

INDEPENDENT AUDITOR'S REPORT

To,
The Commissioner,
Municipal Council Sikar,
Rajasthan.

Report to Financial Statement

We have audited the accompanying financial statements of **Municipal Council, Sikar, Rajasthan** which comprise the Balance Sheet as at March 31, 2018, the Income and Expenditure Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management 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 ULB in accordance with the Rajasthan Municipal Accounts Manual. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of the financial statements that 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 issued by the Institute of Chartered Accountants of India. 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 disclosures in the financial statements. The procedures selected

depend on the auditor's judgment, including the assessment 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 control relevant to the ULB's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the ULB's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

Subject to statement on additional matters as given in Annexure-A attached herewith, and the following :

- a) Liabilities that may arise on account of late filing of return, late payment, short or non-deduction and mismatching of TDS, RVAT, Royalty and Labour cess has not been ascertained and hence not considered. To this extent Surplus of Income over Expenditure is overstated and Liabilities are understated.*
- b) Liabilities or recovery on account of pending cases and/or notices filed against or by municipal board by/against third parties is not ascertainable and hence not considered. Financial impact of such cases has not been ascertained and hence we are unable to comment on correctness or otherwise of Income, Expenditure, Assets or Liabilities to this extent. Contingent Liabilities, if any, arising out of these cases has not been estimated by the municipal board nor has been disclosed in notes to accounts.*
- c) Closing Stock of Stores has not been determined by the municipality and hence not considered in the accounts. To this extent both, Surplus of Income over Expenditure and Assets are understated.*



- d) Bank Reconciliation, in respect of several bank accounts, have not been provided since long. Hence, treatment of differences arising out of reconciliation remains unaccounted for. Besides, bank charges as also interest income on deposit in saving account remains unaccounted for. The amount has not been determined by the management. To this extent accounts does not reflect true and fair view.*
- e) The amount receivable on account of Urban Development Tax has not been determined and not considered as income of the year. As such, Income and Assets are understated to this extent.*
- f) All expenses except salary, contribution towards new pension scheme, accounting charges and audit fee are accounted for on cash basis. Similarly, all incomes are accounted for on cash basis. Receipts in PD Accounts (treasury) by deposit of amount directly by the tax payers are taken into account on verification with treasury irrespective of the year of receipt.*

in our opinion and to the best of our information and according to the explanations given to us, the financial statements give a true and fair view in conformity with the Rajasthan Municipal Accounts Manual:

- a) in the case of the Balance Sheet, of the state of affairs of the ULB as at March 31, 2018; and
- b) in the case of the Income and Expenditure Statement, of the surplus for the year ended on that date.

We further report that:

- a) we have obtained all the available information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b) in our opinion proper books of account as required by law have been kept by the ULB so far as appears from our examination of those books;
- c) the Balance Sheet and Income & Expenditure Account dealt with by this Report are in agreement with the books of account;



- d) in our opinion, the Balance Sheet and Income & Expenditure Account comply with the Rajasthan Municipal Accounts Manual.



Alok Dhandhan
Partner, Agarwal & Dhandhan
Chartered Accountants
FRN No. 125756W
Membership No. 111062
Surat, the 28 June. 2019

Annexure A to Auditor's Report (2017-18)

Additional Matters to be reported by the financial statement auditor

1. In our opinion and according to records examined by us and to the best of our knowledge and belief all sums due to and received by the Municipality have been brought to account on Cash Basis except for certain expenditure which are brought to accounts on accrual basis and have been *generally* appropriately classified;
2. In our opinion and according to the information and explanations given to us all grants sanctioned or received by the Municipality during the year, have been accounted properly on cash basis, and where any deduction is made out of such grants towards any dues of the Municipality, *in some cases such deductions have not been properly accounted. As such income and expenditure are understated to that extent.*
3. Earmarked Funds have been created by the Municipality for Gratuity and Provident Fund, According to the information and explanations given to us Earmarked Funds have been utilized for the purposes for which they were created. *However, contribution to these funds in respect of previous year is yet to be made and for which amount has not been ascertained.*



