



Phone: (033) 2213-3015

(033) 2262-7056/ 5561

Fax: (033) 2262-5757

E-mail: examlawb@cal3.vsnl.net.in

**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 (14-15)/18-19/4182

Dated: 16 .01.2020

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

Sub: **Audit Report on Annual Financial Statement for the year 2014-15**

Sir,

I am forwarding the Audit Reports and detailed comments on the AFS for the year 2014-15 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, 2015**

We have audited the Balance Sheet of the Birnagar Municipality as on 31<sup>st</sup> March, 2015 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. Preparation of these financial statements is the responsibility of the Birnagar 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 (though not in proper formats) 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 did not adhere 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)].

| Code No.                                  | Description of Item                         | Schedule No | Current Year<br>Amount | Previous Year<br>Amount | Amount              | Amount       |
|---|---|-------------|------------------------|-------------------------|---------------------|--------------|
| <b>SOURCES OF FUNDS</b>                   |   |             |                        |                         |                     |              |
| Reserves and Surplus                      |   |             |                        |                         |                     |              |
| 310                                       | MUNICIPAL (GENERAL) FUND                    | B-1         | 18948384.42            |                         | 32792016.89         |              |
| 311                                       | EARMARKED FUNDS                             | B-2         | 13033982.00            |                         | 11732562.00         |              |
| 312                                       | RESERVES                                    | B-3         | 227020693.00           |                         | 111154673.00        |              |
|   |   |             |                        | 259003059.42            |                     | 155679251.89 |
| Grants,Contribution for Specific purposes |   |             |                        |                         |                     |              |
| 320                                       | GRANTS ,CONTRIBUTIONS FOR SPECIFIC PURPOSES | B-4         | 30441790.64            |                         | 99472823.64         |              |
|   |   |             |                        | 30441790.64             |                     | 99472823.64  |
| 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>292339850.06</b>    |                         | <b>258047075.53</b> |              |

**APPLICATION OF FUNDS**

## Fixed Assets

## Gross Block

|                                |                          |      |              |              |              |              |
|--------------------------------|--------------------------|------|--------------|--------------|--------------|--------------|
| 410                            | FIXED ASSETS             | B-11 | 411389897.03 |              | 288922233.03 |              |
| Less: Accumulated Depreciation |                          |      |              |              |              |              |
| 411                            | ACCUMULATED DEPRECIATION | B-11 | 161746122.00 |              | 144761345.00 |              |
|                                | Net Block                |      | 249643775.03 |              | 144160888.03 |              |
| 412                            | CAPITAL WORK-IN-PROGRESS | B-11 | 10029560.00  |              | 40063783.00  |              |
|                                |                          |      |              | 259673335.03 |              | 184224671.03 |
| Investments                    |                          |      |              |              |              |              |

| Code No.        | Description of Item      | Schedule No | Current Year<br>Amount | Previous Year<br>Amount | Amount      | Amount      |
|-----------------|--------------------------|-------------|------------------------|-------------------------|-------------|-------------|
| 420             | INVESTMENTS-GENERAL FUND | B-12        | 0.00                   |                         | 0.00        |             |
| 421             | INVESTMENTS-OTHER FUND   | B-13        | 11788441.00            |                         | 10719947.00 |             |
|                 |                          |             |                        | 11788441.00             |             | 10719947.00 |
| Working Capital |                          |             |                        |                         |             |             |

