



**AUDIT REPORT**  
**ON**  
**THE ACCOUNTS OF**  
**UNION ADMINISTRATIONS**  
**DISTRICT SAHIWAL**  
**AUDIT YEAR 2012-13**

**AUDITOR GENERAL OF PAKISTAN**

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## **ABBREVIATIONS AND ACRONYMS**

ADP	Annual Development Programme
CCB	Citizen Community Board
DAC	Departmental Accounts Committee
DGA	Director General Audit
D&C	Demand & Collection Register
FD	Finance Department
IPSAS	International Public Sector Accounting Standards
LG&CD	Local Government and Community Development
MFDAC	Memorandum for Departmental Accounts Committee
NAM	New Accounting Model
PAC	Public Accounts Committee
PAO	Principal Accounting Officer
PDG	Punjab District Government
PLGO	Punjab Local Government Ordinance
TO (R)	Tehsil/ Town Officer Regulation
UAs	Union Administrations
UAC	Union Accounts Committee

## **PREFACE**

Articles 169 and 170 of the Constitution of the Islamic Republic of Pakistan, 1973, and Section 115 of the Punjab Local Government Ordinance, 2001 require the Auditor General of Pakistan to conduct audit of receipts and expenditure of the Local Fund and Public Accounts of Union Administration of the Districts.

The Report is based on audit of the accounts of five Union Administrations, District Sahiwal for the financial year 2008-12. The Director General of Audit District Governments Punjab (South), Multan, conducted audit during 2012-13 on test check basis with a view to reporting significant findings to relevant stakeholders. The main body of Audit Report includes only the systemic issues and audit findings carrying value of Rs.1 million or more. Relatively less significant issues are listed in the Annexure-I of the Audit Report. The Audit observations listed in the Annexure-I shall be pursued with the Principal Accounting Officer at the DAC level and in all cases where the PAO does not initiate appropriate action, the Audit observations will be brought to the notice of the Public Accounts Committee through the next year's Audit Report.

Audit findings indicate the need for adherence to the regularity framework besides instituting and strengthening internal controls to avoid recurrence of similar violations and irregularities.

The observations included in this Report have been finalized in the light of written responses of the management concerned.

The Audit Report is submitted to the Governor of the Punjab in pursuance of Article 171 of the Constitution of the Islamic Republic of Pakistan, 1973, read with Section 115 of the Punjab Local Government Ordinance 2001, for causing it to be laid before the Provincial PAC.

Islamabad  
Dated:

**(Muhammad Akhtar Buland Rana)**  
**Auditor General of Pakistan**

## EXECUTIVE SUMMARY

The Director General Audit (DGA), District Governments, Punjab (South), Multan, is mandated to carry out audit of City District Governments and District Governments in Punjab (South) including Tehsil/Town Municipal Administrations and Union Administrations. The Regional Directorate of Audit, District Governments Multan, a field audit office of the DGA, District Governments, Punjab (South), Multan, carries out audit of District Governments, TMAs and UAs of six Districts i.e. Multan, Lodhran, Vehari, Sahiwal, Pakpattan and Khanewal.

The Regional Directorate has a human resource of 32 including 25 officers. Total mandays available were 7,575 and the budget amounted to Rs11.029 million in audit year 2012-13. It has the mandate to conduct financial attest audit, audit of sanctions, audit of compliance with authority and audit of receipts as well as the Performance Audit of entities, projects and programs. Accordingly, R.D.A Multan carried out audit of the accounts of five UAs of District Sahiwal for the financial years 2008-2012 and the findings are included in this Audit Report.

Union Administrations (UAs), District Sahiwal conduct their operations under Punjab Local Government Ordinance 2001. UAs of District Sahiwal comprise Union Nazim/Administrator and not more than three secretaries namely Secretary (Union Committees), Secretary (Municipal Services) and Secretary (Community Development). Administrator designates one secretary as Principal Accounting Officer (PAO). Financial provisions of the Ordinance require every Local Government to establish Public Account. Additional Secretary (Local Government and community development department) in pursuance of sub section 179-A of the PLGO, 2001, appointed Tehsil officer (Regulation) as Administrator of Union Councils falling in the respective Tehsil Municipal Administrations vide notification No.SOR(LG)39-6/208 dated Lahore February 24, 2010. According to this notification, the Administrators shall perform the functions and exercise the powers of the Union Nazim, Naib Union Nazim and Union Councils under the ordinance and or any other law for the time being in force.

The total Development Budget of five above mentioned UAs in District Sahiwal for the financial years 2008-12, was Rs 11.573 million and expenditure incurred was of Rs 9.494 million, showing savings of Rs 2.078 million. The total Non-development Budget for financial years 2008-2012 was Rs 17.261 million and expenditure was of Rs 13.388 million, showing savings of Rs 3.873 million. The reasons for savings in Development and Non-development Budgets are required to be provided by the Secretaries and PAOs concerned.

Audit of UAs of District Sahiwal was carried out with the view to ascertain that the expenditure was incurred with proper authorization, in conformity with laws/rules/regulations, economical procurement of assets and hiring of services etc.

Audit of receipts/ revenues was also conducted to verify whether the assessment, collection, reconciliation and allocation of revenues were made in accordance with laws and rules and that there was no leakage of revenue.

**a. Audit Methodology**

Audit was conducted after understanding the business processes of UAs with respect to functions, control structure, prioritization of risk areas by determining their significance and identification of key controls. This helped auditors in understanding the systems, procedures, environment, and the audited entity before starting field audit activity. Audit used desk audit techniques for analysis of compiled data and review of permanent files/record. Desk Audit greatly facilitated identification of high-risk areas for substantive testing in the field.

**b. Audit of Expenditure and Receipts**

Audit of development expenditure of Rs4.747 million was carried out, out of the total expenditure of Rs9.494 million and Audit of non-development expenditure Rs4.406 million out of the total expenditure of Rs13.388 million for the financial years 2008-2012 was conducted, which are 50% & 33% of development and non-development expenditures, respectively. Total overall expenditure of UAs of District Sahiwal for the financial years 2008-12 was Rs22.882 million, out of which overall expenditure of Rs9.153 million was

audited, which is 71% of total expenditure. Therefore, there was 100% achievement against the planned audit activities.

Total receipts of the concerned UAs of District Sahiwal for the financial years 2008-12 were Rs 0.718 million. RDA Multan audited receipts of Rs 0.431 million which is 60% of total receipts.

**c. Recoveries at the Instance of Audit**

No Recoveries were pointed out through various audit paras and no recovery was effected till the compilation of this Report.

