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MADRAS RECORD OFFICE.

Government of Madras.

Financial DEPARTMENT.

G.O. No.	274.	Press
		Mis.
5-6.		
Dated	3-6-	1861.

No. 5-6

2-8

Not to be folded or roughly handled

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*Proceedings of the Madras Government, Financial Department,
3rd June 1861.*

No. 5. Read the following letter from R. P. HARRISON, Esq., Accountant General; to Colonel H. MARSHALL, Secretary to Government, Military Department, dated 25th May 1861, No. 28.

1. I have the honor to acknowledge the receipt (on the 3rd instant) of the Orders of Government, dated the 29th ultimo, No. 1,527, referring for my observations, a letter from the Military Auditor General and Controller of Military Finance, dated the 18th idem, No. 275, on the subject of the Military portion of the Madras Budget for the year 1861-62, and the functions which, under the change of system, will devolve on that Officer, the Military Accountant and the Civil Paymaster.

2. In explanation of the delay which has occurred in the submission of my reply to the above orders, I beg to state that I have deferred forwarding it in expectation of receiving final instructions from Calcutta as to the manner in which payments made in May on account of salaries for April are to be treated, whether as arrear charges or as payments on account of the sanctioned grants for 1861-62. The following message, dated the 2nd instant, was received from the Auditor General of India in reply to one from this office:—"The former system will continue at present. April charges paid in May will be charges of 1861-62, unless otherwise specially provided for;" while the instructions received by Colonel McGoun by Telegram from Colonel Balfour, with a copy of which I was furnished by Colonel McGoun, were of a directly contrary nature, viz., "Payments for April and payments in arrears for 1860-61 and previous years not to be charged against the estimate of eighteen hundred sixty-one sixty-two or considered as belonging to the accounts of eighteen hundred sixty-one sixty-two." On the 3rd instant, I sent a message to the Auditor General bringing to his notice the contradictory character of the orders above quoted, and requesting to be informed if there was to be one system in the Civil and another in the Military Department. To this message, I have not received an official answer; but Mr. Drummond in a letter, which was brought by the last Steamer, mentioned that the question was to be discussed at the Audit Board on the 10th instant, that uniformity of system was absolutely necessary, and that instructions would be issued immediately. As no further communication has reached me either by letter or telegram, it is probable that the matter has been referred for the decision of the Government of India.

3. In the 3rd paragraph of his letter the Military Auditor General and Controller of Military Finance states that the first disbursements under the new system will commence in June, the expenditure being estimated from May 1861, to April 1862 and all payments of Regimental and other Military charges being made in arrears; and he further observes that this change will throw an additional month's disbursements into the official year's accounts for 1860-61. If this proposal be carried out, the accounts for 1860-61 cannot be closed till the end of May instead of on the 30th April the last day of the official year, and it must be unnecessary to point out that this will be productive of confusion and inconvenience. It does not, however, appear to me to be necessary, even if it is determined, that payments made in May on account of April are not to be considered as charges against the Estimates of 1861-62; that the disbursements made in May should be thrown into the accounts of the Official year 1860-61, and the latter made to consist of thirteen months and to terminate on the 31st May instead of the 30th April. All payments made in May which are held to be charges of April or of previous months or years may be considered as arrear charges and treated accordingly in the accounts. If this course was adopted, there would be no necessity for the change suggested by Colonel McGoun.

4. It has always been the practice not only at this, but at the other Presidencies to consider charges on account of salaries and allowances of April payable in May, as current, and appertaining to the official year (commencing with May of one year and terminating with April of the following year) in which they are disbursed. This practice has hitherto been observed both in the Civil and Military Accounts, and on full consideration I think it is desirable that it should be adhered to.

5. Under the proposed arrangement of throwing one month's charges of 1861-62 into the accounts of 1860-61, the actual of the latter year will be increased by an extra month's disbursements; this will not only delay the preparation of the Annual Administration Report, now in hand,

*Proceedings of the Madras Government, Financial Department,
3rd June 1861.*

but vitiate the comparison of the Actual with the Regular Estimate of 1860-61; and also the Actual of that year with the Actual of the previous year 1859-60. The Regular Estimate for 1860-61 was prepared for twelve months, charges, while the Actual will contain charges for thirteen months. Similar difficulty will be experienced on comparison of the two Actuals above alluded to.

6. I am required under instructions from the Government of India to continue to furnish the Comparative Statement, and Report thereon, explanatory of the increase and decrease in the different items of Revenue and Charge, but the proposed change if carried out, will render the comparison in the Military Department of little use, and further it will affect the Territorial Books in which the transactions of the Military Department are embodied.

7. I have no further observations to offer on the Military Auditor General's letter.

No. 6.

ORDER THEREON, 3rd June 1861, No. 274.

In paragraph 4 of the above letter the Accountant General states that it has always been the practice not only at this, but at the other Presidencies, to consider charges on account of salaries and allowances of April payable in May, as current, and appertaining to the official year (commencing with May of one year and terminating with April of the following year) in which they are disbursed. This practice has hitherto been observed both in the Civil and Military Accounts. The Government direct that the practice as above described, and stated to have been of constant and general operation throughout all the Indian Presidencies, continue to be observed in the Madras Presidency until any change be sanctioned by the express orders of the only competent authority the Government of India.

(Signed) T. PYCROFT,
Chief Secretary.

Exd. T. O'Connor.

*Finance and
Budget Depart.*

No. 28

*Fort Saint George
Acct. Genl's Office
25 May 1861.*

*From
R. J. Harrison Esq^r
Accountant General
To Colonel H. Marshall
Secretary to Government
Military Department*

Sir,

1. I have the honor to acknowledge the receipt on the 3^d Instant of the Orders of Government dated the 29th ultimo No. 1527, referring for my observations, a letter from the Military Auditor General and Controller of Military Finance dated the 18th Idem No. 275 on the subject of the Military portion of the Madras Budget for the year 1861/62, and the functions which, under the change of system, will devolve on that Officer, the Military Accountant and the Civil Paymaster.

