M.R.O. 1—77,006—8-6-31.

(1) Number of pages 8.

(2) Date of repair 11-4-40.

(3) Initials of the Referencer

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Government of Madras.

Financial DEPARTMENT.

G.O. No. ~~Misc~~ 618 Press ~~Mis.~~

135-136.

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Financial DEPARTMENT.

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133-134.

Dated 18-4-1874.

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CV

Proceedings of the Madras Government, Financial Department,
18th April 1874.

No. 133. Read the following circular from E. F. HARRISON, Esq., Comptroller-General, to all Accountants-General, dated Calcutta, 2nd April 1874, No. 167:—

It has been represented that, if the Classified Abstract of Provincial Services, &c., were prepared as a schedule subsidiary to the Imperial Abstract, the procedure laid down in paragraphs 2 and 3 of my Circular, No. 130 (for bringing to credit the fund and other deductions on provincial vouchers), would become unnecessary, and thus a little trouble would be saved. I have no objection to the change, but must remind you that it is a change only in an intermediate link of the chain. From districts you will still receive lists of payments for Provincial Services (jointly with Local Funds) wherein the supporting vouchers will be charged net, and the deductions from these vouchers will still be detailed against their several numbers in the closing pages of the receipt side of a classified abstract, though that abstract will be Imperial. And, on the other hand, the separate series of detailed books, Objection Book and Statements, Journal and Ledger, for the Provincial Branch must still be kept up.

This Procedure is not applicable to the case of Madras and Bombay, where classified accounts are still submitted by district treasuries wherein vouchers are charged gross under their respective heads, credits being given to the different fund accounts in the Imperial portion of the district account.

2. The Government of India (Financial Department, No. 2452, dated 17th April 1873) ordered that the accounts of the services transferred from Imperial books should be kept quite distinct from those of old Local Funds of whatever class, and consequently it became necessary to substitute for the single head Provincial Services and Local Funds on the Imperial books, two, viz., Provincial Services, and Local Funds, including under the latter *all* Local Funds, whether they be the proceeds of old or of new taxation, whether they be available for expenditure at the free discretion of the Local Government, or be by law or custom reserved for expenditure in one district; but this separation will not necessitate your keeping up an independent third set of books or Transfer Book, although adjustments between the two branches will affect their accounts in the General Ledger.

3. In order to prevent exaggeration of receipts and expenditure, transfers to credit from Provincial to Local Funds, or *vice versa*, to meet future outlay should not be made, but the actual charge should be distributed between the heads affected. To take an instance, if the police charge of a city be shared between the Government and the Municipality, a sum equal to the Government share for the year may not be granted to, and placed to credit of, the Municipality in order to enable it to bear the gross charge, or *vice versa*, but in the audit enfacement of the voucher (*Circular, No.* 149, *paragraph* 1) the distribution of the charge will be shown, and from that enfacement both parts of the classified abstract (of Provincial Services and Local Funds) will be posted.

4. Similarly the Public Works Department has arranged that in case of a grant-in-aid from Provincial Funds (*i.e.*, from the Imperial grant, excluding all of the old Local Funds and the produce of new cesses) to Local Funds for any work, the outlay will be shown in the Local Fund account in the usual manner, but the amount of the grant-in-aid will be deducted from the total of the outlay, so as to bring out the net charge debitable to Local Funds.

Proceedings of the Madras Government, Financial Department,
18th April 1874.

No. 4.

Copy forwarded to the Secretary to the Government of Madras for information.

(Signed) E. GAY,
Deputy Comptroller-General.

No. 134. ORDER THEREON, 18th April 1874, No. 615.

Communicated to the Board of Revenue.

(True Extract.)

Acting Chief Secretary.

To the Board of Revenue.

Ext J. Wright.

Govt. of {1874} Madras.

FINANCIAL.

To

THE BOARD OF REVENUE.

Dated April, 18*th*.

Recd. Encls.

G.O., 18*th April* 1874, *No.* 615.

APRIL.
Nos. 133-134.

Provincial Services.—Circular from the Comptroller-General regarding adjustment between Provincial Services and Local Funds, communicated to the Board of Revenue.

11
15

ADJUSTMENT BETWEEN PROVINCIAL SERVICES AND LOCAL FUNDS.

CIRCULAR No. 167.

Comptroller General's Office;

Calcutta, 2nd April 1874.

FROM

THE COMPTROLLER GENERAL,

To

ALL ACCOUNTANTS GENERAL.