4. As explained to us the Municipality is maintaining records showing full particulars, including quantitative details. However, *situation* of fixed assets has not been specified in the records so maintained.
Management of ULB has not carried out *physical verification of fixed assets*. As such we are unable to comment on material discrepancies, if any, on physical verification and its treatment in books of accounts.
5. The Municipality *is not maintaining proper records showing full particulars of leasehold property*. Lease Rentals are therefore not verified.
6. As explained to us, physical verification has been conducted by the Municipality at reasonable intervals in respect of stores.
In our opinion and according to the information and explanations given to us, the procedures of physical verification of stores followed by the Municipality are reasonable.
In our opinion and according to the information and explanations given to us, no material discrepancies have been noticed on physical verification of stores as compared to stores records. *However, neither the stores has been verified at the year-end nor has same been recognized in the accounts prepared for the year under report.*
7. As explained to us, there are no parties other than the employees to whom loans or advances have been given by the Municipality.
8. The Municipality has granted loans to the employees against PF. Deduction from salary are made towards the loans and interest.
9. In our opinion and according to the information and explanations given to us, there exists an adequate internal control procedure for the purchase of stores, fixed assets and services.



10. In our opinion and according to the information and explanations given to us, there exists an adequate internal control procedure for the contracting of works and projects, periodic inspections and measurements, and payments there for. *However, according to information and explanation given to us , works contracts are not subject to quality checks. Besides, some weakness in internal control procedures* which require immediate attention of the management are as under:

- a) In PWA Form 278, Pan No. and Aadhar Card No. should be given at suitable place along with details of bank account where NEFT payment is to be done. Besides, such Form should be signed under the seal of the firm and passing authority should also affix their seal.
- b) The suppliers of materials and/ or providers of services should submit their bill within 30 days of the completion of their supply and/or job and the concerned passing authority should pass the bill or otherwise do necessary action within a further period of 30 days. Any delay on either part should be penalized with fine as deemed necessary by the competent authority. This will help in determining liability as and when arises to a great extent.
- c) Payment Voucher Serial No. is as per voucher issued by various department. Voucher No. and date should be specified on each voucher separately on the basis of date of issue of cheques. Cheques should be prepared only after the sanction by competent authority.

11. *The Municipality is not regular in depositing undisputed statutory dues including tax deducted at source, works contract tax, cess and royalty payable to the Government, ESI, PF etc.*



12. To the best of our knowledge and according to information and explanation given to us, no personal expenses have been charged to the Municipality's accounts.
13. To the best of our knowledge and according to information and explanation given to us, the books and registers specified under the Rajasthan Municipal Accounts Manual and other applicable acts and rules have been properly maintained. *However, Bank Reconciliation statements have not been prepared for the bank accounts of the Municipality. Accounting effect of bank charges debited by Bank, Non- collection of cheques, Interest credited by Bank, Cancellation of stale cheques not Presented has not been determined and considered in accounts.*
14. To the best of our knowledge and according to information and explanation given to us, year-end procedures have been carried out *but reconciliation procedures at year end have not been carried out.*



Alok Dhandhanania
Partner, Agrawal & Dhandhanania
Chartered Accountants
FRN No. 125756W
Membership No. 111062

Surat, the 28 June 2019

Balance Sheet of Municipal Council Sikar

As on 31 March 2018

I - LIABILITIES	Schedule	2017-18 (Amount in Rs.)	2016-17 (Amount in Rs.)
RESERVES & SURPLUS			
Municipal (general) Fund	1	376088357.85	234025088.65
Earmarked funds	2	62759224.00	60034970.00
Reserves & surplus	3	698035137.00	698035137.00
Total Reserve & Surplus (A)		1136882718.85	992095195.65
GRANT/ CONTRIBUTION FOR SPECIFIC PURPOSE (B)	4	359734548.00	449998703.50
LOANS			
Secured loans	5	32202536.00	32202536.00
Unsecured loans	6	0.00	0.00
Total loans (C)		32202536.00	32202536.00
CURRENT LIABILITIES & PROVISIONS			
Sundry Deposits	7	44548019.00	34212941.00
Sundry Creditors	8	20000.00	0.00
Statutory Liabilities	9	-1932248.00	4824937.00
Provisions	10	152250.00	399500.00
Other Liabilities	11	13204009.00	13179291.00
Total Current Liabilities and Provisions (D)		55992030.00	52616669.00
TOTAL LIABILITIES (A+B+C+D)		1584811832.85	1526913104.15
II - ASSETS			
FIXED ASSETS			
Gross Block	12	812614714.00	741395785.00
Depreciation Fund	13	242944271.00	177734964.00
NET BLOCK		569670443.00	563660821.00
Capital Work in Progress	14	0.00	0.00
Total Fixed Assets (A)		569670443.00	563660821.00
INVESTMENTS			
General Fund Investment	15	183313238.00	156365153.00
Specific Fund Investment	16	144392196.00	141667942.00
Total Investments (B)		327705434.00	298033095.00
CURRENT ASSETS, LOAN & ADVANCES			
Inventories	17		0.00
Sundry Debtors/ Receivables	18	0.00	0.00
Cash & Bank balances	19	547028387.65	539745829.15
Loans, Advances & Deposits	20	140407568.00	125473359.00
Total Current Assets, Loan & Advances (C)		687435955.65	665219188.15
Difference in Opening Balance			
TOTAL ASSETS (A+B+C)		1584811832.65	1526913104.15