**d. The key Audit Findings of the Report**

- i. Non-production of record involving Rs 1.102 million was noted in one case<sup>1</sup>
- ii. Irregularities involving Rs 16.282 million were noted in five cases<sup>2</sup>

Audit paras on the accounts for 2011-12 involving procedural violations including internal control weaknesses, and irregularities which were not considered worth reporting to Provincial PAC, therefore have been included in Memorandum for Departmental Accounts Committee (MFDAC), (Annexure-A).

**e. Recommendations**

Audit recommends that the PAO/management of UAs should ensure to resolve the following issues seriously:

- i. Holding of DAC meetings in time
- ii. Compliance of DAC directives and decisions in letter and spirit
- iii. Disciplinary action for non-production of record.
- iv. Regularization besides action for lump-sum provision of development funds.
- v. Fixing of responsibility and disciplinary action for incurring irregular expenditure.

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<sup>1</sup> Para No. 1.2.1.1

<sup>2</sup> Para No. 1.2.2.1 to 1.2.2.5

- vi. Maintenance of proper forms, records and books of accounts and production of record.
- vii. Fixation of responsibility and action for incurring expenditure beyond competency.
- viii. Action against the responsible for improper allocation of funds.



## SUMMARY TABLES AND CHARTS

**Table 1: Audit Work Statistics**

(Rupees in Million)			
Sr. No	Description	No.	Budget / Expenditure
1	Total Entities (PAOs) in Audit Jurisdiction	88	209.895
2	Total formations in Audit Jurisdiction	88	209.895
3	Total Entities (PAOs) Audited	5	22.882
4	Audit & Inspection Reports	5	-
5	Special Audit Reports	-	-
6	Performance Audit Reports	-	-
7	Other Reports (relating to UAs)	-	-

**Table 2: Audit Observations**

(Rupees in Million)		
Sr. No.	Description	Amount Placed Under Audit Observation
1	Asset management	-
2	Financial management	-
3	Internal controls	-
4	Violation of rules	16.282
5	Others	1.102
<b>Total</b>		<b>17.384</b>

**Table 3: Outcome Statistics****Expenditure Outlay Audited**

(Rupees in Million)

Sr. No.	Description	Physical Assets)	Civil Works	Receipts	Others	Total
1	Outlays Audited	-	9.495	0.717	13.388	23.600
2	Amount Placed under Audit Observation/ Irregularities	-	6.482	-	10.902	17.384
3	Recoveries Pointed Out at the instance of Audit	-	-	-	-	-
4	Recoveries Accepted/ Established at the instance of Audit	-	-	-	-	-
5	Recoveries Realized at the instance of Audit	-	-	-	-	-

\* The amount mentioned against serial No.1 in column of “Total” is the sum of Expenditure and Receipts whereas the total expenditure was Rs 22.882 million.

**Table 4: Irregularities Pointed Out**

(Rupees in Million)

<b>Sr. No.</b>	<b>Description</b>	<b>Amount Placed under Audit Observation</b>
1	Violation of rules and regulations and principle of propriety and probity.	16.282
2	Reported cases of fraud, embezzlement, theft, misappropriations and misuse of public funds.	-
3	Quantification of weaknesses of internal control system.	-
4	Recoveries, overpayments, or unauthorized payments of public money.	-
5	Non-production of record to Audit.	1.102
6	Others, including cases of accidents, negligence etc.	-
<b>Total</b>		<b>17.384</b>

# CHAPTER 1

## 1.1 Union Administration Nos. 13,15,18,28 & 51

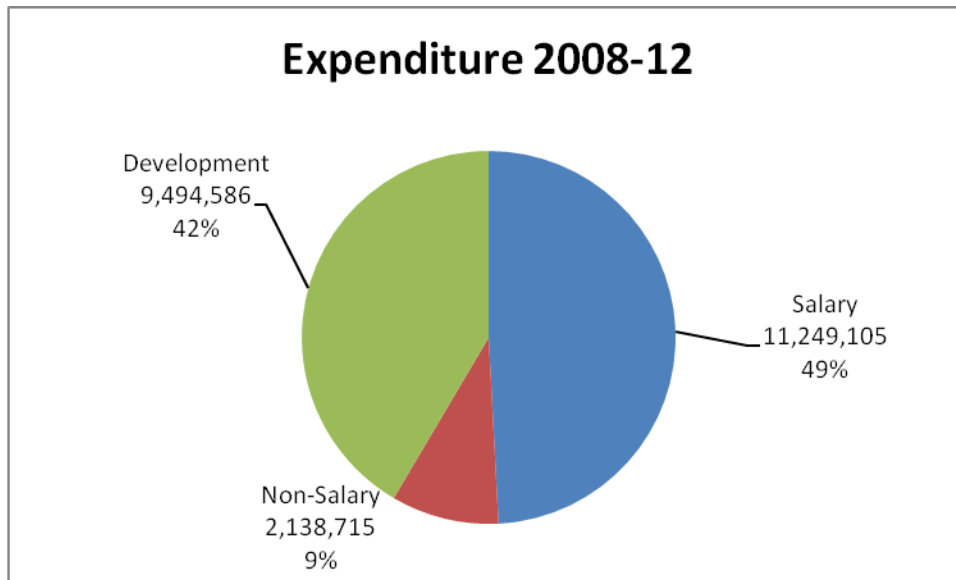
### 1.1.1 Introduction

Union Administration (UA) consists of Union Nazim, Union Naib Nazim and not more than three Secretaries namely Secretary (Union Committees), Secretary (Municipal Services) and Secretary (Community Development). Each UA has one Drawing & Disbursing Officer.

