EARLY/PROMPT PAYMENTS	I-13	4770619.00	27538155.00	1601077 GRANT FOR CULTURAL ACTIVITIES	I-6	0.00	95000.00
2601002 STATE GOVERNMENT	I-15	1105883.00	184400.00	1601078 BMS GRANT	I-6	0.00	1014971.00
2722001 OFFICE BUILDING	I-0	751002.53	709397.37	1601082 BRGF GRANT	I-6	3690076.00	1082374.00
2722004 SCHOOLS BUILDINGS	I-0	1055983.03	6061588.25	1601084 O & M WATER SUPPLY MAINTENACE GRANT	I-6	3780530.00	3702667.00
2722005 MUNICIPAL HALLS, SHOPS, TOWN HALLS	I-0	2935406.43	4964370.38	1601053 CHILD LABOUR SCHOOL GRANT	I-6	0.00	53500.00
2723001 ROADS AND PAVEMENTS-CONCRETE	I-0	35366673.50	39447005.71	1601054 COMMUNITY BASED PRIMARY HEALTH CARE SERVICES GRANT	I-6	1074260.00	0.00
2723002 ROADS AND PAVEMENTS-BLACK TOPPED	I-0	17760676.17	9568373.67	1404051 FOOD LICENCE FEES	I-4	15230.00	0.00
2723003 ROADS AND PAVEMENTS OTHERS	I-0	329239.30	624752.80	1504051 HIRE CHARGES OF HEARSE	I-5	43100.00	44650.00
2101001 BASIC SALARY	I-10	10006723.00	8878676.00	1405051 FERRY SERVICE	I-4	3787000.00	3580000.00
2101002 DEARNESS ALLOWANCE	I-10	3121313.00	4483721.00	1401151 JATRA/MELA/PUJA ETC. PERMISSION FEES	I-4	144150.00	143100.00
2101004 HOUSE RENT ALLOWANCE	I-10	1746170.00	1654934.00	1401051 ENLISTMENT OF PLANNER	I-4	53750.00	41650.00
2101005 MEDICAL ALLOWANCE	I-10	268500.00	252600.00	1308051 HORDING RENT	I-3	258000.00	474000.00
2101006 WAGES	I-10	37726285.00	34924304.00	1301051 LEASE/PREMIUM ON MARKET	I-3	119590.00	3083800.00
2101008 BONUS	I-10	157775.00	436200.00	1808051 HUDCO (BENEFICIARIES)	I-9	3725.00	0.00
2102006 UNIFORM TO STAFF	I-10	400490.00	675020.00	1504052 HIRE CHARGES FOR VESSEL	I-5	750000.00	450000.00
2102008 ALLOWANCES TO CHAIRMAN/MAYOR	I-10	774750.00	457650.00	1301052 LEASE OF HOUSE	I-3	1804000.00	1300000.00
2103001 PENSION	I-10	3091691.00	3086924.00	1301053 LEASE OF POND	I-3	0.00	1074500.00
2103002 FAMILY PENSION	I-10	125599.00	0.00	1601056 L.I.M. GRANT	I-6	578876.00	251544.00
2104004 DEATH CUM RETIREMENT GRATUITY	I-10	2586905.00	1095000.00	1601057 YOUTH P.C. GRANT	I-6	84000.00	35000.00
2201002 OTHER RENTS	I-11	0.00	2500.00	1308052 STALL RENT	I-3	2039081.00	2319737.00

