

TRIVANDRUM CORPORATION

ATA1/MS/1374/06

09/07/09

Review of Income and Expenditure statement for the period from 01/04/2009 to 30/06/2009

Total Income	-	33,59,38,123
Total Expenditure	-	14,99,40,027
Surplus carried over to Municipal Fund	-	18,59,98,096

Since the Accrual based Income and Expenditure statement does not reveal the actual revenue collections for the above accounting period, a DCB statement is also prepared to review the revenue collections. The review is as follows.

<u>Revenue Heads</u>	<u>Percentage Current Year</u>	<u>Percentage Last Year</u>
Prop:Tax Current	14.00	9.80
Prop:Tax Arrear	10.82	6.79
Prof:Tax Current	0.39	0.46
Prof:Tax Arrear	10.61	100
Rent on Lands-Current	9.72	14.65
Rent on Lands-Arrear	5.42	5.58
D & O License Fees(current)	69.17	80
D & O License Fees(Arrear)	7.91	8.21
	<u>Collection Amt. Current Year</u>	<u>Collection Amt Last Year</u>
Advertisement Tax	5,31,149	3,27,676
Entertainment Tax	59,30,397	70,21,320

Major Headwise Revenue Collection for the accounting period are as follows:

Major Head Wise Revenue	Accrual Based Collection	Actual Collection
Tax Revenue	20,92,68,204	5,16,99,921
Assigned Revenues & Compensation	94,565	94,565
Rental Income	2,72,79,738	50,04,606
Fees & User Charges	5,34,25,238	5,17,38,264
Sale & Hire Charges	44,93,453	44,93,453
Other Income	1,17,084	1,17,084
Total Own Revenue Income	29,46,78,282	11,31,47,893
General purpose Fund	3,65,38,749	3,65,38,749
Total Revenue Income	33,12,17,031	14,96,86,642
Grants, Contribution & subsidies	47,21,092	47,21,092
Total Income	33,59,38,123	15,44,07,734

Major Headwise Revenue Expenditure for the accounting period are as follows:

Establishment Expenses	8,95,62,029
Administrative Expenses	1,19,63,889
Operation & Maintenance	4,68,32,629
Prior period Expense	30,777
Programme Expenses (Own Fund)	4,03,735
Total Revenue Expenditure(own)	14,87,93,059
Programme Expenses (Grant)	10,18,285
Revenue Grants Contribution	1,28,683
TOTAL	14,99,40,027

59.83% of the total revenue income is utilized towards Establishment Expenses, 7.99 % for administrative expenditure, 31.28 % for development activities, 0.02 % for prior period expenses, 0.26 % for programme expenses and 0.62% transferred towards revenue surplus . Liabilities payable immediately amounts to RS- 1,33,41,177.

The own Fund bank balance at the end of the accounting period amounts to Rs.11,09,59,379 and cash in hand amounts to **Rs.16,14,119**. The financial position of the Corporation is hence not bad.

From first April onwards revenue collection is taken by using new Account Codes. Since proper training is not given to the staff at each demanding point and at the collection point, most of the codes entered by them are wrong which resulted in appearing negative figures in the Balance Sheet. The matter is already brought to the notice of IKM who is responsible for giving adequate training to the revenue staff. If revenue collection is not accounted properly to the correct Account Heads, Budget preparation will also be affected in future. Hence, apart from giving adequate training to the staff, a software updation is also suggested to avoid this bad practice of posting entries to wrong Account Heads. At present all the Account Heads are accessible to the staff at each demanding point. This should not be permitted. Account Heads which they actually require at each demanding point should only be permitted. An updation in the present software to the above

Accounts Officer.