Notes to Accounts and Accounting Policies

For Agrawal & Dhandhanania

Chartered Accountants
Firm Regn. No. 125756W

Alok Dhandhanania
(Partner)

Membership No. - 111062

Date: - 28.06.2019

Place: - Raipur



For and Behalf on Nagar Palika


लेखाधिकारी
 नगर परिषद सीकर


आयुक्त
 नगर परिषद, सीकर
 (Executive Officer)

Income and Expenditure Account of Municipal Council Sikar

PARTICULARS	SCHEDULE	2017-18 (Amount in Rs.)	2016-17 (Amount in Rs.)
INCOME			
Income From Taxes	21	14287434.00	14209550.00
Assigned Compensation	22	140984000.00	128168000.00
Rental Income From Municipal Properties	23	181997.00	269612.00
Fee and User Charges	24	217289492.00	165441270.00
Revenue Grants ,Contribution Sub.	25	0.00	81033786.00
Income from Corporation	26	21570012.00	15847024.00
Miscellaneous Income	27	2194873.00	305434.00
TOTAL INCOME		396507808.00	405274676.00
EXPENDITURE			
Establishment Expenses	28	140568113.00	143853870.00
General Administrative Exp.	29	28759409.00	36810313.00
Public Work	30	19892430.00	140691528.00
Miscellaneous Exp.	31	15280.00	2500000.00
Depreciation during the year		65209306.80	60115377.00
TOTAL EXPENDITURE		254444538.80	383971088.00
Surplus/Deficit before		142063269.20	21303588.00
adjustment of Prior Period			0.00
Item and Depreciation		0.00	0.00
Less: Prior Period item		0.00	0.00
Less: Prior Period Adjustment			0.00
of depreciation		0.00	0.00
NET SURPLUS / DEFICIT		142063269.20	21303588.00

Notes to Accounts and Accounting Policies

For Agrawal & Dhandhanania

Chartered Accountants
Firm Regn. No: 125756W

Alok Dhandhanania
(Partner)

Membership No. - 111062



For and Behalf on Nagar Palika


लेखाधिकारी
 क्लर एरिज्ड सीक


आयुक्त
 नगर (Executive Officer)

Date: - 28.06.2019
Place: - Raipur

Schedule forming part of Balance Sheet of Municipal Council of Sikar
As on 31 March 2018

PARTICULARS	2017-18 (Amount in Rs.)	2016-17 (Amount in Rs.)
Schedule - 1		
<u>MUNICIPAL (GENERAL) FUND</u>		
Opening balance	234025088.65	212721500.65
Add: additions during the year	142063269.2	0.00
Less: deductions during the year	0	0.00
Add: excess of income over expenditure	0	21303588.00
Less : excess of exp over income	0	0.00
TOTAL	376088357.85	234025088.65
Schedule -2		
<u>Earmarked Fund</u>		
Gratuaty Fund	60620785	773363
General Provident Fund	2138439	59261607
TOTAL	62759224	60034970
Schedule -3		
<u>Reserve & Surplus</u>		
Opening Balance	698035137	582329820
Add: Addition during the year	0	115705317
Less: Withdraw During the year	0	0
Total	698035137	698035137
Schedule -4		
<u>GRANTS & CONTRIBUTIONS FOR SPECIFIC PURPOSE</u>		
Grant from State Finance Commission	74599681	54360840
Grant under IDSMT Scheme	5861943	5861943
Special Grant for 14th financial Commision	168536707	145771488
Grant under IHSDP Scheme	6357044	6357044
M.P./M.L.A Fund	1822383	2222383
CM Saree Kambal Yojana	-72975	2826525
SJSRY	4413237	7587421.5
Grant against Public Light	16668244	0
Grant of Amrit Yojana	28387297	176375922
Swatch Bharat Mission Grant	53132187	48635137
Grant against panadhay jivan amrit yojna	28800	0
TOTAL	359734548	449998703.5



