M.R.O. 1—77,005—8-6-37.

(1) Number of pages 7

(2) Date of repair 27-6-66

(3) Initials of the Referencer

4

MADRAS RECORD OFFICE.

Government of Madras.

Financial DEPARTMENT.

G.O. No. 1119 Press Mis.

38-39

Dated 6 · 7 — 1874

7/8

Not to be folded or roughly handled

No. 38. Read the following letter from T. MOSS, Esq., Officiating Controller of Public Works Accounts, to Colonel G. W. WALKER, R.E., Secretary to Government, Public Works Department, Fort St. George, dated Fort St. George, 29th June 1874, No. 2678 :—

With reference to G.O., No. 68, of the 4th instant, relative to differences between the Local Fund Expenditure as recorded in the office of the Accountant-General of Madras and as exhibited in the accounts of this office, and the proposals of the Accountant-General to prevent such differences, I have the honor to state as follows.

2. Under recent instructions from the Accountant-General of the Public Works Department there will be no difficulty in furnishing the Accountant-General of Madras with the supplemental or final accounts of Local Fund Expenditure by the 15th July of each year, and, therefore, the first proposal by that officer is met. As regards the second proposal, I would first observe that the cause of the disagreement is not quite correctly described by the Accountant-General, who remarks that, while the monthly accounts from this office show the gross expenditure and recoveries, the annual statement shows the net expenditure only.

3. Both the monthly and the annual accounts of this office, as submitted to the Accountant-General, show the *net* expenditure, but, as the monthly accounts are accompanied by detailed statements which show the gross expenditure and recoveries, the Accountant-General is apparently obliged to act on these statements. I have been in communication with the Accountant-General on this subject, and in explaining to him that the exhibition of recoveries in the detailed statements above mentioned becomes necessary in cases in which the recovery during any month in a district or circle has been greater than the expenditure during the same month in the same district or circle, I asked whether a change could be made in the system followed in his office of debiting "recoveries," namely, the difference between *gross* and *net* expenditure, to the Public Works Department. The following is the Accountant-General's reply* to my inquiry :—

* No. 2111, of 9th June 1874.

"In accordance with the Comptroller General's Circular, No. 148, dated 1st June 1873, paragraph 9, respecting transfers, inasmuch as "Public Works Department" is a debt head, the present system cannot be changed, it being necessary that both receipts and charges must be shown in gross, and that as adjustment proceeds on the appendices to your account current Nos. 2 and 3, in latter of which expenditure and recoveries are distinctly shown circle by circle, it is necessary that you should show in your annual account submitted to the Board of Revenue the recoveries in red ink, as you do in your monthly statements submitted to this office."

4. From the Accountant-General's reply it would appear that, if this Office in its annual accounts to the Board of Revenue shows the recoveries in red ink, the differences between the accounts of the two departments will be understood by the Board. This arrangement could be easily adopted if desired by the Board of Revenue, but, in point of fact, no *annual accounts* are submitted to the Board. A statement showing the receipts realized and expenditure (net) incurred from Local Funds is submitted monthly, and in such statement districts only are dealt with, not circles. If, in addition to the usual statement, the Board of Revenue would wish for a statement such as is submitted to the Accountant-General, to show the gross expenditure reduced by the aggregate recoveries of the month, such a statement could, as stated above, be easily prepared and furnished each month.

Proceedings of the Madras Government, Financial Department,
6th July 1874.

Transferred to the Financial Department, with reference to the orders in that Department, dated 11th May 1874, No. 810.

(Signed) G. W. WALKER, Colonel, R. E.,
Secretary to Government, P.W.D.

2nd July 1874.

No. 39. ORDER THEREON, 6th July 1874, No. 1119.

Referred to the Board of Revenue for remarks.

(True Extract.)

Acting Chief Secretary.

To the Board of Revenue.

Exd. J. H. Burns.

Office of the Controller of
Public Works Accounts.
Fort St. George, 29 June 1874.

No. 2678

38

From

The Officg Controller of
Public Works Accounts.

To The Secretary to Government
Public Works Department
Fort St. George.

Sir,

With reference to G.O.
No. 68 of the 4th instant relative
to differences between the Local
Fund Expenditure as recorded
in the Office of the Accountant
General of Madras and as
exhibited in the Accounts
of this Office, and the proposals
of the Accountant General
to prevent such differences, I
have

Govt. of {1874} Madras.