| Current assets, loans & advances                |  |      |                     |                     |
|---|--|------|---------------------|---------------------|
| 430   | STOCK-IN-HAND                                      | B-14 | 1044638.72          | 657151.32           |
| 431   | SUNDRY DEBTORS (RECEIVABLES)                       | B-15 | 1557081.00          | 893936.00           |
| 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 | 25765946.31         | 78522033.18         |
| 460   | LOANS, ADVANCES AND DEPOSITS                       | B-18 | 797954.00           | 2811591.00          |
| 461   | ACCUM.PROVISIONS AGAINST LOANS,ADVANCES & DEPOSITS | B-18 | 0.00                | 0.00                |
| Less: Current Liabilities & Provisions          |  |      |                     |                     |
| 340   | DEPOSITS RECEIVED                                  | B-7  | 5228306.00          | 5406563.00          |
| 341   | DEPOSITS WORKS                                     | B-8  | 1124765.00          | 10888229.00         |
| 350   | OTHER LIABILITIES (SUNDRY CREDITORS)               | B-9  | 1934475.00          | 3487462.00          |
| 360   | PROVISIONS   | B-10 | 0.00                | 0.00                |
| Other Assets                                    |  |      | 20878074.03         | 63102457.50         |
| 470   | OTHER ASSETS                                       | B-19 | 0.00                | 0.00                |
| Misc.Expenditure(to the extent not written off) |  |      | 0.00                | 0.00                |
| 480   | MISCELLANEOUS EXPENDITURE TO BE WRITTEN OFF        | B-20 | 0.00                | 0.00                |
|   |  |      | 0.00                | 0.00                |
| <b>TOTAL</b>                                    |  |      | <b>292339850.06</b> | <b>258047075.53</b> |

  
**Chairman**  
**Birnagar Municipality**

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

**Name of Urban Local Body : BIRNAGAR Municipality  
INCOME AND EXPENDITURE STATEMENT FOR THE YEAR 2014-2015**

| 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         | 761484.00                  | 769076.00                 |
| 120                | ASSIGNED REVENUES AND COMPENSATIONS         | I-2         | 1924121.00                 | 1492900.00                |
| 130                | RENTAL INCOME FROM MUNICIPAL PROPERTIES     | I-3         | 1032688.00                 | 1324669.67                |
| 140                | FEES AND USER CHARGES                       | I-4         | 19375556.00                | 14874140.00               |
| 150                | SALE AND HIRE CHARGES                       | I-5         | 576283.00                  | 775021.00                 |
| 160                | REVENUE GRANTS, CONTRIBUTIONS AND SUBSIDIES | I-6         | 44056427.00                | 43441103.00               |
| 171                | INTEREST EARNED                             | I-8         | 136795.00                  | 169966.00                 |
| 180                | OTHER INCOME                                | I-9         | 6945.00                    | 182232.33                 |
| <b>A</b>           | <b>Total - INCOME</b>                       |             | <b>67870299.00</b>         | <b>63029108.00</b>        |
| <b>EXPENDITURE</b> |   |             |                            |                           |
| 210                | ESTABLISHMENT EXPENSES                      | I-10        | 22516332.00                | 21378370.00               |
| 220                | ADMINISTRATIVE EXPENSES                     | I-11        | 3633785.00                 | 5012684.00                |
| 230                | OPERATION AND MAINTENANCE                   | I-12        | 6345957.95                 | 4650155.81                |
| 240                | INTEREST AND FINANCE CHARGES                | I-13        |                            |                           |

|       |  |      |             |             |
|-------|--|------|-------------|-------------|
|       |  |      | 907.00      | 6347.00     |
| 250   | PROGRAMME EXPENSES                                 | I-14 |             |             |
|       |  |      | 439312.00   | 361719.00   |
| 271   | MISCELLANEOUS EXPENSES                             | I-17 |             |             |
|       |  |      | 0.00        | 168892.33   |
| 272   | DEPRECI  | I-0  |             |             |
|       |  |      | 22899405.00 | 28724037.00 |
| <hr/> |  |      |             |             |
| B     | Total - EXPENDITURE                                |      | 55835698.95 | 60302205.14 |
| <hr/> |  |      |             |             |
| A-B   | Gross surplus/(deficit) of income over expenditure |      | 12034600.05 | 2726902.86  |
|       |  |      | SURPLUS     | SURPLUS     |
| <hr/> |  |      |             |             |

  
**Chairman**  
**Birnagar Municipality**