



**AUDIT REPORT
ON
THE ACCOUNTS OF
UNION ADMINISTRATIONS
DISTRICT JHELUM**

AUDIT YEAR 2015-16

AUDITOR GENERAL OF PAKISTAN

Table of Contents

ABBREVIATIONS AND ACRONYMS	i
PREFACE	ii
EXECUTIVE SUMMARY	iii
SUMMARY TABLE & CHARTS	vi
Table 1: Audit Work Statistics	vi
Table 2: Audit observations	vi
Table3: Outcome Statistics.....	vi
Table4: Irregularities Pointed Out	vii
Table 5: Cost - Benefit Ratio.....	vii
CHAPTER 1	1
1 UNION ADMINISTRATIONS, DISTRICT JHELUM	1
1.1 Introduction.....	1
1.1.1 Comments on Budget and Accounts (Variance Analysis)	2
1.1.3 Brief Comments on the Status of Compliance with MFDAC Paras of Audit Year 2013-14.....	3
1.1.4 Brief Comments on the Status of Compliance with PAC Directives.....	3
1.2 AUDIT PARAS	4
1.2.1 Non production of record.....	4
1.2.2 Irregularity and Non Compliance	5
1.2.3 Performance.....	9
ANNEXURE	10
Annex-A	10
Annex-B	12
Annex-C	16
Annex-E	18

Annex-F..... 18
Annex-G 19
Annex-H..... 20
Annex-I 20

ABBREVIATIONS AND ACRONYMS

AIR	Audit & Inspection Report
B&R	Buildings & Roads
CCB	Citizen Community Board
DAC	Departmental Accounts Committee
DDO	Drawing & Disbursing Officer
LGRDD	Local Government & Rural Development Department
MFDAC	Memorandum for Department Accounts Committee
NAM	New Accounting Model
PAC	Public Accounts Committee
PAO	Principal Accounting Officer
PCC	Plain Cement Concrete
PDG	Punjab District Government
PFR	Punjab Financial Rules
PLGO	Punjab Local Government Ordinance
TMA	Town Municipal Administration
UA	Union Administration

PREFACE

Articles 169 and 170 of the Constitution of the Islamic Republic of Pakistan, 1973 read with Section 115 of the Punjab Local Government Ordinance 2001 require the Auditor General of Pakistan to audit the accounts of the Provincial Governments and the accounts of any authority or body established by, or under the control of the Provincial Government. Accordingly, the audit of all receipts and expenditure of the Local Fund and Public Accounts of Union Administrations of the District governments is the responsibility of the Auditor General of Pakistan.

The report is based on audit of the accounts of Union Administrations of the District Government, Jhelum for the Financial Years 2014-15. The Directorate General of Audit District Governments Punjab (North), Lahore conducted audit during 2015-16 on test check basis with a view to reporting significant findings to the relevant stakeholders. The main body of the Audit Report includes only the systemic issues and audit findings carrying value of Rs 1.00 million or more. Relatively less significant issues are listed in the Annexure -A of the Audit Report. The Audit observations listed in the Annexure -A 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 observation will be brought to the notice of the Public Accounts Committee through the next year's Audit Report.

The audit results indicate the need for adherence to the regularity frame work besides instituting and strengthening internal controls to prevent recurrence of such violations and irregularities.

The observations included in this Report have been finalized after discussion of Audit Paras with the management. However, no Departmental Accounts Committee meeting by PAO was convened despite repeated requests.

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 to cause it to be laid before the Provincial Assembly of Punjab.

Islamabad
Dated:

(Imran Iqbal)
Acting-Auditor General of Pakistan

EXECUTIVE SUMMARY

The Directorate General Audit, District Governments, Punjab (North), Lahore is responsible to carry out the audit of District Governments, Town / Tehsil Municipal Administrations and Union Administrations of three City District Governments and sixteen District Governments. Its Regional Directorate of Audit, Rawalpindi has audit jurisdiction of District Governments, Town / Tehsil Municipal Administration and Union Administrations of one City District Government i.e. Rawalpindi and three District Governments i.e. Jhelum, Chakwal and Attock.

The Regional Directorate of Audit Rawalpindi had a human resource of fifteen officers and staff, constituting 1,292 man days and the budget of Rs 16.02 million for Financial Year 2015-16. It had the mandate to conduct Financial Attest Audit, Regularity 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 Directorate General of Audit District Governments Punjab (North), Lahore carried out audit of the accounts of Ten UAs of District Jhelum for the Financial Year 2015-16 and the findings included in the Audit Report.

Each Union Administration, in District Jhelum is headed by a Union Nazim / Administrator who carries out operations as per Punjab Local Government Ordinance, 2001. Administrator is the Principal Accounting Officer (PAO) and acts as coordinating and administrative officer, responsible to control land use, its division and development and to enforce all laws including Municipal Laws, Rules and By-laws. The Punjab Local Government Ordinance, 2001 requires the establishment of Union Local Fund and Public Account for which Annual Budget Statement is authorized by the Union Nazim / Union Council / Administrator in the form of Budgetary Grants.

Audit of UAs (list UAs Audit along with Budget, Expenditure and Receipt is given at Annexure -B) of District Jhelum was carried out with a view to ascertaining 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/ revenue was also conducted to verify whether the assessment, collection, reconciliation and allocation of revenues were made in accordance with laws and rules.

a. Scope of Audit (Audit of Expenditure and Receipts)

Total overall expenditure of UAs of District Jhelum for the Financial Years 2013-15 was Rs 167.29 million, out of which overall expenditure of Rs 31.29 million was audited, which was 18.70% of total expenditure.

