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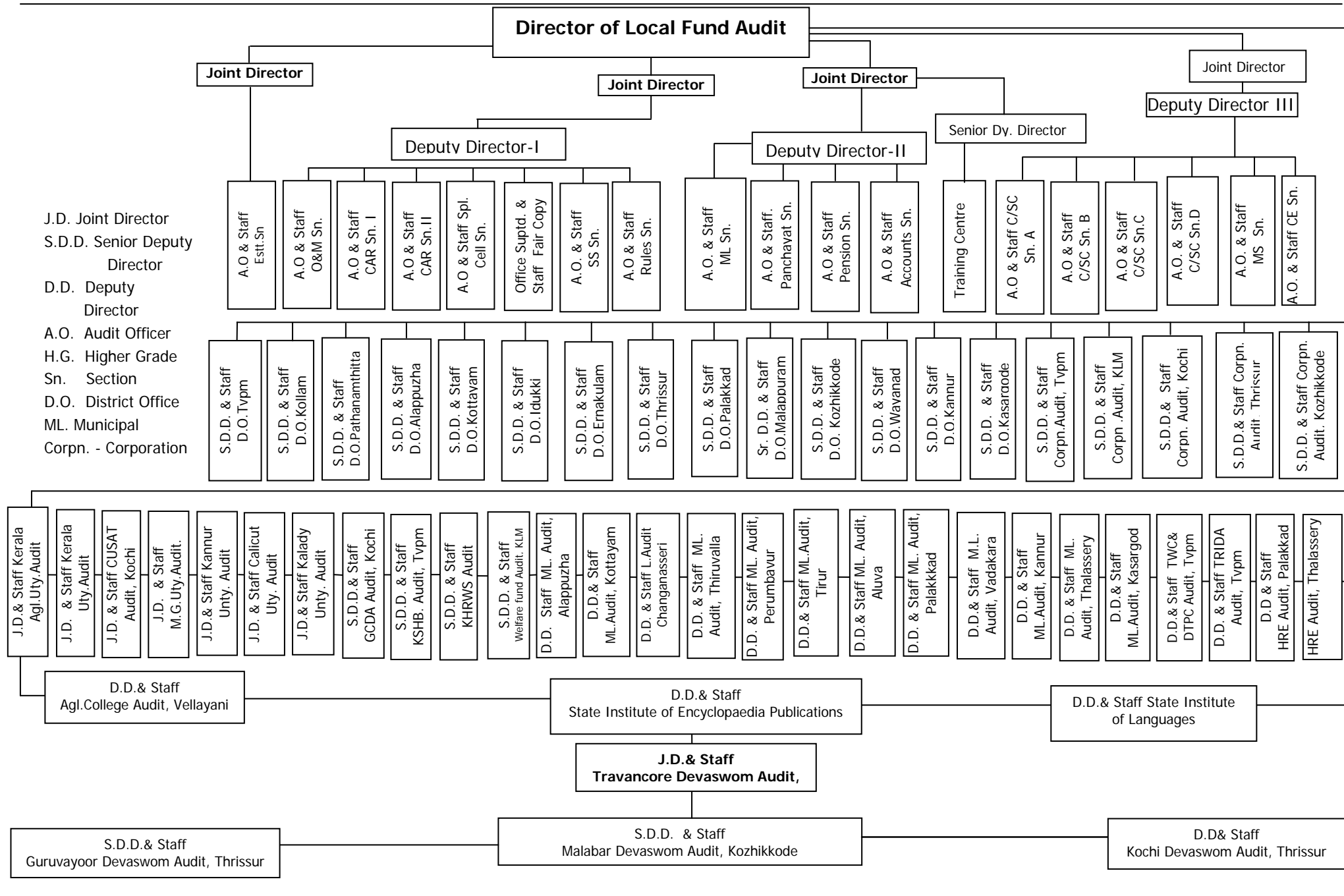
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(a) CHART SHOWING THE STRUCTURE OF THE WHOLE ORGANISATION OF THE DIRECTOR OF LOCAL FUND AUDIT AND TREASURER OF CHARITABLE ENDOWMENTS





# Administration Report of the Local Fund Audit Department for the year 2011-12

**Read: Government Circular No.13471/AR/2012/GAD dated:  
8.3.2012 of the Chief Secretary, Government of Kerala**

## **I. INTRODUCTION**

The Local Fund Audit Department came into being vide Order No.F1/3721/Fin dated: 08.05.1942 mainly for the Audit of accounts of Local Bodies and Universities on the lines suggested by the Accountant General. The Kerala Local Fund Audit Department evolved from Audit Department of Former Travancore Cochin and Malabar States following the formation of Kerala State. With the passing of the Kerala Local Fund Audit Act 1994 (Act 14 of 1994), the Department has got a resurgent status and objectives. The rules in the form of Kerala Local Fund Audit Rules, 1996 were also framed in this regard.

With the 73<sup>rd</sup> and 74<sup>th</sup> amendment of the Constitution, three tier Panchayat Raj Institutions became a reality and the powers and functions of such institutions are enhanced. The enactment of Kerala Panchayat Raj Act and Kerala Municipality Act witnessed decentralization of powers and functions. The role of the Local Fund Audit Department as the statutory auditor of Local Self Government Institutions increased its importance manifold.

The department originally envisaged to be independent of the Accountant General and under the administrative control of the Finance Department, Government of Kerala. During the year 2011-12 Office of the Minister of Finance was held by Sri.Dr.T.M.Thomas Issac and then by Sri.K.M.Mani.

During the year under report Sri.T.Bhasi held the Office of the Director of Local Fund Audit who was appointed as Director under section 3(4) of Local Fund Audit Act vide G.O.(Rt) No.6288/2006/Fin dated: 02.09.06 till 2.1.2012. Sri.K.K.Rajan rejoined duty on 6.1.2012 as Director of Local Fund Audit Act vide G.O.(Rt)No.99/12/Fin. Dtd: 4.1.2012.



Administration report of this Department for the year 2010-11 was prepared and forwarded to Government vide this office letter No.L.F.7447/MS 2/2011 dated: 4.10.2011.

## **II. ORGANISATIONAL STRUCTURE**

Director of Local Fund Audit is the State level head of the department who also functions as the Treasurer of Charitable Endowments of the State of Kerala. He is assisted by 4 Joint Directors, 3 Deputy Directors and 17 Audit Officers at Head Office situated in Vikas Bhavan, Thiruvananthapuram.

There are 14 District level offices and 39 concurrent audit offices in the Department. At District level, Senior Deputy Director of Local Fund Audit is the Audit authority except for temples and other concurrent audit institutions. In addition to these, a Training Centre for newly recruited Auditors is also functioning at Thiruvananthapuram. The centre is now headed by a Joint Director of Local Fund Audit deployed from the Directorate. The organisational hierarchy of the department is furnished overleaf.

As per section 4(1) & 4 (2) of the Kerala Local Fund Audit Act 1994 (Act 14 of 1994), the Director of Local Fund Audit is entrusted with the audit of accounts of the Local Self Government Institutions and Local Funds included in the schedule to the Act. The following institutions are included in the Schedule to the Act.

**i) Category wise statements of All Auditee Institutions as per the Local Fund Audit Act 1994 :**

1. All Municipal Corporations
2. All municipalities
3. All Panchayats
4. All Universities
5. Kerala State Housing Board
6. Kerala State Rural Development Board (Defunct)
7. TRIDA and GCDA
8. Temples under the management of HR&CE administration department (Now under Malabar Devaswom Board)
9. State Institute of encyclopaedic publications.
10. State Institute of Languages
11. Malabar Market Committee
12. Orphanages and Poor homes
13. The Kerala Sports Councils and District Units and affiliated institutions
14. Kerala State Jawahar Bala Bhavan and District Bala Bhavans
15. Harijan Hostels
16. Wakf Board
17. Kerala Lalithakala Academy
18. Kerala Sangeetha Nataka Academy
19. Kerala Sahithya Academy
20. Kerala Kalamandalam. (Now deemed University)
21. Kerala Association for Non-formal Education and Development (KANFED)
22. The State Institute of Children's Literature
23. The State Library Council, District Library Councils and Taluk Library Unions and Libraries affiliated to the State Library Council.
24. The Bharath Sevak Samaj, Kerala predesh
25. Bharath Scouts and Guides
26. The T.B. Association of Kerala
27. The Society for the Prevention of Cruelty to Animals
28. The Travancore Cochin Medical Council

29. The Kerala Nurses and Midwives Council
30. The Kerala Pharmacy Council
31. The Kerala Dental Council
32. The Kerala State Nirmithi Kendra
33. The Kerala Urban Development Finance Corporation (Now reorganised)
34. The Kerala Health Research and Welfare Society
35. The Kerala Police Welfare and Amenity Fund
36. The Kerala Police Sports Fund
37. The Kerala State Military Benevolent Fund, District Benevolent and Flag Day Fund of Rajya Sainik Board.
38. The Scientific Research Funds under the State Committee of Science and Technology
39. Kerala Panchayath Association Fund
40. Kerala Head Load Workers Welfare Fund
41. Kerala Khadi Workers Welfare Fund
42. The Kerala Motor Transport Workers Welfare Fund
43. The Kerala Coir Workers Welfare Fund
44. The Kerala Construction Workers Welfare Fund
45. The Kerala Abkari Workers Welfare Fund
46. Toddy Workers Welfare Fund
47. Labour Welfare Fund
48. Handloom Workers Welfare Fund
49. Agricultural Workers Welfare Fund
50. The Kerala Tailoring Workers Welfare Fund
51. Kerala Cashew Workers Relief and Welfare Fund
52. State Institute of Languages

***ii) Name of institutions included as per Government Order are given below:***

1. Ground Water Authority (Act 19 of 2002, Section 25)
2. Traders Welfare Fund G.O(P)16/92/TD dated: 27.01.92
3. Society for Construction, Maintenance and Administration of Multipurpose Cultural Complex GO (MS)56/98/CAD dated: 26.11.1998
4. Tourism Week Celebration and District Tourism Promotion Councils. G.O(Rt)5326/93/Fin dated: 9.11.93 and G.O (Rt) 3724/02/Fin dated: 12.07.2002.
5. Kerala Chalachithra Academy. G.O(MS)14/99/CAD dated: 17.03.1999.

