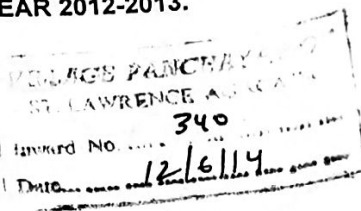


**ANNUAL AUDIT REPORT ON THE ACCOUNTS OF THE VILLAGE PANCHAYAT OF
ST. LAWRENCE-AGASSAIM IN TISWADI BLOCK FOR THE YEAR 2012-2013.**

PART - I



(a) Name of the Sarpanch :-
Smt. Piedade Fernandes, 01.04.2012 – 27.05.2012.
Shri. Jaime A. Afonso, 28.05.2012 – 31.03.2013.

(b) Name of the Secretary.
Shri Thomas Fernandes, 01.04.2012 – 27.06.2012.
Shri Mahesh Naik, 28.06.2012 – 09.11.2012.
Shri Basillo Piries, 15.11.2012 – 31.03.2013.

(c) Name of the Audit party and their designation.
1) Shri. Vishwanath Gaonkar, Dy. Director of Accounts,
2) Shri. Anand M. Naik, Assistant Accounts Officer.
3) Shri. Subhash Talkatkar, Head Clerk.
4) Shri. Anil Volvoikar, Accounts Clerk.

(d) Date of Audit :- 19.02.2014 – 20.02.2014.

(e) Period covered during Audit :- Financial year 2012-13 i.e.
from 01.04.2012 to 31.03.2013

PART - II INTRUDUCTORY.

The Annual Audit of the Accounts of the Village Panchayat of St. Lawrence-Agassaim in Tiswadi Block for the year 2012-2013 was conducted from 19.02.2014 to 20.02.2014 as per the Circular No.30/7/75/Finance (Bud) dated 21st August, 1996 from Finance (Bud) Department, based on the records furnished by the Panchayat.

The Village Panchayat was sanctioned and paid the following types of Grants during the year 2012-2013. The details of the same are as follows:

(a) Administrative Grants:

i)	Village Panchayat Members Salary.....	.....Rs.	4,14,000=00
ii)	Matching Grants.....	.....Rs.	4,25,000=00
iii)	Library Grants.....	.....Rs.	NIL
iv)	House Tax Grants.....	.....Rs.	72,905=00
v)	Golden Jubilee Grants (Special Grants)	.....Rs.	NIL
vi)	V.P. Staff Salary.	.....Rs.	6,89,784=00
	Total.....	.....Rs.	16,01,689=00

(b) Development Grants :

i)	G.I.A. Development Grants.....	.....Rs.	NIL
ii)	DRDA (NREGA).....	.....Rs.	NIL
iii)	XIII th Finance Commission.....	.....Rs.	NIL
iv)	R.D.A. GGSY Grants.....	.....Rs.	NIL
	Total.....	.....Rs.	NIL
	Total Grants (a) & (b).....	.....Rs.	16,01,689=00

PART - III

The Village Panchayat of St. Lawrence-Agassaim is maintaining its accounts in Form-1 to 10 as per Rules 20, 21 (a) and 25 of the Goa Panchayat (Accounts, Audit and Custody of Funds) Rules, 1997, comprising particulars of Income and Expenditure of all the grants received i.e. Administrative and Development Grants.

(ii) **SUMMARY OF ACCOUNTS :-**

- (a) The total amount of Receipts for the year 2012-2013 Rs.25,27,728=82
 (b) The total amount of Expenditure for the year 2012-2013. Rs.21,44,503=70
 (c) The total funds available with the Panchayat at the end of March, 13 are as detailed below:

Figure in Rupees

S.No.	Name of the Grants.	Amount.		
		Rs.		
(i)	Govt. Grants.	Rs.	17,66,355	00
(ii)	D.R.D.A. (NREG)	Rs.	1,063	07
(iii)	D.R.D.A. (GGSY)	Rs.	NIL	
(iv)	EMD	Rs.	1,04,534	00
(v)	Security Deposits	Rs.	78,984	00
(vi)	Income Tax	Rs.	40,940	00
(vii)	Sales Tax/Vat	Rs.	14,665	00
(viii)	Royalty	Rs.	15,763	00
(ix)	Panchayat fund.	Rs.	3,03,138	96
(x)	Closing balance as on 31.March, 2013	Rs.	23,25,443	03

