



GOVERNMENT OF KERALA

Abstract

Local Self Government Department –Adoption of Double Entry Accrual based system of Accounting implemented in Corporations and Municipalities- permissive sanction to utilise the services of cost accountants-orders issued.

LOCAL SELF GOVERNMENT (AA) DEPARTMENT

GO(Rt)No. 1639/2010/LSGD Dated, Thiruvananthapuram, 17.5.2010

Read:- G.O. (Ms) 23/2010/LSGD dated 4.2.2010.

ORDER

As per G.O. read above, Government have ordered the implementation of Double Entry Accounting System in the Municipalities and the Urban Local Bodies were allowed to utilise the services of a Chartered Accountant or a qualified person for the preparation of opening Balance sheet. The Institute of Cost and Works Accountants of India, Cochin chapter had submitted a proposal offering the services of Cost Accountants for the preparation of Opening Balance of the Municipalities. Their proposal is that the Chapter would propose the names of Cost Accountants who may be appointed by ULBs. ICWAI (Cochin chapter) have requested that the remuneration should not be less than Rs. 20,000/-

2. Government have examined the matter in detail and the Municipalities are hereby permitted to utilise the services of Cost Accountants/Chartered Accountants/Professionally qualified persons for the preparation of opening Balance sheet as on 31st March 2010 at a remuneration not exceeding Rs. 20,000/- (Rupees twenty thousand only). It should be ensured that any person / agency should only be engaged on the basis of a contract with clear terms about the terms of payment and period of completion of the work. The agency shall prepare the opening balance sheet as per the templates given in Kerala Municipal Accounts Manual and its duties would include :

- (i) Updating of records,
- (ii) Verification of assets and liabilities,
- (iii) Checking with original records and title deeds etc.
- (iv) Valuation/costing of fixed assets as per the provisions of Kerala Municipal Accounts Manual
- (v) Compilation of information which should be approved by the Municipal Council.

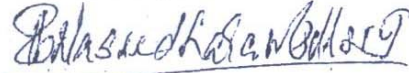
3. Expenditure in this regard shall be met from Own Fund/General Purpose Fund.

By order of the Governor,
S.M.VIJYANAND
PRINCIPAL SECRETARY

To

The Principal Accountant General (Audit), Kerala, Tvpm.
The Accountant General (A&E), Kerala, Tvpm.
The Secretaries of all Municipalities
The Director of Urban Affairs, Tvpm.
The Executive Chairman, Director, IKM, Tvpm.
The Director, KILA, Mulankunnathukavu, Thrissur.
The Project Director, KSUDP, Tvpm.
The Director, Local Fund Audit, tvpm.
The Director, I & PRD
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Forwarded/By order



Section Officer