Schedule forming part of Balance Sheet of Municipal Council of Sikar
As on 31 March 2018

PARTICULARS	2017-18 (Amount in Rs.)	2016-17 (Amount in Rs.)
<u>Schedule -5</u> SECURED LOANS Secured Loans from RUIDP	32202536	32202536
TOTAL	32202536	32202536
<u>Schedule -6</u> UNSECURED LOANS	0	0
TOTAL	0	0
<u>Schedule -7</u> SUNDRY DEPOSITS Security & Amanat Payable	44548019	34212941
TOTAL	44548019	34212941
<u>Schedule -8</u> SUNDRY CREDITORS Sundry Creditors	20000	0
TOTAL	20000	0



Schedule forming part of Balance Sheet of Municipal Council of Sikar
As on 31 March 2018

PARTICULARS	2017-18 (Amount in Rs.)	2016-17 (Amount in Rs.)
Schedule -9		
<u>STATUTORY & OTHER LIABILITIES</u>		
Income Tax (TDS) Payable	24400	17900
Service Tax Payable	0	377625
Commercial Tax Payable	45759	7080
Cess Tax Payable	124446	
Royalty Payable	561419	257855
Labour Tax Payable	369823	126875
Gratuaty Payable	-11474019	4277
New pension payable	7870402	3999416
Pension Contribution	306235	21472
Provident fund payable	-22699	2244
LIC Deduction Payable	2920	10193
Employee loan	162152	0
GST	74884	0
Patrk ar cess	1058	0
PNA	8554	0
Sanvad	4542	0
Miscellaneous deduction	7876	0
TOTAL	-1932248	4824937
Schedule -10		
<u>PROVISIONS</u>		
Audit Fees Payable	57250	114500
Other Payable	95000	285000
TOTAL	152250	399500
Schedule -11		
<u>OTHER LIABILITIES</u>		
Patrk ar Kalyan kosh	0	1058
City Fund	3600000	3600000
Salary payable	9578233	9578233
House Advance	6000	0
HRA	18683	0
Vihcal Advance	1093	0
TOTAL	13204009	13179291



Schedule forming part of Balance Sheet of Municipal Council of Sikar
As on 31 March 2018

PARTICULARS	2017-18 (Amount in Rs.)	2016-17 (Amount in Rs.)
<u>Schedule -12</u>		
<u>GROSS BLOCK</u>		
IMMOVABLE ASSETS		
Office Building	76897429	76897429
community centre(rain basera)	4532901	4532901
Public toilets	7481157	7481157
School building	854068	854068
Building	3878274	0
Infrastructure Assets		
Roads & bridges	519985621	453105216
Sewerage & drainage	143458355	143458355
Public Lighting	8976573	8976573
Garden	2729438	2729438
Moveable Assets		
Furniture and fixtures	534977	372633
Coolar	26050	26050
Fans	10756	10756
Ro water machine	43700	43700
plant and machinery		
Hand pump/ Mud pump	1093980	1093980
Generator	714000	714000
Other Machinery	1774644	1774644
Other Infrastructure Assets		
Kachra patra	2984400	2984400
CC Tv Camera	1836197	1836197
Mobile Toilet	636000	636000
Vehicle		
Car/jeep	1332599	1332599
Hudraulic Trolly	112000	112000
Auto teeper	25756063	25756063
Loader	1190834	1190834
Trucks	1184500	1184500
Tata 709	3346610	3346610
Office Equipment		
Computer	915449	668100
Camera	20450	20450
TV	17300	17300
Note Counting Machine	18500	18500
Air Conditioner	138550	138550
Office - other Equipments	133339	82782
TOTAL	812614714	741395785
<u>Schedule -13</u>		
<u>DEPRECIATION FUND</u>		
Opening balance	177734964	117619582
Add: Depreciation Provided During the year	65209307	60415377
Less: Depreciation for the Previous year		0
TOTAL	242944271	177734964

Schedule forming part of Balance Sheet of Municipal Council of Sikar
As on 31 March 2018

