

(1) Number of pages 16(2) Date of repair 7-4-41(3) Initials of the Referencer J.**MADRAS RECORD OFFICE.****Government of Madras.***Finance* **DEPARTMENT.**G.O. No. 2126Press
Mis.Dated 27th November 1876.**Not to be folded or roughly handled**

Municipal—Budgets.

No. 203. *Proceedings of Government, dated 27th November 1876, No. 2126.*

In continuation of G.O., dated 28th October 1871, No. 1646, the Governor in Council is pleased to issue the following detailed instructions regarding the preparation of Municipal Budgets. They will be attended to in the preparation of the budgets for 1877-78 now shortly expected.

2. Each budget will be accompanied by a covering letter furnishing brief but complete information on all entries which need explanation; as far as possible, however, explanation of variations, &c., should be given in the Remarks column of the statements themselves. The budget statements themselves will be prepared on foolscap, stitched together in book form and folded lengthwise.

3. All sums entered in the budget will, as far as possible, be in round numbers.

4. The opening balance should be ascertained on the present occasion by preparing Regular Estimates of receipts and charges for the year 1876-77 under all the heads in Statements I and II. In preparing these Regular Estimates the actuals of the months preceding that in which the budget is prepared should be ascertained and the probable receipts and charges of the remaining months calculated with reference to the actual transactions of the corresponding months of 1875-76 and to the special circumstances peculiar to the year 1876-77 as far as known. A copy of the Regular Estimate so prepared should accompany the budget with full explanation given opposite to each of the items in it. The closing balance arrived at in the Regular Estimate should be taken as the opening balance in the budget of 1877-78. For the sake of uniformity the following form should be adopted in preparing the Regular Estimates. The form is shown for receipts only, but the form for expenditure will be similar, reading "charges" instead of "receipts" in the heading and in Column 4:—

Receipts.

Items.	Actuals of the first — months of 1876-77.	Actuals of the last — months of 1875-76.	Probable receipts of the last — months* of 1876-77.	Total of Columns 2 and 4.	Budget Grant, 1876-77.	Explanation of variations between Columns 5 and 6.
1	2	3	4	5	6	7

* Same number of months as in Column 3.

Tolls—

9. Statement I-A should exhibit the transactions of the endowed institutions only, and there should be perfect agreement between this statement and Statements I and II. The second note in the Remark column of the specimen form of Statement I-A circulated with G.O., dated 28th October 1871, No. 1646, will be considered as cancelled as it ceases to hold good when contributions are assigned from Local Funds to Municipal Hospitals. The particulars of the amounts inserted in Columns 6, 7, and 9 of the statement should be noted in the column of Remarks. Any amounts spent in excess of the independent income of these institutions should be debited to Municipal Funds and not shown as contribution from those Funds. The number and date of the Order authorizing the transfer of these institutions to Municipalities should be quoted in the Remark column.

(True Extract.)

Chief Secretary.

The Governor and Council
have read in continuation
of G. O. dated 28th October
1871 No 1646 to issue the
following detailed instruc-
tions regarding the prepara-
tion of Municipal Budgets.
They will be attended to
in the preparation of the
Budgets for 1877-78 now
shortly expected.

2. Each Budget will be accompanied by a covering letter furnishing brief but complete information

on all returns which need
explanations, as far as possible
however explanation of varia-
tions so should be given
in the summary column of
the statements themselves.

The Budget statements
themselves will be ~~drawn up~~^{prepared}
on the ~~last English~~ Foolscap,
sketched together in book
form and folded lengthwise.