2201003 RATES AND TAXES	I-11	0.00	88241.00	1304051 LEASE OF LAND	I-3	58368.00	9130.00
2201101 ELECTRICITY EXPENSES	I-11	60077.00	0.00	1501151 SALE OF MISCELLANEOUS FORMS	I-5	129660.00	150000.00
2201103 SECURITY EXPENSES	I-11	323000.00	0.00	1711051 INTEREST ON SAVINGS BANK ACCOUNTS	I-8	1602209.00	479557.00
2201201 TELEPHONE EXPENSES	I-11	174317.00	193674.00	1202051 TRADE TAX GRANT	I-2	0.00	314416.00
2201203 POSTAGE AND TELEGRAM	I-11	32059.00	12975.00	1601065 EMPLOYMENT GENERATION GRANT	I-6	5142956.00	0.00
2202002 NEWSPAPERS	I-11	28881.00	27527.00	1601066 FLOOD DAMAGE GRANT	I-6	9900.00	0.00
2202102 PRINTING	I-11	1899069.00	354084.00	1601068 KUSP GRANT	I-6	689997.00	0.00
2202103 STATIONARY	I-11	20605.00	13470.00	1601069 IHSDP GRANT	I-6	20007585.00	0.00
2724051 DG	I-0	59870.00	59870.00	1308053 HOUSE RENT	I-3	8455097.00	4551640.50
2602054 SERVICE CONNECTION TO BPL FAMILIES	I-15	46428.00	71883.00	1405053 ROAD RESTORATION CHARGES	I-4	0.00	300000.00
2308051 MOSQUITO CONTROL PROGRAMME	I-12	7191.00	0.00	1308054 GARAGE RENT	I-3	12000.00	18000.00
2208054 MUTATION CHARGE OF LAND	I-11	60600.00	0.00	1601091 13TH FINANCE COMMISSION	I-6	3353930.50	5000000.00
2208055 DATA ENTRY CHARGES	I-11	0.00	43814.00	1601089 WEST BENGAL URBAN EMPLOYMENT GENERATION	I-6	5169531.00	12401343.00
2101053 GRADE PAY	I-10	1818000.00	1684900.00				
2725053 CESSPOOL	I-0	0.00	67054.00				
2725054 DUMPER	I-0	110949.90	110947.90				
2725055 SAB BAHI SAKAT	I-0	42804.00	0.00				
2808001 Other-Expenses	I-0	0.00	14113528.53				
2208056 CENSUS	I-11	0.00	41500.00				
2728002 CAPITAL EXPENDITURE WITHOUT RIGHT TO ASSETS	I-0	26240343.00	0.00				
2808051 MARKET	I-0	0.00	27092.00				
2305154 REPAIR AND MAINTENANCE-DURGACHAK STADIUM	I-12	133000.00	0.00				
2601051 BOOK GRANT FOR POOR STUDENTS	I-15	265800.00	405775.00				
2601052 FINANCIAL ASSISTANCE FOR TREATMENT	I-15	181000.00	330566.00				
2601054 OLD AGE PENSION (OWN FUND)	I-15	4636400.00	8699200.00				
2601055 INSTRUMENT FOR DISABLE PERSON	I-15	242800.00	148680.00				
2601056 REPAIR OF HOUSE	I-15	205000.00	197000.00				
2601057 SISHU KANYA BIMA PRAKALPA	I-15	588721.00	595538.00				
2601058 STYPEND TO DISTRESS ARTIST	I-15	50400.00	0.00				
2601059 STYPEND TO DISABLE PERSON	I-15	318600.00	0.00				
2601060 STYPEND TO STUDENT	I-15	6800.00	800.00				
2603051 GRANT TO SCHOOL	I-15	896450.00	500000.00				
2503051 MID DAY MEAL	I-14	25950.00	477900.00				
2503052 CHIELD LABOURE SCHOOL	I-14	44300.00	14000.00				
2503054 S.J.S.R.Y. EXPENSES	I-14	149375.00	807825.00				
2503055 EMPLOYMENT GENERATION	I-14	16875523.00	17042621.00				
2602051 RELIEF WORKS	I-15	599621.00	5769024.00				
2502051 GRANTS TO CLUB	I-14	97000.00	178000.00				
2502052 AWARDS AND PRIZES	I-14	200.00	0.00				