Total receipts of UAs of District Jhelum for the Financial Years 2013-15 were Rs 178.15 million. Director General Audit, District Governments(N) Punjab audited receipts of Rs 29.68 million which were 16.67% of total receipts.

b. Recoveries at the Instance of Audit

Neither recovery was pointed out through various audit paras nor any recovery was effected till compilation of Report

c. Audit Methodology

Audit was performed through understanding the business process 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. Formations were selected for Audit in accordance with Risks Analyzed. Audit was planned and executed accordingly.

d. Audit Impact

A number of improvements as suggested by audit, in maintenance of record and procedures, have been initiated by the concerned Departments. However, audit impact in shape of change in rules has not been significant due to non-convening of regular PAC meetings. Had PAC meetings been regularly held, audit impact would have been manifold. After pointing out by audit, UAs authorities agreed to prepare the budget as per budget rules and to maintain the record. Further the UAs income will be deposited soon as realized.

e. Comments on Internal Controls and Internal Audit Department

The purpose of internal control system is to ensure effective operation of an organization. It consists of measures employed by the management to achieve its

objectives, safeguard assets, and ensure accuracy, timelines, reliability of Financial and accounting information for decision making.

One of the basic components of Internal Control System is Internal Audit, which is a tool for investigating and apprising the management about the efficiency and performance of various activities of the Department, through assessment of the effectiveness and implementation of policies, rules and regulations. It was noted that an internal auditor had not yet been appointed as required in terms of Section 115A of PLGO 2001.

f. Key Audit Findings

- i. Non production of Record of Rs 15.34 million was noted in one case¹
- ii. Irregularities and Non Compliance of Rs 102.80 million was noted in five cases²
- iii. Poor Performance of Rs 11.81 million was noted in one case³

Audit paras on the accounts for 2013-15 involving procedural violations including internal control weaknesses, and irregularities which were not considered worth reporting to Parliament, therefore have been included in Memorandum For Departmental Accounts Committee, (Annexure -A).

g. Recommendations

Audit recommends that the PAO / Management of UAs should ensure the following.

- i. Strengthening of internal controls.
- ii. Expediting recoveries pointed out by Audit.
- iii. Compliance of relevant laws, rules, instructions and procedures, etc.
- iv. Appointment of Internal auditor.
- v. Holding of DAC Meetings well in time.
- vi. Proper maintenance of accounts and record.
- vii. Realization and reconciliation of various receipts.
- viii. Production of record to audit for verification.

1 Para 1.2.1.1

2 Para 1.2.2.1-1.2.2.5

3 Para 1.2.3.1

SUMMARY TABLE & CHARTS

Table 1: Audit Work Statistics

(Rs in million)

Sr. No.	Description	No.	Budgeted Figures		
			Expenditure	Receipts	Total
1	Total Entities (PAOs) in Audit Jurisdiction	54	286.39	175.4	515.79
2	Total formations in Audit Jurisdiction	54	286.39	175.4	515.79
3	Total Entities (PAOs)/DDOs Audited	10	31.29	29.68	60.97
4	Total formations Audited	10	31.29	29.68	60.97
5	Audit & Inspection Reports	10	31.29	29.68	60.97
6	Special Audit Reports	-	-	-	-
7	Performance Audit Reports	-	-	-	-
8	Other Reports (Relating to UA)	-	-	-	-

Table 2: Audit observations

(Rs in million)

Sr. No.	Description	Amount under audit observations
1	Asset management	0
2	Financial management	0
3	Weak Internal Controls relating to financial Management	0
4	Violation of rules	114.61
5	Others	15.34
Total		129.95

Table3: Outcome Statistics

(Rs in million)

Sr. No.	Description	Physical Assets	Civil Works	Receipt	Others	Total Current Year
1	Outlays audited	2.61	5.12	29.68	23.56	60.97*
2	Amount placed under Audit observation/	0	18.48	0	111.46	129.95

Sr. No.	Description	Physical Assets	Civil Works	Receipt	Others	Total Current Year
	irregularities					
3	Recoveries pointed out at the instance of Audit.	0	0	0	0	0
4	Recoverable accepted/ established at Audit instance.	0	0	0	0	0
5	Recoveries realized at the instance of Audit.	0	0	0	0	0

* The amount in serial No 1 column of "total 2013-15" is the sum of Expenditure and Receipts audited, whereas the total expenditure audited for the year 2013-15 was Rs31.29 million

Table4: Irregularities Pointed Out

(Rs in million)		
Sr. No.	Description	Amount Placed under Audit Observation
1	Violation of Rules and regulations and principle of propriety and probity.	97.05
2	Reported cases of fraud, embezzlement, theft and misappropriations and misuse of public funds.	0
3	Quantification of weaknesses of internal control systems	0
4	Recoverable, established overpayments or unauthorized payments of public money.	0
5	Non-production of record to Audit.	15.34
6	Others, including cases of accidents, negligence etc.	17.59
	Total	129.95

Table 5: Cost - Benefit Ratio

(Rs in millions)		
Sr. #	Description	Amount
1	Outlays Audited (Items1 of Table 3)	60.97
2	Expenditure on Audit	1.06
3	Recoveries realized at the instance of Audit	-
4	Cost Benefit Ratio	1:0

CHAPTER 1

1 UNION ADMINISTRATIONS, DISTRICT JHELUM

1.1 Introduction

There are 54 Union Administration in District Jhelum. Each Union Administration of District Jhelum consists of Union Nazim, Union Naib Nazim, Secretary and Administration. Each UA District Jhelum comprises one Drawing and Disbursing Officer i.e. Secretary. As per Section 76 of PLGO 2001, the functions of UAs are as follows.