(ii) **DETAILS OF UTILISED/UN-UTILISED GRANTS:**

The details of utilized/unutilized Grants out of the balance grants of the previous years as well as out of sanctioned during the year 2012-2013 are given below:

Sr. No.	Name of the Grants	Previous balance	Amount sanctioned	Amount utilized	Amount unutilized
01	V.P. Member Salary	47,502.00	*3,27,750.00	34,500.00	4,27,002.00
02	Matching Grants.	-----	4,25,000.00	5,25,000.00	Duly accounted
03	House tax Grants.	-----	*72,905.00	72,905.00	Duly accounted
04	GIA (DEV) Grants.	1,78,840.00	-----	-----	1,78,840.00
05	Special Grants (Golden Jubilee)	10,00,000.00	-----	-----	10,00,000.00
06	V.P. Staff Salary.	3,46,950.00	*6,89,784.00	9,35,646.00	1,01,088.00
07	Weaker Panchayat Grants	52,305.00	-----	-----	52,305.00
08	Excess Grants.	7,120.00	-----	-----	7,120.00
	Total Rs.	16,32,717.00	16,01,689.00	14,68,051.00	17,66,355.00
Sr. No.	Name of the Grants	Previous balance	Amount sanctioned	Amount utilized	Amount unutilized
01	D.R.D.A. (NREG)	1,042.19	Int. 20.88	-----	1,063.07
02	D.R.D.A. (GREGS)	-----	-----	-----	-----
03	D.R.D.A. (GGSY)	-----	-----	-----	-----
	Total Rs.	1,042.19	Int. 20.88	-----	1,063.07
	GRAND TOTAL Rs.	16,33,759.19	16,01,709.88	14,68,051.00	17,67,418.07

Above amount taken as per the Cash Book.

Note:- * The above grants directly deposited in Bank accounts but receipts were not accounted in.

UTILIZATION CERTIFICATE:-

The Village Panchayat should ensure that the utilization certificates in respect of the grants utilized should be forwarded to the grants sanctioning authority, in due course of time. The unutilized grants may be utilized after obtaining necessary extension of time limit, otherwise the same should be refunded immediately to Grant Sanctioning Authority, under intimation to Audit.

Grants sanctioned were directly deposited in the Bank, but receipt was not accounted in Cash Book.

(iii) VARIATION BETWEEN BUDGET ESTIMATES & THE ACTUAL FOR THE YEAR 2012-13.

(A) INCOME:

Sr. No.	Original Budget Provisions	Revised Budget estimate	Actual Income	Short fall/increase with reference to the original budget.
1	2	3	4	5
1.	Rs. 46,34,310.50	-----	Rs.25,27,728.82	Rs.(-) 21,06,581.68

(B) EXPENDITURE :

Sr. No.	Original Budget Provisions	Revised Budget estimate	Actual Expenditure	Short fall with reference to the original budget.
1	2	3	4	5
1.	Rs. 53,90,913.00	-----	Rs. 21,44,503.70	Rs.(-)32,46,409.30

On comparison with the original budget estimate with that of Actual Income and Expenditure for the year 2012-13, that there is huge savings on both side i.e. Income and Expenditure side. The Panchayat also failed to revise the Budget as a result there was savings in most of Budget heads. In future, the Budget should be prepared in realistic manner.

PART – IV – COMMENTS ON TRANSACTION

Section A – Outstanding audit paras of the Previous Audit Report.

