



AUDITOR'S REPORT

- 1) I have examined the Balance Sheet as on 31.03.2018, and the Income and Expenditure Account for the period beginning from 01.04.2017 to ending on 31.03.2018, attached herewith, of Nagar Palika, Shahjahanpur.
- 2) I certify that the Balance Sheet and the Income and Expenditure Account are in agreement with the books of account maintained at the Nagar Palika, Shahjahanpur.
- 3) (a) I report the following observations/comments/discrepancies/inconsistencies:
 1. Tax Revenue consist of Property Tax, Water Tax, Sewerage Tax, Water Price, Entertainment Tax, Animal Tax, Advertisement Tax and Other Tax are base on information provided by the tax department of Nagar Palika Shahjahanpur.
 2. Provision of VAT partly Compliance as per VAT Act 2008 in the year 2017-18.
 3. The provision of TCS/ TDS partly Compliance as per Income Tax Act, 1961 in the year 2017-18.
 4. The utilization Certificate of grant receipts from various agency like Rajya Vitt Ayog, Nagar Palika Nidhi, Avyastapna Nidhi etc. is not shown to us.
 5. The list-of Sundry Debtors / Creditors should be verified and subject to third party verification.
 6. The Nagar Palika Shahjahanpur is Local Authority and subject to audit report of AG, Allahabad . The Report of AG observed by us and in our opinion audit objections of AG Report are partly compliance by Nagar Palika Shahjahanpur.
 7. Further in our opinion Internal Control System of Nagar Palika Shahjahanpur is required to more attention by management of Nagar Palika Shahjahanpur adequate as per AG report.
 8. Excess of Income over Expenditure has been transferred to Municipal General Fund.

9. No grant register was provided to us for verification of given figure in balance sheet.
10. The Provisioning of Tax Revenue of Nagar Palika Shahjahanpur is increasing by 10% during the year, but no steps has been taken to collect such Tax, due to which balances of these accounts are increasing every year.
11. Conversion of Manual to Computerised Accounting is done as per the cash book due to which it is not possible to tally the bank account.
12. Opening and closing stock is being carry forwarded from the last 8 years.
13. Statutory liabilities of PF, Income Tax , Service Tax and VAT have not been timely deposited on due dates, proper details to ascertain the quantum of such liabilities could not be provided to us.
14. Proper party wise details Liabilities outstanding of Contractors and others are not available.
15. Fixed Assets register has not been maintained. Details of Assets were compiled on the basis of information received.
16. Sundry Debtors (Receivables) value shown in balance sheet is as per details provided by Computer Section.
17. Records showing actual Land and other Immovable Properties possessed by Nagar Palika are not available.
18. Some Bank Accounts are showing negative balances due to improper reconciliation. Besides rectification old outstanding entries in BRS prepared have not been passed in Book of Accounts.
19. Security Deposit received from contractors and other third parties is as per records received, but no individual party wise list were available.
20. Details of Property Tax received are subject to reconciliation.

(b) Subject to above —

- a) have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.
- b) In my opinion, proper books of account have been kept by the head office so far as appears from my examination of the books.

c) In my opinion and to the best of my information and according to the explanations given to me, the said accounts, read with notes thereon, if any give a true and fair view:-

- i. in the case of the Balance Sheet, the state of the affairs of the Nagar Palika Shahjahanpur, as at 31.03.2018; and
- ii. in the case of Income and Expenditure Account of the Nagar Palika Shahjahanpur for the year ended on that date 31.03.2018;
- iii. in the case of Receipts & payments Accounts and of the Nagar Palika Shahjahanpur for the year ended on that date 31.03.2018.