### 1.1.2 Comments on Budget and Accounts (Variance Analysis)

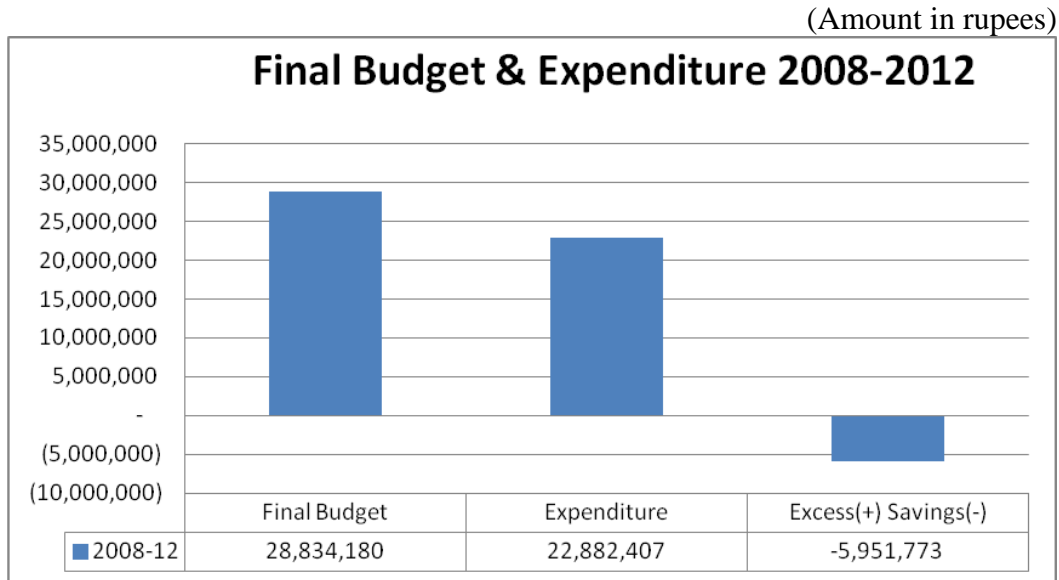
(Amount in rupees)

2008-12	Budget	Expenditure	Excess (+) /	%
			Saving (-)	(Saving)
Salary	14,520,308	11,249,105	-3,271,203	-23%
Non-salary	2,741,035	2,138,716	-602,319	-22%
Development	11,572,837	9,494,586	-2,078,251	-18%
Revenue	718,000	-	-	-
<b>Total</b>	<b>29,552,180</b>	<b>22,882,407</b>	<b>-5,951,773</b>	



Details of budget allocations, expenditures and savings of each UA in District Lodhran are at Annexure-B.

As per Budget Books for the financial years 2008-2012 of UAs in District Sahiwal, the original and final budgets were of Rs28.834 million. Total expenditures incurred by these UAs during financial years 2008-2012 was Rs22.882 million. There was a saving of Rs5.952 million, the reasons for which should be provided by the PAOs, UA Nazims and management of UAs. The comparative analysis of the budget and expenditure of current financial years is depicted as under:



There was overall saving in the budget allocations for the financial year 2008-12 are as follows:

(Amount in rupees)

Financial Year	Budget Allocation	Expenditure	Total Saving	% of Saving
2008-12	28,834,180	22,882,407	-5,951,773	-21%

The justification of saving when the development schemes have remained incomplete is required to be provided by PAO.

### 1.1.3 Brief Comments on Status of Compliance with PAC/UAC Directives

S. No.	Audit Report Year	No. of Paras	Status of PAC/ZAC Meeting
1	2009-12	8	Nil
<b>Total</b>		<b>8</b>	Nil

As indicated in the above table, no PAC/UAC meeting was convened to discuss the Audit Reports of UAs.

## AUDIT PARAS

### 1.2.1 Non-Production of Record

#### 1.2.1.1 Non-Production of Record – Rs 1.102 Million

According to Section 14(b) of the Auditor General's (Functions, Powers and Terms and Conditions of Service) Ordinance, 2001 read with Section 115(5)(d) of the PLGO, 2001, the officials shall afford all facilities and provide record for audit inspection and comply with request for information in as complete a form as possible and with all reasonable expeditions.

Secretaries Union Administrations did not produce the vouched accounts of various development expenditures and Receipt Heads amounting to Rs 1.102 million despite several verbal & written requests and the same remained unaudited. Further Union Administration No.15 Sahiwal did not maintain the vouched accounts like stock register, technical sanctioned estimate, site plan, measurement book and completion certificate etc. for audit and inspection in violation of above rules. Furthermore, cash book including annual expenditure statement for the year 2009-10 and 2011-12 was not available. Detail is given in **Annexure-C**.

Sr. No.	U A Number	Amount in rupees	Remarks
1	UA 15	628,960	Record of Development schemes was not produced
2	UA 13	473,578	Record of receipts was not produced
<b>Total</b>		<b>1,102,538</b>	

Audit is of the view that due to non-maintenance of proper record, the same was not produced to Audit.

The non-production of record constitutes violation of government rules and legal provisions and an attempt to cause hindrances in the auditorial functions of the AGP.

The matter was reported to Union Secretaries in December, 2012. The Secretaries signed the observations but did not submit detailed reply. The matter was reported to the administrator for convening of DAC meeting but neither the DAC meeting was convened nor any progress was intimated till the finalization of this Report.

Audit recommends disciplinary action against Secretaries concerned for nonproduction of record, besides production of record within fortnight to Audit.

[UA-15 Para: 01]

[UA 13 Para: 03]



## 1.2.2 Irregularities and Non-Compliance

### 1.2.2.1 Unauthorized Lump-sum Provision of Funds – Rs 8.132 million

According to Rule 58(3) of Union Administration (Budget) Rules, 2003, no lump sum provisions shall be made in the budget the details of which cannot be explained.

Secretaries Union Administrations allocated the development funds in lump sum without the identification of projects valuing Rs. 8.132 million during 2008-12. Such allocation was quite irregular and contradictory to the instructions of government. Detail is given below:

(Amount in rupees)

Union Administration No.	Lump sum allocation of Development Funds				Total
	2008-09	2009-10	210-11	2011-12	
13	800,000	300,000	732,152	-	1,832,152
51	-	-	1,447,065	1,303,164	2,750,229
15	1,450,000	800,000	1,100,000	200,000	3,550,000
<b>Total</b>	<b>2,250,000</b>	<b>1,100,000</b>	<b>3,279,217</b>	<b>1,503,164</b>	<b>8,132,381</b>

Audit is of the view that due to weak financial management the funds were allocated in lump sum.

Lump sum allocation of funds resulted in irrational budgeting and defective allocation of available resources.

The matter was reported to Union Secretaries in December, 2012. The Secretaries signed the paras but did not submit detailed reply. The matter was reported to the administrators for convening of DAC meetings but neither the DAC meeting was convened nor any progress was intimated till the finalization of this Report.

Audit recommends regularization, besides action against secretaries/administrators concerned for lump-sum provision of development funds, under intimation to Audit.

[UA-13 Para: 12]

[UA-51 Para: 02]

[UA-15 Para:07]

### **1.2.2.2 Unauthorized Expenditure on Account of Development Works – Rs 2.832 Million**

According to Government of the Punjab, Union Administration (Works) Rules, 2002 rule (4) (e) and (f) that Inspection register for each scheme should be maintained. All members of the Project Committee shall periodically inspect the project and check the quality of work and the project committee shall prepare and submit the completion certificate in respect of each project separately in the Performa prescribed by communication and works department. Moreover, according to Government of the Punjab, Union Administration (Budget) Rules, 2003 Rule (44) (1) and (2) Expenditure can be incurred only on development projects for which Administrative Approval and Technical sanction (for works) has been accorded and the development project has been included in the budget and has been approved by the Council. For development projects under execution, the executing agency shall send monthly progress reports in the prescribed Form BM-5 and BM-7 to the Planning Officer and Finance and Budget Officer, and the Monitoring Committee in the first week following each month.

