



S. DEBRAY, M.Com., LL.B., FCA
Chartered Accountant

S. DEBRAY & ASSOCIATES

Chartered Accountants
House No. B/111 Kezickhe [North Block],
Above : K. K. Enterprise,
Opposite: HDFC Bank – Kohima Branch,
Kohima – 797001, Nagaland.
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AUDITOR'S REPORT

We report that we have audited the attached Receipts and Payments Account of Chiephobozou Town Council, Kohima, Nagaland (Establishment Notification No. - MA-52/2015(A) dt.13-11-2019) for the year ending on 31st March, 2024 signed by us under reference to this report and the relative 'Notes on Accounts' annexed thereto for the year ended on that date. These Statements are the responsibility of the Chiephobozou Town Council Administrator/Management. Our responsibility is to express an opinion on these financial statements based on our audit.

We have conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain a reasonable assurance about whether the financial statements are free from materials misstatements. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Administrator/Management as well as evaluating the overall financial statement presentation.

We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit. In our opinion proper books of accounts have not been kept by the Chiephobozou Town Council as far as appears from our examination of those books.

In our opinion and to the best of our information and according to the explanations given to us, the said accounts subject to the 'Notes' on Notes on Accounts (Annexure-I) give a true and fair view with respect to the Receipts and Payments Accounts of the Chiephobozou Town Council for the year ending on 31st March, 2024.

For S. DEBRAY & ASSOCIATES
Chartered Accountants



Mem. No. 051071
FRN : 322777E

Place : Kohima
Date : 31.10.2024

CHIEPHOBOZOU TOWN COUNCIL

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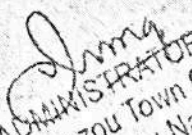
ESTD. :- MA-52/2015(A) Dated-13.11.2019

RECEIPTS & PAYMENTS ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2024

RECEIPTS	Rs.	Rs.	PAYMENTS	Rs.	Rs.
<u>Opening Balance :</u>			<u>Payments made during the year:</u>		
Cash at Bank:			Construction of Public Toilet		1,50,000
AXIS-GHS Rd Br.- CD A/c- 751556	20,000		Drilling & installation of Bore Tube -		
AXIS-GHS Rd Br.- SB A/c- 9498380	2,068		- Well at GA GUEST House		7,50,000
Balance in PFMS			Land Fill at Dumping Site		1,00,000
Cash in hand	-	22,068	Iron Fabrication Waste Bin (10 nos.)		2,00,000
			Construction of Segregation Shed		4,50,000
<u>Grants received during the year:</u>			Construction of Protection Wall -		
Received from Urban Development		4,40,000	- approaching to Dumping Site		3,50,000
Grant in Aid - State Government		3,50,000	SHS Activities		30,000
Received from M.A.D for Penal -			Construction of Compost Pit (SWM)		1,50,000
- interest NMPC Tied Grant		1,50,000	Construction of MRF		50,000
Received from Municipal Affairs -			Installation of Water Filtration Plant -		
- 15th FC Tied Grants		37,00,000	- at GA Guest House & ADC Office		11,00,000
Received from Municipal Affairs -			Construction of Retaining Wall at -		
- 15th FC Untied Grants		40,00,000	- Dumping Site		5,00,000
			Boundary Fencing at Dumping Site		3,00,000
Int. Received from TERM Deposit		46,459	Constm of Drainage at Dumping Site		3,00,000
			Mobilisation amount paid for Widening		
			- & upgradation of road towards CHC		10,70,000
<u>Interest Received from Bank SB A/c:</u>			Independence Day celebration		4,000
01.07.2023	6,159		Printing & Stationary		9,500
01.10.2023	23,038		Salary paid to Driver		60,000
01.01.2024	9,587		Wages paid to Sanitation Worker		24,000
31.03.2024	6,773	45,557	Meeting & Refreshment Expenses		4,500
			Exp. for Pre Christmas Celebration		4,000
			ID with Axis Bank GHS Br.		25,00,000
Collection from Trade license issue		10,000	<u>Closing Balance :</u>		
Collection from Shop Rent		96,000	<u>Cash at Bank:</u>		
			AXIS-GHS Rd Br.- CD A/c- 751556	2,30,000	
			AXIS-GHS Rd Br.- SB A/c- 9498380	5,24,084	
			Balance in PFMS	-	
			Cash in hand	-	7,54,084
		88,60,084			88,60,084

Notes on Accounts (Annexure - I) form an integral part of accounts.