2502053 SPORTS	I-14	19707.00	1510966.00				
2502054 SPORTS GOODS	I-14	6000.00	0.00				
2304051 HIRE-CHARGES-GENERATOR	I-12	201000.00	0.00				
2304052 HIRE-CHARGES-VESSEL	I-12	660000.00	0.00				
2502055 AFORESTATION	I-14	0.00	6949.00				
2305351 CESSPOOL	I-12	0.00	202767.00				
2201152 WASHING CHARGE	I-11	52100.00	32640.00				
2208051 MISCELLANEOUS	I-11	377919.00	558433.00				
2208052 HOUSEHOLD SURVEY	I-11	0.00	144933.00				
2305151 REPAIR AND MAINTENANCE -FERRY SERVICE	I-12	6964.00	25360.00				
2101051 DEARNESS PAY	I-10	2928298.00	1986649.00				
2305152 REPAIR AND MAINTENANCE-AUDITORIUM	I-12	2680646.00	1723298.00				
2208053 REFRESHMENT	I-11	560062.00	1313160.00				
2602052 EDUCATIONAL ASSISTANCE	I-15	64920.00	0.00				
2502057 CULTURAL PROGRAMME	I-14	1095971.00	4400382.00				
2201051 LEASE RENT OF LAND OF KOPT.	I-11	7782237.00	0.00				
2407051 CHEQUE COLLECTION CHARGE	I-13	4650.50	12780.20				
2305352 DUMPER	I-12	608796.00	50203.00				
2305153 REPAIR AND MAINTENANCE OF - POND	I-12	171912.00	0.00				
2304053 HIRE CHARGES-OFFICE VEHICLE	I-12	1077107.00	437029.00				
2304054 HIRE CHARGES -EXCAVATOR,LOADER	I-12	29400.00	0.00				
2503060 LOW COST HOUSING	I-14	20290000.00	0.00				
2601063 MISCELLANEOUS GRANT	I-15	41085.00	258000.00				
2503061 LITERACY AND IMMUNISATION PROGRAMME	I-14	624645.00	436080.00				
2727051 FURNITURE AND FIXTURE	I-0	48296.20	495149.65				
2722051 PUBLIC CONVENIENCE	I-0	1112770.03	1302922.03				
2722052 WORKING WOMEN HOSTEL	I-0	1629453.97	1649839.60				
2722053 RESIDENTIAL BUILDING	I-0	1278026.07	2194870.93				
2722054 GUEST HOUSE	I-0	826641.77	3117998.86				
2722055 AUDITORIUM	I-0	2962147.00	3697787.20				
2722056 COMMUNITY CENTRE	I-0	480350.83	341840.90				
2722057 GARAGE	I-0	0.00	66082.80				
2722151 PARK AND PLAY GROUND	I-0	2484522.15	3702178.25				
2725051 WHEEL BARROW	I-0	50500.00	50500.00				
2208057 MUNICIPAL PLAN CHARGES	I-11	50000.00	0.00				
2502061 POURA EDUCATION	I-14	143048.00	0.00				
2722059 HOSTEL BUILDING	I-0	812484.67	1136261.55				
EXCESS OF INCOME OVER EXPENDITURE		72810157.05	21597036.29				
		481165136.52	420452514.21			481165136.52	420452514.21

सत्यमेव जयते

भारतीय लेखा एवं लेखा परीक्षा विभाग
कार्यालय -प्रधान महालेखाकार (सामान्य एवं सामाजिक क्षेत्र लेखा परीक्षा), प.बं.,स्थानीय लेखा परीक्षा विभाग

INDIAN AUDIT AND ACCOUNTS DEPARTMENT
OFFICE OF THE PRINCIPAL ACCOUNTANT GENERAL
(GENERAL & SOCIAL SECTOR AUDIT), W.B.
LOCAL AUDIT DEPARTMENT

संख्या /No. 35-স্থা/A/s Haldia MC(13-14)/12-18/5707(TB)
दिनांक / Dated : 12.01.2018