6. Hospital Development Committees. G.O(Rt)3379/04/H&FWD dated: 31.02.2004
7. Kerala State Veterinary Council. Lr.No.133189/Estt. D1/04/Fin dated: 04.01.2005 from the Under Secretary for Principal Secretary, Finance.
8. Kerala Book Marketing Society. G.O(Rt)1901/05/Fin dated: 17.03.2005
9. Charitable Endowment Funds. Section 3(1) of Charitable Endowment Act (Central Act VI of 1890) G.O(P) 450/66/Fin dated: 10.10.1966.
10. State Council of Educational Research and Training (SCERT) G.O (MS)11/96/GAD dated: 06.11.96
11. Institute of Virology and Infectious Diseases, Medical College Hospital, Alappuzha. G.O(MS)50/2000/H and FWD dated: 01.03.2000.
12. Kerala Beedi and Cigar Worker's Welfare Fund Board. G.O (MS) 2078/01/LBR dated: 11.07.2001.
13. Kerala Etta, Kattuvally and Pandanus Leaf Workers Welfare Fund Board. G.O.(MS)No.2078/2001/LBR dated: 11.07.2001)
14. Kerala Diary Farmers Welfare Fund G.O.(Ms)No.63/2012/GAD Dtd: 21.3.2012.

**iii) As per the Order of Honourable High Court of Kerala :**

1. Travancore Devaswom Board.
2. Cochin Devaswom Board.
3. Deposit Accounts of the Courts Subordinate to the Honourable High Court of Kerala and Amalgamated Fund.

**iv) As per other Enactment/Rules :**

1. Guruvayoor Devaswom
2. Koodal Manikyam Devaswom
3. Kerala Panchayat Employees Provident Fund.
4. Kerala Municipal Employees Provident Fund.

The Director of Local Fund Audit is also functioning as the Treasurer of Charitable Endowments vide Section 3(1) of the Charitable Endowments Act. (Central Act VI of 1890)

**III HUMAN RESOURCES****a) Staff strength of the Department**

<b>Sl. No.</b>	<b>Name of Post</b>	<b>Scale of Pay</b>	<b>No.of posts</b>
1	Director	44640-58640+900 Special Pay	1
2	Joint Director	40640-57440	15
3	Senior Deputy Director	36140-49740	27
4	Deputy Director	22360-37940	35
5	Audit Officer (H.G)	20740-36140	197
6	Audit Officer	18740-33680	
7	Auditor (Selection Grade)	16980-313360	198
8	Auditor (Senior Grade)	16180-29180	199
9	Auditor	13900-24040	199
10	Office Superintendent	18740-33680	2
11	Typist (Selection Grade)	16980-31360	98
12	Typist (Senior Grade)	16180-29180	
13	Typist (First Grade)	13900-24040	
14	Typist (Second Grade)	10480-18300	
15	Confidential Assistant (Grade I)	13900-24040	3
16	Confidential Assistant (Grade II)	10480-18300	
17	Driver	9190-15780	1
18	Binder	9940-16580	1
19	Attender	8730-13540	34
20	Peon	8730-13540	93
21	Roneo Operator	4750-7820	1
<b>Total</b>			<b>1104</b>

**b) Details of employees working on deputation (2011-2012)**

1. Deputy Director	-	1
2. Audit Officer	-	1
<b>Total</b>	-	<b>7</b>
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**c) Retirements during the year 2011-12**

Nil

**d) Details of appointment made during 2011-12**

1. Joint Director	-	4
2. Senior Deputy Director	-	8
3. Deputy Director	-	17
4. Audit Officer	-	16
5. Auditor	-	44
6. Typist	-	Nil
7. Peon	-	6
<b>Total</b>	-	<b>95</b>

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**e) Appointment of persons belonging to SC and ST during the year 2011-12**

Monthly progress report on the representation of Scheduled Castes/ Scheduled Tribes in public services is forwarded regularly to Government on or before 10<sup>th</sup> of every month. During the year 2011-12 8 persons belonging to SC/ST were appointed.

1. Auditor – SC – 4, ST - 3
2. Peon - SC - 1

**f) Details of Training conducted for the personnel of the Department during 2011-12 (Man power planning and Development)**

The under mentioned Training programme were conducted to the staff of this department during the year 2011-12

1. Supervisory Development Programme on Legal Awareness at IMG, Thiruvananthapuram – 6.6.2011 to 9.6.2011.
2. Computer Training on Linux and Open Office at IMG, Kozhikkode – 6.6.2011 to 17.6.2011.
3. Capacity Building Programme on Accounting and Auditing Skills at IMG, Kozhikkode – 7.6.2011 to 10.6.2011.
4. Capacity Building Programme on Accounting and Auditing Skills from 13.6.2011 to 16.6.2011 at IMG, Kochi.
5. Supervisory Development Programme on Acts and Rules from 11.7.2011 to 14.7.2011 at IMG, Thiruvananthapuram.
6. Capacity Building Programme on Acts and Rules from 25.7.2011 to 29.7.2011 at IMG, Kozhikkode.

7. Capacity Building Programme on Accounting Software from 8.8.2011 to 11.8.2011 at IMG, Thiruvananthapuram.
8. Computer Training on Linux and Open Office from 16.8.2011 to 26.8.2011 at IMG, Kozhikkode.
9. Capacity Building Programme on Acts and Rules from 16.8.2011 to 20.8.2011 at IMG, Kochi.
10. Awareness Programme on e-governance from 19.9.2011 to 20.9.2011 at IMG, Kozhikkode.
11. Capacity Building Programme on Accounting Software from 10.10.2011 to 13.10.2011 at IMG, Kozhikkode.
12. Capacity Building Programme on Acts and Rules from 7.11.2011 to 11.11.2011 at IMG, Kochi.
13. Computer Training on Linux and Open Office from 21.11.2011 to 1.12.2011 at IMG, Kochi.
14. Supervisory Development Programme on Accounting and Auditing Skills from 28.11.2011 to 2.12.2011 at IMG, Thiruvananthapuram.
15. Awareness Programme on e-governance from 28.11.2011 to 29.11.2011 at IMG, Kochi.
16. Supervisory Development Programme on Accounting Softwares from 6.12.2011 to 9.12.2011 at IMG, Thiruvananthapuram.
17. Capacity Building Programme on Accounting and Auditing Skills from 6.12.2011 to 9.12.2011 at IMG, Kozhikkode.
18. Awareness Programme on e-governance at IMG, Thiruvananthapuram from 21.12.2011 to 22.12.2011.
19. Training on Linux and Open Office from 26.12.2011 to 5.1.2012 at IMG, Thiruvananthapuram.
20. Capacity Building Programme on Accounting and Auditing Skills from 2.1.2012 to 5.1.2012 at IMG, Thiruvananthapuram.
21. Capacity Building Programme on Accounting Softwares from 6.2.2012 to 9.2.2012 at IMG, Kozhikkode.
22. Capacity Building Programme on Accounting Softwares from 7.2.2012 to 10.2.2012 at IMG, Kochi.
23. Training on Linux and Open Office at IMG, Thiruvananthapuram from 21.2.2012 to 2.3.2012.
24. Training on Linux and Open Office at IMG, Kochi from 6.3.2012 to 17.3.2012.
25. Training Programme for Senior officials at Finance Secretariat Training Centre, Thiruvananthapuram from 21.2.2012 to 22.2.2012, 23.2.2012 to 24.2.2012, 27.2.2012 to 2.3.2012,

- 5.3.2012 to 9.3.2012, 12.3.2012 to 16.3.2012, 19.3.2012 to 23.3.2012, 26.3.2012 to 30.3.2012.
26. Malayalam Data Entry Training from 12.12.2011 to 14.12.2011, 15.12.2011 to 17.12.2011, 10.12.2011 to 21.12.2011, 5.1.2012 to 7.1.2012, 9.1.2012 to 11.1.2012, 16.1.2012 to 18.1.2012, 19.1.2012 to 21.1.2012, 23.1.2012 to 25.1.2012, 6.2.2012 to 8.2.2012, 13.2.2012 to 15.2.2012, 16.2.2012 to 18.2.2012, 22.2.2012 to 24.2.2012, 15.3.2012 to 17.3.2012, 19.3.2012 to 21.3.2012, 22.3.2012 to 24.3.2012.
27. Saankhya Software training from 1.1.2012 to 5.1.2012 at Institute of Co-operative Management, Poojappura.