Year.	Para s B/F.	Paras Settled	Paras outstand ing	Subject in brief.	
1	2	3	4	5	
1988-89	01	-----	01	Para-	On Auction recovery of Market fees of Rs. 3662=50
1992-93	02	-----	02	Para-04 Para-10	(ii) Auction recovery of Rs.4,105=00 and mela fee of Rs.4500=00 Purchase of RCC bricks of Rs. 25,000=00 and water tanks of Rs.3850=00 without quotation.
1993-94	01	-----	01	Para-06	(ii)Differential amount of Rs.1015=00 to be recovered.
1997-98	01	-----	01	Para-	Para on retirement of gratuity to peon.
1998-99	01	-----	01	Para-10	Land for building of Market complex of Rs. 1,40,000=00 with Dy. Collector.
2002-03	02	-----	02	Para-03 Para-	Purchase of stationery from 98- to 03. Para on Departmental works.
2009-10	03	-----	03	Para-05	Electrical materials bills excess payment of Rs.1187=50 may be

				Para-12 Para-13	recovered from the Universe electrical. Purchase of electrical materials i.e. Ex-Post Facto of excess exp. From 1992 - 93 to 2009-10. Departmental works regularization of expenditure from 2006-07 to 2009-10.
2010-11	03	-----	03	Para-08 Para-09 Para-16	Excess expenditure over budget. Excess expenditure over permissible limit regularizations from the competent authority. Production of administrative report 2010-11.
2011-12	15	09	06	Para-04 Para-05	Recovery of rent from Elect. Dept. from 8 years back. Recovery of Licence fees from Amlonia F. Gonsances-Rs.2094=00 (2008-2009)
				Para-6 Para-7 Para-8 Para-9	Recovery of excess amount of supply of electrical goods from Universal electrical, Mapusa amounting to Rs.5450=00 Excess expenditure for purchase electrical goods. Irregular expenditure-Supply of Kaskas without quotation. Garbage collection and disposal.
Total.	29	09	20		

The above 20 outstanding audit paras may be settled at the earliest and shown to the next audit.

It is noticed that the Panchayat has neither seen the long pending paras nor efforts made to settle the above paras for years together. Immediate action to comply the long pending paras should be taken and compliance should be reported to Audit.

It is observed that the Panchayat had neglected to settle the above paras from years together. The same should be settled and compliance should be reported to Audit.

CURRENT AUDIT- 2012- 2013

1. **CASH BOOK :-** The Cash Book is found in untidy condition. There are many corrections/over writings/cancellations without any attestation. It appears that the cash is not written daily and the monthly detailed closing balance certificate is not recorded in the Cash Book. The required inspection of EOVP/BDO's are not done. The margin of differential figure in the Bank book and bank figure in the cash book is increasing. The bank reconciliation statement is not prepared and recorded in the Cash book and the reconciliation figures for the year 2010-2011 and 2011-2012 are not recorded in the Cash book till date.

The Cash book is checked during the course of audit. The closing balance as on 31.03.2013 is shown as Rs.23,23,762=50. The actual closing balance as per the Cash book works out to Rs. 23,25,443=03. This is because the opening balance as

on 01.04.2013 is short accounted in the cash book by Rs.1,680=53. Also the following discrepancies are found during the course of audit.

Sr. No.	Receipt No.	Actual amount	Amount shown in the Cash book.	Difference.	Excess/Saving.
(i)	205/25	Rs. 81=00	Rs. 56=00	Rs. 25=00	Saving.
(ii)	206/51	Rs. 50=00	Rs. 10=00	Rs. 40=00	Saving
(iii)	208/69	Rs. 2,990=00	Rs. 2,900=00	Rs. 90=00	Saving
(iv)	217/40	Rs. 733=00	Rs. 732=00	Rs. 1=00	Saving
(v)	224/14	Rs. 118=00	-----	Rs.118=00	Saving
(vi)	227/79	Rs. 150=00	Rs. 200=00	Rs. 50=00	Excess
(vii)	Totaling 15.1.13	Rs. 6,282=00	Rs. 6,262=00	Rs. 20=00	Saving.
(viii)	31.01.2013	Rs. 2,121=00	Rs. 2,107=00	Rs. 14=00	Saving
(ix)	10.02.2013	Rs.13,75,911=00	Rs.13,80,366=00	Rs.4455=00	Excess
(x)	19.03.2013	Rs. 5,820=00	Rs. 5,828=00	Rs. 8=00	Excess
		Total Excess accounted....		Rs.4,205=00	

The above excess accounted amount is treated as Panchayat fund.