PARTICULARS	2017-18 (Amount in Rs.)	2016-17 (Amount in Rs.)
<u>Schedule -14</u>		
<u>CAPITAL WORK IN PROGRESS</u>		
TOTAL	0	0
<u>Schedule -15</u>		
<u>GENERAL FUND INVESTMENT</u>		
PD Account With Interest (8338)	2045118	2045118
Non-interest Bearing PD A/c (8448)	181268120	154320035
TOTAL	183313238	156365153
<u>Schedule -16</u>		
<u>SPECIFIC FUND INVESTMENT</u>		
Gratuity PD A/c	2138439	773363
Employees GPF A/c	60620785	59261607
New Pension PD A/c 8011	79296468	79296468
New Pension	2336504	2336504
TOTAL	144392196	141667942
<u>Schedule -17</u>		
<u>INVENTORIES</u>	0	0
TOTAL	0	0



Schedule forming part of Balance Sheet of Municipal Council of Sikar
As on 31 March 2018

PARTICULARS	2017-18 (Amount in Rs.)	2016-17 (Amount in Rs.)
Schedule -18		
SUNDRY DEBTORS/ RECEIVABLE	0	0
TOTAL	0	0
Schedule -19		
CASH & Bank Balances		
Cash-in-Hand		
Balances in Saving & Current a/cs	793100850	756145952
Less:- Transfer to General Fund Investment	-183313238	-156365153
Less:-Transfer to Specific Fund Investment	-62759224	-60034970
TOTAL	547028388	539745829
Schedule - 20		
LOANS, ADVANCES & DEPOSITS	0	0
Rajasthan Avas Vikas and infrastructure	3783000	3783000
Forest Sankrakshak	7000000	1000000
PWD Advance	848000	848000
Deposits with AVVNL	24681288	10743579
TCIL (Power House technique)	92109677	108446427
Other Advances	652353	652353
Advances in Jal swavlamban	5000000	0
Advance to Executive Director Ridisco, Jaipur	1000000	0
M/S Telecommunications Cosul. a/c	5333250	0
TOTAL	140407568	125473359



Schedule forming part of Income and Expenditure Account of Municipal Council Sikar
For the Year Ending 31 March 2018

PARTICULARS	2017-18 (Amount in Rs.)	2016-17 (Amount in Rs.)
Schedule-21		
INCOME FROM TAXES		
House & Urban Development Tax	14270384	14065510
Cleaning tax	17050	144040
TOTAL	14287434	14209550
Schedule-22		
ASSIGNED COMPENSATION		
Entertainment tax compensation	0	0
Octroi Compensation	140984000	128168000
TOTAL	140984000	128168000
Schedule-23		
RENTAL INCOME FROM MUNICIPAL PROP.		
Rental Income from Munnicipal properties	181997	269612
Tehbajari Income	0	0
TOTAL	181997	269612
Schedule-24		
FEES AND USER CHARGES		
Advertisement Fees	11136900.00	9879000
Application Fees	43000	0
Certificate fees	367744	175235
Registration Fees	3066996	953400
Development Charges	0	6492080
Copying Fees	47669	0
License Fees	0	168611
User Charges	2500	28976574
Income from Regularisation fees	82836	92382299
Administrative Charges	0	286000
Fees for Grant of Permit	0	9853418
Road Cutting Fees	2598648	0
Swachta fees	248100	0
Penaltie and Fines	8024	1766494
Property transfer fees	6620827	12717730
Other Income Misc.	101252449	1027340
Prior period Recovery	0	661301
Audit para	8017	101788
Acceptance fees	28827	0
Approval fees	8281	0
Mobile Tower fees	2397118	0
Garbage fees	7000	0
Land Sale Fees	1496139	0
Lease Income	40446780	0
Malba Fees	7000	0
Noc Fees	282803	0
Parking fees	8125000	0
Tender fees	281548	0
Premium fees	38725286	0
TOTAL	217289492	165441270



Schedule forming part of Income and Expenditure Account of Municipal Council Sikar
For the Year Ending 31 March 2018

