

Code No.	Description of Item	Schedule No	Current Year		Previous Year	
			Amount	Amount	Amount	Amount
<u>SOURCES OF FUNDS</u>						
Reserves and Surplus						
310	MUNICIPAL (GENERAL) FUND	B-1	56085408.20		46260472.57	
311	EARMARKED FUNDS	B-2	24816948.00		22287605.00	
312	RESERVES	B-3	354126284.75		282927181.90	
				435028640.95		351475259.47
Grants,Contribution for Specific purposes						
320	GRANTS ,CONTRIBUTIONS FOR SPECIFIC PURPOSES	B-4	761730618.22		688925550.72	
				761730618.22		688925550.72
Loans						
330	SECURED LOANS	B-5	0.00		0.00	
331	UNSECURED LOANS	B-6	0.00		0.00	
				0.00		0.00
TOTAL				1196759259.17		1040400810.19

APPLICATION OF FUNDS

Fixed Assets

Handwritten Signature
Finance Officer,
Kharagpur Municipality

Chairman,
Kharagpur Municipality

Code No.	Description of Item	Schedule No	Current Year		Previous Year	
			Amount	Amount	Amount	Amount
	Gross Block					
410	FIXED ASSETS	B-11	773023505.47		635013955.47	
	Less: Accumulated Depreciation					
411	ACCUMULATED DEPRECIATION	B-11	392849873.07		329426181.20	
	Net Block		380173632.40		305587774.27	
412	CAPITAL WORK-IN-PROGRESS	B-11	175952149.50		117031675.00	
				556125781.90		422619449.27
	Investments					
420	INVESTMENTS-GENERAL FUND	B-12	4897305.00		4651479.00	
421	INVESTMENTS-OTHER FUND	B-13	224816948.00		222287605.00	
				229714253.00		226939084.00
	Working Capital					
	Current assets, loans & advances					
430	STOCK-IN-HAND	B-14	55154137.00		58635935.00	
431	SUNDRY DEBTORS (RECEIVABLES)	B-15	42011307.58		38123091.10	
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	366890732.05		342164373.71	

Code No.	Description of Item	Schedule No	Current Year		Previous Year	
			Amount	Amount	Amount	Amount
460	LOANS, ADVANCES AND DEPOSITS	B-18	3110404.60		6167842.60	
461	ACCUM.PROVISIONS AGAINST LOANS,ADVANCES & DEPOSITS	B-18	0.00		0.00	
	Less: Current Liabilities & Provisions					
340	DEPOSITS RECEIVED	B-7	19524362.29		17564576.29	
341	DEPOSITS WORKS	B-8	9748726.00		11755943.00	
350	OTHER LIABILITIES (SUNDRY CREDITORS)	B-9	26974268.67		24928446.20	
360	PROVISIONS	B-10	0.00		0.00	
				410919224.27		390842276.92
	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
	TOTAL			1196759259.17		1040400810.19

INCOME AND EXPENDITURE STATEMENT FOR THE YEAR 2015-2016

Code No	Item/Head of Account	Schedule No	Previous Year Amount (Rs.)	Current Year Amount (Rs.)
1	2	3	4	5
INCOME				
110	TAX REVENUE ITEMS	I-1	23760667.08	25196549.23
120	ASSIGNED REVENUES AND COMPENSATIONS	I-2	7447577.00	8753842.00
130	RENTAL INCOME FROM MUNICIPAL PROPERTIES	I-3	2289472.00	1073469.00
140	FEES AND USER CHARGES	I-4	18817490.00	14526782.00
150	SALE AND HIRE CHARGES	I-5	1697211.00	1761053.00
160	REVENUE GRANTS, CONTRIBUTIONS AND SUBSIDIES	I-6	325472866.31	224829724.15
170	INCOME FROM INVESTMENTS	I-7	395208.01	246626.94
171	INTEREST EARNED	I-8	715457.41	1408192.52
180	OTHER INCOME	I-9	7252000.00	5530000.00
A	Total - INCOME		387847948.81	283326238.84