The detail of the closing balance as per the Cash Book is as follows:-
The balance as per Bank Passbook, Certificates, FDR etc.

Sr.	Name of the Bank.	Account No.	Balance as per Cash Book.	
			4	5
1	Cash in Syndicate Bank	7208220059522	Rs. 1,084=26	Rs. 1,002=09
		Less:-unreconcilled amt.	Rs. 81=36	
		Closing balance as per Cash book.		
2	Cash in Syndicate Bank	72082200006296	Rs. 22,56,821=31	Rs. 14,06,182=31
		Less:-unreconcilled amt.	Rs. 8,50,639=00	
		Closing balance as per Cash book.		
3	Cash in Syndicate Bank	72082200048137	Rs. 51,215=35	Rs. 8,71,046=75
		Less:-unreconcilled amt.	Rs. 8,19,831=40	
		Closing balance as per Cash Book.		
4	Cash in Dena Bank	021610001783	Rs. 38,592=89	Rs. 35,177=89
		Less:-unreconcilled amt.	Rs. 3,415=00	
		Closing balance as per Cash Book.		
5	Cash in State Bank of India	30646462107	Rs. 4,622=10	Rs. 4,134=10
		Less:-unreconcilled amt.	Rs. 488=00	
		Closing balance as per Cash Book.		

6	Cash in Hand.		Rs. 6,219=36	Rs. 7,899=89
			Rs. 1,680=53	
3	Closing balance as on 31.03.2013.			Rs. 23,25,443=03

The unreconciled amount are required to be reconciled and shown to the next audit.

2. RDA ACCOUNTS:-

RDA/GREGS – (Syndicate Bank Account No. 7208220059522)

During the year 2012-2013, The Panchayat has neither received any grants nor incurred any expenditure under this Scheme. The Closing balance as on 31st March, 2013 is Rs.1,002=09.

The Audit of the RDA Account is carried out by the Office of the District Rural Development Agency, Panaji – Goa.

SECTION – B – I

3. MAJOR IRREGULARITIES:-

- (i) The bank reconciliation statement is not prepared and recorded in the Cash book at the end of each month/year.
- (ii) Closing balance is not certified by the Sarpanch at the end of each year.
- (iii) Cancelled receipts are not signed by the Sarpanch.
- (iv) Vouchers are not certified by the Sarpanch.
- (v) It appears that the Cash book is not written day to day basis regularly.
- (vi) Thumb impressions on vouchers are not authenticated by the Sarpanch.
- (vii) Form No.6, Assets and Property Register is not found in order.
- (viii) Form No.5, Receipt book register, shown to the audit, but not found in order.
- (ix) Correction/cancelations/overwriting in the Cash Book and other registers are not attested by the Sarpanch.
- (x) All major irregularities of the year 2011-2012 are not complied till date.

4. CONSTRUCTION ACTIVITIES:-

Construction Licences:-

The Secretary of Village Panchayat of St. Lawrence-Agassaim has certified vide certificate No.VP/SLA/2013-14/1494, dated 21.02.2014, that he had issued 18 numbers of Constructions Licenses including renewal/revised during the year 2012-2013. An amount of Rs. 44,514=00 (Rupees forty four thousand five hundred fourteen only) was recovered as License Fees. The fees are charged as per the estimate certified by the Civil Engineer.

Relevant records are seen in audit.

As per previous audit report, the short recovery of Rs.5,318=00 (Rupees five thousand three hundred eighteen only) has been recovered out of Rs.7,412=00 (Rupees seven thousand four hundred twelve only)The short recovery of Rs. 2,094=00 in respect of Amonia F. Gonsalves is still outstanding till date. The Panchayat should take necessary action to recover the said amount and compliance should be intimated to audit.

