TABLE OF CONTENTS

	Reference		
	Paragraph	Page No.	
Overview		V	
SECTION A			
CHAPTER-I AN OVERVIEW OF THE FUNCTIONING, ACCOUNTABILITY MECHANISM AND FINANCIAL REPORTING ISSUES OF PANCHAYATI RAJ INSTITUTIONS			
Introduction	1.1	1	
Organisational Setup of PRIs	1.2	1	
Functioning of PRIs	1.3	2	
Formation of various Committees	1.4	4	
Audit Arrangements	1.5	4	
Technical Guidance and Support by C&AG	1.6	5	
Response to Audit Observations	1.7	6	
Social Audit	1.8	6	
Internal Audit and Internal Control System in PRIs	1.9	7	
Submission of Utilisation Certificates	1.10	7	
Financial Reporting Issues	1.11	8	
SECTION B			
CHAPTER-II AN OVERVIEW OF THE FUNCTIONING, ACCOUNTABILITY MECHANISM AND FINANCIAL REPORTING ISSUES OF URBAN LOCAL BODIES			
Introduction	2.1	13	
Organisational Setup of ULBs	2.2	13	
Functioning of ULBs	2.3	14	
Formation of various Committees	2.4	16	
Audit Arrangements	2.5	16	
Technical Guidance and Support by C&AG	2.6	18	
Response to Audit Observations	2.7	18	

	Reference		
	Paragraph	Page No.	
Social Audit	2.8	19	
Property Tax Board	2.9	19	
Service Level Benchmarks	2.10	19	
Fire Hazard Response	2.11	19	
Submission of Utilisation Certificates	2.12	19	
Internal Audit and Internal Control System in ULBs	2.13	20	
Financial Reporting Issues	2.14	20	
APPENDICES			
Details	Appendix Number	Page Number	
List of units where discrepancies in maintenance of cash book were noticed (PRIs)	1.1	27	
List of units where reconciliation of bank balances with cash book balances were not carried out (PRIs)	1.2	28	
Organisational Structure	2.1	29	
List of units where discrepancies in maintenance of cash book were noticed (ULBs)	2.2	30	
List of units where reconciliation of bank balances with cash book balances were not carried out (ULBs)	2.3	31	
Status of finalisation of accounts of Municipal Councils/NPs	2.4	32	