



Debasis Bandyopadhyay & Co.
Chartered Accountants

To
The Commissioner,
Chandernagore Municipal Corporation,
Hooghly
West Bengal

March 31st, 2019

Sub: Internal Audit Report for the financial year 2017-18

Dear Sir,

We have carried out the Internal Audit of your ULB for the financial year 2017-18 in terms of your engagement letter no. II/1M/2018-19 -Internal Audit/02 dated 15.03.2019.

We put on record our heartfelt thanks to all the departments of your ULB for cooperation in conducting this audit.

We assure you of the best possible professional standards under the given circumstances and available information in auditing and reporting of the ULB accounts. The complete Internal Audit Report and the Audit recommendations are enclosed herewith for your kind perusal.

Thanking you,
Yours truly,

for **Debasis Bandyopadhyay & Co.**
Chartered Accountants,
Firm Registration No. – 324338E


Debasis Bandyopadhyay, Proprietor,
Membership No. – 057861



5.16 **OTHER ASSETS**

5.16.1 **Observation**

As per the Balance Sheet as on 31.03.2018, there was no item disclosed under this head.

5.16.2 **Findings**

5.16.2.1 The balance should match with corresponding liability under Deposit Works.

5.16.2.2 We have reported this item in our previous reports also.

5.16.3 **Audit Recommendation**

5.16.3.1 Appropriate disclosure is required for items, if any, under this head.

5.17 **CURRENT YEAR RECEIPTS (REVENUE & CAPITAL)**

5.17.1.1 **OBSERVATION**

Extracts of total Receipts (revenue & capital) from the Receipts & Payments account of the ULB as made available to us for the FY 2017-18 is tabulated below:

SL. NO	Particulars	Amount (Lakhs)
	Total Receipts (A+B)	8,879.54
A	Revenue Receipts (1+2+3)	8,125.26
1	Own Revenue Receipts (a+b)	1,042.17
a)	Tax Revenue (levied and collected by municipal body)	265.46
i)	<i>Property tax</i>	263.53
ii)	<i>Other tax (levied and collected by municipal body)</i>	1.93
b)	Non-tax revenue (levied and collected by municipal body)	776.71
i)	<i>Fees & fines</i>	518.06
ii)	<i>User Charges</i>	140.70
iii)	<i>Other non-tax revenue (levied and collected by municipal body)</i>	117.95
2	Other Revenue Receipts	23.48
a)	Income from interest/investments	2.02
b)	Other Revenue income	21.46
3	Transfers/Grants/Assigned Revenues	7,059.61
a)	State Assigned Revenue	132.81
b)	State Finance Commission (SFC) Grants/Devolution	159.92
c)	Octroi compensation	-
d)	Other State Government Transfers	2,330.28
e)	Central Finance Commission (CFC) Grant	3,049.82
f)	Other Central Government Transfers	1,386.78
g)	Others	-
B	Capital Receipts	754.28
1	Sale of Municipal Land	210.00
2	Loans (from State Govt. or Banks etc.)	-
3	State Capital Account Grant (under State Schemes etc.)	58.24
4	Central Capital Account Grant (under Central Schemes etc.)	428.48
5	Other Capital Receipts	57.56

We have considered only the Receipts & Payments account for tabulating above information. Grouping and summarizing of individual items has been done with consultation with the auditee. However, the ULB has given written representation of

considering 2 items of revenue adjustment (Item A.1.a.i-property tax 32.00 lakhs and Item A.1.b.i –Fees & Fines Rs. 45.00 Lakhs), we are merely incorporating them in the above table. As the books of accounts has not yet been finalized the source of the adjustment entries could not be traced.

5.18 **CURRENT YEAR PAYMENTS (REVENUE & CAPITAL)**

5.18.1.1 **Observation**

Extracts of total Payments (revenue & capital) from the Receipts & Payments a/c of the ULB as made available to us for the FY 2017-18 is tabulated below:

Sl. No.	Particulars	AMOUNT (Lakhs)
	Total Expenditure (1+2)	6,176.64
1	Revenue Expenditure	3,233.01
1.1	Establishment and Salaries (All Departments-regular and contractual)	2,899.54
1.2	Operation and Maintenance (O&M)	304.99
1.3	Loan repayment (Interest payments)	-
1.4	Others (any other revenue expenditure which is not salaries, O&M or Interest Payment)	28.48
2	Capital Expenditure	2,943.64
2.1	All developmental works under Central/State specific schemes	2,045.83
2.2	Loan Repayments (Principal Amount)	-
2.3	Other Capital expenditure	897.80

We have considered only the Receipts & Payments account for tabulating above information. Grouping and summarizing of individual items has been done with consultation with the auditee.