For NISHANK JINDAL & ASSOCIATES
Chartered Accountant

(NISHANK JINDAL)
PROPRIETOR



Place : SHAHJAHANPUR

Date : 27/05/19

NAGAR PALIKA SHAHJAHANPUR
Balance Sheet as on 31.03.2018

| Code No. | Item/ Head of Account | Schedule No | Current Year Amount (Rs.) | Previous Year Amount (Rs.) |
|----------|---|-------------|---------------------------|----------------------------|
| 1 | 2 | 3 | 4 | 5 |
| | LIABILITIES | | | |
| | Reserve & Surplus | | | |
| 3-10 | Municipal (General) Fund | B-1 | 1,11,22,33,957.94 | 1,02,67,47,689.16 |
| 3-11 | Earmarked Funds | B-2 | 56,54,44,179.10 | 42,05,22,238.10 |
| 3-12 | Reserves | B-3 | 3,613.86 | 3,613.86 |
| | Total Reserves & Surplus | | 1,67,76,81,750.90 | 1,44,72,73,541.12 |
| 3-20 | Grants, Contributions for specific purposes | B-4 | 0.00 | 0.00 |
| | Loans | | | |
| 3-30 | Secured Loans | B-5 | 0.00 | 0.00 |
| 3-31 | Unsecured Loans | B-6 | 0.00 | 0.00 |
| | Total Loans | | 0.00 | 0.00 |
| | Current Liabilities and Provisions | | | |
| 3-40 | Deposits Received | B-7 | 21,52,367.00 | 11,93,367.00 |
| 3-41 | Deposit works | B-8 | 0.00 | 0.00 |
| 3-50 | Other Liabilities (Sundry Creditors) | B-9 | 4,15,40,210.00 | 3,36,10,133.00 |
| 3-60 | Provisions | B-10 | 0.00 | 0.00 |
| | Total Current Liabilities and Provisions | | 4,36,92,577.00 | 3,48,03,500.00 |
| | TOTAL LIABILITIES | | 1,72,13,74,327.90 | 1,48,20,77,041.12 |
| | ASSETS | | | |
| | Fixed Assets | | | |
| 4-10 | Gross Block | B-11 | 1,50,86,53,441.52 | 1,34,92,77,059.52 |
| 4-11 | Less: Accumulated Depreciation | | 37,00,24,148.35 | 29,59,98,798.35 |
| | Net Block | | 1,13,86,29,293.17 | 1,05,32,78,261.17 |
| 4-12 | Capital Work-in-Progress | | 0.00 | 0.00 |
| | Total Fixed Assets | | 1,13,86,29,293.17 | 1,05,32,78,261.17 |
| | Investments | | | |
| 4-20 | Investment – General Fund | B-12 | 0.00 | 0.00 |
| 4-21 | Investments – Other Funds | B-13 | 0.00 | 0.00 |
| | Total Investments | | 0.00 | 0.00 |
| | Current Assets, Loans and Advances | | | |
| 4-30 | Stock in Hand (Inventories) | B-14 | 60,992.00 | 60,992.00 |
| 4-31 | Sundry Debtors(Receivables) | B-15 | 43,25,98,630.88 | 30,36,28,060.88 |
| 4-32 | Less: (Accumulated prov.against debts) | | 0.00 | 0.00 |
| 4-40 | Prepaid Expenses | B-16 | 0.00 | 0.00 |
| 4-50 | Cash and Bank Balances | B-17 | 14,68,63,209.85 | 12,18,87,525.07 |
| 4-60 | Loans, advances and deposits | B-18 | 32,22,202.00 | 32,22,202.00 |
| 4-61 | Less: Accumulated provision against Loans | | 0.00 | 0.00 |
| | Total Current Assets, Loans & Advances | | 58,27,45,034.73 | 42,87,98,779.95 |
| 4-70 | Other Assets | B-19 | 0.00 | 0.00 |
| 4-80 | Miscellaneous Exp.(to the extent not written off) | B-20 | 0.00 | 0.00 |
| | TOTAL ASSETS | | 1,72,13,74,327.90 | 1,48,20,77,041.12 |
| | | | 0.00 | 0.00 |

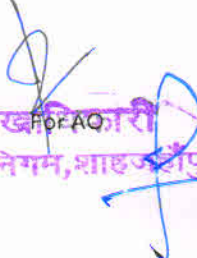
The Data has been prepared on the basis of information given to us.

FOR NISHANK JINDAL & ASSOCIATES
CHARTERED ACCOUNTANTS

NISHANK JINDAL
[PROPRIETOR]



Place : Shahjahanpur
Date: 27-05-2019


 लेखपालिकारी
 नगर निगम, शाहजहाँपुर
 नगर आयुक्त
 For NAGAR AYUKT
 नगर निगम शाहजहाँपुर