FINANCIAL.

To

The BOARD OF REVENUE.

Dated July, 6th.

Read.

G.O., 6th July 1874, No. 1119.

JULY.
Nos. 38-39.

Local Fund Accounts.—Letter from the Controller of Public Works Accounts, submitting explanation on the difference between these accounts as recorded in his office and in that of the Accountant-General, referred to the Board of Revenue for remarks.

have the honor to state as follows.

2. Under recent instructions from the Accountant General of the Public Works Depart. ment there will be no difficulty in furnishing the Accountant General of Madras with the supplemental or final Accounts of Local Fund Expenditure by the 15th July of each year and therefore, the first proposal by that Officer is met. As regards the second proposal I would first observe that the cause of the disagreement is not quite correctly described by the

Accountant General who remarks that whilst the Monthly Accounts from this Office show the gross Expenditure and Recoveries, the annual State= =ment shows the net expendi= =ture only.

3. Both the Monthly and the Annual Accounts of this Office as submitted to the Accountant General show the net Expenditure, but as the Monthly Accounts are accompanied by detailed State= =ments which show the gross expenditure and recoveries, the Accountant General is apparent= =ly

by obliged to act on these Statements. I have been in communication with the Accountant General on this subject and in explaining to him that the existing of Recoveries in the detailed Statements above mentioned become necessary in cases in which the recovery during any month in a District or Circle has been greater than the expenditure during the same month in the same District or Circle, I asked whether a change could be made in the system followed in this Office of debiting "Recoveries" - namely the difference between gross and net expenditure - to the Public Works Department. The following is the Accountant General's reply to my enquiry

× No. 2111 of 9th June 1874.

"In accordance with the
"Comptroller General's Circular No. 148
"Dated 1st June 1873, para 9, respecting
"transfers, inasmuch as Public
"Works Department" is a Debit head,
"the present system cannot be
"changed it being necessary that
"both Receipts and Charges must
"be shewn in gross and that as
"adjustment proceeds on the appen-
"dices to your account Current No. 2
"and 3 in latter of which expenditure
"and recoveries are distinctly shewn
"Circle by Circle, it is necessary
"that you should shew in your
"annual account submitted to
"the Board of Revenue the recoveries
"in red ink as you do in your
"monthly statements submitted
"to this Office."

4. From the Accountant General's reply it would appear that if this Office in its Annual Accounts to the Board of Revenue shows the recoveries in red ink, the differences between the Accounts of the two departments will be understood by the Board. This arrangement could be easily adopted if desired by the Board of Revenue but in point of fact no annual Accounts are submitted to the Board. A Statement showing the receipts realized and expenditure (net) incurred from

from Local Funds is submitted monthly and in such Statement Districts only are dealt with not Circles. If in addition to the usual Statement, the Board of Revenue would wish for a Statement such as is submitted to the Accountant General, to show the gross expenditure reduced by the aggregate Recoveries of the month, such a statement could, as stated above be easily prepared and furnished each month.

I have the honor to be,
Sir
Your most obedient servant,

Offg Controller of P. W. Accounts.

G.K.

Financial Department.

No. 3967.

From

The Officiating Controller of
the Accounts
Madras

To

The Secretary to Government
Public Works Department
Fort St George

Dated 29th June 1874.
Rec'd 30th "
Read 3rd July 1874

No. 1678

No. 1369

Submits explanation on the difference existing in the annual accounts of this office and those of the Local Fund submitted by the Accountant General.

Ordered 6th July 1874 No. 1119.

Referred to the Bd of Revenue for remarks.

JL
2/7

Transferred to the Financial Department with reference to the orders in that Dept.t dated 11th May 1874, No. 810.

Commr Salt & R.

Secy to Govt

2nd July 1874.

Transferred
The Bd of Revenue

Govt. of {1874} Madras.

Fuel

To

The Board of Revenue

G.O. Fuel, 1874, No. 1119.

Nos. 38-39.

Local Fund Accounts.

Letter from the Contr. of Pub. Works, with submitting explanation in the difference between these accounts as recorded in his Office and in that of the Accountant General, referred by the Board of Rev. for remark.

Desp. to Govt. 30 June 1874.

The Bd of Revenue despd 11/7