



**R K GHOSH & ASSOCIATES**  
Chartered Accountants

Indira Gandhi Shopping Plaza  
Raiganj, Uttar Dinajpur.

To  
The Chairman  
Raiganj municipality  
Raiganj, Uttar Dinajpur

Date: 28/06/2019

Sub : Internal Audit Report for the FY 2017-18 of Raiganj Municipality

Sir,

We hereby certify that the Internal Audit of annual financial statement for the year 2017-2018 has been completed. The Summary of Income & Expenditure for the year 2017-2018 is extracted from Audited Financial Statement (AFS). During the course of our audit we have verified the total Income & Expenditure (Capital & Revenue) from the AFS of Raiganj Municipality for the Year 2017-2018.

We hereby submit the detailed Internal Audit Report for your kind perusal and on ward necessary Action from your end.

Thanking you,  
Yours faithfully

R K Ghosh & Associates  
Chartered Accountant  
Raj Kumar Ghosh  
R K Ghosh, Proprietor  
Raiganj,  
Uttar Dinajpur





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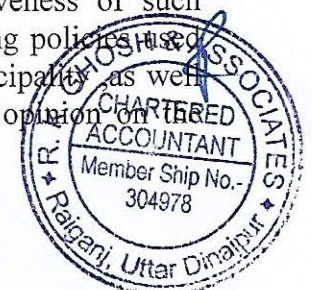
We have audited the accompanying financial statements of RAIGANJ MUNICIPALITY., Which comprise the Balance Sheet as at 31st March, 2018, the statement of Receipt Payment & Income Expenditure for the year ended on 31st March, 2018, and a summary of the significant accounting policies and other explanatory information.

#### Management's Responsibility for the Standalone Financial Statements

The BOC is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the society in accordance with the accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records for safeguarding the assets of the Municipality and for preventing and detecting frauds and other irregularities, selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free -from material misstatement whether due to fraud or error.

#### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessments of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Municipality preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Municipality has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the BoC of Municipality as well as the amount of audit evidence obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.





## NOTES TO ACCOUNTS

### 1. General Information about the society

RAIGANJ MUNICIPALITY Is an urban Local Bodies under the Bengal Municipal Act established on 15<sup>th</sup> August 1951 .The municipality had 27 wards and population of 1,83,612 as per 2011 Census.

### 2. Significant accounting policies

#### 2.1 Basis of accounting and preparation of financial statements

The financial statements have been prepared under the mercantile System of accounting and recognize income & expenditure on accrual basis. The accounting policies have been consistently applied by the Municipality and except for the changes in accounting policy discussed herein below in detail, are consistent with those used in the previous year.

#### 2.2 Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires the BoC to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The BoC believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/materialise.

#### 2.3 Depreciation

Depreciation on all assets is provided on written down value method and at the rates that confirm with the estimated useful lives of the assets.

#### 2.4 Revenue Recognition

Revenue is recognized to the extent that it is probable that economic benefits will flow to the Municipality and revenue can be reliably ascertained.

#### 2.5 Interest income & expense

Interest Income are ascertained from Cash Account provided by the staff and Interest Receivable are ascertained from Details list provided by Employees .

#### 2.6 Inventories

Inventories of trading items is valued at cost or NRV, whichever is lower

Thanking you,  
Yours faithfully

R K Ghosh & Associates  
Chartered Accountants

*Raj Kumar Ghosh*  
R K Ghosh, Proprietor  
Raiganj,  
Uttar Dinajpur



Current Year Income ( Revenue & Capital) During the course of Audit we have verified the income ( Revenue income and Capital income) and Expenditure of the ULB for the year 2017-18 from the Cash Book Receipts & payment Accounts Annual budget and various Application registers ( of Grants and Contribution for the specific purpose), measurement book, scheme Registers. The Summary of income & Expenditure ( both revenue & Capital) are furnished below