PARTICULARS	2017-18 (Amount in Rs.)	2016-17 (Amount in Rs.)
<u>Schedule-25</u>		
<u>REVENUE GRANT SUBSIDIES</u>		
Revenue Grant Transfer from IDSMT	0	1894615
Revenue from 14th finance commission	0	33770716
Revenue Grant Ganana	0	663500
Revenue from 5th finance commission	0	0
Revenue Grant from SJSRY	0	3445060
Revenue Grant- panadhay yojna	0	208800
Revenue Grant (MP/MLA)	0	2660978
Revenue Grant SBM	0	6886849
Revenue Grant Samudayik Toilets	0	2500000
Revenue Grant Jal swalamban	0	19229000
Eco. And Statices Survey	0	232245
Revenue Grant Amrit Yojna	0	9542023
TOTAL	0	81033786
<u>Schedule-26</u>		
<u>INCOME FROM CORP./ ASSET</u>		
Interest From Banks/lease	21570012	5481784
Interest (FDR)	0	6818490
Sale of Products	0	421500
Sale of Forms & Publications	0	3125250
TOTAL	21570012	15847024
<u>Schedule-27</u>		
<u>MISCELLANEOUS INCOME</u>		
Recoveries from Employees	0	282654
Liabilities of Employee Adjusted	0	22480
Other income	0	300
Sasti Fees	2194873	0
TOTAL	2194873	305434



Schedule forming part of Income and Expenditure Account of Municipal Council Sikar
For the Year Ending 31 March 2018

PARTICULARS	2017-18 (Amount in Rs.)	2016-17 (Amount in Rs.)
<u>Schedule-28</u>		
<u>ESTABLISHMENT EXPENSES</u>		
Corporator Allowance	416800	1562030
Medical Reimbursement	0	62802
Salary & Other Payment	122919315	121031441
Gratuity Paid	0	11056826
Uniform allowance	320850	342750
Bonus	1495912	1554019
Other Allowances	2356952	22154
Leave Encashment	4391185	8221848
Contract Salary	8667099	0
TOTAL	140568113	143853870
<u>Schedule-29</u>		
<u>GENERAL ADMINISTRATION EXPENSES</u>		
Audit Fees	0	57250
Advertisement Fees	3267985	3296076
Professional & other fees	501622	14827950
Business & Survey Expenses	0	203745
Contract Vehicle Exp.	599045	2145619
Contingencies and other Contract	0	0
Communication Expenses	175642	171073
Water Expenses	417033	0
Electricity Bill exp.	7532627	0
Festivals Exp.	2295489	0
Fuel Petrol & Diesel	8297625	5501863
Legal Fees	941030	740995
Newspapers, Magazine & General Expenses	0	3030
Other Expenses	262953	299193
Stationery & Printing Expenses	1016887	535333
Travelling Exp.	257178	121938
Accounting Charges	36484	318990
Office maintenance		5492180
Bank Charges	6991	3021
Membership expenses	8000	8000
Repair & Maintenance	1116451	0
Repair & maintenance - vehicles	887009	2543440
Insurance expenses	962988	540617
Office Expenses	80536	0
Entertainment Expenses	27260	0
Medical bills expenses	68574	0
TOTAL	28759409	36810313



Schedule forming part of Income and Expenditure Account of Municipal Council Sikar
For the Year Ending 31 March 2018

PARTICULARS	2017-18 (Amount in Rs.)	2016-17 (Amount in Rs.)
<u>Schedule - 30</u>		
<u>Public Works</u>		
Expenditure on safai	173010	32759602
Repair & Maintenance of public toilets	0	659616
Repair & Maintenance - Sewerage and drainage	0	13724674
Repair & Maintenance- Roads & Maintenance	6127750	19400886
Repair & Maintenance -Electricals	486015	1029998
Electricity - Bulk purchase	0	1839529
Water- Bulk Purchase	0	275636
Expenditure on Parks and Gardens	2877973	10840617
Repair and maintenance - others	0	1602291
Other Operating & Maintenance	0	3910529
Krishi Bhumi rupantaran expenses	0	21243208
Census	0	674750
Swach bharat mission expenses	0	6239339
Bhamasah shivir Expenses	495663	0
Navachar Nidhi	0	48395
SJSRY Expenses	0	684497
Panadhay Scheme Expenses	0	210600
Fodder to Animals	0	721827
Animal Catching Expenses		147100
Help to Social Organisation	2800000	2050000
Programme Expenditure	0	1556434
Jal Swalamban Expenses	5691408	21072000
Crain Service	508010	0
Donation Expenses	6361	0
Electricity Connection Expenses	434101	0
Intership Expenses	30135	0
Lease Expenses	28000	0
Lay out plan Survey Cost	205204	0
Scholarship Expenses	28800	0
TOTAL	19892430	140691528
<u>Schedule - 31</u>		
<u>MISCELLANEOUS EXPENCES</u>		
RUDP Contribution	0	2500000
Contingencies Exp.	15280	0
TOTAL	15280	2500000



MUNICIPALITY
SIKAR (2017-18)

SCHEDULE 32

ACCOUNTING POLICIES AND NOTES TO ACCOUNTS(2017-18)

I ACCOUNTING POLICIES

1. Basis of Accounting

The financial statements are prepared on a going concern and under historical cost basis under cash basis of accounting except in case of contractual payments like accounting charges and audit fees. The method of accounting is the double entry system. However, initial opening balances has been derived based on transitional methodology devised for first time adoption of double entry accounting system which inter-alia includes certain estimates, assumptions and back calculation, instead of tracing the transactions since its inception.