Secretary Union Administration No. 18 incurred an amount of Rs. 2.832 million on development schemes during the period 2006-12 through project committee as detailed in **Annexure-D**.

The expenditure was subject to following audit observations:

- Completion certificate was neither found available in the record nor produced on demand.
- Proper record entry in the Measurement Book was not made.

- The executing agency has not sent even a single monthly progress report on prescribed form of BM-5 and BM-7 in first week of every following month during the entire period of nine years of devolution.
- No inspection register was maintained. Neither the individual inspection report was shown to Audit nor separate inspection proforma was prepared.
- No APRs of the payees were obtained.
- No site plan was prepared hence the identification of project and their physical inspection could not be carried out effectively.
- The schemes were executed through project committee and it was required to reduce the estimates by 10% for Rs 59,496 on account of overhead charges which were included in the estimated rates prepared on the basis of MRS (Market Rate Schedule). Further income tax @ 3.5% of Rs 20,824 was not deducted from the payments to suppliers. Hence overhead charges and income tax should be recovered.
- The projects were split up into two or three parts to remain within the financial competency of the Project Committee which was against the provision of Rule 5 of the Punjab Union Administration (works) Rules, 2002.
- The stock entries of the material purchased e.g. Cement, Bricks, Pipes etc was not made in the stock register along with consumption record.

Audit is of the view that due to improper monitoring control the union funds were misappropriated/ misused.

Misappropriation of government funds resulted in non execution of development works and loss to Union Fund.

The matter was reported to Union Secretary in December, 2012. The Secretary signed the para but did not submit detailed reply. The matter was

reported to the administrator for convening of DAC meetings but neither the DAC meeting was convened nor any progress was intimated till the finalization of this Report.

Audit recommends fixation of responsibility and disciplinary action against the responsible for incurring irregular expenditure, under intimation to Audit.

[AIR Para: 07,08]

### **1.2.2.3 Unauthorized Execution of Development Projects without Maintenance of Form BDD-4 – Rs 1.875 million**

According to Rules 30 and 34 of Union Administration (Budget) Rules, 2003, development projects are those projects undertaken through development budget and required to be prepared on the Form BDD-4.

Secretary Union Administration No. 13 138/9-L Sahiwal incurred expenditure of Rs 1.876 million on execution of development projects during the financial years 2008-11 without maintenance of basic document i.e. Form BDD-4. In the absence of this form the identification of scheme and scope of work, specifications, feasibility to incur the expenditure and its beneficiaries could not be ascertained. Hence the actual execution of work could not be verified by audit. The detail is as under:

(Amount in rupees)

<b>Sr. No.</b>	<b>Financial Year</b>	<b>Total Budget</b>	<b>Develop Budget</b>	<b>Develop Expen</b>
1	2008-09	1,355,204	800,000	562,557
2	2009-10	1,786,495	300,000	-
3	2010-11	2,352,739	732,152	459,985
4	2011-12	2,772,777	875,138	853,050
<b>Total</b>		<b>8,267,215</b>	<b>2,707,290</b>	<b>1,875,592</b>

Audit is of the view that due to weak internal controls over execution of development projects no proper record was maintained regarding identification and execution of development projects.

Non maintenance of proper record resulted in apprehensions of doubtful execution of schemes against the true spirit of the project.

The matter was reported to Union Secretaries in December, 2012. Secretary signed the paras but did not submit detailed reply. The matter was reported to the administrator for convening of DAC meetings but neither the DAC meeting was convened nor any progress was intimated till the finalization of this Report.

Audit recommends fixing of responsibility and disciplinary action against the responsible for non maintenance of proper forms, under intimation to Audit.

[UA-13 Para: 13]

#### **1.2.2.4 Unauthorized Execution of Works beyond Competency by Splitting up Indents -Rs 1.775 million**

According to Rule 5, Union Administration Works Rules 2002, if the cost of a project included in the Annual Development Plan (ADP) is more than Rs 100,000 the Union Administration may get it executed through the Tehsil Municipal Administration or the District Government as Deposit Work for which the funds shall be placed at their disposal.

Secretaries Union Administrations incurred expenditure of Rs 1.775 million on different projects by splitting up the projects. The expenditure was unauthorized as the expenditure incurred on each project was more than Rs 100,000 but Union Administrations split up the expenditure in phases to keep it within their financial powers instead of getting it executed through TMA as deposit work. Detail is given in **Annexure-E**.

(Rupees in million)

<b>Union Council No.</b>	<b>Amount drawn</b>
13	0.775
18	1.000
<b>Total</b>	<b>1.775</b>

Audit is of the view that due to financial mismanagement expenditure was incurred beyond the competency.

Expenditure beyond the competency resulted in violation of government instructions.

The matter was reported to Secretaries Union Administration in December, 2012. The Secretaries signed and noted the paras but did not submit detailed reply. The matter was reported to the administrator for convening of DAC meeting but neither the DAC meeting was convened nor any progress was intimated till the finalization of this Report.

Audit recommends fixing of responsibility and action against the responsible for incurring expenditure beyond competency, under intimation to Audit.

[UA 13 Para No.02]

[UA 18 Para No.04]

#### **1.2.2.5 Non/Less allocation of CCB funds – Rs 1.668 million**

According to Rule 41 (2) of Punjab Union Administration (Budget) Rules, 2003, twenty five percent of the development budget shall be earmarked for execution through Citizen Community Boards (Citizen Community Boards). The Citizen Community Board (Citizen Community Board) projects shall be processed, included in the development budget and approved by the Council in accordance with Volume I and II of the Rules.

Secretaries Union Administrations allocated Rs 300,000 for CCBs out of total proposed development budget of Rs 7.874 million resulting in less allocation of Rs. 1.668 million. The detail is given in **Annexure-F**.

Audit is of the view that due to weak financial management the union administration funds were short allocated to CCBs.

Less allocation of development funds resulted in deprivation of necessary basic facilities to inhabitants of the vicinity.

The matter was reported to Union Secretaries in December, 2012. The Secretaries signed and noted the paras but did not submit detailed reply. The matter

was reported to the administrator for convening of DAC meeting but neither the DAC meeting was convened nor any progress was intimated till the finalization of this Report.