- i. to collect and maintain statistical information for socio-economic surveys;
- ii. to consolidate village and neighborhood development needs and prioritize them into union-wide development proposals with the approval of the Union Council and make recommendations thereof to the District Government or Tehsil Municipal Administration, as the case may be;
- iii. to identify deficiencies in the delivery of services and make recommendations for improvement thereof to the Tehsil Municipal Administration;
- iv. to register births, deaths and marriages and issue certificates thereof;
- v. to make proposals to the Union Council for levy of rates and fees specified in the Second Schedule and to collect such rates and fees within the Union;
- vi. to establish and maintain libraries;
- vii. to organize inter-village or neighborhood sports tournaments, fairs, shows and other cultural and recreational activities;
- viii. to disseminate information on matters of public interest;
- ix. to improve and maintain public open spaces, public gardens and playgrounds;
- x. to provide and maintain public sources of drinking water, including wells, water pumps, tanks, ponds and other works for the supply of water;
- xi. to maintain the lighting of streets, public ways and public places through mutual agreement with the Tehsil Municipal Administration;
- xii. to execute the projects of the approved Union Annual Development Plan by contracting out to the private sector in the manner as may be prescribed and

to obtain support of the Tehsil Municipal Administration or District Government for such execution; and to assist the Village Councils or, as the case may be, Neighborhood Councils in the Union to execute development projects.

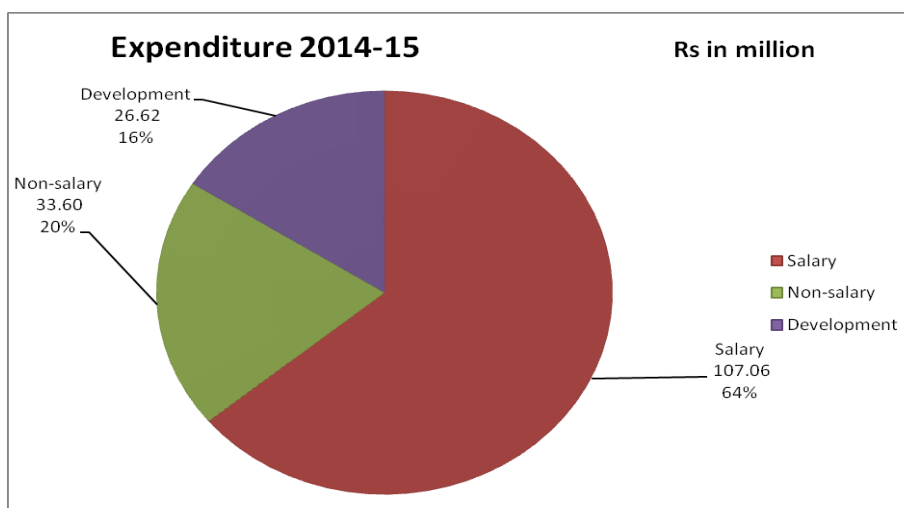
1.1.1 Comments on Budget and Accounts (Variance Analysis)

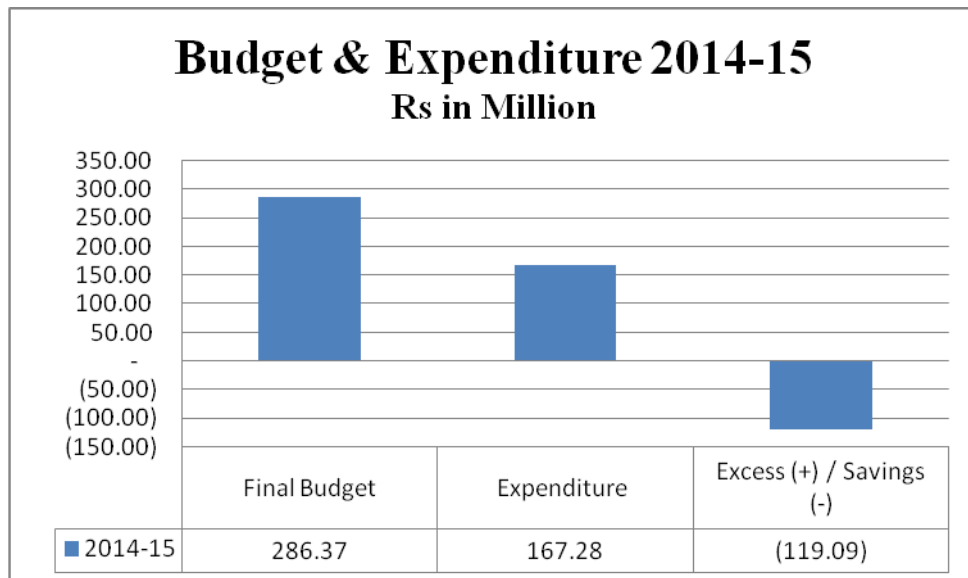
Total budget of UAs of District Jhelum was Rs 286.39 million including salary component of Rs 145.08 million, non-salary component of Rs 51.85 million and development component of Rs 89.44 million. Expenditure against salary component was Rs 107.06 million, Non salary component was Rs 33.60 million and development component was Rs 26.62 million. Overall savings were Rs 119.09 million which was 41.59% of total budget

(Amount in million)

Financial Years 2013-15	Budget	Expenditure	Excess (+) / Saving (-)	% (Saving)
Salary	145.08	107.06	-38.02	26.21
Non-salary	51.85	33.60	-18.25	35.19
Development	89.44	26.62	-62.82	70.24
Total	286.37	167.28	-119.09	41.59

The original and final budget of UAs of Jhelum for the Financial Years 2013-15 was Rs 286.39 million. Against the final budget, total expenditure incurred by the UAs during the Financial Year 2013-15 was Rs 167.289 million





There was a savings of Rs 119.09 million, which was 41.59% of the final budget.

