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INDIAN AUDIT AND ACCOUNTS DEPARTMENT

O/o PRINCIPAL ACCOUNTANT GENERAL

(GENERAL & SOCIAL SECTOR AUDIT), W.B

LOCAL AUDIT DEPARTMENT

No. SS-III/ A/cs Birnagar M (13-14)/13-20/ 620

Dated: 09.05.2019

To  
The Chairman,  
Birnagar Municipality,  
P.O. Birnagar,  
Dist. Nadia  
Pin-741127

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 before the Chairman-in-Council to take remedial measures and report to the Director of Local Bodies with intimation to this office.

Yours faithfully

  
Examiner of Local Accounts  
West Bengal

Enclosure: As stated above

## AUDIT REPORT ON THE ANNUAL FINANCIAL STATEMENTS OF BIRNAGAR MUNICIPALITY FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2014

We have audited the Balance Sheet of the Birnagar Municipality as on 31<sup>st</sup> 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 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 the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosure 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 (subject to audit observation), which to the best of our knowledge and belief were necessary for the purpose of our audit;

ii) The Balance Sheet and Income and 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 Birnagar 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 Rule 22 of WB Municipal (Finance and Accounting) Rules, 1999 (Amends) is enclosed (Annexure – 1)].

Code No.	Description of Item	Schedule No	Current Year		Previous Year	
			Amount	Amount	Amount	Amount
<b>SOURCES OF FUNDS</b>						
Reserves and Surplus						
310	MUNICIPAL (GENERAL) FUND	B-1	32792016.89		20757416.84	
311	EARMARKED FUNDS	B-2	11732562.00		11084841.00	
312	RESERVES	B-3	111154673.00		85547852.00	
				155679251.89		117390109.84
Grants,Contribution for Specific purposes						
320	GRANTS ,CONTRIBUTIONS FOR SPECIFIC PURPOSES	B-4	99472823.64		51888374.64	
				99472823.64		51888374.64
Loans						
330	SECURED LOANS	B-5	0.00		0.00	
331	UNSECURED LOANS	B-6	2895000.00		2895000.00	
				2895000.00		2895000.00
<b>TOTAL</b>				<b>258047075.53</b>		<b>172173484.48</b>

**APPLICATION OF FUNDS**

## Fixed Assets

## Gross Block

410	FIXED ASSETS	B-11	288922233.03		226800328.03	
Less: Accumulated Depreciation						
411	ACCUMULATED DEPRECIATION	B-11	144761345.00		121861940.00	
	Net Block		144160888.03		104938388.03	
412	CAPITAL WORK-IN-PROGRESS	B-11	40063783.00		10345599.00	
				184224671.03		115283987.03

## Investments

Code No.	Description of Item	Schedule No	Current Year		Previous Year	
			Amount	Amount	Amount	Amount
420	INVESTMENTS-GENERAL FUND	B-12	0.00		0.00	
421	INVESTMENTS-OTHER FUND	B-13	10719947.00		10420360.00	
				10719947.00		10420360.00
Working Capital						

Current assets, loans & advances				
430	STOCK-IN-HAND	B-14	657151.32	7852590.27
431	SUNDRY DEBTORS (RECEIVABLES)	B-15	893936.00	850685.00
432	ACCUM. PROVISIONS AGAINST DEBTORS (RECEIVABLES)	B-15	0.00	0.00
440	PRE-PAID EXPENSES	B-16	0.00	0.00
450	CASH AND BANK BALANCE	B-17	78522033.18	43219567.18
460	LOANS, ADVANCES AND DEPOSITS	B-18	2811591.00	793346.00
461	ACCUM.PROVISIONS AGAINST LOANS,ADVANCES & DEPOSITS	B-18	0.00	0.00
Less: Current Liabilities & Provisions				
340	DEPOSITS RECEIVED	B-7	5406563.00	2621727.00
341	DEPOSITS WORKS	B-8	10888229.00	1347603.00
350	OTHER LIABILITIES (SUNDRY CREDITORS)	B-9	3487462.00	2277721.00
360	PROVISIONS	B-10	0.00	0.00
			63102457.50	46469137.45
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
<b>TOTAL</b>			<b>258047075.53</b>	<b>172173484.48</b>

  
 Chairman  
 Birnagar Municipality

**Form 88 [Vide Rules 239 & 260]**

**Name of Urban Local Body : BIRNAGAR Municipality**

**INCOME AND EXPENDITURE STATEMENT FOR THE PERIOD 01-APR-2013 TO 31-MAR-2014**

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	665858.00	761484.00
120	ASSIGNED REVENUES AND COMPENSATIONS	I-2	1607300.00	1924121.00
130	RENTAL INCOME FROM MUNICIPAL PROPERTIES	I-3	1297331.00	1032688.00
140	FEES AND USER CHARGES	I-4	11563647.00	19375556.00
150	SALE AND HIRE CHARGES	I-5	780616.00	576283.00
160	REVENUE GRANTS, CONTRIBUTIONS AND SUBSIDIES	I-6	43911424.95	44056427.00
171	INTEREST EARNED	I-8	197203.00	136795.00
180	OTHER INCOME	I-9	36692.00	6945.00
<b>A</b>	<b>Total - INCOME</b>		<b>60060071.95</b>	<b>67870299.00</b>
<b>EXPENDITURE</b>				
210	ESTABLISHMENT EXPENSES	I-10	21031359.00	22516332.00
220	ADMINISTRATIVE EXPENSES	I-11	1842435.00	3633785.00
230	OPERATION AND MAINTENANCE	I-12	7571169.77	6345957.95
240	INTEREST AND FINANCE CHARGES	I-13	4172.00	907.00
250	PROGRAMME EXPENSES	I-14	143875.00	439312.00

271	MISCELLANEOUS EXPENSES	I-17	1180.00	0.00
272	DEPRECI	I-0	21070166.00	22899405.00
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B	Total - EXPENDITURE		51664356.77	55835698.95
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A-B	Gross surplus/(deficit) of income over expenditure		8395715.18	12034600.05
			SURPLUS	SURPLUS
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 Chairman  
 Birnagar Municipality