

PREFACE

1. Subsequent to the 73rd and 74th amendments to the Constitution and increasing devolution of functions and funds to local bodies, the Eleventh Finance Commission envisaged entrustment of responsibility of exercising technical guidance and support over the accounts and audit of Local Bodies to the Comptroller and Auditor General of India.
2. CAG conducts audit of Urban Local Bodies and Village Panchayats under Section 14 (1) of CAG's (DPC) Act, 1971. Further, based on the recommendations of the Eleventh Finance Commission, Government of Goa entrusted the CAG with the responsibility of providing Technical Guidance and Support under Section 20 (1) of CAG's (DPC) Act in November 2006. Also, by virtue of Section 194 of the Goa Panchayat Raj Act, 1994, CAG is the sole auditor for ZPs.
3. This is the Annual Technical Inspection Report for the year ended March 2010, prepared by the Office of Accountant General, Goa. While Chapters I and II contain an overview and audit observations relating to Urban Local Bodies, Chapters III and IV deal with Panchayati Raj Institutions.

The cases mentioned in the Report are those which came to notice in the course of test audit of accounts during the year 2009-10 as well as those which came to notice after 2009-10.