2. In explanation of the delay which has occurred in the submission of my reply to the above orders, I beg to state that I have deferred forwarding it in expectation of receiving final instructions from Calcutta as to the manner in which payments made in May on account of salaries for April are to be treated, whether as arrears, charges or as payments.

payments on account of the sanctioned grants for 1861/62 - The following message dated the 2^d Instant was received from the Auditor General of India in reply to one from this Office: - "The former system will continue at present. April charges paid in May will be charges of 1861/62 unless otherwise specially provided for" while the instructions received by Colonel McCown by telegram from Colonel Balfour, with a copy of which I was furnished by Colonel McCown, were of a directly contrary nature viz "Payments for April and payments in arrears for 1860/61 & previous years not to be charged against the Estimate of Eighteen hundred sixty one sixty two or considered as belonging to the accounts of Eighteen hundred sixty one sixty two" - On the 3^d Instant I sent a message to the Auditor General bringing to his notice the contradictory character of the orders above quoted and requesting to be informed if there was to be one system in the Civil and another in the Military Department. To this message I have not received an official answer but Mr. Drummond in a letter which was brought by the last steamer mentioned that the question was to be discussed at the Audit Board on the 10th Instant that uniformity of system was absolutely necessary and that instructions would be issued immediately.

As

As no further communication has reached me either by letter or telegram it is probable that the matter has been referred for the decision of the Government of India -

3. In the 3^d paragraph of his letter the Military Auditor General and Controller of Military Finance states that the first disbursements under the new system will commence in June, the expenditure being estimated from May 1861 to April 1862. and all payments of Regimental and other Military charges being made in arrears, and he further observes that this change will throw an additional month's disbursements into the official year's accounts for 1860/61. If this proposal be carried out, the accounts for 1860/61 cannot be closed till the end of May instead of on the 30th April the last day of the official year, and it must be unnecessary to point out that this will be productive of confusion and inconvenience - It does not however appear to me to be necessary, even if it is determined, that payments made in May on account of April are not to be considered as charges against the Estimates of 1861/62. that the disbursements made in May should be thrown into the accounts of the official year 1860/61, and the latter made to consist of 13 months and to terminate on the 31st May instead of the 30th April - All payments made in May which are held

181 held to be charges of April or of previous months
or years may be considered as Arrear charges and
treated accordingly in the accounts. If this course
was adopted there would be no necessity for the
change suggested by Colonel McCoun.

4. It has always been the practice not only
at this, but at the other Presidencies to consider
charges on account of Salaries and Allowances of
April payable in May, as current, and apper-
taining to the official year (commencing with
May of one year and terminating with April
of the following year) in which they are disbursed.
This practice has hitherto been observed both
in the Civil and Military Accounts, and on full
consideration I think it is desirable that it
should be adhered to.

5. Under the proposed arrangement of
throwing one month's charges of 1861-62 into the
accounts of 1860-61, the Actual of the latter year
will be increased by an extra month's disbursements.
This will not only delay the preparation of the
Annual Administration Report, now in hand, but
vitiates the comparison of the Actual with the
Regular Estimate of 1860-61, and also the Actual
of that year with the Actual of the previous
year 1859-60. The Regular Estimate for 1860-61

was

47
was prepared for 12 months' charges while the
Actual will contain charges for 13 months. Similar
difficulty will be experienced on comparison of the
two Actuals above alluded to.

6. I am required under instructions from
the Government of India to continue to furnish the
Comparative Statement, and Report thereon, explanation
of the increase and decrease in the different items of
Revenue and Charge, but the proposed change if
carried out, will render the comparison in the
Military Department of little use, and further
it will affect the Territorial Books in which the
transactions of the Military Department are
embodied.

7. I have no further observations to
offer on the Military Auditor General's letter.

I have the honor to be
Sir

Your obedient Servant

M. M. M.
Accountant General.

Compt. D. King.

PROCEEDINGS of the MADRAS GOVERNMENT.

Read the following letter from the Accountant General.

Here entered 25th May 1861 No. 28.

Order thereon 3rd June 1861. No. 27.

In para. 4 of the above letter the Accountant General states that it has always been the practice not only at this, but at the other Presidencies, to consider charges on account of salaries and allowances of April payable in May, as current, and appertaining to the official year (commencing with May of one year and

[Signature]

[Signature]

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106 290 April 1861 No. 79-478

4th of the 29th May 1861

Transmitted to the Accountant General by the 29th May 1861

with 1785 of 1861

By the Secretary to the Government

No. 27

No. 2025

To the Secretary to Government

Dated 26th May 1861

No. 2292

Submitting opinion on the Military Charge Account Report on the Military portion of the attached Budget for the year 1861-62. with reference to the Order of Govt. Dated 24th Oct. 1859.

and terminating with
April of the following
year) in which they
are disbursed. This
practice has hitherto
been observed both in
the Civil and Military
Accounts. The Govt
direct that the practice
as above described,
and stated to have
been of constant and
general operation
throughout all the
Indian Presidencies, con-
-tinued to be observed ^{in the Madras Presidency}
until any change be
sanctioned by the ex-
-press orders of the only
competent authority,
the Government of India.

JP

27-240

To the Account^t General.
" Mily. Secy. Genl. and Controller of }
" Mily. Depart^t. Mily. Finance. } 3/6

Finance 1861. Department

No. 2911

PROCEEDINGS of the MADRAS
GOVERNMENT.

Dated 29th June 1861

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