

### Audit Certificate

i . I have audited the attached Financial statements approved vide resolution number 76 dated 25-09-2026 and submitted on 26-09-2026 , comprising of Receipt and Payment statement, Income and Expenditure account for the year ended on March and Balance sheet as on 31-03-2026 , with supporting forms, of the Thrissur Corporation (Electricity wing) as per section 295(4) of Kerala Municipality act 1994, Kerala Municipality (Accounts) rules 2007, Kerala Local Fund Audit Act 1994, Kerala Local Fund Audit Rules 1996, KSAD Audit Manual chapters 4.2.1 & 11.3 and as per guidelines and compliance instructions issued by State /Central Government, Finance Commission and other funding agencies from time to time. Preparation of these accounts is the responsibility of the ULB's management. My responsibility is to express an opinion on these accounts for the year 2025-26.

ii. On the basis of the information and explanations that I required and have obtained, and according to the best of my information of the accounts and on consideration of explanations given,

### Qualified opinion

I certify that, subject to my observations in the appended report except for the matters described in the basis for qualified opinion in the appended report and subject to other observations therein, the Annual Financial Statements give a true and fair view of financial result for the year 2025-2026 and Financial position of Thrissur Corporation (Electricity wing) as on 31-03-2026

Date: 29/09/2026



Senior Deputy Director

Corporation Audit Office, Thrissur

Kerala State Audit Department

### **Major Observations.**

1. The annual accounts are not prepared as per the rules & guidelines prescribed in the Kerala Municipal Account Rules 2007 and as per the accounting policies.

Income and Expenditure Account, Balance Sheet, Receipt & Payment Statement are provided along with the submitted annual accounts. Cash flow statement, ratios, and notes to accounts are not prepared and submitted for audit.

Since accounts are not maintained according to specific accounting rules and policies, it is not possible to accurately calculate the actual operating results ((profit/surplus)) ((loss/deficit)) of the organization.

2. Head codes have not been assigned to account titles to identify income, expenses, assets, and liabilities.

3. Fund, Function, Field heads etc. have not been mapped.

4. Following Schedules are not produced for Audit.

A) As per Balance Sheet

1. Capital Account
2. Capital work in progress.
3. Sundry Debtors
4. Interest accrued on investment

B.) As per Income & Expenditure Statement

1. Purchase of power- bulk Supply
2. Provisions for salary
3. Provisions for DA Arrears

5. Closing balance of Items shown in shedule 9 (Wages, Allowance, Stipends ) of the balance sheet of previous year and the opening balance for 2025-26 do not match.

### **Other Observations.**

1. Different softwares are used for preparing annual accounts. For receipt accounting Billing Software is used, and it is then recorded manually in the cash book. From this cash book annual accounts are prepared using 'Tally' Software. Then annual accounts are prepared using Excel Spread sheet and are produced for Audit. Since the softwares are not connected the accuracy of the accounts cannot be verified.

2. Since no separate registers are maintained for the Advance, Fixed Asset, Depreciation, it is not possible to verify the accuracy of the amounts shown in the balance sheet schedule 4.

3. As per the balance sheet schedule 3, there is a closing stock of Rs. 3463340/- . Stock register of main office has been submitted. But the consolidated stock register including closing stock of substations are not maintained.

Yearly abstract of opening balance, receipts, consumption, closing balance of stock details have not been recorded and attested. So the accuracy of the amount as per the annual accounts could not be verified. Annual Physical verification has not been conducted by the responsible officers.

4. Deposit register has not been maintained

Since the register has not been prepared, the accuracy of EMD, Security deposit, etc. included as liability in the balance sheet could not be verified.

5. Worksheet for depreciation accounting has not been prepared.

As per the Income and Expenditure statement depreciation of Rs 28065350/- has been accounted for on assets. However the worksheet for this accounting has not been prepared.

6. Details of current liabilities included in the balance sheet are not available.

7. Defects were found in cash book inspection. The cash book for the year 2025-26 revealed that the income, expenditure, and balances were not closed and certified at the end of the year.

8. Bank reconciliation statement has not been prepared properly as per Municipal Accounts Rules.

- It is not prepared with details such as 'Amount directly credited by bank', 'Amount directly debited by bank', 'cheque deposited but not credited in bank', 'cheque issued but not presented in the bank' etc..
- Bank reconciliation statement of Account No 12800200013364 & SBT Current Account are not submitted.



SENIOR DEPUTY DIRECTOR  
KERALA STATE AUDIT DEPARTMENT  
CORPORATION AUDIT OFFICE, THRISSUR