j) Summary of Income & Expenditure:			
A.REVENUE RECEIPT			
1.OWN REVENUE RECEIPT			
a)Tax Revenue	HEADS OF INCOME	AMOUNT(IN RS)	AMOUNT(IN RS)
i) Property Tax	PROPERTY TAX	9,607,131.00	9,607,131.00
ii)Other Tax	ADVERTISEMENT TAX -LAND HOARDING	136,988.00	
	TRADE LICENCE FEES	3,599,095.00	
			3,736,083.00
b)Non Tax Revenue			
i) Fees & Fine	REGISTRATION OF CARTS	3,990.00	
	RICKSHAW LICENCE FEES	750.00	
	PLAN SANCTION FEES	2,370,950.00	
	BIRTH AND DEATH CERTIFICATE FEES	35,656.00	
	OCCUPANCY CERTIFICATE	400.00	
	DISPOSAL CERTIFICATE-NURSING HOME ETC	125,000.00	
	DEVELOPMENT FEES	60,000.00	
	PENALTIES AND FINES UNDER OTHER ACTS	4,150.00	
	MUTATION FEES	35,710.00	
	ANY OTHER COLLECTION	575.00	
	VACCANT LAND FEES	26,800.00	
	SEPARATION FEES	46,830.00	
			2,710,811.00
ii)User Charges	AMBULANCE CHARGES	200,950.00	
	FUNERAL VAN SERVICES	200,500.00	
	SEPTIC TANK CLEARANCE CHARGES	795,800.00	
	CREMATORIUM CHARGES	19,350.00	
	CHARGES FOR PAY AND USE TOILETS	955,105.00	
	FERRULE CLEARANCE CHARGES	7,500.00	
	SUPPLY OF EXTRA WATER/SPECIAL WATER SUPPLY/WATER TANKER	250,666.00	
	PARKING FEES	907,819.00	
	RECEIPTS FROM PATIENTS FOR VARIOUS HOSPITAL SERVICES	3,155,341.70	
	TAILOR CHARGES FEES	180,350.00	
	PARK ENTRANCE FEES	3,439,892.24	
	SLAUGHTERING FEES	60,680.00	
			10,173,953.94
iii)Other Non Tax Revenue	RENT FROM SHOPPING COMPLEXES	3,550.00	
	RENT FROM AUDITORIUMS	6,500.00	
	BIDHAN MANCHA RENT(POURA NIWAS)	1,187,850.00	
	BIDHAN MANCHA LODGING CHARGE(POURA NIWAS)	9,930.00	
	V.P.NIWAS (POURA NIWAS)	340,680.00	
	BUS STAND STALL(RENT)	50,750.00	
	BHAGAT SINGH MARKET COMPLEX(MARKET COMPLEX)	102,914.00	
	BANDAR BAZAR MARKET(RENT)	311,281.00	
	BUS STAND MARKET(RENT)	856.00	
	INDIRA GANDHI ATITHI NIWAS(I.D.S.M.T)	1,332,143.00	
	NETAJI SUBHASH CH BOSE BHAWAN(I.D.S.M.T)	466,050.00	
	INDIRA GANDHI SHOPPING PLAZA(I.D.S.M.T)	54,588.00	
	MAHATMA GANDHI WOMEN HOSTEL	595,190.00	
	RAIGANJ BHAVAN ,KOLKATA	1,802,182.00	
	RENT FROM EMPLOYEE QUARTERS	31,504.00	
	RENT FROM LEASE OF LANDS	10,000.00	
	OTHER RENTS	110,000.00	
	SALE OF ANY OTHER ITEMS	5,582,438.00	
	SALE OF TENDER FORMS	328,776.00	
	SALE OF VARIOUS FORMS	262,619.00	
	PARTICIPATION FEES (TENDER)	109,256.00	
			12,699,057.00
2.OTHER REVENUE RECEIPT			
a)Income from Interest	BANK INTEREST	4,807,581.49	
	INTEREST ON GOVERNMENT DEPOSITS	-	
			4,807,581.49
	<b>TOTAL REVENUE RECEIPT</b>		
3.ASSIGNED REVENUE			
a)State Assigned Revenue	ENTERTAINMENT TAX	9,115,930.00	
	MOTOR VEHICLE TAX	3,543,712.00	
	TAXES ON TRADES, PROFESSIONS & CALLINGS	1,435,999.00	
			14,095,641.00
b)SFC	SFC	30,655,430.00	