HALDIA MUNICIPALITY RECEIVED DT 20/01/18 City Centre, Debhog

639
T. Goswami

To
The Chairman,
Haldia Municipality,
Dr. B.R.Ambedkar Bhawan,
Administrative Building, City Centre,
P.O.-Debhog, Haldia,
Purba Medinipur, PIN- 721 602

Sub: **Audit Report on Annual Financial Statement for the year 2013-14**

Sir,

I am forwarding the Audit Reports and detailed comments on the AFS for the year 2013-14 under section 87 of West Bengal Municipal Act 1993 as amended till date and annexure containing specified information as per Sub-Rule 2 of Rule 22 of West Bengal Municipal Finance and Accounting Rules 1999 as amended in January 2007. I draw your kind attention to Section 88 of the Act ibid to place the Audit Report to the Chairman-in-Council to take remedial measures and report to the Director of Local Bodies with intimation to this office.

Yours faithfully,

11/1/18

Examiner of Local Accounts
West Bengal

Enclosure: As stated above

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AUDIT REPORT ON THE ANNUAL FINANCIAL STATEMENTS OF HALDIA MUNICIPALITY FOR THE YEAR ENDED 31st MARCH, 2014

We have audited the Balance Sheet of the Haldia Municipality as at 31st March, 2014 along with Income & Expenditure Account and Receipts & Payments Account for the year ended on that date under section 86 of the West Bengal Municipal Act, 1993 as amended till date. Preparation of these financial statements is the responsibility of the Haldia Municipality Management. Our responsibility is to express an opinion on these financial statements based on our audit findings.

2. This Audit Report contains the comments of the Examiner of Local Accounts (ELA) on the accounting treatment with regard to classification, conformity with the best accounting treatment, accounting practices, accounting standards and disclosure norms, etc. Audit observation on financial transactions with regard to compliance with the Laws, Rules and Regulations (Propriety and Regularity Audit) and efficiency-cum-performance aspects, etc., are reported through Inspection Reports/Audit Reports separately.

3. We have conducted our audit in accordance with the Auditing Standards generally accepted in India. These standards require that we plan and perform audit to obtain reasonable assurance about whether the financial statements are free from material misstatements. An audit includes examining, on a test basis, evidences supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management as well as evaluating the overall presentation of financial statements. We believe that our audit provides a reasonable basis for our opinion.

4. Based on our audit, we report that:

i. 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.

ii. The Balance Sheet and Income & Expenditure Account and Receipts and Payments Account dealt with by this report have been drawn up in the format prescribed under Accounting Manual for Urban Local Bodies (Part – 5 : Forms & Formats) subject to the observations made below.

iii. In our opinion, proper books of accounts and other relevant records have been maintained by the Haldia Municipality as required under Accounting Manual for Urban Local Bodies (Part – 5 : Forms & Formats) in so far as it appears from our examination of such books and subject to the observations made below.

Management adhered to appropriate internal controls [Comments as per Sub-rule (2) (1) (d) of the Rule 22 of West Bengal Municipal (Finance & Accounting) Rules, 1999 (Amends) is enclosed (Annexure – 1)]

iv. We further report that-

A. BALANCE SHEET

A.1 SOURCE OF FUNDS (Liabilities)

A.1.1 Earmarked Fund (Sch. B-2)

A.1.1.1 Provident Fund: ₹137.99 lakh

P.F.Payable: ₹ 0.00 (Sch. B-9)

Against the net Provident Fund liability of ₹ 16314911.00 (including accrued interest) as depicted in the 'Abstract of Ledger balance of P.F as on 31.03.2014, an amount of ₹ 13798742.00 (Provident Fund ₹ 13798742.00 and PF Payable ₹ 0.00) was exhibited in the accounts. It requires detailed review and proper accounting.