Audit recommends regularization, besides fixing of responsibility and action against the responsible for improper allocation of funds, under intimation to Audit.

[UA .15 Para No.08]

[UA .13 Para No.16]

# **ANNEXURES**



**Annexure-I**

(Rupees in million)

<b>Sr. No.</b>	<b>PDP No.</b>	<b>Subject</b>	<b>Amount</b>	<b>UA No.</b>	<b>AIR Para No.</b>	<b>Separation</b>	
1	1.2.1.1	Misappropriation on Account of Nikkah Fees – Rs 89,550	0.09	UA No. 18 Sahiwal	AIR Para. No.1	1.2.1	Fraud / Misappropriation
2	1.2.3.6	Unauthorized Expenditure on Development Projects without Project Committee – Rs 708,435	0.708	UANO. 15 Sahiwal	AIR Para No.03	1.2.3	Irregularities and Non-Compliance
3	1.2.3.7	Non-utilization of CCB Funds – Rs 250,000	0.25	UA No.13	AIR Para No. 11		

**Annexure-A**

**MFDAC Paras**

(Rupees in Million)

<b>Sr. No.</b>	<b>Name of Formation</b>	<b>AIR Para No.</b>	<b>Subject</b>	<b>Amount</b>
1	U.C No.13	1	Bogus Tendering Process for Execution of Development Schemes worth Rs 0.875 Million	0.875
2		4	Over-Payment on Account of Overhead Charges & Contractor Profit worth Rs 0.175 Million	0.175
3		5	Irregular Expenditure on Development without Approval of ADP worth Rs 0.876 Million	0.876
4		6	Irregular Expenditure of CCB Funds through Project Committee worth Rs 0.458 Million	0.458
5		7	Irregular Expenditure on Development Schemes without Inspection Reports	0
6		8	Non-Deduction of Income Tax on the Works Execution worth Rs 0.053 Million	0.053
7		9	Non Preparation of Expenditure Statement worth Rs 5.029 Million	5.029
8		10	Non-Submission of Monthly Progress Report on the Prescribed Forms regarding Development Projects Rs 1.876 Million	1.876
9		14	Irregular Withdrawal of Funds without Opening of Bank Account of Project Committee Rs 0.563 Million	0.563
10		15	Less Allocation of Funds for Development Rs 0.762 Million	0.762
11		17	Actual Payees Receipts not obtained of the Expenditure	0
12		18	Loss to Government Due To Non Auction of Taxes and Non-Notifying the Schedule of Taxes	0
13		19	Non-Maintenance of Property Register and Non Physical Verification of Store and Stock	0
	20	Non-Constitution of Marriage Function Committee	0	
<b>Total</b>				<b>10.667</b>
14	U.C.No.15	2	Doubtful Expenditure without Stock Entry and Issuance Record	0.17
15		4	Uneconomical Expenditure on Purchase of Different Material	0.495
16		5	Unjustified Expenditure on Labor Charges without Maintenance of Muster Roll	0.085

17		6	Defective Budgeting and Non Maintenance of Closing Balance of Cash	1.038
18		9	Un-authorized expenditure of CCB funds	0.86
<b>Total</b>				<b>2.648</b>
19	U.C.No.18	2	Fraudulent Drawl Of Electricity Bills Of Secretary Residence	0.015
20		3	Unjustified Purchase & Repair of Computer	0.064
21		5	Irregular/Doubtful Expenditure On Purchase Of Street Lights	0.108
22		6	Unjustified Approval Of CCB Project And Drawl Of Money	0.168
<b>Total</b>				<b>0.355</b>
21	U.C.No. 51	1	Irregular expenditure by splitting Up Of Development Schemes	1.258
22		3	Misappropriation Due to Non Production of Record for Payment	0.127
23		4	Non-Production of Record	0.115
24		5	Doubtful Payment Arrear Bill of Shafat Ali Secretary from 1-10-2000 to 31-5-2001	0.075
25		6	Non-deposit of income tax on the works	0.048
26		7	Loss to government due to non auction of taxes and non-notifying the schedule of taxes	0
27		8	Non physical verification of store and stock	0
<b>Total</b>				<b>1.623</b>
<b>Grand Total</b>				<b>15.293</b>

**Annexure-B**

**UAs of Sahiwal District**

**Budget and Expenditure Statement for Financial Year 2008-2012**

(Amount in rupees)

Sr. No.	Name of UAs	Particular	Original Budget	Supplementary Grant/Re-Appropriation	Final Budget	Actual Expenditure	Excess (+) Saving (-)
1	UA No.13	Salary	4,084,000	-	4,084,000	2,648,553	-1,435,447
		Non-Salary	806,500	-	806,500	504,486	-302,014
		<b>Sub Total</b>	<b>4,890,500</b>	-	<b>4,890,500</b>	<b>3,153,039</b>	<b>-1,737,461</b>
		Development	2,707,290	-	2,707,290	1,875,592	-831,698
		<b>Total</b>	<b>7,597,790</b>	-	<b>7,597,790</b>	<b>5,028,631</b>	<b>-2,569,159</b>
2	UA No.15	Salary	1,935,594	-	1,935,594	966,362	-969,232
		Non-Salary	368,685	-	368,685	184,069	-184,616
		<b>Sub Total</b>	<b>2,304,279</b>	-	<b>2,304,279</b>	<b>1,150,431</b>	<b>-1,153,848</b>
		Development	3,315,913	-	3,315,913	1,644,075	-1,671,838
		<b>Total</b>	<b>5,620,192</b>	-	<b>5,620,192</b>	<b>2,794,506</b>	<b>-2,825,686</b>
3	UA No.18	Salary	4,852,191	-	4,852,191	4,444,936	-407,255
		Non-Salary	924,227	-	924,227	784,401	-139,826
		<b>Sub Total</b>	<b>5,776,418</b>	-	<b>5,776,418</b>	<b>5,229,337</b>	<b>-547,081</b>
		Development	2,029,552	-	2,029,552	1,866,999	-162,553
		<b>Total</b>	<b>7,805,970</b>	-	<b>7,805,970</b>	<b>7,096,336</b>	<b>-709,634</b>
4	UA No.51	Salary	1,478,523	-	1,478,523	1,637,480	158,956
		Non-Salary	281,623	-	281,623	545,827	264,203
		<b>Sub Total</b>	<b>1,760,147</b>	-	<b>1,760,147</b>	<b>2,183,306</b>	<b>423,159</b>
		Development	990,082	-	990,082	1,248,000	257,918
		<b>Total</b>	<b>2,750,229</b>	-	<b>2,750,229</b>	<b>3,431,306</b>	<b>681,077</b>
5	UA No.28	Salary	2,170,000	-	2,170,000	1,551,774	-618,226
		Non-Salary	360,000	-	360,000	119,933	-240,067
		<b>Sub Total</b>	<b>2,530,000</b>	-	<b>2,530,000</b>	<b>1,671,707</b>	<b>-858,293</b>
		Development	2,530,000	-	2,530,000	2,859,920	329,920
		<b>Total</b>	<b>5,060,000</b>	-	<b>5,060,000</b>	<b>4,531,627</b>	<b>-528,373</b>
<b>Grand Total</b>			<b>28,834,181</b>	-	<b>28,834,181</b>	<b>22,882,406</b>	<b>-5,951,775</b>