			30,655,430.00
<b>c)Other State Govt Grant</b>			
	SALARY GRANT	24,895,479.00	
	FIXED GRANT	25,045,076.00	
	DEARNESS ALLOWANCE	24,398,636.00	
	PENSION RELIEF GRANT	1,898,801.00	
	INTERIM RELIEF GRANT	2,052,420.00	
	ADHOC BONUS	84,835.00	
			78,375,247.00
<b>d)Central Finance Commission Grant</b>			
	14 FINANCE COMMISSION GRANT	115,442,905.00	
			115,442,905.00
<b>e)Other Central Govt Transfers</b>			
	NOAPS	24,285,780.00	
	NFBS	3,861,868.00	
	MDM	8,831,267.00	
	UPHCS	11,943,550.00	
	NULM	21,634,947.00	
	IGNWPS	20,355,641.00	
	IGNDPS	2,247,852.00	
	IHSDP	314,327.00	
	BMS	-	
			93,475,232.00
<b>f.)Others</b>			
	WEST BENGAL URBAN EMPLOYMENT	22,431,500.00	
	OTHER SPECIFIC PURPOSE GRANT	809,772.00	
	PULSE POLIO	122,043.00	
	DRINKING WATER SUPPLY (TREASURY)	600,000.00	
	SPECIAL CLEANINESS DRIVE GRANT	2,092,500.00	
	SCHEME OF HOUSING FOR THE URBAN POOR	10,611,555.00	
			36,667,370.00
<b>f)Others State Capital</b>			
	NIL		
<b>d)Central Capital Account Grant(Under Central Scheme etc)</b>			
	AMRUT	4,762,000.00	
	SWACHH BHARAT	65,047,732.00	
	HFA URBAN	88,322,527.50	
	UIDSSMT	200,429,631.50	
	NUHM	2,356,485.00	
	BADP	880,543.00	
			361,798,919.00
<b>5)OTHER CAPITAL RECEIPT</b>			
	GEETANJALI HOUSING SCHEME	-	
	IHSDP	418,629.00	
			418,629.00
<b>ii)Summary of Expenditure (Revenue &amp; Capital) 2014-15</b>			
<b>1.REVENUE EXPENDITURE</b>			
<b>a)Administrative Expenses ,Establishment &amp; Salaries</b>			
	BASIC SALARY	23,827,563.00	
	DEARNESS ALLOWANCE	24,193,128.00	
	HOUSE RENT ALLOWANCE	4,162,893.00	
	MEDICAL ALLOWANCE	659,711.00	
	WAGES	48,213,865.00	
	EX-GRATIA	171,000.00	
	BONUS	4,683,154.00	
	CONSOLIDATED PAY	21,402,408.00	
	GRADE PAY	4,880,141.00	
	INTERIM RELIEF	2,231,365.00	
	CONSOLIDATED PAY	581,747.00	
	UNIFORM TO STAFF	1,500.00	
	COMPENSATION TO STAFF	28,089.00	
	ALLOWANCES TO OTHER BOARD OF COUNCILORS	322,135.00	
	WASHING CHARGES	131,660.00	
	OTHER FIXED AND REGULAR ALLOWANCE	1,545.00	
	MOBILITY ALLOWANCE (NUHM)	6,000.00	
	PENSION	15,286,999.00	
	DEATH CUM RETIREMENT GRATUITY	5,731,735.00	
	OTHER RENTS	430,000.00	
	RATES AND TAXES	104,000.00	
	ELECTRICITY EXPENSES	2,158,250.00	
	TELEPHONE EXPENSES	62,071.00	
	CELL PHONE EXPENSES	11,361.00	
	POSTAGE AND TELEGRAM	88,307.00	
	SERVICE POSTAGE/EXPENSES	67,033.00	
	PRINTING	971,596.00	
	STATIONERY	2,208,643.00	
	COMPUTER CONSUMABLES	383,224.00	
	TRAVELING AND CONVEYANCE -BOARD OF COUNCILORS	40,065.00	
	TRAVELING AND CONVEYANCE -OTHERS	66,893.00	