Wrong accounting of the above resulted in understatement of 'Provident Fund' to the extent of ₹ 25.16 lakh (₹ 16314911.00 - ₹ 13798742) with corresponding understatement of receivable (₹ 1117827.00 interest receivable for the year 2013-14) to the extent of ₹ 11.18 lakh and understatement of expenditure (balance amount of PF liability that is to be provided from Municipal Fund) and thereby overstatement of 'Surplus' to the extent of ₹ 13.98 lakh (₹ 16314911.00 - ₹ 13798742.00 - ₹ 1117827.00).

The Municipality did not furnish any reply.

A.1.2 Other Liabilities (Sundry Creditors) (Sch. No.B – 9): ₹1149.91lakh

A.1.2.1 Expenses Payable: ₹ 685.85 lakh

Above did not include ₹ 2256130.00 payable towards electricity charges for the year 2013-14 (paid vide Voucher no.707, 708, 709, 710, 711, 712 and 713 dated 18.06.2014)

Thus, non-accounting of the above resulted in understatement of 'Expenses Payable' under 'Other Liabilities (Sundry Creditors)' by ₹ 22.56 lakh with corresponding understatement of 'Expenditure' under 'Electricity Expenses' (Code 2301001) and overstatement of 'surplus' to the same extent.

The Municipality did not furnish any reply.

A.1.2.2 Gratuity Payable (3501106): Nil

The above did not include ₹ 365000.00 being Gratuity payable as on 31.03.2014 to the employees who had retired on or before 31.03.2014.

Non-accounting of the above resulted in understatement of Gratuity Payable under "Other liability (Sundry Creditors)" with corresponding understatement of expenditure along with overstatement of "Surplus" to the extent of ₹ 3.65 lakh.

The Municipality did not furnish any reply.

A.2 Assets (Application of Fund)

A.2.1 Accumulated depreciation (Schedule B-11): ₹ 8317.28 lakh

Accumulated depreciation on Buildings (Code 41120): ₹ 1090.48 lakh

Depreciation charged against 22 nos. of Fixed Assets (Administrative Building, Auditoriums, Market complex and Approach Road to Ferry ghat) upto 31.03.2014 as per accounts was ₹ 11150330.94 instead of ₹ 13620490.56 because of erroneous consideration of expired life. Thus, the Municipality charged less depreciation by ₹ 2470159.62 (₹ 13620490.56 - ₹ 11150330.94) out of which ₹ 13.15 lakh was from Grant Fund and ₹ 11.55 lakh from Municipal Fund. Similar irregularity may exist in other cases also. It requires detailed checking and rectification.

Wrong consideration of expired life resulted in overstatement of 'Fixed Assets (Net Block)' by ₹ 24.70 lakh with the corresponding overstatement of 'Grants Against Fixed Assets' by ₹ 13.15 lakh and understatement of expenditure and thereby overstatement of surplus by ₹ 11.55 lakh.

The Municipality did not furnish any reply.

A.2.2 Sundry Debtors (Receivables) (Sch.B-15):₹3849.36 lakh

As per Government norms, 40% of total requirement of pension payment (Basic Pension + Dearness Relief) is reimbursed by the Govt. on submission of claim in the following year.

Above did not include ₹1189524.80 [40% of (1949122 +1024690)] being the receivable Pension Relief grant towards payment of 40% of total requirement (Basic Pension + Dearness Relief) of pension for the year 2013-14.

Non-accounting of the above resulted in understatement of 'Sundry Debtors (Receivables)' with corresponding understatement of 'Pension fund' to the extent of ₹11.90 lakh.

The Municipality did not furnish any reply.

B. INCOME AND EXPENDITURE ACCOUNTS

B.1 Income

B.1.1.1 Revenue Grants, Contributions and Subsidies (Sch. I – 6):₹712.50 lakh

As per Government norms, 20 *per cent* of ad-hoc Bonus payment was reimbursed by the Government on submission of claim. Therefore, the Municipality accrued assured income as soon as such payments were made.