ILLEGAL CONSTRUCTIONS:-

The Sarpanch of Village Panchayat St. Lawrence-Agassalm has certified vide certificate No. VP/SLA/2013-14/1493, dated 19.02.2014. That he had detected 08 numbers of illegal construction cases during the year 2012-2013. The details of the illegal construction cases are as follows:-

(i) Nos. of illegal construction cases as on 01.04.2012.....	46
(ii) Illegal construction cases detected during the year 2012-2013.....	08
(iii) Nos. of illegal construction cases settled/disposed off during the year 12-13.....	14
(iv) Total number of illegal constructions cases up to 31.03.2013.....	40

Efforts need to be made for expeditious disposal of cases and revenue realized on concluding of cases be indicated to audit. Necessary action should be initiated to dispose off the illegal construction cases so as to create deterrent on such issues, whereby the cases of illegal construction should be settled.

5. ANNUAL ACTION PLAN:

As per section 238 of the Panchayat Act, each Panchayat shall prepare every year a development plan and submit to the Zilla Panchayat before such a date and in such form as may be prescribed for inclusion of the same in the District Plan for onwards submission to District and Planning Committee, constituted under Section 239 of the Act.

6. FUNCTIONS OF GRAMSABHA:-

- (i) As per Section 6 (2) of the Act, Gram Sabha shall constitute minimum two Supervisory Committees to Supervise the Panchayat works, schemes and other activities. The supervisory committee shall submit its report to the Panchayat and also place a copy of their report in the meetings of Gram Sabha for an appropriate decision.
- (ii) As per section 6 (3) of the Act, the Government shall constitute Vigilance Committee to oversee the quality of works, schemes and other activities of each Gram Panchayat.
- (iii) As per Section 6 (8) of the Act, the Gram Sabha shall constitute two or more Ward Development Committees.

7. TAXES:

The following statement showing the detailed position of arrears, current demand, collection and balance during the period from 01.04.2012 to 31.03.2013.

Figure in Rupees

Sr. No.	Nature of taxes	Arrears	Current Demand	Total	Collection	Balance
(i)	House tax.	6,69,083.50	3,98,846.00	10,67,929.50	3,20,439.00	747490.50
(ii)	Prof. tax	2,99,516.00	96,004.00	3,95,520.00	1,39,889.00	2,55,631.00
(iii)	Hoarding tax	79,557.00	35,844.00	1,15,401.00	29,560.00	85,841.00
(iv)	Cycle Tax	40,565.00	NIL	40,565.00	NIL	40,565.00
(v)	Cart Tax	547.00	NIL	547.00	NIL	547.00
(vi)	Light tax.	40,380.00	15,414.00	55,794.00	13391.00	42,403.00
(vii)	Entertainment Tax.	925.00	NIL	925.00	NIL	925.00

(viii)	Dog Tax	582.00	NIL	582.00	NIL	582.00
	Total.	11,31,155.50	5,46,108.00	16,77,263.50	5,03,279.00	1173984.50

The Panchayat has collected an amount of Rs.5,03,279.00 (Rupees five lakhs three thousand two hundred seventy nine only) as various taxes during the year 2012-2013. The tax

Collection is only 30% out of the total demand. The position of the Panchayat in respect of collection of taxes is not satisfactory. Efforts are required to be made to collect the balance arrears along with penalty and compliance be reported to audit.

8. RENT:-

The Panchayat has leased out one premise on rental basis and no amount has been collected as a rent during the year 2012-2013. The details of the rent are as follows:-

Figure in Rupees						
S.N	Nature of the premises.	Arrears	Current Demand	Total	Collection	balance
(i)	Electricity Department.	16920=00	2,256=00	19,176=00	NIL	19,176=00
	Total.	16920=00	2,256=00	19,176=00	NIL	19,176=00

The Panchayat has failed to collect the rent from Electricity Department. The Electricity Department has not paid any rent right from eight years approximately and its arrears are increasing year after year. The Panchayat has sent letter vide letter No. VP/SLA/2013-14/730, dated 21.08.2013 requesting to clear the above dues at an early date, but till today no dues has been cleared.

9. AUCTION:-

MARKET FEES/SOPO.