FUEL	1,603,960.00	
PETROL AND DIESEL	88,347.00	
INSURANCE-VEHICLES	106,590.00	
INSURANCE-CASH/ CASH-IN-TRANSIT	16,225.00	
INTERNAL AUDIT FEES	89,680.00	
LEGAL FEES	165,958.00	
TECHNICAL FEES	61,500.00	
CONSULTANCY CHARGES	571,074.00	
ETDS RETURN	61,286.00	
EVAT RETURN	6,830.00	
PENALTY ON ETDS	18,710.00	
HOSPITALITY EXPENSES	182,405.00	
ADVERTISEMENT AND PUBLICITY	997,706.00	
SEMINAR & WORKSHOP	407,905.00	
CULTURAL EVENTS	897,656.00	
ACTIVITY CAMP LIKE BLOOD DONATION CAMP, EYE CAMP AND HEALTH CHECK UP CAMP ETC.	93,500.00	
TRAINING AND AWARENESS EXPENSES	7,706,890.00	
AWARENESS CAMP FOR WOMEN EMPOWERMENT	300.00	
WEBSITE FEES AND INTERNET RELATED EXPENDITURE	128,926.00	
PROFESSIONAL SOCIETIES	107,400.00	
TRAINING EXPENSES	1,506,470.00	
ASSESSMENT CHARGES	350,780.00	
COMMISSION ON OTHER TAX & NON TAX REVENUE COLLECTION	442,726.00	
VOLUNTEERS CHARGES	1,069,140.00	
QUOTATION AMT (WBSDECL)	62,574.00	
		<b>179,852,619.00</b>
<b>b)Operation &amp; Maintenance</b>		
CENTRAL STORE	123,060.00	
MEDICAL STORE	1,578,750.00	
HEALTH STORE	198,745.00	
STATIONARY STORE	475,745.00	
SANITARY AND CONSERVANCY STORE	1,798,742.00	
WATER SUPPLY STORE	2,578,715.00	
HIRE-CHARGES-CAR	251,239.00	
HIRE-CHARGES-LORRY/TRACTOR	416,314.00	
HIRE-CHARGES-GENERATOR	85,000.00	
HIRE-CHARGES-OTHERS	15,300.00	
HIRE-CHARGES - TRACTOR ,TAILOR	589,160.00	
REPAIR AND MAINTENANCE-STATUES	245,836.00	
REPAIR AND MAINTENANCE-HERITAGE ASSETS	316,772.00	
REPAIR AND MAINTENANCE-ROADS AND PAVEMENTS	36,982,270.00	
REPAIR AND MAINTENANCE-WATER SUPPLY	800,365.00	
REPAIR AND MAINTENANCE-SEWERAGE AND DRAINAGE	788,546.00	
REPAIR AND MAINTENANCE-STREET LIGHT POSTS	6,856,227.00	
REPAIR AND MAINTENANCE-PARKS AND PLAYGROUNDS	576,321.00	
REPAIR AND MAINTENANCE -PARKING LOTS	403,800.00	
REPAIR OF OTHER INSTITUTIONS	87,033.00	
REPAIR AND MAINTENANCE OF ELECTRICAL CREMATORIUM	360,317.00	
REPAIR AND MAINTENANCE-GUEST HOUSES	345,036.00	
REPAIR AND MAINTENANCE - OFFICE BUILDINGS	1,406,456.00	
REPAIR AND MAINTENANCE OF HOSPITAL BUILDING	902,440.00	
REPAIR AND MAINTENANCE OF OTHER MUNICIPAL BUILDINGS	555,880.00	
CARS	213,784.00	
VAN/RICKSHAW	152,955.00	
ANY OTHER VEHICLES	2,372,465.00	
ALL VEHICLES	6,015,822.00	
REPAIR AND MAINTENANCE-FURNITURE AND FIXTURES	679,817.00	
REPAIR AND MAINTENANCE-ELECTRIC APPLIANCES	1,542,414.00	
REPAIR AND MAINTENANCE-OFFICE EQUIPMENT	361,672.00	
REPAIR AND MAINTENANCE -HOSPITAL MACHINERY AND EQUIPMENT	19,720.00	
TESTING AND INSPECTION EXPENSES	98,600.00	
WATER PURIFICATION EXPENSES	15,750.00	
GARBAGE CLEARANCE EXPENSES	81,500.00	
CONSERVANCY AND ROAD CLEANING	206,445.00	
BANK CHARGES	15,961.54	
DISCOUNT ON EARLY/PROMPT PAYMENTS	693,288.00	
		<b>71,208,262.54</b>
<b>OTHERS</b>		
EXPENDITURE ON WELFARE OF WOMEN	18,460,666.00	
EXPENDITURE ON WELFARE OF CHILDREN	4,869,884.00	
EXPENDITURE ON WELFARE OF AGED	20,951,400.00	
EXPENDITURE ON WELFARE OF HANDICAPPED	2,133,400.00	
INCENTIVE TO AGENCY WORKING FOR THE WELFARE OF THE POOR	51,280.00	
EXPENDITURE IN CONNECTION WITH FLOOD RELIEF	485,280.00	
MISCELLANEOUS PROGRAMME EXPENSES	203,900.00	
EXPENDITURE IN CONNECTION WITH SOMOBYATHI	1,910,461.00	
EXPENDITURE IN CONNECTION WITH SWASTYA SATHI	80,329.00	
EXP. IN CONNECTION WITH NFBS	1,349,500.00	
EXP. RELATING TO SPECIAL CLEANINESS DRIVE.	1,162,474.00	
EXP. RELATED TO CIVIL DEVENCE	63,580.00	