3. All sums entered in
the Budget will as far as
possible be in round numbers.

4. The opening balance
should be ascertained on
the present occasion by
preparing Regular Estimates
of receipts and charges
for the year 1876-77 under
all

all the heads in Statements
I and II. In preparing
these Regular estimates
the actuals of the full
months preceding that
in which the Budget is
prepared should be as-
certained and the
probable receipts and
charges of the remaining
months calculated with
reference to the actual
transactions of the Corres-
ponding months of
1876-76 and to the special
circumstances peculiar to
the year 1876-77 as far as
known. A copy of the
Regular Estimate so prepared
should be sent along with
the

Reciproco

* Same number of months as in Column 3

5. In the case of assignments by Govt, the purpose for which they are made should be stated and the order sanctioning ^{with reference to the} them quoted. The contribution of Government towards the pay of the Medical Subordinates should be excluded from the Statement.

6. Where a portion of the tolls are loaned over to local fund provide the entry in Statement E should be as under :-

20/11
 Gross Receipts
 Budget Total Prod Char [-|-|-| | | |]
 Municipal Income [-|-|-| | | |]

The distinction between ancient and
current need only be shown as regards
the use of municipal income.

6. Credit should be
taken for the whole receipts
from

from tolls and the amount
decided on as payable to
Local Fund Boards should
be shown under Statement II
Grant I.

7. The contributions
from Local Funds should
be exhibited under the
appropriate sub heads of
"Contributions from Local
Funds"

8. Loans received under
the Public Works Loan Act
should be entered as a
distinct item under
"Miscellaneous" & the
repayment if any of the
principal and payments
of interest should be

I would suggest that only the
municipal share of the toll
receipts should be shown as a
municipal receipt, and no entry
made as a charge under
Statement II Grant I. The
local fund share of the tolls
is merely collected along with
the municipal tolls as a matter
of administrative convenience
and cannot be regarded as a
municipal contribution & local
funds in the same sense as
other contributions.

The amount handed over to the
Local Fund Board might be
shown in a foot-note for information.

I think this will be still
better than a foot-note

I think that
the Local Fund
Board should
be shown as a
separate item
under "Miscellaneous"
and the repayment
of principal and
interest should be
shown as a
distinct item under
"Miscellaneous"

The second note in the
remarks column of the specimen
form of Statement I A circulated
with S.O. 2/2 of October 1971 No 1646
will be considered as cancelled
as it ceases to hold good when
contributions are acquired
from Local Funds to the Municipal
Hospitals.

shown similarly under
Statement II Grant I.

9. Statement II should
exhibit the transactions
of the endowed institutions
only and there should be
perfect agreement between
this Statement & Statement

I & II. The particulars of
the amounts inserted in
Column 6 and 9 of the
Statement should be noted
in the column of remarks.
Any amounts spent in
excess of the independent
income of these institutions
should be debited to Municipal
Funds and not shown
as contribution from
those Funds. The number
and date of the orders
authorizing

authorizing the transfer
of these institutions to
Municipalities should be
quoted in the remark column.

10. No item which is
not of the nature of a
specific work should be
entered in part I or II of
Statement II of the Budget.
In part II should be specified
the length of each road
and the rate of maintenance
per mile.

11. The charges in the
schools under the combined
system should be shown
separately and not under
the head of Municipal Schools.

12. Under Grant III should
be detailed the expenditure
on account of Miscellaneous
Municipal

17
Municipal objects including
such items as payment
for lunatics &c and under
Grant V the charges connect-
ed with the management
of the office including
Auditors' fee &c should
be entered.

13. Attention is drawn
to para 4 of G.O. dated
9th August 1876 No 1435,
regarding balances.

20th

10 November, 1876

To all Presidents of Municipal
Commissions.
" The Revenue Dept.
" " Board of Revenue.

148
5
14
20
190
Resp 2/12
JH

Mr. Maclean asked me to
look at this before circulation.
I have made suggestions with
reference to paras 6 and 9.

81
15/11

5/11/06. 20/10/11

of 1876 Madras.

Full

Soon

0.27 Nov 1876, No. 2136

Nos. 205.

Annul. Budgets - Detailed
instructions issued regarding
the preparation of Annual
Budgets.