1.1.3 Brief Comments on the Status of Compliance with MFDAC Paras of Audit Year 2013-14

Audit paras reported in MFDAC of last year audit report which have not been attended in accordance with the directives of DAC have been reported in Part-II of Annexure -A.

1.1.4 Brief Comments on the Status of Compliance with PAC Directives

The Audit Reports pertaining to following years were submitted to the Governor of the Punjab:

Status of Previous Audit Reports

Sr. No.	Audit Year	No. of Paras	Status of PAC/UAC Meetings
1	2009-12	6	Not convened
2	2012-13	2	Not convened
	2013-14	02	Not convened

1.2 AUDIT PARAS

1.2.1 Non production of record

1.2.1.1 Non-production of record – Rs 15.34 million

According to Section 14(1)(b) of Auditor General's (Functions, Powers and Terms and Conditions of Service), Ordinance, 2001 read with Section 115 (6) of PLGO, 2001, the Auditor-General shall have authority to require that any accounts, books, papers and other documents which deal with, or form, the basis of or otherwise relevant to the transactions to which his duties in respect of audit extend, shall be sent to such place as he may direct for his inspection.

Secretaries of Union Administrations of District Jhelum did not produce the record of Pay & allowances including Service Books & Personal Files of the Employees, record of Development scheme including vouchers, bills, TS/estimates, Securities register etc, record of non-salary including bills, vouchers, stock registers, actual payee receipts etc. and budget books for the Financial Years 2013-14 & 2014-15 amounting to Rs 15.346 million as detailed at **Annex-C**.

Despite, several requests, the requisite record was not produced to Audit for verification.

Audit is of the view that due to weak managerial controls, auditable record was not produced. In the absence of record, authenticity, validity and accuracy of the expenditure incurred, could not be verified which might lead to misuse of public money.

The matter was reported to PAO/Administrator concerned in June 2016. The reply was not furnished and DAC meeting was also not convened till finalization of this report.

Audit recommends for fixing responsibility against person(s) at fault for non-production of record besides early production of record under intimation to Audit.

1.2.2 Irregularity and Non Compliance

1.2.2.1 Unauthentic maintenance of cash book due to non-comparison with schedule of payments/receipt – Rs 63.58 millions

According to rule 2.4 of PFR Volume-I “In the case of payments into the Treasury the Disbursing Officer should compare the Treasury Officer's receipt on the challans with the entry in the cash book before initialing it, and when such payments are appreciable, he should obtain from the Treasury a monthly list of payments which should be compared with the posting in the cash book.

During audit of ten Union Administrations of District Jhelum, it was noticed that schedule of receipts and payments were neither obtained from the treasury officer nor compared with the entries of cash book amounting to Rs 63.58 million in violation of codal provisions as detailed at **Annex-D**.

Audit is of the view that due to weak internal controls, schedule of payment / receipts were not obtained which resulted in unauthentic maintenance of booking of receipt and expenditure in cash book.

The matter was reported to PAO/Administrator concerned in June 2016. The reply was not furnished and DAC meeting was also not convened till finalization of this report.

Audit recommends for regularization and to obtain schedule of payments / receipts and to compare with entries of cash book at the earliest.

1.2.2.2 Preparation of un-classified budget estimates – Rs 29.84 million

According to the Rule 9(1)(1)(2) & (3) of PDG & TMA (Budget) Rules 2003 read with the Para 30 of Audit Code that the budget shall be prepared in accordance with the Chart of Classification of accounts issued by the Auditor General of Pakistan and the expenditure shall be classified into development and non development and receipt shall be classified in major heads and detail heads.

Management of ten Union Administrations of District Jhelum incurred expenditure amounting to Rs 29.84 million during the Financial Years 2013-14 & 2014-15. Budget was not prepared according to Chart of Classification which resulted in unclassified preparation of estimates as detailed at **Annex-E**.

Audit is of the view that due to weak Financial management, budget was not prepared according to the Chart of Classification (Chart of Accounts) which resulted in preparation of unclassified budget estimated.

The matter was reported to PAO/Administrator concerned in June 2016. The reply was not furnished and DAC meeting was also not convened till finalization of this report.

Audit recommends that all expenditure and receipt estimates should be categorized / classified as per chart of classification besides fixing responsibility of the person(s) at fault under intimation to the Audit.

1.2.2.2 Irregular expenditure on developmental schemes – Rs 3.87 million

According to Rule 3.10 (2)(a) of B&R Code “it is necessary that other departments of Governments with local interest are consulted in regard to any use”. Further according to Rule 2.33 of PFR Volume-I, every Government servant should realize fully and clearly that he will be held personally responsible for any loss sustained by Government through fraud or negligence on his part.

Secretaries of six Union Administrations of District Jhelum incurred expenditure amounting to Rs 3.87 million on development schemes during Financial Years 2013-14 & 2014-15. It was noticed that Union Administrations didn't obtain NOC from other Departments working in the District i.e TMA, District Government & Public Health Department etc. to control duplication of work which made the execution of work irregular and dubious as detailed at **Annex -F**.

Audit holds that due to defective financial discipline and weak internal controls, the NOC was not obtained before execution of the work, which resulted in, execution of duplicate work could not be controlled on sale site.

The matter was reported to PAO/Administrator concerned in June 2016. The reply was not furnished and DAC meeting was also not convened till finalization of this report.