The Municipality paid 'Bonus'(₹ 134600.00) to its employees in the year 2013-14 and accrued an 'Income' of ₹ 26920.00.

Non-accounting of the above resulted in understatement of 'Income' as well as 'Excess of Income over Expenditure' by ₹ 0.27 lakh with consequent understatement of 'Sundry Debtors (Receivables)' by the same amount.

The Municipality did not furnish any reply.

B.2. Expenditure

B.2.1.1 Establishment Expenses (Schedule No. I-10): ₹ 596.17 lakh

In terms of Government order, a separate Pension Fund was to be created and regular contribution (@ 6 *per cent* of the basic salary) should be made thereto. The payment of Pension was to be made through this fund.

Above did not include ₹ 532720.56 being the pension contribution of the Municipality for 'Pension Fund' of the employees @ 6 *per cent* of the basic salary (₹ 8878676.00).

Non-accounting of the pension contribution resulted in understatement of expenditure and overstatement of 'Excess of Income over Expenditure' with the corresponding understatement of 'Pension Fund (Earmarked Funds)' to the extent of ₹ 5.33 lakh.

The Municipality did not furnish any reply.

D GENERAL OBSERVATIONS

D.1 Establishment Expenses (Schedule No. I – 10): ₹ 596.17 lakh

Above included amount of ₹ 3086924.00 being the expenditure incurred towards payment of 'Pension' during the year 2013-14. Since a separate Pension Fund was operated by the Municipality, the above expenditure should have been booked through the pension fund.

D.2. Age-wise analysis of Receivables of Property Tax was not shown

The age-wise analysis of Receivables of Property Tax was not shown in 'Notes to Accounts'.

D.3. Journal Vouchers

As per 'Purohisab' accounting software package, numbers of Journal Vouchers were passed while preparation of Annual Accounts for the year 2013-14, but no records for the approval was produced to audit for passing of journal vouchers.

D.4. Non production of work registers

No work register was produced to audit and hence, the contractor's liability and capital work in progress could not be verified.

A.2 Assets (Application of Fund)

A.2.1 Accumulated depreciation (Schedule B-11): ₹ 8317.28 lakh

Accumulated depreciation on Buildings (Code 41120): ₹ 1090.48 lakh

Depreciation charged against 22 nos. of Fixed Assets (Administrative Building, Auditoriums, Market complex and Approach Road to Ferry ghat) upto 31.03.2014 as per accounts was ₹ 11150330.94 instead of ₹ 13620490.56 because of erroneous consideration of expired life. Thus, the Municipality charged less depreciation by ₹ 2470159.62 (₹ 13620490.56 - ₹ 11150330.94) out of which ₹ 13.15 lakh was from Grant Fund and ₹ 11.55 lakh from Municipal Fund. Similar irregularity may exist in other cases also. It requires detailed checking and rectification.

Wrong consideration of expired life resulted in overstatement of 'Fixed Assets (Net Block)' by ₹ 24.70 lakh with the corresponding overstatement of 'Grants Against Fixed Assets' by ₹ 13.15 lakh and understatement of expenditure and thereby overstatement of surplus by ₹ 11.55 lakh.

The Municipality did not furnish any reply.

A.2.2 Sundry Debtors (Receivables) (Sch.B-15):₹3849.36 lakh

As per Government norms, 40% of total requirement of pension payment (Basic Pension + Dearness Relief) is reimbursed by the Govt. on submission of claim in the following year.

Above did not include ₹1189524.80 [40% of (1949122 +1024690)] being the receivable Pension Relief grant towards payment of 40% of total requirement (Basic Pension + Dearness Relief) of pension for the year 2013-14.

Non-accounting of the above resulted in understatement of 'Sundry Debtors (Receivables)' with corresponding understatement of 'Pension fund' to the extent of ₹11.90 lakh.

The Municipality did not furnish any reply.