			51,722,154.00
<b>2.CAPITAL EXPENDITURE</b>			
	HOSPITALS AND DISPENSARIES	187,066.00	
	PUBLIC CONVENIENCES	21,820,068.00	
	MUNICIPAL HALLS, SHOPS, TOWN HALLS	2,597,738.00	
	MUSICAL FOUNTAIN (PARK)	1,466,827.00	
	STATUES	99,500.00	
	ROADS AND PAVEMENTS-CONCRETE	10,960,801.00	
	ROADS AND PAVEMENTS-BLACK TOPPED	1,574,425.00	
	ROADS AND PAVEMENTS-OTHERS	4,716,248.00	
	DRAINS-OPEN	7,704,939.00	
	LAYING / REPLACEMENT OF SEWER LINES	32,444,224.00	
	WATER PIPELINES	43,864,996.00	
	RESERVOIRS	26,068,983.00	
	LAMP POSTS	2,130,282.00	
	SUBMERSIBLE PUMPS	3,352,537.00	
	COMPUTERS	712,490.00	
	AIR CONDITIONERS	527,552.00	
	OTHER OFFICE MACHINES AND EQUIPMENTS	2,268,857.00	
	CCTV SURVILLANCE SYSTEM	24,000.00	
	ELECTRIC FITTINGS AND INSTALLATIONS	5,515,386.00	
			168,036,919.00
<b>2. OTHER CAPITAL EXPENDITURE</b>			
	GEETANJALI - EWS HOUSING	126,000.00	
	HOUSING FOR ALL	49,467,976.00	
	HOUSING FOR URBAN POOR	2,150,400.00	
			51,744,376.00



Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required, in the manner so required and give a true and fair view in conformation with the accounting principles generally accepted in India , of the state of affairs of the society as at 31st march, 2018,and its Deficit for the year ended on that date.

Emphasis of matter

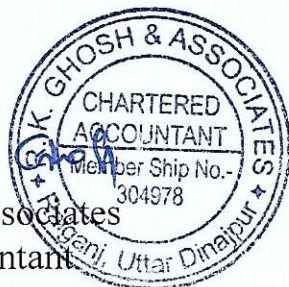
We draw attention to the following issues which are included in the financial statements:

1. Physical verification of cash in hand and stock of Different items is not done. Management representations in this regard have been taken.
2. Security Deposit register, Fixed Assets register ,Pensioners Register,not properly maintained.
3. Uncleared cheques both Deposit & Issue for more than Six month should be added back /Deduct from the Cash Book .
4. Necessary steps should be taken to recover the Arrear Property Tax like Public Announcement,Display in public places for High value defaulter etc.
5. Internal Control is very weak.
- 6.Number of Journal entry should be reduced and all the jounal entry should be Passed in BoC Meeting of the Municipality.
- 7.All Statutory Dues should be paid within the due Date.

Thanking you,  
Yours faithfully

*Raj Kumar Ghosh*

R K Ghosh & Associates  
Chartered Accountant



R K Ghosh,Proprietor  
Raiganj,  
Uttar Dinajpur