**Annexure-C****[Para 1.2.1.1]****Non-Production of Expenditure and Receipts Record – Rs 1.102 Million****Table 1**

(Amount in Rupees)

<b>Vr. No</b>	<b>Cheque No.</b>	<b>Date</b>	<b>Nature of expenditure</b>	<b>Name of Payee</b>	<b>Amount</b>
26	A3485816	15.09.08	Purchase of earth for Const. of soling Chak Khair Shah	Haji Muhammad Afzal	29,600
27	A3485817	20.09.08	Bricks for soling Khair Shah	Haji Muhammad Afzal	55,350
28	A3485818	24.09.08	Sand for soling Khair Shah	Haji Muhammad Afzal	8,000
29	A3485819	26.09.08	Labour charges soling Khair Shah	Abdul Aziz Mistary	5,460
40	A3485880	04.10.08	Purchase of Inauguration Stone Mouza Ourangabad	Shahid Ali	2,100
41	A3485881	04.10.08	Cement, bricks, sand, etc for erection of Inauguration Stone	Asif Ali	4,600
42	A3485882	06.10.08	Purchase of Inauguration Stone Mouza Ourangabad	Shahid Ali	2,100
43	A3485883	06.10.08	Cement, bricks, sand, etc for erection of Inauguration Stone	Asif Ali	4,600
44	A3485884	07.10.08	Purchase of Inauguration Stone Abadi Fareed Nagar Chak No.58-A/GD	Shahid Ali	2,100
45	A3485885	07.10.08	Cement, bricks, sand, etc for erection of Inauguration Stone	Asif Ali	4,600
46	A3485886	08.10.08	Purchase of Inauguration Stone Chak Khair Shah	Shahid Ali	2,100
47	A3485887	08.10.08	Cement, bricks, sand, etc for erection of Inauguration Stone	Asif Ali	4,600
48	A3485888	08.10.08	Labor charges Ourangabad	Abdul Aziz Mistary	3,000
54	A3485894	14.10.08	Labour charges for Inauguration Stone Mouza Orangabad	Abdul Aziz Mistary	3,000

55	A3485895	15.10.08	Labour charges for Effatahi Chak 58-A/GD	Abdul Aziz Mistary	3,000
56	A3485896	20.10.08	Labour charges for Effatahi Chak Khair Shah	Abdul Aziz Mistary	3,000
57	A3485897	21.10.08	Purchase of earth for Const. of soling Chak Khair Shah	Haji Muhammad Afzal	23,400
58	A3485898	22.10.08	Bricks for soling Khair Shah	Haji Muhammad Afzal	61,500
60	A3485900	23.10.08	Sand for soling Khair Shah	Haji Muhammad Afzal	8,000
69	A3485984	27.10.08	Labour charges for soling Chak Khair Shah	Abdul Aziz Mistary	5,550
86	A3486276	14.11.08	Bricks for culvert Mouza Rangabad	Haji Muhammad Afzal	10,250
87	A3486277	14.11.08	sand, cement etc for Mouza Rangabad	Qasim Ali	7,000
88	A3486278	17.11.08	Brick ballast Mouza Bashira	Haji Muhammad Afzal	10,250
89	A3486279	17.11.08	Sand, cement etc for Mouza Bashira	Qasim Ali	7,000
91	A3486281	20.11.08	Labour Mouza Rangabad	M. Akram Mistry	4,500
92	A3486282	22.11.08	Labour Mouza Bashira	Abdul Aziz Mistary	4,500
127	A3492367	25.04.09	Labour charges soling Khair Shah	Abdul Aziz Mistary	6,000
135	A3492375	21.05.09	Earth for soling Mouza Bhooni	Sarang Ali	26,800
136	A3491926	25.03.09	Bricks for soling Mouza Bhooni	Haji Muhammad Afzal	64,000
137	A3491927	27.05.09	Bricks culvert Mouza Bhooni	Haji Muhammad Afzal	7,680
138	A3491928	28.05.09	Sand for soling Mouza Bhooni	Haji Muhammad Afzal	4,500
139	A3491929	30.05.09	Labour Mouza Bhooni	Abdul Aziz Mistary	4,700
146	A3491936	03.06.09	cement, bricks, sand, etc for erection of Inauguration Stone	Qasim Ali	15,280
147	A3491937	04.06.09	Labour Mouza Bhooni	Mustafa Mistry	5,000
148	A3491938	05.06.09	Bricks Mouza Bhooni	Haji Muhammad Afzal	7,680

149	A3491939	06.06.09	Cement, bricks, sand, etc for erection of Inauguration Stone	Qasim Ali	15,280
150	A3491940	10.06.09	Labour Culvert Mouza Bashira	Hamid Ali Mastri	6,000
152	A3491942	11.06.09	Cement for Culvert Mouza Bashira	Haji Muhammad Afzal	7,680
153	A3491943	11.06.09	Cement bujri surya for Culvert Mouza Bashira	Ch. Asif Ali	15,280
154	A3491944	11.06.09	Sand for culvert mouza joshundi	Haji Muhammad Afzal	7,680
155	A3491945	11.06.09	Cement sand etc mouza joshundi	Ch. Asif Ali	15,280
156	A3491946	13.06.09	Sand for culvert mouza Basheera	Haji Muhammad Afzal	7,680
157	A3491947	13.06.09	Cement sand etc mouza Basheera	Ch. Asif Ali	15,280
158	A3491948	16.06.09	Labour Mouza Bashira	Abdul Aziz Mistary	6,000
159	A3491949	16.06.09	Labour Mouza Joshundi	Hamid Ali Mastri	6,000
160	A3491950	16.06.09	Labour Culvert Mouza Bashira	Mustafa Mistrary	6,000
161	A3491601	20.06.09	Earth for soling 59/GD	Sarang Ali	26,800
162	A3491602	25.06.09	Bricks for soling 59/GD	Haji Muhammad Afzal	64,000
163	A3491603	27.06.09	Sand for soling 59/GD	Anwar-ul-Haq	4,500
164	A3491604	27.06.09	Labour for soling 59/GD	Mustafa Mistrary	4,700
<b>Total Development Expenditure</b>					<b>628,960</b>

