

OVERVIEW

This Report contains three sections. Section-I deals with the constitution of KAAC, rules for the management of District Fund and relevant constitutional provisions on maintenance of accounts. Section-II contains twenty paragraphs arising out of audit of Annual Accounts of the Council for 2010-11 while Section-III of the Report details the audit findings in twenty two paragraphs pertaining to transaction audit relating to discharge of inherent functions as well as entrusted functions of KAAC. The significant audit findings contained in the Report are given below:

Comments on Accounts

- Progressive Capital Outlay exhibited in Statement 2 of Annual Accounts was understated by ₹5.19 crore.
(Paragraph 2.2.2)
- Capital and revenue expenditure were overstated by ₹1.55 crore and ₹0.34 crore respectively while the closing balance was understated by ₹1.20 crore.
(Paragraph 2.2.4)
- Receipts and Disbursement under Part-II Deposit Fund were understated by ₹44.65 crore and ₹37.23 crore respectively.
(Paragraph 2.3.1 & 2.3.3)
- KAAC did not reconcile the discrepancies of closing balances (persisting since 1985-86) appearing in three different sets of records viz., treasury records, cashbook and annual accounts, despite pointing out in the previous Audit Reports.
(Paragraph 2.4.1)

Audit findings on transaction audit of inherent functions

- Short extraction of allotted quantity of bamboo resulted in non generation of potential revenue to the tune of ₹2.06 crore by the council during 2010-11.

(Paragraph 3.1.1)

- KAAC short released ₹ 8.54 crore of the funds received from the State Government for the entrusted functions to the Drawing and Disbursing Officers and thus it deprived the attainment of intended objectives.

(Paragraph 3.3.2)

Audit findings on transaction audit of entrusted functions

- There was an unfruitful expenditure of ₹ 3.26 crore incurred towards the construction of Polytechnic building at Diphu as the building was not put to use by Education Department for the intended purpose even after a lapse of four years of construction.

(Paragraph 4.4)

- ₹5.50 lakh shown as disbursed by Deputy Director (Hills), Panchayat and Rural Development, Karbi Anglong to Nilip Block Development Officer was suspected to be misappropriated as receipt and utilization of the fund by the blocks was not available on record.

(Paragraph 4.10)