## **IV FUNCTIONING OF THE DEPARTMENT**

### **A. Basic Functions**

1. The basic function of the department is the audit of accounts of the institutions under its audit control by virtue of the Kerala Local Fund Audit Act 1994.
2. Proper management of the corpus of the various Charitable Endowments is also done by this department.
3. Matter relating to Financial administration of Local bodies and other auditee institutions referred to this department by Government are also being attended to and remarks offered there of.
4. A consolidated report on accounts audited by the Director of Local Fund Audit in an year consisting of observations and serious irregularities detected is submitted to the Government to get its attention vide section 23 of the Kerala Local Fund Audit Act 1994 and Rules 25 of the Kerala Local Fund Audit Rules 1996.
5. The power to issue Charge and Surcharge Certificate for the recovery of losses sustained by Local Fund Institutions as disclosed in audit is vested with the Director of Local Fund Audit vide section 16 of the Kerala Local Fund Audit Act 1994 and Rule 20 of the Kerala Local Fund Audit Rules 1996.
6. Detects irregular/illegal payments, waste or misappropriation of money.
7. Verify the stores and stock accounts.
8. Issuance of Audit Report.
9. Issue of further remarks/further reports of the audit report issued and issue of Charge/Surcharge proposal.



10. Preparation of report on financial soundness of the auditee institution.
11. Approval of pay fixation of Panchayat/Municipal Employees/ Employees of Cultural Institutions/Universities/Devaswom Board/Housing Board etc.
12. Verification and recommendation of pensionary claim of Municipal Employees/Employees of Cultural Institutions/ Universities/Devaswom Boards.

### **B. Details of Accounts Audited during 2011-12**

Annual audit of accounts of 2076 institutions have been completed by this department, besides issuing audit notes and objection slips in the major concurrent audit institutions during 2011-12. Details regarding the number of institutions audited, number of accounts due for audit, number of accounts audited and the number of accounts remained to be audited at the end of 2011-12 are incorporated in Appendix-I.

### **C. Audit Report issued/closed**

A total of 2985 Audit reports/Audit notes were issued and 2639 Audit reports were also closed. 26653 number of audit reports are pending closure as on 31.3.2012. The figures relating to the year is provisional. Details are given in Appendix-II.

### **D. Audit Certificates Issued**

1561 numbers of Audit Certificates were issued involving a total amount of Rs.9385358222/- during the year 2011-12. Details are given in Appendix-III.

### **E. Misappropriation and serious irregularities**

During the year, irregularities were noticed in Grama Panchayats, Municipalities, Corporations, Universities, Devaswom Boards etc. In addition to this misappropriation cases were noticed in some of the institutions. Moreover 249 payments were also noticed in many institutions. Details of misappropriation cases noticed are given in Appendices IV & V amounting to Rs.18884684.27 and Rs.7094186.44 respectively.

### **F. Pension papers disposed off :**

The verification and certification of pensionary claims of municipal employees, Grama Panchayats, Employees of Development authorities, Corporations, Devaswom, HR&CE institutions, Universities, KSHB, Kerala Medical Councils, SIEP, SIL

etc are also done by the department. A total of 3382 pension papers has been verified and certified by the department during 2011-12. See Appendix-VI

### ***G. Pension Contribution statements :***

The verification of pension contribution statements of employees of Grama Panchayats, Municipal Corporations, Universities etc are also done by this department. A total of 227 pension contribution statements is pending balance to be disposed off during the year 2011-12. See Appendix VII.

### ***H. Result of Audit***

The magnitude of the expenditure incurred by all the institutions which are subjected to audit during 2011-2012 amount to Rs.865087.58 lakhs. As a result of audit, transactions to the tune of Rs.49888.18 lakhs were held under objection and Rs.4214.76 lakhs disallowed. Details are furnished in Appendix-VIII

### ***I. Fund Balance of Auditee Institutions:***

Total Receipt of the Auditee Institutions amounts to Rs.709981662.17 lakhs and total revenue expenditure incurred amount to Rs.385663222.55 lakhs. The details of the fund balance of Auditee Institutions for the year 2011-12 is given in Appendix IX.

### ***J. Dues to Government***

Inspite of repeated observations made in the audit reports, huge amount collected by the Local bodies on behalf of Government of Kerala and Central Government are pending remittance or adjustments. Dues to State and Central Government under different heads viz Sales Tax, Purchase Tax, Income Tax etc. as on 31.03.2012 comes to 4179.395 lakhs. Details are given in Appendix-X.

### ***K. Advances which remain outstanding :***

The details of advances allowed by auditee institutions which remain outstanding as on 31.3.2012 are furnished in Appendix XI. The total amount given as advance to the auditee institutions amount to Rs.3050.77 lakhs, in which Rs.2364.516 has to be recouped.

**L. Audit Charge :**

The department earns revenue to Government in the form of audit fee from the auditee institutions. An amount of Rs.1380177969.9 lakhs is pending collection towards audit charges at the end of 31.03.2012. An amount of Rs.1494145550.9 lakhs is demanded and Rs.53983717 lakhs collected during 2011-12 (Appendix – XII). Orphanages and other charitable institutions receiving grant from the Government are exempted from the payment of audit charges vide No.GO(MS)11/2002/Social Welfare Department dated: 07.05.2002. The District Tourism Promotion Council are exempted from the payment of audit charge vide GO(Rt)6458/2003/Fin dated:1.8.2003 whereas the District/Taluk Library Councils are exempted vide Government Lr.No.34912/Estt.D1/Fin dated: 18.6.02. Military Benevolent Fund and Flag Day Fund have been exempted from payment of Audit Charges from 2008-09 onwards vide G.O.(Ms)No.43/11/Fin. Dtd: 19.1.2011. Government have granted exemption to Kerala Police Welfare and Amenity Fund (Central) from the payment of Audit Charges with effect from 2004-2005 vide GO(P)121/2005/Fin dated: 15.03.2005 (SRO No.245/2005), GO(P)327/2005/Fin dated: 16.07.2005 and G.O.(P) 561/2005/Fin dated: 29.12.2005.

Section 19(4) of Kerala Local Fund Audit Act empowers this department to collect the arrears of audit charges if it were not paid within one year from the date of its becoming due and where no grant or sum is payable by the Government to the local authority by effecting the provisions of Kerala Revenue Recovery act 1968.

**M. Details of administrative expense incurred and the total revenue receipts :**

The details of administrative expense incurred and the total revenue receipts of auditee institutions during 2010-11 and 2011-12 are given in Appendix XIII.

**N. Total receipts, Source of funds and total expenditure incurred :**

The details showing the total receipts of auditee institutions, their source of funds, own source and other funds and the total expenditure incurred etc during 2011-12 are shown in Appendix XIV.

**O. Tax, fee and other funds collected:**

Total revenue from taxes, fees, duties, fine etc as per the revised estimate for 2009-10 amount to Rs.48267.94 lakhs as per the revised estimate for 2010-11 amount to Rs.59865.33 lakhs and as per the revised budget estimate for 2011-12 amount to Rs.10983.41 lakhs. The details of tax, fee and other funds 2009-10, 2010-11 and 2011-12 are shown in Appendix XV.

**P. Details of funds and details of liabilities :**

The details of funds and the details of liabilities are shown in the Appendix XVI.

**Q. Accounts pending submission to audit :**

The details showing the number of accounts pending submission to audit of the auditable institutions are shown in Appendix XVII. A total of 4230 accounts are pending submission to audit.

**R. Schemes, Project, Programme etc undertaken :**

The details of schemes, project programme etc undertaken by the auditee institutions during 2010-11 and 2011-12 are given in Appendix XVIII.

Total amount involved for the schemes, projects, programmes etc for 2010-11 came to Rs.19971.71 lakhs and for 2011-12 came to Rs.16288.346 lakhs respectively.

**S. Charge and Surcharge action :**

The power to issue charge and surcharge certificate for the recovery of losses sustained by Local Fund Institutions as disclosed in audit is vested with the Director of Local Fund Audit vide Section 16 of the Kerala Local Fund Audit Act 1994 and Rule 20 of the Local Fund Audit Rule 1996. As per the rules the executive authority of Local bodies has to send a rectification report to the auditor within a period of 2 months of receipt of the audit report.

On receipt of the rectification report, the issuing authority has to issue further remarks within a period of 2 months and to forward charge and surcharge proposals to the Director of Local Fund Audit for pending items. In the case, where no rectification report has been furnished by the executive authority after the expiry of 2 months, the report issuing authority will issue further report to the executive authority and charge/surcharge proposals to the Director of Local Fund Audit.