SIR,

It has been represented that, if the classified abstract of Provincial Services, &c., were prepared as a schedule subsidiary to the Imperial abstract, the procedure laid down in paragraphs 2 and 3 of my Circular No. 130 (for bringing to credit the fund and other deductions on provincial vouchers), would become unnecessary, and thus a little trouble would be saved. I have no objection to the change, but must remind you that it is a change only in an intermediate link of the chain. From districts you will still receive lists of payments for Provincial Services (jointly with Local Funds) wherein the supporting vouchers will be charged net, and the deductions from these vouchers will still be detailed against their several numbers in the closing pages of the receipt side of a classified abstract; though that abstract will be Imperial. And on the other hand, the separate series of detailed books, objection book and statements, journal and ledger, for the Provincial Branch must still be kept up.

This procedure is not applicable to the case of Madras and Bombay, where classified accounts are still submitted by district treasuries wherein vouchers are charged gross under their respective heads, credits being given to the different fund accounts in the Imperial portion of the district account.

2. The Government of India (F. D. No. 2452, dated 17th April 1873) ordered that the accounts of the services transferred from Imperial books should be kept quite distinct from those of old Local Funds of whatever class, and consequently it became necessary to substitute for the single head Provincial Services and Local Funds on the Imperial books, two, *viz.*, Provincial Services, and Local Funds, including under the latter *all* Local Funds, whether they be the proceeds of old or of new taxation, whether they be available for expenditure at the free discretion of the Local Government, or be by law or custom reserved for expenditure in one district; but this separation will not necessitate your keeping up an independent third set of books or transfer book, although adjustments between the two branches will affect their accounts in the general ledger.

3. In order to prevent exaggeration of receipts and expenditure, transfers to credit from Provincial to Local Funds, or *vice versâ*, to meet future outlay should not be made, but the actual charge should be distributed between the heads affected. To take an instance, if the police charge of a city be shared between the Government and the Municipality, a sum equal to the Government share for the year may not be granted to, and placed to credit of, the Municipality

in order to enable it to bear the gross charge, or *vice versa*, but in the audit enfacement of the voucher (*Cir.* 149, *para.* 1) the distribution of the charge will be shown, and from that enfacement both parts of the classified abstract (of Provincial Services and Local Funds) will be posted.

4. Similarly the Public Works Department has arranged that in case of a grant-in-aid from Provincial Funds (*i. e.*, from the Imperial grant, excluding all of the old Local Funds and the produce of new cesses) to Local Funds for any work, the outlay will be shown in the Local Fund account in the usual manner, but the amount of the grant-in-aid will be deducted from the total of the outlay, so as to bring out the net charge debitable to Local Funds.

I have the honor to be,

SIR,

Your most obedient Servant,

E. F. HARRISON,

Comptroller General.

No. 4.

Copy forwarded to the Secretary to the Government of Madras for information.

E Jay

Deputy Comptroller General.

W 5/13

S. S. O. Form No. 102 C. G.—6-4-74—125

ADJUSTMENT BETWEEN PROVINCIAL SERVICES AND LOCAL FUNDS.

CIRCULAR No. 167.

Comptroller General's Office;

Calcutta, 2nd April 1874.

FROM

THE COMPTROLLER GENERAL,

To

ALL ACCOUNTANTS GENERAL.

SIR,

It has been represented that, if the classified abstract of Provincial Services, &c., were prepared as a schedule subsidiary to the Imperial abstract, the procedure laid down in paragraphs 2 and 3 of my Circular No. 130 (for bringing to credit the fund and other deductions on provincial vouchers), would become unnecessary, and thus a little trouble would be saved. I have no objection to the change, but must remind you that it is a change only in an intermediate link of the chain. From districts you will still receive lists of payments for Provincial Services (jointly with Local Funds) wherein the supporting vouchers will be charged net, and the deductions from these vouchers will still be detailed against their several numbers in the closing pages of the receipt side of a classified abstract, though that abstract will be Imperial. And on the other hand, the separate series of detailed books, objection book and statements, journal and ledger, for the Provincial Branch must still be kept up.

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I have the honor to be,

SIR,

Your most obedient Servant,

E. F. HARRISON,

Comptroller General.

O. S. C. P.—No. 903 C. G.—6-4-74.—125.

bt. of {1874} Madras.

Financial.

To
The Board of Revenue.

G.O. April 18 1874. No. 615.

Nos. 133. 134.

Provincial Services - Circular from the Comptroller General regarding adjustment between Provincial Services and Local Funds, Comm: to the Board of Revenue.