B. INCOME AND EXPENDITURE ACCOUNTS

B.1 Income

B.1.1.1 Revenue Grants, Contributions and Subsidies (Sch. I – 6):₹712.50 lakh

As per Government norms, 20 *per cent* of ad-hoc Bonus payment was reimbursed by the Government on submission of claim. Therefore, the Municipality accrued assured income as soon as such payments were made.

D.5. Physical verification of Store/Fixed Asset not conducted

Physical verification of store/fixed asset was not conducted at regular intervals as a result of which it could not be ensured whether all the assets accounted for in the Stock/Asset Register were physically available or not.

D.6. Deficiencies/shortcomings in accounting software package 'Purohisab'

a) The accounting software package 'Purohisaab' has no locking arrangement in so far as accounting period is concerned i.e. any voucher can be entered at a later date after closing of a particular accounting year on real time basis thereby leaving the system unsecured.

b) The accounting software package 'Purohisaab' is unable to generate 'Bank Reconciliation statement' thereby rendering it ineffective as all the record/entries pertaining to Bank Reconciliation statement are being kept manually.

c) The accounting software package 'Purohisaab' did not generate any 'Grant Register', 'Fixed Assets Register', 'Cash Flow statement', etc. as per prescribed format.

d) There was no scope to save any computer I.P. address against any transaction. Moreover, the Municipality failed to furnish any password register or copy of the resolution indicating the persons authorized by the B.O.C. for posting the entries and passing the entries in the system leaving the total system unsecured;

The Municipality did not furnish any reply to the above observations.

D.7. There was no provision made for outstanding demand of Property Tax from closed and sick industries.

D.8. Other Liabilities (Sundry Creditors) (Sch B-9)

Contractors (Code-3501002): ₹ 44181628.00

The above figure of accounts does not agree with the Secondary Party wise payable at the end of the year 2013-14 amounting ₹ 42731801.00 (capital and revenue expenditure did not segregated). The discrepancy requires detailed review and reconciliation.

The Municipality did not furnish any reply to the above observations

D.9. The Municipality did not furnish any reply regarding the action taken on the Audit Reports of the account of the previous years.

F. Effect of Audit Comments on Accounts.

The net impact of the comments given in preceding paragraphs is that the liabilities were understated by **₹ 55.45** lakh, assets overstated by **₹ 1.35** lakh and the Surplus of Income over Expenditure overstated by **₹ 56.80** lakh as on 31st March, 2014.

v) Subject to our observation in the preceding paragraphs, we report that the Balance Sheet and Income and Expenditure Account and Receipts and Payments Account dealt with by this report are in agreement with the books of accounts.

vi) In our opinion and to the best of our information and according to the explanations given to us, the said financial statements read together with the Accounting Policies and Notes on Accounts, and subject to the significant matters stated above and other matters mentioned in Annexure I to this Audit Report, do not give a true and fair view in conformity with accounting principles generally accepted in India:

(a) In so far as it relates to the Balance Sheet of the State of affairs. of the Haldia Municipality as at 31 March, 2014 and

(b) In so far as it relates to the Income and Expenditure for the year ended on that date.

11/1/18

Place: Kolkata
Date: 01.2018

Examiner of Local Accounts,
West Bengal

Working Sheet on Net impact on Annual Accounts of Haldia Municipality for 2013-14

(₹in lakh)

	Liability		Asset		Surplus	
Ref No	U/S	O/S	U/S	O/S	U/S	O/S
A.1.1.1	25.16		11.18			13.98
A.1.2.1	22.56					22.56
A.1.2.2	3.65					3.65
A.2.1		13.15		24.70		11.55
A.2.2	11.90		11.90			
B.1.1.1			0.27		0.27	
B.2.1.1	5.33					5.33
Total	**68.60**	**13.15**	**23.35**	**24.70**	**0.27**	**57.07**