Even though earliest efforts are being made to recover the losses through the issue of charge and surcharge certificates and recoup the losses mentioned in the audit reports of LSGI's etc, the act of recoupment is time consuming and much tardy. It is prescribed in section 16 (4) of the Kerala Local Fund Audit Act that every sum certified to be due from any person by the auditor under this Act shall be paid by such person to the Executive authority within one month after the intimation to him of the decision of the Director unless within that time such person has filed an application before the District court against the decision under sub section (3) and such amount if not so paid or such amount as the District Court shall declare to be due shall be coverable under the provisions of the Kerala Revenue Recovery Act 1968 (Act 15 of 1968) for the time being in force as if it were an arrear of public revenue due on land. It is to be noted here that very little is being recouped through charge and surcharge action.

As such during the year 2011-2012, 5 number of charge certificates and 28 number of surcharge Certificates were issued and the total amount involved came to Rs.43995/- and Rs.590586/- respectively in which Rs.160025/- has been recouped. (Appendix-XIX)

In addition to above 49 numbers of charge notices and 249 numbers of surcharge notices were issued during the year. The total amount involved came to Rs.3693054 and Rs.12021196/- respectively in which Rs.394802/- were recouped. (Appendix XIX)

### **T. Charitable Endowment**

There are 1316 Endowments vested with the Treasurer of Charitable Endowments Kerala as on 31.03.2012 within the provisions of the Act. The total amount of corpus vested with the Treasurer of Charitable Endowments as on 31.03.2012 comes to Rs.93870847. During the year under report a sum of Rs.2643818 was received by way of interest and total amount of Rs.1813068/- released to various administrators on demand. An amount of Rs.68550000/- has been invested for amalgamated fund Rs.12924892/- has been received as interest on various fixed deposits and Rs.9750000/- has been released for amalgamated fund meant for the welfare of Ex-service man (See Appendix XX)

Even though there are 1316 Endowments vested with the Treasurer of Charitable Endowments, many of the administrators are not claiming the interest there on. This leads to accumulation of unutilised interest in the P.D account of the Treasurer of Charitable Endowments.

#### **U. Local Fund Accounts Committee Reports**

The committee on Local Fund Accounts was constituted by amending the rules of procedure and conduct of business in the Kerala Legislative Assembly vide notification No.27/Legn/21/2002/Leg dated: 18.02.2003. The main responsibility of the Committee is to examine the consolidated Reports of the accounts audited by the Director of Local Fund Audit which is laid annually before the legislative assembly by the Government.

Altogether the Honourable Local Fund Accounts Committee has considered the consolidated reports of accounts audited by the Director of Local Fund Audit for the year 1998-1999, 1999-2000, 2000-01, 2001-02, 2002-03, 2003-04, 2004-05, 2005-06, 2006-07 and the Committee has issued various recommendations for smooth and proper functioning of Local Self Government Institutions and other institutions.

The Local Fund Accounts Committee has not submitted any reports before the Legislative Assembly during the year 2011-12.

#### **V. Settlement of objections**

Sub rule (1) of the Rule 21 of the Kerala Panchayat Raj (Procedure for verification and audit of accounts) Rules 1997 envisages that the Executive Authority of Grama Panchayats on the decision of the Panchayat should furnish a rectification report to the auditor after rectifying the irregularities and defects observed in the audit report with copy to the Government within 2 months of the date of receipt of audit report. In spite of the above statutory requirements follow up action on the part of the Local bodies for the settlement of objections raised in audit is not satisfactory resulting in huge accumulation of audit objections over the years. In the same manner as stated above, the Municipal Authorities are also required to furnish compliance report to the audit within 2 months.

#### **W. General State of Accounts**

The standards of maintenance of the books of accounts of institutions which were subjected to audit during the year under report also remain far from the satisfactory as stated in the

administration reports of previous years. Instructions from Audit in the successive audit reports of the institutions highlighting the need for the proper up keep of the books of accounts have not been complied with. Hence a proper picture about the state of funds of the auditee institutions is not available. Due to non-submission of accounts of audit, the very purpose of accounting and auditing itself is defeated. The deficiency in the maintenance of books of accounts should be rectified to a considerable extent had regular and periodical inspections been conducted by the performance audit wing as stipulated in the concerned local body's Act.

#### **X. Important Circulars and Government Orders related to the Department**

##### Details of Circulars issued by the Director of Local Fund Audit

##### Department :

1. Circular No.1/2011 – Exemption of paras in the Consolidated Audit Report General instructions regarding. (No.LF.16882/CAR2/2010)
2. Circular No.2/2011 – Pay Fixation and Arrear consequent on Review of promotion regarding (No.LF.4474/R1/2011)
3. Circular No.3/2011 – Refixation of salary, Arrears of Gazetted Officers in the Non-Gazetted period – Further action – regarding (No.LF.4474/R1/2011)]
4. Circular No.4/2011 – Defects of receipt checking in Audit camp – regarding.
5. Circular No.6/2011 – Instructions for issuing revised account certificate – regarding. (No.LF.16495/SS3/2010)
6. Circular No.7/2011 – Submission of draft audit report – Further action – regarding (No.LF.12008/SS4/2011)
7. Circular No.8/2011 – Result frame work document 2011-12 – regarding (No.LF.12312/SS4/2011)
8. Circular No.9/2011 – Local Fund Audit Committee– Furnishing more details – regarding (No.LF.13503/Spl.Cell/G1/2011)
9. Circular No.10/11 – CAR 2010-11 – Preparation and guidelines regarding ( No.LF.13513/CAR I/2011)
10. Circular No.11/2011 – Maintenance of E-mail Register regarding (No.LF.16885/SS1/2011)
11. Circular No.12/2011 – Membership in GIS project regarding.
12. Circular No.13/2011 – Physical verification of cash balance regarding (No.LF.17634/ML1/2011)

13. Circular No.14/2011 – CAR 2011-12 – Framing of special audit team for performance audit report regarding (No.LF.18940/CAR I/2011)
14. Circular No.15/2011 – Furnishing of e-mail – regarding.
15. Circular No.16/2011 – CAR 2010-11 – Guidelines for preparation of performance audit report. (No.LF.18940/CAR I/2010)
16. Circular No.17/2011 – Right to Information Act – Anti-corruption Bureau – Exhibition of Board regarding.
17. Circular No.18/2011 – Delaying issuing of Audit Report – regarding.
18. Circular No.19/2011 – AIMS software training regarding. (No.LF.20048/SS1/2011)
19. Circular No.20/2011 – Licence fee for commercial building in municipal area regarding. (No.LF.19789/ML3/2011)
20. Circular No.21/2011 – Issuing of renewed Identity Card regarding (No.LF.18783/O&M2/2011)
21. Circular No.22/2011 – Improving efficiency, quality of performance in Local Fund Audit Department – regarding.
22. Circular No.1/2012 – Establishment – promotions with retrospective effect – 2004 Pay Revision Re-option further action regarding. (No.LF.8184/R1/2011)

Details of Government Orders/Circulars issued in relation to Local Fund Audit Department.

- a) Audit of Health University entrusted to Local Fund Audit Department. (G.O.(Ms)No.586/2011/Fin. Dtd: 3.12.2011)
- b) Creation of additional posts in Health, Fisheries and Veterinary Universities. (G.O.(Ms)No.126/12/Fin. Dtd: 17.2.2012)

Details of special audit, if any, conducted during 2010-11 and 2011-12:

1. Irregularities in the projects of Perumbavoor Municipality from 1995 to 2007 regarding. (No.LG.9133/SS4/2011)
2. To audit accounts of Kottiyoor Devaswom in the month June 2010. (No.LF.10194/SS4/2011)
3. To audit the accounts of Tirunelly Temple's Renovation Committee from 2001. (No.LF.12883/SS4/2011)
4. Vattavada Grama Panchayat – To audit the accounts of former Panchayat Secretary Sri.K.Ramakrishnan's period of duty regarding. (No.LF.14672/SS4/2011)



## Y. Consolidated Audit Reports:

Three Consolidated Audit Reports were issued during 2011-12 (Upto 31.3.2012)

1. Consolidated Audit Report 2008-09 :  
Submitted to Government on 27.4.2011 vide letter  
No.LF.7256/CARII/09 Dtd: 24.3.2011.
2. Consolidated Audit Report 2009-10:  
Submitted to Government on 1.9.2011 vide Lr.No.LF.8566/CAR II/10  
Dtd: 10.8.2011.
3. Consolidated Audit Report 2010-11:  
Submitted to Government on 28.3.2012 vide Lr. No.LF.13513/CAR  
I/11 Dtd: 28.3.2012.

## V. FINANCES

Expenditure under various non-plan and plan schemes of this department is shown below during the year 2010-11 and 201-12.