2. Recognition of Revenue

i. Revenue

- a. Property Taxes , Duty / Surcharge on transfer of Immovable properties, Advertisement taxes and others are recognized in the period in which they are received
- b. Other Incomes, which are of an uncertain nature or for which the amount is not ascertainable or where demand is not raised in regular course of operations, is recognized on actual receipt.

ii. Provision against payables

- a. Provisions against payables are made based on type of income; age judgement and past experience of the management. Security deposits and earnest money deposit more than three years old and no longer payable due to non-claim by parties or otherwise are being written back and considered as income



Sikar Nagar Parishad
GRANTS & CONTRIBUTION FOR SPECIFIC ASSETS

Group Summary

1-Apr-2017 to 31-Mar-2018

GRANTS & CONTRIBUTION FOR SPECIFIC ASSETS				
Particulars	Sikar Nagar Parishad			
	1-Apr-2017 to 31-Mar-2018			
	Opening Balance	Transactions		Closing Balance
		Debit	Credit	
AMRIT YOJNA CONTROL A/C	176375922.00 Cr	355638625.00	207650000.00	28387297.00 Cr
EXP AGAINST AY		355638625.00		355638625.00 Dr
GRANT AGAINST AY	176375922.00 Cr		207650000.00	384025922.00 Cr
CM SAREE KAMBAL YOJNA	2826525.00 Cr	2899500.00		72975.00 Dr
BPL SADI KAMBAL EXP		2899500.00		2899500.00 Dr
CM SAREE KAMBAL YOJNA	2826525.00 Cr			2826525.00 Cr
FFC GRANT CONTROL A/C	145771488.00 Cr	63486781.00	86252000.00	168536707.00 Cr
EXP AGAINST FFC		63486781.00		63486781.00 Dr
GRANT FOR FFC	145771488.00 Cr		86252000.00	232023488.00 Cr
Grant Against Public Light Control A/c		5274756.00	21943000.00	16668244.00 Cr
GRANT AGAINST PUBLIC LIGHT			21943000.00	21943000.00 Dr
STREET LIGHT EXP.		5274756.00		5274756.00 Dr
M.P./MLA FUND	2222383.00 Cr	400000.00		1822383.00 Cr
EXP AGAINST MLA MP FUND		328564.00		328564.00 Dr
GRANT MLA MP FUND	2222383.00 Cr	71436.00		2150947.00 Cr
SFC GRANT CONTROL A/C	54360840.00 Cr	58584159.00	78823000.00	74599681.00 Cr
EXPENSES AGAINST SFC		33171159.00		33171159.00 Dr
Grant for Sfc	54360840.00 Cr		78823000.00	133183840.00 Cr
Miscellaneous Contribution From Sfc Grant		20413000.00		20413000.00 Dr
SJSRY	7587421.00 Cr	3946944.00	772760.00	4413237.00 Cr
Exp Against SJSRY		3270850.00		3270850.00 Dr
EXP AGAINST SJSRY (CAP)		676094.00		676094.00 Dr
GRANT AGAINST SJSRY	7587421.00 Cr		772760.00	8360181.00 Cr
SMB GRANT CONTROL A/C	48635137.00 Cr	17653950.00	22151000.00	53132187.00 Cr
EXP AGAINST SBM		2385554.00	1644000.00	1241554.00 Dr
EXP AGAINST SBM (CAP)		14768396.00		14768396.00 Dr
GRANT AGAINST SBM	48635137.00 Cr		20507000.00	69142137.00 Cr
GRANT PANADHAY JIVAN AMRIT YOJNA			28800.00	28800.00 Cr
GRANT UNDER IDSMT SCHEME	5861943.00 Cr			5861943.00 Cr
GRANT UNDER IHSDP SCHEME	6357044.00 Cr			6357044.00 Cr
Grand Total	449998703.00 Cr	507884715.00	417620560.00	359734548.00 Cr