Liability understated by ₹ (68.60-13.15) lakh = ₹ 55.45 lakh

Asset overstated by ₹ (24.70-23.35) lakh = ₹ 1.35lakh

Surplus of Income over Expenditure overstated by ₹ (57.07 – 0.27) lakh = ₹ 56.80 lakh

U/S – Understatement

O/S – Overstatement

ANNEXURE – I

Audit comments on the information as asked under Sub rule 2 of Rule 22 of the West Bengal Municipal (Financial & Accounting) Rules, 1999 as amended in January, 2007

Sl. No	Item of information.	Audit comments.
1.	Whether all the expenditure incurred by the Municipality are authorized by appropriate provision in the sanctioned budget, whether made originally or subsequently and are in all cases such as are authorized by law.	During test check, no such deviation was found.
2.	Whether all sums due to and received by the Municipality have been brought to account within the prescribed time limits and are in all cases such as are authorized by law.	-do-
3.	Whether all transaction (income, expenditure, assets and liabilities) are correctly classified and stated in sufficient details?	Deficiencies noticed during test check, have been pointed out.
4.	Whether in respect of all bills for charges on accounts of all works and other expenditure proper certificates have been furnished in support of them and that no deviation has been made from the sanctioned plans and the estimate without other sanction of the competent authority?	No major deviation was found during test check.
5.	Whether the amounts received as specific grants have been utilized for the purposes as stated in the grant sanction order?	-do-
6.	Whether the special funds, if any, have been created as per the provisions of relevant statutes and whether the special funds have been utilized for the purpose for which created?	-do-
7.	Whether the Municipality is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets? Whether these fixed assets have been physically verified by the management at reasonable intervals? Whether any material discrepancy was noticed on such verification and if so, whether the same have been properly dealt with in the Books of accounts?	Soft copy of Asset Register was maintained and furnished to audit. However, there were no records of periodical physical verification of assets.
8.	Whether physical verification has been conducted at reasonable intervals in respect of stores?	-do-
9.	Whether the procedures of physical verification of store followed by the Municipality are reasonable and adequate, if not, the inadequacies in such procedures should be reported.	-do-
10.	Whether any material discrepancies have been noticed on physical verification as compared to books of records and if so whether the same have been properly dealt with in the books of accounts?	-do-

11.	Whether the valuation of stores is in accordance with the accounting principles laid down by the State Govt. from time to time? Whether the basis of valuation of stores is same as in the preceding year. If there is any deviation in the basis of valuation, the effect of such deviation, if materials, should be reported?	Yes (as per test check)
12.	Whether the parties to whom the loans or advances in the nature of loans have been given by the Municipality, are repaying the principal amounts as stipulated and are also regular in payments of the interest and if not, whether reasonable steps have been taken by the Municipality for recovery of the principal and interest?	-do-
13.	Whether there exists an adequate internal control procedure for the purchase of store including components, plant and machinery, equipment and other assets?	-do
14.	Whether proper procedure are in place to identify any unserviceable or damaged stores and whether provision for the loss in this respect, if any has been made in the accounts?	-do-
15.	Whether the Municipality is regular in depositing Provident fund dues and Professional Tax deducted with the appropriate authorities and if not, the extent of arrears?	Deficiency pointed out
16.	Whether the Municipality is regular in depositing tax deducted at source (Income Tax and Work contract tax) and other statutory dues, and if not, the nature and cause of such delay and the amount not deposited?	Yes (as per test check)
17.	Whether any personal expenses have been charged to revenue accounts? If so the details thereof.	No
18.	Whether the total liabilities of the Municipality can be met out of the Municipal fund when falling due?	Yes, as calculated below (**₹ in lakh**)

Head	**Amount**	**Amount**
Earmarked funds	448.26	
Unspent grant-	2006.00	
Loan	0.00	2454.26
Current assets - Current liabilities	3283.60	
Investment	177.04	3460.64
Excess of cash strength over liability		**1006.38**

11/1/18

Examiner of Local Accounts,
West Bengal

Place: **Kolkata**
Date: **01.2018**