Audit recommends for regularization besides fixing responsibility of the person(s) at fault under intimation to Audit.

1.2.2.3 Irregular expenditure on development schemes – Rs 2.81 million

According to Section 14(1) (b) of Auditor General’s (Functions, Powers and Terms and Conditions of Service), Ordinance, 2001, the Auditor-General shall have authority to require that any accounts, books, papers and other documents which deal with, or form, the basis of or otherwise relevant to the transactions to which his duties in respect of audit extend, shall be sent to such place as he may direct for his inspection. Further according to 2.82 of B&R Code “it is a fundamental rule that no work shall be commenced unless A.A by competent authority is given, and properly detailed design and estimate have been sanctioned, allotment of funds made, and orders for its commencement issued by competent authority” Furthermore, as per condition No.6 of the contract agreement “the contractor will perform the laboratory test on his own costs if required / considered essential by the Municipal In charge”

During audit it was noticed that five (5) Union Administrations of District Jhelum incurred expenditure amounting to Rs 2.81 million on different development schemes during 2014-15 as detailed at **Annex-G**.

The following shortcomings/irregularities were noticed during audit.

1. Complete files including TS/Estimates, payment vouchers, Completion certificates and MBs were not produced to Audit for scrutiny.
2. PCC Laboratory Test reports were not provided.
3. Actual measurements of site/streets were not shown in the diagrams.

Audit is of the view that due to defective financial discipline and weak internal controls, the irregularity was occurred resulting in doubtful execution of works.

The matter was reported to PAO/Administrator concerned in June 2016. The reply was not furnished and DAC meeting was also not convened till finalization of this report.

Audit recommends for regularization besides fixing responsibility of the person(s) at fault and to ensure early production of record.

1.2.2.4 Wrong allocation of budget for citizen community boards – Rs 2.71million

Under Section 109 (5) (a) and (b) Punjab Local Government Ordinance, 2001, “Not less than 25% of the development budget should be earmarked for execution through Citizen Community Boards and utilized by involving local community” Further According to Government of the Punjab, LGRDD notification No.SO-D-II(LG)14-10/2003 dated 13th July, 2004, it is mandatory for all the Local Governments to allocate/utilize 25% of their development budgets through CCBs.

Management of seven Union Administrations of District Jhelum allocated budget amounting to Rs 13.26 million for development during Financial Years 2013-14 & 2014-15. Accordingly, 25% of Development budget amounting to Rs 3.35 million was required to be allocated as CCB funds but UAs allocated only amounting to Rs 0.63 million in violation of above mentioned codal provisions. This resulted in less allocation of CCB budget amounting to Rs 2.71 million as detailed at **Annex-H**.

Audit is of the view that due to defective financial discipline and weak managerial controls, budget less than 25% of development funds were allocated for CCBs which resulted in wrong allocation on funds for CCBs.

The matter was reported to PAO/Administrator concerned in June 2016. The reply was not furnished and DAC meeting was also not convened till finalization of this report.

Audit recommends for regularization and fixing responsibility against the person(s) at fault under intimation to audit.

1.2.3 Performance

1.2.3.1 Less utilization of developmental funds – Rs 11.81 million

According to Rule 64(1)(iv) of the PDG & TMA (Budget) Rules, 2003 “Each local government shall efficiently and effectively manage the resources made available to the local government”.

During audit of eight (8) Union Administrations of District Jhelum, it was noticed that funds amounting to Rs 14.534 million were allocated for development schemes during the period 2013-14 & 2014-15. Scrutiny of record revealed that only funds of Rs 2.94 million were utilized on development schemes. Therefore, development funds amounting to Rs 11.81 million remained unutilized as detailed at **Annex-I**.

Audit holds that due to defective financial discipline and weak managerial controls, development funds were not completely utilized.

The matter was reported to PAO/Administrator concerned in June 2016. The reply was not furnished and DAC meeting was also not convened till finalization of this report.

Audit recommends for regularizations and fixing responsibility against the person(s) at fault under intimation to Audit.

Annexure

**Annex-A
Part-I**

MFDAC Paras Audit year 2015-16

(Rs in million)

Sr. No	Name of U.A	Caption	Nature of Para	Amount
1	UA No.04 Chottala	Irregular Expenditure on account of Various Items	Non-compliance of rules	0.11
2		Non-deposit of Income Tax	Weak internal controls	0.03
3				
4		Non deposit of Income Tax & Sales tax	DO	0.02
5		Irregular executions of development projects	Non-compliance of rules	0.44
6	UA No.06 Kotla Faqeer	Irregular Expenditure on account of Various Items	DO	0.11
7		Non-deposit of Income Tax	Weak internal controls	0.03
8				
9		Irregular executions of development projects	Non-compliance of rules	0.26
10		Non-maintenance of Vouched account for Expenditure	DO	0.09
11		Non deposit of Income Tax & Sales tax	Weak internal controls	0.02
12	UA No.36 Adrana	Irregular Expenditure on account of Various Items	Non-compliance of rules	0.20
13		Non deposit of Income Tax & Sales Tax	Weak internal controls	0.04
14	UA No.37 Nagial, Tehsil Sohawa	Irregular Expenditure on account of Various Items	Non-compliance of rules	0.30
15		Non deposit of Income Tax & sales tax	Weak internal controls	0.06
16	UA No.16 Jhelum-V	Non-deposit of Income Tax	DO	0.05
17		Irregular Payment on account of Rent of Building	Non-compliance of rules	0.15
18		Non-verification of Pension Contribution Fund	Non-compliance of rules	0.36
19		Irregular Execution of PCC 1:7:20 in violation of Specifications	DO	0.15
20		Non deposit of Income Tax & Sales Tax	Weak internal controls	0.01
21	UA No.24 Dina-II	Non Verification of Pension Contribution Fund	Non-compliance of rules	0.10
22		Irregular Payment on account of Rent of Building	DO	0.11