The Village Panchayat of St. Lawrence-Agassaim has leased out its right for collection of Market fees/Sopo from Melas fairs and festivals within the jurisdiction of V.P. Lawrence-Agassaim for the year 2012-2013, held on 26.03.2013. The highest bid amount of Rs.63,100=00 (Rupees sixty three thousand one hundred only) of Shri Afonso Xavier Fernandes was accepted by the Panchayat. An amount of Rs. 15,775=00 (Rupees fifteen thousand seven hundred seventy five only) i.e. 25% of the bid amount paid by the bidder vide receipt No.228/20, dated 26th March, 2013 and balance amount of RS. 47,325=00 (Rupees forty seven thousand three hundred twenty five only) paid vide receipt No. 228/48 & 49, dated 30.03.2013.

No agreement had been executed by the Panchayat with the bidder. With effect from 01.06.2013 onwards, agreement should be executed on Stamp Paper of Rs.1,000=00 as per the official gazette, Sr. No. 1, No.9, dated 31.05.2013. Execution of agreement with the highest bidder should be strictly followed.

10. EXCESS EXPENDITURE OVER BUDGET:-

The Panchayat of St. Lawrence-Agassaim has not incurred excess expenditure over the Budget estimate

11. WORKS:-

The Village Panchayat of ST. LOWRENCE-AGASSAIM has executed only two works during the year 2012-2013 as per the statement furnished to Audit along with the relevant files and measurement books. The payments were made in the year 2012-2013. All the works are completed in all respect and final payment also made to the Contractors. All the works have been completed within the stipulated date of completions.

After verifying the above works following observations are found, which are to be complied by the Village Panchayat of ST. LOWRENCE-AGASSAIM.

- (1) Column of C.P.W.D. Booklet is not fill-up properly. Some booklet has signed by the Sarpanch, but Contractor has not signed. The same may be done.
- (2) Date of completion of work has not mentioned in the completion certificate issued by the competent authority.
- (3) Signature of the Contractor on C.P.W.D. Booklet is not obtained in both the measurement book.
- (4) Measurement recorded on M. B. in respect of the work done during the year 2012-13 and bill paid to the contractor, but the same are not thoroughly checked to ascertain the correctness authentically.
- (5) First and Final bills are prepared in both the cases but signature of the contractor has not obtained. Also date of completion is recorded on each Measurement Book but not recorded in First and Final bills of the contractor.
- (6) All the works have been completed in all respect and payment made to the contractors after recovery of E.M.D., Security Deposit, Income Tax, Vat, Royalty etc from the First and Final bills. An amount of Rs. 40,940=00 (Income Tax), Rs. 14,665=00 (VAT) and Rs. 15,763=00 (Royalty) are still lying in the Panchayat funds, which are to be deposited in Govt. Accounts without further delay.
- (7) Vat 2% should be deducted from the Contractors Bills. Previous difference may be calculated and deposited in the Govt. Treasury without further delay and shown to the next audit.
- (8) It is observed that only two contractors are guiding the work. The response in such cases is poor and hence competitive rates cannot be ascertained. The sanctity and transparency of tender is likely to be defeated and there could be pecuniary gains to the Contractor. No action has been taken as per para 16.7 of C.P.W.D. Works manual, 2007 is noted in audit. Same should be brought to the notice of competent authority for comment and comment as obtained should be furnished to audit.

12. EXCESS EXPENDITURE OVER PRESCRIBED LIMIT:-

The Panchayat has made an excess expenditure over the prescribed limit for the year 2012-2013 as detailed below:-

Sr. No.	Particulars of Expenditure	Prescribed Limit	Actual Expenditure	Excess expenditure.
01	Electrical goods.	Rs.2,00,000=00	Rs.3,87,168=00	Rs.1,87,168=00
02	Advertisement	Rs. 15,000=00	Rs. 15,620=00	Rs. 620=00
03	Stationery	Rs. 25,000=00	Rs. 28,641=00	Rs. 3,641=00
04	Refreshment	Rs. 25,000=00	Rs. 35,856=00	Rs. 10,856=00

Necessary Ex-Post facto approval should be obtained from the competent authority and compliance should be reported to audit.

13. FINANCIAL POSITION:-

The Panchayat is having an amount of Rs.3,03,138=96 in their Panchayat fund as on 31.03.2013. This shows that the financial position of the Panchayat is