In terms of our report of even date attached
For S. DEBRAY & ASSOCIATES
Chartered Accountants


ADMINISTRATOR
Chiephobozou Town Council
Chiephobozou, Nagaland


Accountant


S. DEBRAY
Proprietor
Mem. No. 051071
FRN : 322777E

Place : Kohima
Date: 31.10.2024

CHIEPHOBOZOU TOWN COUNCIL

KOHIMA :: NAGALAND

NOTES ON ACCOUNTS FOR THE YEAR ENDING ON 31st MARCH, 2024

1. Form the Notification No. Ma - 52/2015(A) dated 13th November, 2019 issued by Department of Municipal Affairs, Govt. of Nagaland, Nagaland, Kohima, it came to light that vide Notification No. MA-52/2015(A), dated 06.09.2019 & 14.10.2019 the Governor of Nagaland made invitation for claims and objections with regard to the determination of Boundaries relating to the different Town Councils in districts of Nagaland State (inclusive the Boundaries of Chiephobozou Town Council, Kohima District) as per the Schedules attached with the aforesaid Notifications and in absence of any objection being received in this regard the Governor of Nagaland in exercise of the powers conferred w/s 5 of the Nagaland Municipal Act, 2001 declared the Boundaries as mentioned in the Schedules attached with those aforementioned Notification [Chiephobozou Town Council, Kohima being included therein] and thus Chiephobozou Town Council came into existence and became operative.
2. Accounts have been maintained on 'Cash Basis'.
3. The Town Council opened 02 Bank Accounts [One CD A/c & one SB A/c with Axis Bank - GHS Branch, Kohima simultaneously].
4. PFMS Account (mainly for State Urban Development Agency) was in operation during the year under audit but no separate books of accounts maintained for PFMS Transactions & its reconciliations.
5. Asset Register, Stock Register, Registers for receivable & payable and other required Books of Accounts not being maintained by the Town Council. Moreover, The Town Council does not have any budgetary system to estimate Income & Expenditure for the particular Financial Year.
6. Accounts have not been maintained properly - Cash Book maintenance was not satisfactory and General Ledger was not maintained.
7. List of Books of Accounts and other relevant records produced for audit are stated below:
 - a) Bank Statement of Axis Bank - GHS Rd., Kohima Branch (CD A/c No. 751556 & SB A/c No. 9498380)
 - b) Payment Vouchers/Account Payee Receipts, Actual payment receipts etc.
 - c) Note Sheet File for different projects showing approval/sanctions from appropriate authority, Utilisation Certificate.
 - d) In some cases, payments above 20,000/- were made in cash.
8. Vouchers, Bills, Cash Memos etc. were not always available - mostly Kachha Receipts were made available to audit.
9. Bank Reconciliation Statement for the period from 1st April, 2023 to 31st March, 2024 has not been prepared since the Receipts & Payments Account [Cash Book] Bank Balance as on 31st March, 2024 agreed with the Bank Balance as on 31st March, 2024 as per Bank Statement issued by Axis Bank - GHS Rd., Kohima Branch.
10. Construction Works were carried out through local contractors and no 'Labour Cess' was deducted and deposited to Labour Welfare Board.
11. Generally, cash payments were made after cash withdrawal of Fund from Bank and it was also observed that the Cash Memos/Bills/Invoices etc. submitted by suppliers/contractors for construction works were exclusive of GST.
12. In few cases Photographs for construction works have been provided without date & time or Geotagging.
13. Land acquired by the Town Council through Cash Payment which appears to be not appropriate - should have been through Bank only.
14. Bank Balances appearing in the Receipts & Payments Account as closing Balance as on 31st March, 2024 are as per the Statement/Pass Book issued by the Bank. However, no Balance Confirmation Certificates have been obtained from the Bank confirming the Balances as on 31st March, 2024.
15. The Chiephobozou Town Council had Rs. NIL/- Cash-in-hand Balance as on 31st March, 2024 as certified by the management of the Town Council.
16. Out of the total funds received from the Directorate of Municipal Affairs, Govt. of Nagaland during the 2023-24, amounting to Rs. 77 lacs [Rs. 37 lacs & Rs. 40 lacs respectively] the Town Council made a Term Deposit of Rs. 50 lacs with the AXIS Bank, G.H.S. Road Kohima Branch on 19.08.2023.
The Term Deposit thus made should have been approved by the Town Council Executive Body Meeting. However, the Town Council encashed 50% of the Term Deposit amounting to Rs. 25 lacs on 19.02.2024 and received a total amount of Rs. 25,46,459/- including Interest of Rs. 46,459/- and kept the balance amount of Rs. 25 lacs as Term Deposit with AXIS Bank till the end of 31st March, 2024.
In view of the above the Interest of Rs. 46,459/- such received has been disclosed as Receipts in the Receipts & Payments Account for the year ended at 31st March, 2024.
Further, though Term Deposit was made initially for Rs. 50 lacs, the Town Council encashed 50% of the Term Deposit on 19.02.2024 at Rs. 25,46,459/- [including Rs. 46,459/- as Interest] and hence disclosure of Term Deposit was made in the Receipts & Payments Account for the year ended 31st March, 2024 for Rs. 25 lacs being the difference of Rs. 50 lacs [Initial Term Deposit] and Rs. 25 lacs [already encashed].

In terms of our report of even date attached
For S. Debray & Associates
Chartered Accountants


S. Debray
Proprietor

Mem.No. - 051071

FRN :- 322777E

Administrator_____
Accountant

Place : Kohima

Date : 31.10.2024