

ITEM NO. 07 (O-01)

Copy of Reso. No. 07(O-01)
of
Councils, Ordinary Meeting
Dated 23/07/2013

1. Name of the subject/project

Audit Comments on Financial Statements/Accounts of NDMC for the year ending March, 2012.

2. Name of the Department/Departments Concerned

Office of the Chief Auditor, New Delhi Municipal Council.

3. Brief history of the subject/project

As per Council Resolution No. 3(xii) dated 24.04.2002, NDMC decided to switch over to Accrual Based Double Entry System of accounting with effect from the year 2004-05. Accrual Based Financial Statements for the year ended March, 2012 received in the office of the Chief Auditor were audited and observations thereon were communicated to Financial Advisor, NDMC in February, 2013 for obtaining the replies/comments as per provisions contained in Section 59 of NDMC Act, 1994. The draft comments were discussed in the Exit conference held on 2 April 2013 with a team of Accounts Department headed by the then Financial Advisor which was followed by the replies of the department received in June 2013. Incorporating the replies received in the Exit conference and subsequently received in June, 2013, the report on the Accounts of NDMC for the year ending 31.03.2012 has been finalized. As contemplated in the Section of NDMC Act, audit comments on Financial Statements for the year ended March, 2012 prepared on Accrual Basis are submitted for information of the Council.

4. Detailed proposal on the subject/project

Audit comments on the Financial Statements for the year ended March, 2012 are enclosed as a separate booklet, for information of the Council.

5. Financial implications of the proposed project/subject

Nil

6. Implementation schedule with timelines for each stage including internal processing

Not Applicable.

7. Comments of the Finance Department on the Subject

Not applicable, since Draft Agenda Item incorporates the comments on the Financial Statements for the year ended March, 2012 prepared on Accrual Basis as part of Statutory Audit Function, envisaged in NDMC Act, 1994.

8. Comments of the Department on comments of Finance Department

Not Applicable.

Dy. No. 588
Date. 12/9/13
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W. D. M. C.

Dir. chief Auditor

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AAO (LAP. A/CS).

9. Legal implication of the subject/project

Nil

10. Details of previous Council Resolutions, existing laws of Parliament and Assembly on the subject

The details of previous Council Resolutions are as under:

S. No	Resolution Number and Date	Particulars
1.	Item No. 09(01) dated 28.04.08	Audit Comments on Financial Statements (Double Entry) for the year ended March, 2005
2.	Item No. 07(D-07) dated 21.01.09	Audit Comments on Financial Statements (Double Entry) for the year ended March, 2006
3.	Item No. 11(0-03) dated 15.01.2010	Audit Comments on Financial Statements (Double Entry) for the year ended March, 2007
4.	Item No. 12(0-04) dated 15.01.2010	Audit Comments on Financial Statements (Double Entry) for the year ended March, 2008
5.	Item No. 08(0-01) dated 25.06.2012	Audit Comments on Financial Statements (Double Entry) for the year ended March, 2009
6.	Item No. 06(0-02) dated 25.07.2012	Audit Comments on Financial Statements (Double Entry) for the year ended March, 2010
7.	Item No. 05(O-03) dated 28.08.2012	Audit Comments on Financial Statements (Double Entry) for the year ended March, 2011.

11. Comments of the Law Department on the subject/project

Not applicable, since draft Agenda Item incorporates Comments on the Financial Statements for the year ended March, 2012 prepared on Accrual Basis as part of Statutory Audit Function envisaged in NDMC Act, 1994.

12. Comments of the Department on comments of Law Department

Not Applicable.

13. Certification by the Department that all Central Vigilance Commission (CVC) guidelines have been followed while processing the case

Not applicable.

14. Recommendation

The Audit Comments on the Financial Statements for the year ended March, 2012 prepared on Accrual Basis, may be presented to the Council for information.

15. Draft Resolution

Resolved by the Council that information regarding Audit comments on the Financial Statements on accrual basis for the year ended March, 2012 reported by the Chief Auditor is noted. The Accounts Department is advised to carry out the necessary rectifications in the Accounts for the subsequent years and submit an Action Taken Report on the comments of the Chief Auditor.

COUNCIL'S DECISION

Resolved by the Council that, information regarding Audit comments on the Financial Statements, on accrual basis for the year ended March, 2012, as reported by the Chief Auditor, is noted. The Accounts Department is advised to carry out the necessary rectifications in the Accounts for the subsequent years and submit an Action Taken Report on the comments of the Chief Auditor.

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12/9/13
For Secretary
New Delhi Municipal Council
New Delhi.
U. M. SINGH
12/9/13