Part-II**MFDAC Paras Audit year 2013-14**

(Rs in million)

Sr. No	Name of U.As	Caption	Nature of Para	Amount
1	U.A-06	Irregular Expenditures on account of Developmental Funds	Non compliance of rules	1.12
2		Non Verification Of Income Tax Deposit	-do-	0.09
3	UA-07	Irregular Payment of pay & Allowance	-do-	2.13
4		Non Verification Of Pension Contribution Fund	-do-	0.11
5	UA-12	Irregular Payment of pay & Allowance	-do-	2.21
6		Irregular Payment on account of Rent of Building	-do-	0.18
7	UA-16	Irregular Payment on account of Rent of Building	-do-	0.21
8		Non Verification Of Pension Contribution Fund	-do-	0.29

Annex-B

**Detail of Budget, Expenditures and Receipts of UAs Audited
Financial years 2013-15**

(Amount in Rs)

Head	Budget	Expenditure/Actual	Excess/Savings	%age
UC 43 Gol Pur				
Financial year 2013-14				
Salary	1,435,000	1,113,324	321,676	22
Non Salary	595,000	588,001	6,999	1
Development	300,000	110,466	189,534	63
TOTAL	2,330,000	1,811,791	518,209	22
Receipt	1,640,500	1,526,998	113,502	7
Financial year 2014-15				
Head	Budget	Expenditure/Actual	Excess/Savings	%age
Salary	1,490,000	1,214,899	275,101	18
Non Salary	474,500	462,186	12,314	3
Development	275,000	185,392	-	-
Total	2,139,500	1,862,477	277,023	13
Receipt	1,768,200	1,572,002	196,198	11
Head	Budget	Expenditure/Actual	Excess/Savings	%age
UC no 30 Pind Matty Khan sohawa jhelum				
Financial year 2013-14				
Salary	1,100,000	1,054,064	45,936	4
Non Salary	295,000	287,723	7,277	2
Development	-	-	-	-
Total	1,395,000	1,341,787	53,213	4
Receipt	2,132,500	1,332,021	800,479	38
Financial year 2014-15				
Head	Budget	Expenditure/Actual	Excess/Savings	%age
Salary	850,000	835,783	14,217	2
Non Salary	160,000	151,882	8,118	5
Development	-	-	-	-
Total	1,010,000	987,665	22,335	2
Receipt	1,837,000	1,593,131	243,869	13
Head	Budget	Expenditure/Actual	Excess/Savings	%age
UC 26 ladhar Dina Jhelum				
Financial year 2013-14				
Salary	1,542,000	1,142,879	399,121	26
Non Salary	488,000	410,749	77,251	16
Development	905,000	583,053	321,947	36
Total	2,935,000	2,136,681	798,319	27
Receipt	1,851,000	1,695,936	155,064	8

Head	Budget	Expenditure/Actual	Excess/Savings	%age
Financial year 2014-15				
Head	Budget	Expenditure/Actual	Excess/Savings	%age
Salary	1,672,000	1,059,440	612,560	37
Non Salary	653,000	461,909	191,091	29
Development	230,000	-	-	-
Total	2,555,000	1,521,349	1,033,651	40
Receipt	1,926,000	1,633,843	292,157	15
Head	Budget	Expenditure/Actual	Excess/Savings	%age
UC 31 PHULRAY SAYDAN JHELUM				
Financial year 2013-14				
Salary	1,590,000	881,403	708,597	45
Non Salary	349,000	337,209	11,791	3
Development	160,000	97,352	62,648	39
Total	2,099,000	1,315,964	783,036	37
Receipt	2,132,500	1,338,332	794,168	37
Financial year 2014-15				
Head	Budget	Expenditure/Actual	Excess/Savings	%age
Salary	1,161,000	818,450	342,550	30
Non Salary	283,000	251,118	31,882	11
Development	256,000	-	256,000	100
Total	1,700,000	1,069,568	630,432	37
Receipt	1,537,000	1,379,585	157,415	10
Head	Budget	Expenditure/Actual	Excess/Savings	%age
UC 06 KOTLA FAKIR JHELUM				
Financial year 2013-14				
Salary	943,355	938,196	5,159	1
Non Salary	565,000	316,357	248,643	44
Development	1,573,000	1,181,307	391,693	25
Total	3,081,355	2,435,860	645,495	21
Receipt	1,596,000	1,673,197	(77,197)	(5)
Financial year 2014-15				
Head	Budget	Expenditure/Actual	Excess/Savings	%age
Salary	1,653,000	1,019,899	633,101	38
Non Salary	573,000	195,821	377,179	66
Development	296,400	277,309	19,091	6
Total	2,522,400	1,493,029	1,029,371	41
Receipt	1,694,000	1,711,337	(17,337)	(1)
Head	Budget	Expenditure/Actual	Excess/Savings	%age
UC NO 16				
Financial year 2013-14				
Salary	1,674,500	1,243,115	431,385	26
Non Salary	678,000	502,236	175,764	26
Development	811,500	797,419	14,081	2