MUNICIPALITY SIRAR (2017-18)

3. Recognition of Expenditure

i. Expenditure

- a. Expenses on Salaries, bonus and other allowances and borrowing costs are recognized as and when they are paid.
- b. All revenue expenditures and expenditure towards works contracts are treated as expenditures in the period in which they are paid.
- c. Provision for expenses are made at the year-end for certain expenses of yearly contractual nature for which the amount is known beforehand like audit fees and accounting charges.
- d. Retirement benefit viz encashment of leave etc. are booked on Payment basis i.e when they are due for payment.

ii. Provision against receivables

- a. Provisions against receivables are made based on type of income, age of receivable and judgement and past experience of the management. Incomes that have been accrued and are doubtful of recovery are provided for.

4. Fixed Assets

i. Recognition

- a. All Fixed Assets are carried at cost less accumulated depreciation. The cost of fixed assets include cost incurred/money spent in acquiring or installing or constructing the fixed asset, interest on borrowings directly attributable to acquisition or construction of qualifying fixed assets up to the date of commissioning of the assets and other incidental and indirect expenses incurred up to that date.

- b. Any Fixed Asset, which has been acquired free of cost or in respect of which no payment has been made, is recorded at nominal value of Re. 1/-

ii. Depreciation

Depreciation is provided on Written down value method as per rates specified in Income Tax Act, 1961 as suggested in Rajasthan Municipal Accounting Manual.



MUNICIPALITY SIKAR (2017-18)

5. Inventories

Inventories are valued as follows:

- a. Raw materials are valued at Cost based on first in first out method
- b. Finished goods are valued at lower of the cost or market value.

6. Grants

- a. General Grants, which are of revenue nature, are recognized as income on actual receipt

- b. Grants, which are re-imbursement of specific revenue expenditure is recognized as income in the accounting period in which the corresponding revenue expenditure is charged to the Income and Expenditure Account.

- c. Grant received towards capital expenditure is treated as a liability till such time the fixed asset is constructed or acquired. On construction/acquisition of fixed asset, the grant corresponding to the value of the asset so constructed/acquired is treated as a capital receipt and transferred to capital contribution.

7. Employee benefits

- a. Separate Funds are formed for meeting the provident and gratuity.
- b. Contribution towards Provident and gratuity funds are recognized as and when it is due

8. Investments

- a. All investments are initially recognized at cost. The cost of investment shall include cost incurred in acquiring the investment and other incidental expenses incurred for its acquisition.
- b. Long-term investments are carried at their cost. However in the event of any permanent diminution in their value as on the date of balance sheet, these are provided for.
- c. Short-term investments are carried at their cost or market value (if quoted) whichever is lower.



MUNICIPALITY SIRAR (2017-18)

9. Correction to Opening Balances

There may exist possibilities that certain assets and liabilities are identified after preparation of draft Opening Balance Sheet as well as after preparation of the first Balance Sheet subsequent to Opening Balance Sheet. In such case, the value of assets or liabilities identified will be directly incorporated in the Opening Balance Sheet (where first Balance Sheet subsequent to the Opening Balance Sheet is not prepared) or through the account "Adjustments to Opening Balance Sheet" and/or through "Municipal General Fund" in the Balance Sheet for the period concerned.

II NOTES TO ACCOUNT

1. The value of fixed assets have been depreciated as per rates specified in the Income Tax Act, 1961 on written down value method from 1st April, 2015. During the earlier period, no depreciation has been charged and recognized. The depreciation amount so obtained has been considered in Depreciation Fund.
2. Balances of Debtors, Creditors and other parties are subject to confirmation. The balances of the Deposits received from contractors/suppliers is on the basis of receipts issued against deposit and deduction made from payments to them.
3. These accounts have been prepared covering receipts of various Grants/Aids/Funds from State Government for specific purpose/scheme. In view of long duration of scheme, utilization of same is subject to verification on completion of scheme.
4. The Financials are prepared on the basis of Cash Books maintained by ULB and Information provided by Municipal Council.
5. There is "Statutory Liabilities" Like "Gratuity Payable" Balance are Dr. which shown excess payment by Municipal Council.
6. Accounting work not properly done by accountant.
7. There is Some Grant Balance are Negative.
8. There is "Balance mismatch" account maintained for shown Difference in various Bank accounts which maintained in General Cash Book.