**Table 2 Receipts Record**

(Amount in Rupees)

Sr. No.	Financial year	Description of Source of Income	Actual Income
1	2008-09	Shadi Tax	43,200
		Naqool Fee	10,020
		Renewal of Licence	600
		Bank Profit	1,222
		Late Registration Fee	400
<b>Total</b>			<b>55,442</b>
2	2009-10	Shadi Tax	28,733

		Naqool Fee	37,500
		Renewal of Licence	900
		Bank Profit	5,161
		Late Registration Fee	400
		<b>Total</b>	<b>72,694</b>
3	2010-11	Shadi Tax	59,094
		Naqool Fee	81,000
		Renewal of Licence	1,000
		Bank Profit	19,924
		Late Registration Fee	1,700
		Tender Fee	675
		<b>Total</b>	<b>163,393</b>
4	2011-12	Shadi Tax	53,065
		Naqool Fee	88,600
		Renewal of Licence	1,000
		Bank Profit	37,634
		Late Registration Fee	1,000
		Tender Fee	750
		<b>Total</b>	<b>182,049</b>
		<b>Grand Total</b>	<b>473,578</b>
		<b>Grand Total of Table 1 &amp; 2</b>	<b>1,102,538</b>



**Annexure-D****[Para 1.2.2.2]****Unauthorized Expenditure on Account of Development Works – Rs 2.832 Million**

(Amount in Rupees)

Particular	Voucher	Date	Cheque	Amount
	No.		#	
7	12	7/8/2006	2091469	100,000
Solling 66/4R	13	7/8/2006	2091470	100,000
Solling Khan Kamal	14	17-08-2006	2091471	100,000
Solling Piplian 67/4-R	15	17-08-2006	2091472	100,000
Solling 68/4-R	16	17-08-2006	2091473	100,000
Solling 69/4R	17	22-08-2006	2091474	100,000
Nalkays	34	6/11/2006	2536816	100,000
Nalli & Pullies of 71/4-R	47	1/2/2007	2538029	50,000
Nalli & Pullies of 71/4-R	55	13-03-2007	2538037	15,000
Nalkays	60	7/4/2007	2538042	96,000
Steets Lights	7	18-07-2007	2543073	12,500
Street Lights	21	21-09-2007	229012	15,000
Pulli 69/4-R	22	21-09-2007	229013	10,000
Nali 71/4-R	27	9/10/2007	2290013	3,000
Nali 67/4-R	47	8/3/2008	2290038	4,500
Daily Membrans	48	8/3/2008	2290039	6,000
Pulli zafar Khan 69/4-R	55	8/5/2008	2290046	4,000
Pulli zafar Khan 69/4-R	56	12/5/2008	2290047	3,000
Pulli zafar Khan 69/4-R	57	22/5/2008	2290048	5,500
For Nala Chak No. 69/4-R	5	7/8/2008	3485830	14,000
Solling Kanakal	48	12/1/2009	Nil	100,000
Nali adda Shanel	49	12/1/2009	Nil	50,000
Wall	50	16-01-2009	Nil	20,000
Solling 69/4-R Dera Ejaz Khan	15	16-05-2009	3486793	30,000
Solling 69/4-R Dera Ejaz Khan	16	18-08-2009	3486794	28,000

Repair	Rasheed Iqbal Sec	9/5/2011	3511917	6,274
Repair	Rasheed Iqbal Sec	9/5/2011	3511918	6,274
Repair	Rasheed Iqbal Sec	9/5/2011	3511919	6,274
Repair	Rasheed Iqbal Sec	9/5/2011	3511920	6,274
<b>Total</b>				<b>1,191,596</b>

**Table 2**

(Amount in Rupees)

Particular	Name Of Co.	Voucher No.	Date	Cheque #	Amount	Remarks
Nala Main Bazar	Al-Noor Builders	29	1/5/2006	2085174	50,000	
Office 69/4R	Al-Noor Builders	30	1/5/2006	2085175	50,000	
Nala Main Bazar	Al-Noor Builders	33	20-05-2006		50,000	
Office 69/4R	Al-Noor Builders	34	20-05-2006		50,000	
Nala Masjid	Al-Noor Builders	1	1/7/2006		50,000	
Office 69/4R	Al-Noor Builders	2	1/7/2006		75,000	
Nala Masjid Wala Bazar	Al-Noor Builders	18	25-08-2006	2091475	25,000	
Nala Masjid Wala Bazar	Al-Noor Builders	19	28-08-2006	2091476	25,000	
Office UC	Al-Noor Builders	24	20-09-2006	2536806	25,000	
Office UC	Al-Noor Builders	44	10/1/2007	2538026	60,000	
Solling & Pull 70/4-R	Hasnain Builders	8	30-07-2007	2543074	75,000	
Solling & Pull 66/4-R	Hasnain Builders	9	30-07-2007	2543075	75,000	
Polling Solling Khan Kamal	Hasnain Builders	12	9/8/2007	229003	75,000	
Nali Pulli Adda Shabeel 10/4-R	Hasnain Builders	13	18-08-2007	229004	25,000	
Unknown Drawn	Hasnain Builders	29	22-10-2007	2290020	25,000	
Nali 69/4-R	Hasnain Builders	32	3/11/2007	2290023	50,000	
Nali 71/4-R	Hasnain Builders	33	5/11/2007	2290024	25,000	
Solling & Nali 69/4-R	Hasnain Builders	34	7/11/2007	2290025	25,000	
Solling & Nali 66/4-R	Hasnain Builders	35	9/11/2007	2290026	25,000	