Head	Budget	Expenditure/Actual	Excess/Savings	%age
Total	3,164,000	2,542,770	621,230	20
Receipt	1,689,000	1,691,014	(2,014)	(0)
Financial year 2014-15				
Head	Budget	Expenditure/Actual	Excess/Savings	%age
Salary	1,672,500	1,413,373	259,127	15
Non Salary	636,000	382,248	253,752	40
Development	160,000	132,708	27,292	17
Total	2,468,500	1,928,329	540,171	22
Receipt	1,747,000	1,667,614	79,386	5
Head	Budget	Expenditure/Actual	Excess/Savings	%age
UC NO 37 Nagial the Sohawa				
Financial year 2013-14				
Salary	1,020,000	1,016,638	3,362	0
Non Salary	544,000	325,658	218,342	40
Development	2,050,000	15,000	2,035,000	99
Total	3,614,000	1,357,296	2,256,704	62
Receipt	2,500,000	1,440,677	1,059,323	42
Financial year 2014-15				
Head	Budget	Expenditure/Actual	Excess/Savings	%age
Salary	1,300,000	1,041,281	258,719	20
Non Salary	450,000	91,081	358,919	80
Development	2,150,000	354,083	1,795,917	84
Total	3,900,000	1,486,445	2,413,555	62
Receipt	2,500,000	1,451,300	1,048,700	42
Head	Budget	Expenditure/Actual	Excess/Savings	%age
UC No.24 Dina II				
Financial year 2013-14				
Salary	1,392,000	1,132,400	259,600	19
Non Salary	444,890	348,069	96,821	22
Development	1,037,500	-	1,037,500	100
Total	2,874,390	1,480,469	1,393,921	48
Receipt	1,738,000	1,509,282	228,718	13
Financial year 2014-15				
Head	Budget	Expenditure/Actual	Excess/Savings	%age
Salary	1,092,000	917,922	174,078	16
Non Salary	1,039,000	972,973	66,027	6
Development	644,500	-	644,500	100
Total	2,175,500	1,890,895	284,605	13
Receipt	1,770,000	1,441,282	328,718	19
Head	Budget	Expenditure/Actual	Excess/Savings	%age
UC NO 04 Chotola jhelum				
Financial year 2013-14				
Salary	1,734,500	816,814	917,686	53

Head	Budget	Expenditure/Actual	Excess/Savings	%age
Non Salary	506,500	274,036	232,464	46
Development	1,563,000	1,021,298	541,702	35
Total	3,804,000	2,112,148	1,691,852	44
Receipt	1,604,000	1,736,161	(132,161)	(8)
Financial year 2014-15				
Head	Budget	Expenditure/Actual	Excess/Savings	%age
Salary	1,746,500	693,737	1,052,763	60
Non Salary	556,000	73,983	482,017	87
Development	1,190,500	359,620	830,880	70
Total	3,493,000	1,127,340	2,365,660	68
Receipt	1,793,000	1,702,402	90,598	5
Head	Budget	Expenditure/Actual	Excess/Savings	%age
UC No 36 Adrana Jhelum				
Financial year 2013-14				
Salary	1,640,000	1,276,579	363,421	22
Non Salary	558,000	223,707	334,293	60
Development	2,350,000	-	2,350,000	100
Total	4,548,000	1,500,286	3,047,714	67
Receipt	1,731,000	1,496,607	234,393	14
Financial year 2014-15				
Head	Budget	Expenditure/Actual	Excess/Savings	%age
Salary	1,650,000	1,411,143	238,857	14
Non Salary	710,000	339,717	370,283	52
Development	886,500	-	886,500	100
Total	3,246,500	1,750,860	1,495,640	46
Receipt	1,650,000	1,663,491	(13,491)	(1)

Annex-C
Para1.2.1.1

(Rs in million)

Name of UA	AIR Para No	Year	Head	Amount
U A No.04 Chotala	01	2013-14	Pay & Allowance	0.82
			Development	1.02
UA No.06 Kotla Faqeer	01	2013-14	Pay & Allowance	0.94
			Development	1.06
			Misc & Non-Salary Expenditure	0.43
UA No.16 Jhelum-V	01	2013-14	Pay & Allowance	1.24
		2014-15	Pay & Allowance	1.41
UA No.30 Pind Mettey Khan	01	2013-14	Salary, Non-salary and development	1.33
		2014-15	-DO-	0.99
UA No.36 Adrana	01	2013-14	Salary & Non salary	1.50
		2014-15	Salary & Non salary	1.75
U A No.37 Nagial,	01	2013-14	Salary & Non salary	1.36
		2014-15	Salary & Non salary	1.49
	Total			15.34

Annex-D

Para-1.2.2.1

(Rs in million)

Name of UAs	AIR Para No	Year	Expenditure	Receipt	Total
UA No.04 Chotala	17	2013-14	2.11	1.74	3.85
		2014-15	1.13	1.70	2.83
UA No.06 Kotla Faqeer	16	2013-14	2.44	1.67	4.11
		2014-15	1.49	1.71	3.20
U A No.16 Jhelum-V	11	2013-14	2.54	1.69	4.23
		2014-15	1.93	1.67	3.60
UA No.24 Dian-II	05	2013-14	1.48	1.51	2.99
		2014-15	1.19	1.44	2.63
UA No.26 Ladhar, Tehsil Dina	06	2013-14	2.14	1.70	3.83
		2014-15	1.52	1.63	3.16
UA No.30 Pind Mattey Khan		2013-14	1.33	1.33	2.67
		2014-15	0.99	1.59	2.58
UA No.31 Phulray Sayyeddan	06	2013-14	1.32	1.34	2.65
		2014-15	1.07	1.38	2.45
UA No.36 Adrana	11	2013-14	1.50	1.50	3.00
		2014-15	1.75	1.66	3.41
UA No.37 Nagial	13	2013-14	1.36	1.45	2.81
		2014-15	1.49	1.49	2.97
UA No.43 Golpur	09	2013-14	1.81	1.53	3.34
		2014-15	1.69	1.57	3.26
		Total	32.27	31.30	63.58