Head of Account	Accounts for 2010-11	Estimates for 2011-12	Revised estimates for 2011-12
<b>Non - Plan 2054-00-098-99</b>			
01-Salaries	224991000	364911000	365403234
02-Wages	1532000	1097000	2906209
04-Travel expenses	8434000	11500000	10933058
05-Office expenses	2893000	2835000	3042010
06-RRT	461000	920000	461202
17-Minor works	0	150000	1000000
21-Motor Vehicles	51000	65000	81183
45-POL	178000	140000	339686
<b>Total Non-plan</b>	<b>238540000</b>	<b>381618000</b>	<b>384166582</b>
<b>PLAN</b> 2054-00-098-88-34- Other Charges	2999000	4000000	3999799
<b>Total</b>	<b>2999000</b>	<b>4000000</b>	<b>3999799</b>

**Budget provisions of the department for the last 5 years**

<b>BUDGET PROVISION FOR THE LAST 5 YEARS</b>					
HEAD OF ACCOUNT	YEAR				
	2007-08	2008-09	2009-10	2010-11	
NON-PLAN					
<b>2054-00-098-99</b>					
01-Salaries	176724000	183234000	191152000	225444000	365411000
02-Wages	633000	889000	787000	870000	2873000
04-Travel expenses	8900000	9848000	9908000	10100000	11500000
05-Office expenses	1881000	2728000	2174000	2427000	2835000
06-PRT	744000	485000	300000	300000	920000
17-Minor works	50000	150000	100000	100000	1100000
12- Motor Vehicles	25000	28000	724000	33000	65000
45-POL	50000	58000	66000	86000	140000
<b>Total Non-plan</b>	<b>189007000</b>	<b>197420000</b>	<b>205211000</b>	<b>239360000</b>	<b>384844000</b>
<b>PLAN</b>					
2054-00-098-88-34- Other Charges	Nil	1700000	2000000	3000000	4000000
<b>Total Plan</b>	<b>Nil</b>	<b>1700000</b>	<b>2000000</b>	<b>3000000</b>	<b>4000000</b>

**VI. EVENTS**

Details of Local Fund Accounts Committee meeting held during 2011-12.

<b>Sl. No</b>	<b>Date</b>	<b>Subject</b>	<b>Remarks</b>
1	9.11.2011	First meeting of New Local Fund Accounts Committee members and Director of Local Fund Audit.	
2	15.11.2011	24 <sup>th</sup> Report- Grama Panchayats of Kottayam District and Kodungallur Block Panchayat.	

3	23.11.2011	Thiruvananthapuram Corporation CAR 2002-03 to 2005-06.	
4	8.12.2011	a)Block Panchayats of Malappuram, Kozhikkode, Wayanad and Palakkad. b)Grama Panchayats of Thiruvananthapuram and Kottayam. c)Municipalities of Alappuzha.	Postponed
5	14.12.2011	Grama Panchayats of Idukki and Kollam	Postponed
6	21.12.2011	Grama Panchayats of Idukki and Kollam – CAR – 2002-03 to 2004-05	
7	4.1.2012	1)Block Panchayats of Malappuram, Kozhikkode, Wayanad and Palakkad- CAR – 2002-03 to 2005-06	
8	13.1.2012	Examination of Audit paras of HRE institutions CAR – 2002-03 to 2003-04	Postponed
9	7.2.2012	Examination of audit paras of Grama Panchayats of Pathanamthitta.	
10	3.4.2012	4 <sup>th</sup> report regarding.	

## VII IMPLEMENTATION OF RIGHT TO INFORMATION ACT

Name and Address of Appellate Authority, State Public Information Officer and Assistant Public Information Officer established in the Directorate under Right to Information Act is given below.

### 1. Appellate Authority:

**Sri.K.K.Rajan, Director, Local Fund Audit Department,**  
Office of the Director of Local Fund Audit Department.  
Phone No. – 0471-2303540

## **2. State Public Information Officer**

Sri.

Joint Director of Local Fund Audit

Office of the Director of Local Fund Audit Department.

Phone No. 0471-2303640

## **3. Assistant Public Information Officer**

Smt.Rajimol.V

Selection Grade Auditor-Special Cell.G3

Office of the Director of Local Fund Audit Department.

Phone No.0471-2303640

A total of 67 cases were received during the year and all of them were disposed off.

## **VIII INTERNAL CONTROL SYSTEM**

Department conducts internal inspection in all sub offices every year. One Audit Officer and two Auditors of O& M Section in the Directorate are assigned for internal audit. The aim of the internal inspection is to evaluate the function of all sub offices and the progress achieved in the audit, cash transactions connected registers and records are also subjected for inspection. Since the internal inspection has been conducted regularly, no overlapping of function is noticed in sub offices. However, directions has been issued by the internal inspection team as and when it is necessary. The follow up action on the internal audit report is being taken in due course.

## **IX MISCELLANEOUS MATTERS**

### **a) Implementation of Official Language Act**

Malayalam language was declared as the official language in this department with effect from 01.01.1992. Audit reports of Local Self Government Institutions viz. Grama, Block, District Panchayats are issued completely in Malayalam Majority of the reports of Nagarapalika Institutions viz Municipalities and Municipal Corporations are also issued in Malayalam language. Earnest attempts are being made to attain the goal to the maximum extent. A translation cell has been created in this department vide letter No.LF.13572/R2/2010 Dtd: 17.9.2010. Training in Malayalam typing is being given to almost all the employees in Local Fund Audit Department through the training centres under Finance Department. The Joint Director (training, monitoring of pension) has been appointed as Nodal Officer for receiving the progress of

implementation of Malayalam as official language. Almost all the forms and registers in this department are in Malayalam and instructions have been given to the press authorities to make the forms available in Malayalam. The consolidated statement showing the progress of implementation of Malayalam as official language for the year 2011 has been forwarded to Government as per letter No.LF.2383/R2/2012 Dtd: 23.1.2012. During 2011-12, 75-78% of the files were dealt with in Malayalam. During internal inspections of sub office, instructions are being given for implementation of Malayalam as official language. Name boards of the office and departmental vehicle are written both in Malayalam and English. The departmental glossary consolidating the technical terms used in this department. (including soft copy) has been forwarded to Government as per letter No.LF.6769/R2/2010 Dtd: 19.6.2010. Important informations of the Local Fund Audit Department are available in Malayalam through the official website – [www.lfa.kerala.gov.in](http://www.lfa.kerala.gov.in).

***b) Measures taken to strengthen the working of the Department:***

Regular meetings of sub offices head were conducted in order to strengthen the functioning of sub offices. O&M section conducts internal inspection in all sub offices every year and directions have been issued to strengthen the department.

***c) Progress in computerisation***

As part of total Computerisation project, training on the new software has been given to selected employees in all sub offices. For entering data in Malayalam language in the new software, training on Malayalam Data entry has been given to all the staff in 4 Districts. Steps have been taken for giving Malayalam data entry training for rest of the officer's also. From the budget estimate of Rs.40 lakhs provided for the computerisation of this department During 2011-12, the following computer and peripherals were purchased.

Net working at Directorate and 10 District Offices.

Purchase of 76 Computer (for Directorate and Sub Offices)

Laptop – 1

Printers – 76 (including multifunction printers)

UPS – 22 (600 VA), 1 (2 KVA), 13 (3KVA)

The process of Computerisation and implementing audit software has made intense progress and is in the direction of completion.

**d) *Infrastructure developments of the Department,  
especially the availability of space provided in the  
New Blocks of the Vikas Bhavan Annexure:***

As per Lr. No.91102/Estt.D1/08/Fin. Dtd: 2.1.2010 of Finance (Estt.D) Department, an area of 136.80M2 has been allotted in the 4<sup>th</sup> Floor of new block in the Vikas Bhavan Complex for the proper functioning of the Directorate of Local Fund Audit Department. As per our request, an estimate amounting to Rs.9.5 lakhs has been prepared by the Executive Engineer, PWD Building Division, Thiruvananthapuram to modify the allotted space with internal partition and sanitary and water supply facilities. In accordance with this estimate, Administrative Sanction from the Government for Rs.9.5 lakhs was also issued and the amount is deposited in favour of Executive Engineer, PWD. Now the civil work has almost been completed and the electrical work is left to be completed.

e) Publication brought – Nil.

f) Financial review – Not applicable

***Director  
Local Fund Audit Department.***

## APPENDIX – I

### Statement showing the details of Accounts Audited during 2009-10 (Actuals up to 31.12.2009 anticipated from 1/2010 to 3/2010)

Sl.No.	Name of Institution	Number of institutions audited	Number of accounts due for audit	Number of accounts audited	Number of Accounts remained to be audited at the close of 2009-2010
1	Grama Panchayats	784	3161	1314	1847
2	Block Panchayats	128	418	182	236
3	District panchayats	11	25	12	13
4	Municipal Councils	55	218	87	131
5	Municipal Corporations	6	24	12	12
6	Universities	21	13	10	3
7	KSHB	1	1	1	0
8	Development Authorities	2	2	0	2
9	Welfare fund	21	47	39	8
10	Courts	181	189	142	47
11	Orphanages	513	436	424	12
12	Devaswom Board	25	3	2	1
13	HR & CE Institutions	199	2142	954	1188
14	SIL	1	3	1	2
15	Hospital Development Committee	244	536	234	302
16	Library council	69	78	76	2
17	Cultural Institutions	54	56	53	3
18	Miscellaneous Institutions	91	108	47	61
	<b>Total</b>	<b>2406</b>	<b>7460</b>	<b>3590</b>	<b>3870</b>