EXPENDITURE				
210	ESTABLISHMENT EXPENSES	I-10	96843336.00	106349266.00
220	ADMINISTRATIVE EXPENSES	I-11	13448734.00	6693030.00
230	OPERATION AND MAINTENANCE	I-12	77184298.50	90625407.50
240	INTEREST AND FINANCE CHARGES	I-13	13133.90	9742.84
250	PROGRAMME EXPENSES	I-14	277425.00	706127.00
260	REVENUE GRANTS, CONTRIBUTIONS AND SUBSIDIES	I-15	2311750.00	0.00
272	DEPRECI	I-0	54674413.64	66726486.87

Form 88 [Vide Rules 239 & 260]
Name of Urban Local Body : KHARAGPUR Municipality
INCOME AND EXPENDITURE STATEMENT FOR THE YEAR 2015-2016

Code No	Item/Head of Account	Schedule No	Previous Year Amount (Rs.)	Current Year Amount (Rs.)
1	2	3	4	5
B	Total - EXPENDITURE		244753091.04	271110060.21
A-B	Gross surplus/(deficit) of income over expenditure		143094857.77	12216178.63
			SURPLUS	SURPLUS

Red
 Finance Officer,
 Kharagpur Municipality

Chairman,
 Kharagpur Municipality

AUDIT REPORT FOR THE YEAR 2015 – 16

We have audited the Balance Sheet, Income Expenditure Account and Receipts & Payments Accounts for the Financial Year 2015 – 16 of Kharagpur Municipality 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 , 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) subject to the observation noted below :

In our opinion proper books of Accounts and other relevant records have been maintained by the Kharagpur 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 2014 – 15 in respect of previous audit as under.
 - a) Process of recording of interest on Accrual basis in Provident Fund has been started during the Current Financial Year.
 - b) Contribution received from beneficiary for construction of dwelling house under (IHSDP), during the financial year 2014 – 15. Deposit received from beneficiary for construction of dwelling house under IHSDP included in Grants contribution for specific purpose instead of Deposit work. The Authority said that the total Deposit received from beneficiary will be transferred to the Deposit work in near future.
 - c) Advised by the Local Audit Department regarding creation of separate Pension Fund under Investment has not been started by the municipality till now.
 - d) Unpaid Bill Register not maintained Properly.

**** Notes on Balance Sheet :**

- 1) Grant received against Fixed Assets included in Reserve instead of Capital Reserve.
- 2) Physical verification of Fixed Assets not done at periodic Interval. it should be followed on regular basis by allotting specific identification number to each Assets which are countable.



- 3) Purchase / Addition to Fixed Assets not reflected in Receipts and Payment Account at full amount of purchases, it has been done partly by Cash Payment and partly by charging to other fund through Journal entries. The Total Amount of Addition to Fixed Assets during the year as shown in Balance Sheet from the Receipts & Payment Account, not verified.
- 4) Payment of Premium for Group Gratuity Scheme directly charged to the Capital Deficit Account instead of Income & Expenditure Account.

**** General Observations :**

- 1) In case of purchases where amount of purchases exceeds the permissible authorised limit the Municipal Authority did not properly follow the purchase rule as prescribed by law. It should be followed Properly.
- 2) Some payment Vouchers were accepted by the Municipal Authority without affixing Revenue Stamp where it is necessary.
- 3) In some Cases Several programme expenses were sanctioned and disbursed without calling proper Tender where it is mandatory.
- 4) Physical Verification Report relating to store not available.
- 5) No material discrepancies as compared to the books of accounts and vouchers, are found during the course of Audit.
- 6) Valuation of Stores has been made by the Municipality as per prescribed rules by the State Govt. and the same is followed next year.

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 gives a true and fair view in conformity with accounting Principles generally accepted relates to the Balance Sheet and the State of affairs of the Kharagpur Municipality as at 31st March 2016 and relates to the Income & Expenditure Account for the year ended on that date.



Dated : 16th May '2017
Place : Midnapore – 721 101

FOR C.PATRA & CO.
CHARTERED ACCOUNTANTS


(CHINMOY PATRA)
PARTNER
M.No. 052908