Solling & Nali 71/4-R	Hasnain Builders	36	13-11-2007	2290027	25,000	
Solling & Nali 69/4-R	Hasnain Builders	37	16-11-2007	2290028	25,000	
Solling Khan Kamal	Amir Const. co.	11	14-05-2009	3486789	50,000	
Nali 67/4-R	Amir Const. co.	12	14-05-2009	3486790	50,000	
Nali Solling 68/4-R	Amir Const. co.	13	14-05-2009	3486791	40,000	
Nali Waheed	Amir Const. co.	14	16-05-2009	3486792	40,000	
Different Deve Project	Amir Const. co.		16-06-2009	3486798	50,000	In cash book, with pencils entries were made, No voucher no. mentioned, No cheque no. were mentioned
Different Deve Project	Amir Const. co.		16-06-2009	3486799	50,000	In cash book, with pencils entries were made, No voucher no. mentioned, No cheque no. were mentioned
Different Deve Project	Amir Const. co.		16-06-2009	3486800	30,000	In cash book, with pencils entries were made, No voucher no. mentioned, No cheque no. were mentioned
Different Deve Project	Amir Const. co.		18-06-2009		50,000	In cash book, with pencils entries were made, No voucher

						no. mentioned, No cheque no. were mentioned
Different Deve Project	Amir Const. co.		18-06-2009		10,000	In cash book, with pencils entries were made, No voucher no. mentioned, No cheque no. were mentioned
Different Deve Project	Amir Const. co.		18-06-2009		20,000	In cash book, with pencils entries were made, No voucher no. mentioned, No cheque no. were mentioned
Different Deve Project	Amir Const. co.		21-06-2009		30,000	In cash book, with pencils entries were made, No voucher no. mentioned, No cheque no. were mentioned
Different Deve Project	Amir Const. co.		21-06-2009		15,000	In cash book, with pencils entries were made, No voucher no. mentioned, No cheque no. were mentioned

Different Deve Project	Amir Const. co.		21-06-2009		20,000	In cash book, with pencils entries were made, No voucher no. mentioned, No cheque no. were mentioned
Different Deve Project	Amir Const. co.		16-06-2009	3486798	50,000	
Different Deve Project	Amir Const. co.		16-06-2009	3486799	50,000	
Different Deve Project	Amir Const. co.		16-06-2009	3486800	30,000	
Different Deve Project	Amir Const. co.		18-06-2009	3491051	50,000	
Different Deve Project	Amir Const. co.		18-06-2009	3491052	10,000	
Different Deve Project	Amir Const. co.		18-06-2009	3491053	20,000	
Different Deve Project	Amir Const. co.		21-06-2009	3491054	30,000	
Different Deve Project	Amir Const. co.		21-06-2009	3491055	15,000	
Different Deve Project	Amir Const. co.		21-06-2009	3491056	20,000	
<b>Total</b>					<b>1,640,000</b>	
<b>Grand Total of Table 1 &amp;2</b>					<b>2,831,596</b>	

**Annexure-E****[Para No.1.2.2.4]****Unauthorized Execution of Works beyond Competency by Splitting up Indents -Rs 1.775 million****Table 1**

(Amount in Rupees)

<b>Name of Project</b>	<b>Estimated Cost</b>
<b>2005-06</b>	
Repair of Office Building 69/4-R	100,000
Renovation Of Office 69/4-R	100,000
const of boundary Wall Office 69/4-R	50,000
<b>2011-12</b>	
Const. of Soling Nala Drains Culverts Chak No. 69/4-R (G-I)	100,000
Const. of Soling Nala Drains Culverts Chak No. 69/4-R (G-II)	100,000
Const. of Soling Nala Drains Culverts Chak No. 69/4-R (G-III)	100,000
Const. of Soling Nala Drains Culverts Chak No. 69/4-R (G-IV)	50,000
Const. of Soling Nala Drains Culverts Chak No. 70/4-R Bhujwana (G-I)	100,000
Const. of Soling Nala Drains Culverts Chak No. 70/4-R Bhujwana (G-II)	100,000
Const. of Soling Nala Drains Culverts Chak No. 70/4-R Bhujwana (G-III)	100,000
Const. of Soling Nala Drains Culverts Chak No. 70/4-R Bhujwana (G-IV)	100,000
<b>Total</b>	<b>1,000,000</b>

**Table 2**

(Amount in Rupees)

<b>Sr. No.</b>	<b>Name of Scheme/Project</b>	<b>Amount</b>
1	Construction of Soling Nala Drain Culverts Chak No.138/9-L Ahsan Abad (G-I)	100,000
2	Construction of Soling Nala Drain Culverts Chak No.138/9-L Ahsan Abad (G-II)	100,000
3	Construction of Soling Nala Drain Culverts Chak No.138/9-L Ahsan Abad (G-III)	100,000
4	Construction of Soling Nala Drain Culverts Chak No.138/9-L Ahsan Abad (G-IV)	100,000
5	Construction of Soling Nala Drain Culverts Chak No.138/9-L Ahsan Abad (G-V)	50,000

7	Construction of Soling Nala Drain Culverts Chak No.138/9-L Zafar Abad Bara Form (G-I)	100,000
8	Construction of Soling Nala Drain Culverts Chak No.138/9-L Zafar Abad Bara Form (G-II)	75,000
9	Construction of Soling Nala Drain Culverts Chak No.138/9-L (Old)	100,000
10	Construction of Soling Nala Drain Culverts Chak No.138/9-L	50,000
<b>Total</b>		<b>775,000</b>
<b>Grand Total of Table 1 &amp; 2</b>		<b>1,775,000</b>

**Annexure-F**

**[Para 1.2.2.5]**

**Non/Less allocation of CCB funds – Rs 1.668 million**

**Table 1**

(Amount in Rupees)

Year	Expenditure (Budgeted)					CCB 25%	Less Allocati on of CCB Funds
	Pay & All	Contingenc ies	CCB	ADP	Total		
2007-08	624,000	148,000	-	1,400,000	2,172,000	350,000	350,000
2010-11	1,078,192	529,000	200,000	1,100,000	2,907,192	275,000	75,000
<b>Total</b>	<b>1,702,192</b>	<b>677,000</b>	<b>200,000</b>	<b>2,500,000</b>	<b>5,079,192</b>	<b>625,000</b>	<b>425,000</b>
<b>Total Less Allocation of CCB Funds</b>							<b>425,000</b>

**Table 2**

(Amount in Rupees)

Sr. No.	Financial year	Total Budget	Development Budget	Budget Allocated for CCB	Required Budget Allocation for CCB	Less Budget Allocation for CCB
1	2001-02	569,778	300,000	-	75,000	75,000
2	2002-03	1,346,952	750,000	-	187,500	187,500
3	2003-04	1,995,971	1,100,000	-	275,000	275,000
4	2004-05	2,033,778	1,125,000	-	281,250	281,250
5	2005-06	979,399	500,000	-	125,000	125,000
6	2006-07	1,445,186	900,000	100,000	225,000	125,000
7	2007-08	1,606,338	699,000	-	174,750	174,750
<b>Total</b>		<b>9,977,402</b>	<b>5,374,000</b>	<b>100,000</b>	<b>1,343,500</b>	<b>1,243,500</b>
<b>Grand Total of Table 1 &amp; 2</b>						<b>1,668,500</b>