**DIRECTOR,  
LOCAL FUND AUDIT DEPARTMENT.**

## APPENDIX – II

### Statement showing the number of Audit Reports issued, closed pending closure as on 31.12.2009

Sl.No.	Name of Institution	Number of audit reports pending closure at the beginning of the year	Number of Audit Reports issued		Number of Audit Reports Closed	Number of audit reports pending closure at the close of 31.12.2009
			Number	Total		
1	Grama Panchayats	21014	1611	22625	1027	21598
2	Block Panchayats	1166	163	1329	0	1329
3	District panchayats	136	15	151	0	151
4	Municipal Councils	1070	95	1165	0	1165
5	Municipal Corporations	234	12	246	0	246
6	Universities	161	6	167	1	166
7	KSHB	30	1	31	0	31
8	Development Authorities	60	3	63	17	46
9	Welfare fund	35	8	43	2	41
10	Courts	152	109	261	73	188
11	Orphanages	1	157	158	126	32
12	Devaswom Board	857	362	1219	8	1211
13	HR & CE Institutions	623	54	677	0	677
14	SIEP	54	1	55	0	55
15	Hospital Development Committee	19	205	224	210	14
16	Library council	18	29	47	10	37
17	Cultural Institutions	172	15	187	6	181
18	Miscellaneous Institutions	14	236	250	167	83
	<b>Total</b>	<b>25816</b>	<b>3082</b>	<b>28898</b>	<b>1647</b>	<b>27251</b>

**DIRECTOR**  
**LOCAL FUND AUDIT DEPARTMENT**



### APPENDIX – III

**Statement showing the details of Eligibility/Utilization/Audit Certificates issued  
during the year 2009-2010(up to 31.12.2009)**

Sl.No.	Name of Institution	No.of certificates issued	Amount involved (Rs)
1	Grama Panchayats	189	18233194.10
2	Block Panchayats	23	152654326.00
3	District panchayats	5	17592.62
4	Municipality	8	0.00
5	Municipal Corporations	4	1700975598.49
6	Devaswom Board	2	53741.00
7	Universities	198	279037777.00
8	Orphanages	255	30512763.00
9	Welfare Funds	3	227050.00
10	SIEP	1	17094000.00
11	SIL	1	15387737.00
12	Library Council	78	42154312.00
13	Cultural Institutions	18	41404703.80
14	Miscellaneous Institutions	174	27953135.69
15	Development Authorities	1	0.00
	<b>Total</b>	<b>960</b>	<b>2325705930.70</b>

**DIRECTOR**  
**LOCAL FUND AUDIT DEPARTMENT**

## APPENDIX – IV

### Statement showing the details of misappropriation cases detected during 2008-2009, 2009-2010 (up to 31.12.2009)

Sl. No	Name of Institutions	Cases outstanding at the beginning of the year		Cases detected during the year		Cases settled during the year		Cases in which final action is pending	
		No.of cases	Amount involved (Rs)	No.of cases	Amount involved (Rs)	No.of cases	Amount involved (Rs)	No.of cases	Amount involved (Rs)
1	Grama Panchayats	213	9808344.96	13	5520855.00	2	6301.00	224	15322898.96
2	Block Panchayats	4	1500969.00	1	60000.00	0	0.00	5	1560969.00
3	District panchayats	1	778050.00	0	0.00	0	0.00	1	778050.00
4	Municipal Councils	9	8952985.00	0	0.00	0	0.00	9	8952985.00
5	Municipal Corporations	0	0.00	1	106489.00	0	0.00	1	106489.00
6	Universities	9	645149.44	0	0.00	0	0.00	9	645149.44
7	Courts	1	15000.00	0	0.00	0	0.00	1	15000.00
8	Devaswom	124	2701329.67	1	0.00	0	0.00	125	2701329.67
9	Welfare Fund	0	0.00	1	1058768.00	0	0.00	1	1058768.00
	<b>Total</b>	<b>361</b>	<b>24401828.07</b>	<b>17</b>	<b>6746112.00</b>	<b>2</b>	<b>6301.00</b>	<b>376</b>	<b>31141639.07</b>

**DIRECTOR**  
**LOCAL FUND AUDIT DEPARTMENT**

## APPENDIX – V

### Analysis of the Pending Defalcation/Misappropriation cases for the year 2009-2010

Sl. No	Name of Institutions	Cases awaiting Departmental action		Cases in which Departmental action started but not completed		Cases in which criminal investigation pending court		cases awaiting orders of recovery	
		No.of cases	Amount (Rs)	No.of cases	Amount (Rs)	No.of cases	Amount (Rs)	No.of cases	Amount (Rs)
1	Grama Panchayats	65	7661053.75	164	9045857.45	10	315751.00	25	401891.00
2	Block Panchayats	1	60000.00	2	74974.00	10	228393.00	3	10100.00
3	District panchayats	0	0.00	1	778050.00	0	0.00	0	0.00
4	Municipal Councils	4	363566.00	6	516307.00	5	8684361.00	3	346274.00
5	Municipal Corporations	8	124636.03	1	108559.00	1	0.00	7	16077.03
6	Universities	5	388358.44	0	0.00	0	0.00	5	388358.44
7	Courts	0	0.00	1	15000.00	0	0.00	0	0.00
8	Devaswom	99	2226941.18	0	0.00	2	116063.00	1	24709.00
9	HR&CE Institutions	0	0.00	0	0.00	0	0.00	0	0.00
	<b>Total</b>	<b>182</b>	<b>10824555.40</b>	<b>175</b>	<b>10538747.45</b>	<b>28</b>	<b>9344568.00</b>	<b>44</b>	<b>1187409.47</b>

**DIRECTOR**  
**LOCAL FUND AUDIT DEPARTMENT**

APPENDIX – VI

**Statement showing the number of pension papers of Auditee Institutions received and disposed off during the year 2009-2010 (up to 31.12.2009)**

Sl. No.	Name of Auditee Institutions	No.of cases pending at the beginning of the year	No.of cases received during the year	Total	No.of cases disposed off	Number of cases pending during at the close of the year
1	Grama panchayats	15	346	361	325	36
2	Municipal Councils	79	683	762	787	25
3	Municipal Corporations	63	499	562	526	36
4	Library council	0	79	79	79	0
5	Universities	75	839	914	734	180
6	KSHB	12	81	93	78	15
7	Development Authorities	19	11	30	30	0
8	Devaswom Board	15	76	91	75	16
9	Miscellaneous Institutions	2	24	26	23	3
	<b>Total</b>	<b>280</b>	<b>2638</b>	<b>2918</b>	<b>2657</b>	<b>311</b>

**DIRECTOR**  
**LOCAL FUND AUDIT DEPARTMENT**

## APPENDIX – VII

### Statement showing the number of pension contribution statements received and disposed off during the year 2009-2010

Sl. No.	Name of Auditee Institutions	No.of cases pending at the beginning of the year	No.of cases received during the year	Total	No.of cases disposed off during the year	Balance
1	Grama panchayats	505	27	532	27	505
2	Other Institutions	2	13	15	15	0
3	Municipal Councils	4	44	48	48	0
4	Devaswom Board	0	0	0	0	0
	<b>Total</b>	<b>511</b>	<b>84</b>	<b>595</b>	<b>90</b>	<b>505</b>

**DIRECTOR**  
**LOCAL FUND AUDIT DEPARTMENT**

## APPENDIX – VIII

### Statement showing the accounts audited and the amount disallowed and objected during the year 2008-2009 (Rupees in lakh)

Sl. No.	Name of Auditee Institutions	Total Receipts	Total Expenditure	Amount Disallowed	Amount objected
1	Grama Panchayats	277381.98	265594.66	758.51	10523.29
2	Block Panchayats	36846.38	35427.63	204.73	2926.60
3	District panchayats	55099.76	51726.10	200.27	4912.28
4	Municipal Councils	44648.46	45451.09	204.09	3659.02
5	Municipal Corporations	38037.30	40896.91	678.86	3314.95
6	Universities	72467.12	151262.34	357.19	881.47
7	KSHB	10315.89	12632.74	5.02	38.33
8	Development Authorities	7975.79	7229.31	3.74	57.93
9	Welfare fund	6027.89	6327.77	12.11	41.84
10	Courts	246.99	17.05	0.00	0.00
11	Orphanages	518.94	498.34	0.00	0.00
12	Devaswom Board	17396.15	16904.70	105.60	526.86
13	HR & CE Institutions	2607.87	2578.65	2.41	86.74
14	SIL	320.03	325.35	0.16	19.02
15	Hospital Development Committee	49.03	33.21	0.00	0.00
16	Library council	95.06	89.54	0.02	0.04
17	Cultural Institutions	222.19	207.62	0.00	7.95
18	Miscellaneous Institutions	4468.55	3790.63	0.01	2.08
	<b>Total</b>	<b>574725.38</b>	<b>640993.64</b>	<b>2532.72</b>	<b>26998.40</b>