Annex-E

Para-1.2.2.2

(Rs in millions)

Name of Union Administration	AIR Para No	Financial Year	Amount
UA No. 04 Chotala	02	2013-14	2.11
		2011-12	1.13
UA No.06 Kotla Faqeer	03	2014-15	1.49
UA No. 16 Jhelum-V	02	2013-14	2.54
		2014-15	1.93
UA No.24 Dina II	01	2013-14	1.48
		2014-15	1.19
UA No. 26 Ladhar	01	2013-14	2.14
		2011-12	1.52
UA No. 30 Pind Mattey Khan	02	2013-14	1.33
		2014-15	0.99
UA No. 31 Phulray Sayedan	01	2013-14	1.32
		2014-15	1.07
UA No. 36 Adrana	02	2013-14	1.50
		2014-15	1.75
UA No. 37 Nagial Sohawa	02	2013-14	1.36
		2011-12	1.49
UA No. 43 Golpur	01	2013-14	1.81
		2014-15	1.69
Total			29.84

Annex-F

Para-1.2.2.3

(Rs in million)

Name of Union Administration	AIR Para No.	Financial Year	Amount of Development Expenditures
UA No.04 Chatala	04	2013-14	1.02
		2014-15	0.36
UA No.06 Kotla Faqeer	04	2014-15	0.28
UA No. 16 Jhelum-V	03	2013-14	0.80
		2014-15	0.13
UA No.26 Ladhar	02	2013-14	0.58
UA No.37 Nagial	03	2013-14	0.05
		2014-15	0.35
UA No.43 Golpur,	02	2013-14	0.11
		2014-15	0.19
		Total	3.87

Annex-G
Para-1.2.2.4
(Rs in million)

Name of UA	AIR Para No	Year	Name of Contractor	Name of Work	Estimated Cost
UA 04 Chotala,	08	2014-15	Malik Mukhtar & M/S Shakeel Bilal	Const: Street Drain Sajid Baig to Mirza Mukhtar Phase I	0.15
				Const: Street Drain Saijd Baig to Mirza Mukhtar Phase II	0.15
				Const: Street Drain Sajid Baig to Mirza Mukhtar Phase II	0.14
UA 06 Kotla Faqeer	06	2014-15	Raja Aftab Builders & Usman Ghani	Maintenance of Office Building of UC 06	0.09
				Const: of P.C.C Street Village saeela	0.07
				Const: of Nulla Mohalla Eid Gah Phase-1	0.15
			Usman Ghani	Const: of Nulla Mohalla Eid Gah Phase-2	0.12
UA No.16 Jhelum-V	04	2014-15 & 2013-14	Malik Mukhtar & M/S Shakeel Bilal	Const: Street Drain Arshad House to Dar Colony I	0.08
				Const: Street Drain Alzafeer karyana to Dr Amjad Madni	0.08
				Const of Various Streets UC 16	0.80
UA No.26 Ladhar,	04	2013-14		Various Development Projects	0.58
UA No.37 Nagial	06	2013-14		Various Development Projects	0.05
		2014-15		Various Development Projects	0.35
				Total	2.81

Annex-HPara-1.2.2.5
(Rs in million)

Name of UAs	AIR Para No	Year	Total Development	25% Required to Allocate	Budget Allocated	Difference
UA No.04 Chotala	10	2013-14	1.56	0.39	0.00	0.39
		2014-15	1.19	0.30	0.03	0.27
UA No.06 Kotla Faqeer	07	2014-15	0.95	0.27	0.00	0.27
UA No.16 Jhelum-V	05	2013-14	0.81	0.20	0.00	0.20
		2014-15	0.16	0.04	0.00	0.04
UA No.26 Ladhar	07	2013-14	0.80	0.20	0.04	0.16
UA No.36 Adrana	06	2013-14	1.78	0.44	0.14	0.31
		2014-15	0.89	0.22	0.18	0.05
UA No.37 Nagial	08	2013-14	2.10	0.53	0.00	0.53
		2014-15	2.10	0.53	0.20	0.33
UA No.43 Golpur	05	2013-14	0.65	0.16	0.05	0.11
		2014-15	0.28	0.07	0.01	0.06
		Total	13.27	3.35	0.64	2.71

Annex-IPara-1.2.3.1
(Rs in million)

Sr No	Name of Union Administration	AIR Para No	Financial Year	Budget	Expenditures	Un-utilized
01	UA No.04 Chottala	04	2013-14	1.56	1.02	0.54
			2014-15	1.19	0.36	0.83
02	UA No. 06 Kotla Faqeer	05	2014-15	0.95	0.28	0.68
03	UA No.24 Dina-II	04	2013-14	1.04	0.00	1.04
			2014-15	0.61	0.00	0.61
04	UA No.26 Ladhar	03	2013-14	0.91	0.58	0.54
			2014-15	0.23	0.00	0.23
05	UA No.31 Phulray Sayyeddan	03	2014-15	0.26	0.00	0.26
06	UA No.36 Adrana,	03	2013-14	1.78	0.00	1.78
			2014-15	0.89	0.00	0.89
07	UA No.37 Nagial	04	2013-14	2.10	0.05	2.05
			2014-15	2.10	0.35	1.75
08	UA No.43 Golpur	03	2013-14	0.65	0.11	0.54
			2014-15	0.28	0.19	0.09
		Total		14.54	2.94	11.81