**DIRECTOR**  
**LOCAL FUND AUDIT DEPARTMENT**

## APPENDIX – IX

### Statement showing the Fund balance of auditee institutions for the year 2008-2009 (Rupees in lakhs)

Sl.No	Name of Auditee institutions	Fund Balance	Total Receipts	Total loans received		Grants received up to 2007-08	Other funds received	Own funds collected	Total revenue expenditure incurred	Total Capital expenditure incurred		Unspent balance			Lapsed amount		Amount of grants remaining unutilized beyond the period of utilisation	Total loan liabilities of auditee institutions	
				up to 2007-2008	during 2008-09					for capital purpose	for investment	Loans	Grants	Other funds	Grants	Other funds		Principal	Interest
1	Grama Panchayats	0	11220.39	0	0	7155.74	838.11	3226.54	9050.04	0	0	0	0	0	0	0	0	0	0
2	Block Panchayats	0	797.75	0	0	773.81	23.94	0	998.35	0	0	0	0	0	0	0	0	0	0
3	District panchayats	0	4527.72	0	0	4279.28	242.57	5.87	4225.87	0	0	0	0	0	0	0	0	0	0
4	Municipal Corporations	4925.50	37282.62	2956.73	413.51	14352.47	7450.72	20299.55	24263.6	7340.48	414.89	450.15	1321.64	2140.16	34.28	0	1057.15	881.24	13.89
5	Municipal Councils	1727.92	10190.16	428.75	368.75	4564.72	621.08	3518.3	4533.58	2480.66	0	295.32	1759.61	8.88	0.35	8.88	829.54	1214.3	0
6	Universities	6447.43	33791.34	0	0	16705.46	0	15677.24	34409	2927.23	9578.20	0	0	0	0	0	0	0	0
7	Development Authorities	10777.34	4651.53	1733.14	100	0	0	3115.35	1958.53	2828.85	0	0	0	0	0	0	0	5808.43	0
8	Devaswom Board	305.19	7787.97	0	0	0	0	0	7894.7	211.31	0	0	0	0	0	0	0	0	0
	Total	24183.38	110249.48	5118.62	882.26	47831.48	9176.42	45842.85	87333.7	15788.53	9993.09	745.47	3081.25	2149.04	34.63	8.88	1886.69	7903.97	13.89

**DIRECTOR**  
**LOCAL FUND AUDIT DEPARTMENT**

## APPENDIX – X

### Statement showing the amount collected by auditee institutions but pending remittance to Government as on 31.03.2009 (Rs.in lakhs)

Sl.No.	Name of Auditee Institutions	Surcharge due to Government		AET		Sales Tax		Purchase Tax		Income Tax		Contribution share to Welfare fund etc		Other items		Total dues pending
		up to 07-08	during 08-09	up to 07-08	during 08-09	up to 07-08	during 08-09	up to 07-08	during 08-09	up to 07-08	during 08-09	up to 07-08	during 08-09	up to 07-08	during 08-09	
1	Grama Panchayats	13.41	0.00	0.00	0.59	732.19	248.58	4.50	4.36	160.66	96.86	198.96	81.48	481.85	406.95	2430.38
2	Block Panchayats	0.00	0.00	0.00	0.00	33.94	33.02	0.00	0.00	3.30	4.63	5.56	5.77	0.00	0.24	86.46
3	District panchayats	0.00	0.00	0.00	0.00	50.48	62.37	0.00	0.00	16.04	13.14	15.49	6.69	0.00	0.00	164.20
4	Municipal Councils	0.00	0.00	0.00	0.00	90.00	48.39	0.00	0.00	21.41	16.05	4.82	27.79	18.23	155.13	381.82
5	Municipal Corporations	0.00	0.00	0.00	0.00	2.45	20.55	0.00	0.00	2.45	19.69	1.16	3.97	795.09	834.38	1679.73
6	Universities	0.00	0.00	0.00	0.00	9.68	24.49	0.00	0.00	45.83	14.80	6.51	5.73	0.00	0.00	107.04
7	Development Authority	0.00	0.00	0.00	0.00	1.61	3.47	0.00	0.00	7.26	69.44	1.46	1.37	0.65	0.53	85.79
8	Devaswom Board	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9	SIL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.54	0.00	0.00	0.00	0.00	0.54
	<b>Total</b>	<b>13.41</b>	<b>0.00</b>	<b>0.00</b>	<b>0.59</b>	<b>920.35</b>	<b>440.87</b>	<b>4.50</b>	<b>4.36</b>	<b>256.95</b>	<b>235.15</b>	<b>233.96</b>	<b>132.80</b>	<b>1295.82</b>	<b>1397.23</b>	<b>4935.96</b>

**DIRECTOR**  
**LOCAL FUND AUDIT DEPARTMENT**



## APPENDIX – XI

### Statement showing the details of advances allowed by the auditee institutions which remain outstanding as on 31.03.2009 (Rs.in lakhs)

Sl. No.	Name of Auditee Institutions	Total amount given as advance up to 2007-08	Amount given as advance during 2008-09	Total	Amount recouped upto 31.03.09	Amount adjusted	Balance pending recoupment
1	Grama Panchayats	0.22	0.00	0.22	0.00	0.00	0.22
2	Block Panchayats	0.00	0.00	0.00	0.00	0.00	0.00
3	District panchayats	0.00	0.00	0.00	0.00	0.00	0.00
4	Municipal Councils	248.09	54.81	302.90	28.74	30.03	244.13
5	Municipal Corporations	3211.56	3880.17	7091.73	975.03	636.63	5480.07
6	Universities	2891.71	1621.97	4513.68	228.54	961.23	3323.91
7	Development Authority	550.86	1.09	551.95	0.00	8.11	543.84
8	Devaswom Board	81.40	1.45	82.85	58.75	0.00	24.10
	<b>Total</b>	<b>6983.84</b>	<b>5559.49</b>	<b>12543.33</b>	<b>1291.06</b>	<b>1636.00</b>	<b>9616.27</b>

**DIRECTOR**  
**LOCAL FUND AUDIT DEPARTMENT**

## APPENDIX – XII

### Abstract of audit charges pending remittance from institutions as on 31.03.2009 (Rs.in lakhs)

Sl. No.	Name of Institutions	Arrear Demand up to 2007-08	Current Demand 2008-09	Total	Arrear collection up to 2007-08	Current collection 2008-09	Total	Arrear balance up to 2007-08	Current balance 2008-09	Total balance
1	Grama Panchayats	2570.88	627.43	3198.31	33.05	0.81	33.86	2537.84	626.62	3164.46
2	Block Panchayats	366.42	102.90	469.32	0.00	0.00	0.00	366.42	102.90	469.32
3	District panchayats	445.55	362.50	808.05	0.00	0.00	0.00	445.55	362.50	808.05
4	Municipal Councils	729.36	129.39	858.75	49.77	0.00	49.77	679.59	129.39	808.98
5	Municipal Corporations	1332.66	187.61	1520.27	5.25	0.00	5.25	1327.41	187.61	1515.02
6	Universities	1027.42	213.23	1240.65	81.98	122.61	204.59	945.44	90.62	1036.06
7	Devaswom Board	57.87	23.57	81.44	8.05	26.00	34.05	49.82	-2.43	47.39
8	Other Institutions	852.26	791.32	1643.58	3.60	0.97	4.57	848.66	790.35	1639.01
9	Development Authorities	35.68	12.74	48.42	0.00	20.03	20.03	35.68	-7.29	28.39
	<b>Total</b>	<b>7418.10</b>	<b>2450.69</b>	<b>9868.79</b>	<b>181.70</b>	<b>170.42</b>	<b>352.12</b>	<b>7236.41</b>	<b>2280.27</b>	<b>9516.68</b>

**DIRECTOR**  
**LOCAL FUND AUDIT DEPARTMENT**

## APPENDIX – XIII

### Statement showing the details of administrative expense incurred and the total revenue receipts of auditee institutions during 2007-08 & 2008-09 (Rs.in lakhs)

Sl.No	Name of auditee institutions	Total Receipts		Total revenue receipts		Administrative expenses				Total Expenditure				DH Receipt		DH Expenditure	
		2007-08	2008-09	2007-08	2008-09	Establishment		Non Establishment		On general account		On capital account		2007-08	2008-09	2007-08	2008-09
						2007-08	2008-09	2007-08	2008-09	2007-08	2008-09	2007-08	2008-09				
1	Grama Panchayat	5740.14	11220.39	33.95	0.00	19.18	0.00	24.13	0.00	4696.94	9050.04	49.29	0.00	9.80	0.00	11.22	0.00
2	District Panchayat	7477.26	4527.72	47.30	0.00	2.45	0.00	22.19	0.00	7206.88	4225.87	524.89	0.00	21.22	0.00	56.40	0.00
3	Block Panchayat	0.00	797.75	0.00	0.00	0.00	0.00	0.00	0.00	0.00	998.35	0.00	0.00	0.00	0.00	0.00	0.00
4	SIEP	180.49	225.48	126.77	100.94	128.04	148.61	24.54	42.58	128.04	148.61	24.53	42.58	48.59	54.10	22.52	35.00
5	Municipal Councils	9731.47	10185.63	4334.90	3537.36	2747.00	3066.64	1063.39	620.68	5461.11	5398.35	2261.50	2399.84	614.47	617.54	980.50	907.06
6	Municipal Corporation	32849.65	34799.20	13649.56	20088.78	7632.05	7969.61	3408.57	2614.30	25902.67	16063.93	8520.70	6136.57	1473.25	420.86	478.87	2511.61
7	Universities	26626.14	28318.32	16918.71	17409.93	11850.72	12693.36	8621.49	8900.93	19254.19	20627.10	1218.02	967.21	5263.29	5625.62	6831.31	6282.72
8	Development Authorities	6745.50	4651.53	1262.52	1747.35	332.94	651.58	138.22	1307.01	1135.54	2422.18	4659.67	2963.02	557.16	582.80	653.87	617.67
9	Devaswom Board	6093.20	77877.97	2819.30	3071.23	503.12	774.59	2.14	4.67	2214.11	2567.99	265.37	211.31	327.39	4716.73	3307.14	4547.45
	Total	95443.85	172603.99	39193.01	45955.59	23215.50	25304.39	13304.67	13490.17	65999.48	61502.42	17523.97	12720.53	8315.17	12017.65	12341.83	14901.51

**DIRECTOR**  
**LOCAL FUND AUDIT DEPARTMENT**

## APPENDIX – XIV

### Statement showing the total receipts of auditee institutions, their source of funds, own source and other funds and the total expenditure incurred etc.during 2007-08 & 2008-09 (Rs.in lakhs)

Sl.No.	Name of Institutions	Total receipts	Receipts from own source	Loans	Grants	Funds received as share from Govt.		Advance taken	Assistance received (both bank and other source)	Total fee collected upto 08.09	Capital receipts	interest received from investment	Balance on fees as on 31.03.09	Total Expenditure	
						State	Central							Revenue	Capital
1	Grama Panchayats	15810.71	4146.34	55.31	8114.66	1168.12	117.07	0.00	15.33	0.00	0.00	0.07	0.00	12976.59	94.16
2	Block Panchayats	797.75	0.00	0.00	773.81	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	998.35	0.00
3	District panchayats	16041.38	6159.71	0.00	6549.25	4418.64	813.66	0.00	0.00	0.00	2.64	0.68	0.00	14258.69	524.89
4	Municipal Councils & Corporations	65000.62	32530.55	898.85	20084.23	19779.91	2039.55	0.00	0.00	3008.40	5501.98	179.92	215.25	31766.24	14347.66
5	Universities	47758.55	16952.94	0.00	37480.53	17531.13	5511.05	0.00	4976.99	8244.25	2604.10	48.63	0.00	53015.08	4822.59
6	Devaswom Board	6093.20	6093.20	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	9.45	0.00	2479.48	265.37
7	Development Authorities	9876.26	5048.95	100.00	0.00	0.00	0.00	0.00	0.00	163.27	6048.45	645.79	0.00	2628.98	7622.69
8	SIEP	405.97	79.32	0.00	297.71	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	277.01	67.11
	<b>Total</b>	161784.44	71011.01	1054.16	73300.19	42897.80	8481.33	0.00	4992.32	11415.92	14157.17	884.54	215.25	118400.42	27744.47

**DIRECTOR**  
**LOCAL FUND AUDIT DEPARTMENT**

## APPENDIX – XV

### Statement showing the details of Tax, Fee and other Funds collected by auditee institutions during 2006-07, 2007-08 & 2008-09 (Rs.in lakhs)

Sl. No.	Name of Auditee Institution	Total revenue from taxes, fees, duties fine etc as per the revised estimate for 06-07	Actual collection for 2006-07	As per the revised budget estimate for 2007-08	Actual collection 2007-08	As per the revised budget estimate for 2008-09	Actual collection for 2008-09	Short fall in collection (in any)			
								up to 2006-07	during 2007-08	during 2008-09	Total
1	Municipal Corporations	16509.39	24480.45	81048.85	24050.91	17743.94	21849.27	170.14	666.58	811.16	1647.88
2	Municipal Councils	6412.09	4356.55	6445.83	4246.71	7295.62	4292.69	388.64	139.82	391.30	919.76
3	Universities	13793.70	16372.76	2568.36	3553.05	3357.42	5271.18	0.00	0.00	0.00	0.00
4	Development Authorities	23.17	23.04	28.07	40.16	115.89	123.11	0.13	0.00	0.00	0.13
	<b>Total</b>	<b>36738.35</b>	<b>45232.80</b>	<b>90091.11</b>	<b>31890.83</b>	<b>28512.87</b>	<b>31536.25</b>	<b>558.91</b>	<b>806.40</b>	<b>1202.46</b>	<b>2567.77</b>

**DIRECTOR**  
**LOCAL FUND AUDIT DEPARTMENT**

## APPENDIX – XVI

### Statement showing the details of funds at the disposal of Auditee institutions as on 31.03.2009 (Rs.in lakhs)

Sl. No.	Name of Auditee Institution	Details of Funds				Other incomes	Reserve Fund, Sinking Fund etc.	Details of liabilities			
		Bank Deposit	Treasury Deposit	Other Deposits	Total interest received on such deposits			Amount re-paid as loan	repayment on borrowings	repayment on advance	Total amount paid as interest
1	Municipal Corporations	4816.045	6286.80	507.00	118.15	80.31	0.00	7989.95	40.00	19.01	410.21
2	Municipal Councils	2598.28	969.44	0.67	11.32	5.01	0.00	95.23	0.00	0.00	7.97
3	Universities	5700.56	865.85	392.84	66.74	1552.92	15.73	0.00	0.00	0.00	0.00
4	Development Authority	10199.44	298.05	1049.10	0.00	0.00	0.00	75.00	0.00	0.00	22.34
	<b>Total</b>	<b>23314.325</b>	<b>8420.14</b>	<b>1949.61</b>	<b>196.21</b>	<b>1638.24</b>	<b>15.73</b>	<b>8160.18</b>	<b>40.00</b>	<b>19.01</b>	<b>440.52</b>

**DIRECTOR**  
**LOCAL FUND AUDIT DEPARTMENT**

## APPENDIX – XVII

### Statement showing the number of accounts pending submission to audit

SI No	District	Grama Panchayat	Block Panchayat	District Panchayat	Municipal Councils	Municipal Corporations	Universities	Devaswom Board	Miscellaneous institutions	Total
1	Thiruvananthapuram	0	0	0	0	3	0	0	13	16
2	Kollam	6	0	0	0	0	0	0	0	6
3	Pathanamthitta	2	48	8	2	0	0	0	0	60
4	Kottayam	0	0	0	0	0	0	0	0	0
5	Alappuzha	0	0	0	0	0	0	0	0	0
6	Idukki	11	3	0	0	0	0	0	425	439
7	Ernakulam	0	11	0	5	0	4	0	141	161
8	Thrissur	0	0	7	0	0	0	0	8	15
9	Palakkad	1	0	0	0	0	0	3560	0	3561
10	Malappuram	12	23	0	6	0	0	0	0	41
11	Kozhikkode	0	0	0	3	0	0	0	10	13
12	Wayanad	17	5	0	0	0	0	0	0	22
13	Kannur	0	0	0	0	0	0	0	0	0
14	Kasaragode	5	5	0	0	0	0	0	0	10
	<b>Total</b>	<b>54</b>	<b>95</b>	<b>15</b>	<b>16</b>	<b>3</b>	<b>4</b>	<b>3560</b>	<b>597</b>	<b>4344</b>

**DIRECTOR**  
**LOCAL FUND AUDIT DEPARTMENT**

## APPENDIX – XVIII

### Statement showing the details of Charge/Surcharge Certificates issued during the year 2009-2010

Particulars	Charge Certificate		Surcharge Certificate		Amount Recouped	
	No.	Amount (Rs)	No.	Amount (Rs)	Charge (Rs.)	Surcharge (Rs.)
Certificate issued during 2009-10 (up to 31.03.2010)	23	1841850	164	5333870	3791	260124

Particulars	Charge Notices		Surcharge Notices		Amount Recouped	
	No.	Amount (Rs)	No.	Amount (Rs)	Charge (Rs.)	Surcharge (Rs.)
Notice issued during 2009-10 (up to 31.03.2010)	85	3315494.50	388	14439341	331757	553741

**DIRECTOR**  
**LOCAL FUND AUDIT DEPARTMENT**



APPENDIX – XIX

**Particulars on Charitable Endowments during the year 2009-2010**

<b>Particulars</b>	<b>FD invested (Rs)</b>	<b>Interest on FD (Rs.)</b>	<b>Amount released to various Administrators of charitable endowments/ Amalgamated Funds (Rs.)</b>	<b>Unutilised interest added to corpus (Rs.)</b>
Corpus Fund of Charitable Endowments	23756848.36	2104494.78	512159.00	0
Amalgamated Fund	58050000.00	6703436.00	6000000.00	0
Total	<b>81806848.36</b>	<b>8807930.78</b>	<b>6512159.00</b>	<b>0</b>

**DIRECTOR**  
**LOCAL FUND AUDIT DEPARTMENT**