

GOVERNMENT OF MADRAS.
MARINE DEPARTMENT.

READ—the following papers :—

From A. R. BECHER, Esq., Officiating Deputy Secretary to the Government of India, Public Works Department (Account—Civil Works), to the Joint Secretary to the Government of Madras, Public Works Department, dated Simla, 5th May 1896, No. 117 A.C.W.

With reference to your letter No. 144, Marine, dated 6th March 1896, regarding reduction in the charge for the audit of the accounts of the Madras Harbour Works, I am directed to request that the Government of India may be furnished with the views of the Examiner, Public Works Accounts, on the subject and with a report showing the nature and extent of the audit applied and its approximate cost.

Office-note from the Examiner, Public Works Accounts, dated Madras, 4th May 1896, No. 320 A.

Harbour Construction Accounts.

The expenditure upon construction will be closed this month, so it does not seem necessary to require special accounts to be prepared and audit carried out by the Examiner's office for only two months of 1896-97. It will be some time before the construction accounts are finally closed, as many adjustments will be necessary owing to the transfer of suspense accounts, the valuation of stock and plant, &c., for which credit has to be afforded to the construction estimate.

2. The audit of the accounts for 1895-96 will be undertaken shortly, and those for the current year will be audited in the same way as heretofore as soon as adjustments have been carried out and the construction estimate finally closed.

3. The Public Works Department accountant who was lent to the Board will probably be useful to it for a time after the Engineer's construction accounts are closed and the expenditure of his department transferred to the Board's office, but it is for the Board to determine how much longer his services will be required.

4. The fee for the audit of the accounts for 1893-94-95-96 will therefore be the fee for the 1896-97 audit.

Office-note from the Examiner, Public Works Accounts, dated Madras, 19th May 1896, No. 367 A.

[Your office-note No. 264 E. of 16th May 1896.]

Please see my office-note No. 320 A. of 4th May 1896. The question of the amount of the audit fee must be considered with reference to the work done, and as I explained in my office-note No. 221 A. of 21st March 1896, my audit was a personal one, conducted as it might have been by a Public Accountant, and my office had no particular work in connection with it. I would suggest that Rs. 1,000 be the charge for each year's audit under these circumstances.

2. As the construction work is now finished, there will be no accounts for audit by the Examiner and his office. I shall in due course audit, as before, the construction accounts for 1895-96, and later on when progress has been made in stock-taking, valuation of machinery, plant, stores, &c., the closing accounts under the construction estimate will be audited in the same manner. The audit fee of Rs. 1,000 per annum is therefore suggested for the construction accounts for 1893-94 to 1896-97.

3. I suppose the Government of India knows that I have only the construction accounts to audit, and not the general accounts of the Board.

Office-note from the Examiner, Public Works Accounts, dated Madras, 1st June 1896, No. 390 A.

[Your office-note No. 243 D. of 28th May 1896.]

My audit was ordered only for the "Harbour construction accounts," which has been understood to mean the work coming under the re-construction estimate. This work was completed in the middle of May, and it seemed to me unnecessary to prepare formal monthly accounts of six weeks' expenditure for separate audit routine by the Examiner's office. The closing of the accounts under the re-construction estimate will consist for the most part of adjustments, mainly giving credits to the works for balances of stock, value of machinery, &c., and this will take time to complete and possibly the adjusting transactions will all be effected at one time, and monthly accounts would be unnecessary.

2. The extensive improvements contemplated are not harbour construction expenditure, but, as you describe them, "improvements," or alterations and additions in the structure, and I have had no orders that the expenditure on such, or in other words, all expenditure chargeable to capital, is to be audited by the Examiner and his office. If it be decided that capital expenditure is to be so audited from 1896-97, the Harbour Trust should be informed, and the audit fee might then be the Rs. 3,500 suggested for the detailed routine audit in the Examiner's office.

3. In reference to your paragraph 3, I regret references to previous correspondence were omitted, and the inconvenience that has been caused thereby to His Excellency the Governor.

ORDER—No. 447, Marine, dated 19th June 1896.

His Excellency the Governor in Council observes that in paragraph 2 of his office-note No. 367 A., dated 19th May 1896, the Examiner, Public Works Accounts, proposes that the fee for the audit of the Harbour construction accounts for 1893-94 to 1896-97 be fixed at Rs. 1,000 per annum, the audit not having been a concurrent one by the Examiner and his office, and this fee is perhaps equitable under the circumstances. But the Government does not understand why there should have been such long delay in introducing the system of concurrent audit, approved in paragraph 8 of G.O. No. 1108 W., dated 9th May 1895. The sanction of the Government of India to the arrangement was communicated to the Examiner in G.O. No. 2029 W., dated 15th August 1895, and it is not clear why the system was not then immediately introduced, and the expenditure regularly audited from the month of October 1895.

* Vide paragraph 2 of the Examiner's office-note No. 221 A., dated 21st May 1896, printed with G.O. No. 228, Marine, dated 2nd April 1896.

estimate has now been closed without that regular audit which Government so long ago as May 1895 admitted to be necessary to ensure a proper financial control over all expenditure on construction. This delay is much to be regretted and should be explained. Further additional expenditure on extensions and improvements to the Harbour works is now under consideration, and on sanction to the estimates being accorded, His Excellency the Governor in Council desires that the Examiner will

make timely arrangements for having the expenditure subjected to the same system of audit as that adopted in the case of ordinary public works. The fee for an audit of this kind, the Examiner proposes * to fix at Rs. 3,500 per annum.

2. The sanction of the Government of India to this proposed scale of fees, both for the post and concurrent audit, will be requested.

[Here enter No. 448, Marine, dated 19th June 1896.]

(True Extract.)

Under Secy. to Government.

To the Chairman, Harbour Trust Board.
,, Examiner, Public Works Accounts.

Exd. T. K. Narayana Aiyangar.
Spare Copies

Gobt. of {1896} Madras.
MARINE.

Dated June, 19th.

Recd.

Encl.

G.O. No. 447, 19th June 1896.

JUNE.

**Audit of the accounts of the
Madras Harbour Works**

Orders directing, with remarks, that the sanction of the Government of India be requested to the scale of fees proposed by the Examiner of Public Works Accounts, both for post and concurrent —.

Gobt. of {1896} Madras.
MARINE.

Dated June, 19th.

Recd.

Encl.

No. 448, 19th June 1896.

JUNE.

**Audit of the Construction
accounts of the Madras
Harbour Works**

Forwarding a copy of the Proceedings of this Government relating to the — and supporting the scale of fees proposed by the Examiner of Public Works Accounts for such audit.

No. 448, MARINE, 19TH JUNE 1896.

MARINE DEPARTMENT.

LETTER—from

THE HON'BLE COLONEL D. McNEIL CAMPBELL, R.E.,
Joint Secretary to the Government of Madras,
Marine Department,

To

THE SECRETARY TO THE GOVERNMENT OF INDIA,
PUBLIC WORKS DEPARTMENT.

SIR,

I am directed to acknowledge the receipt of your letter No. 117 A.C.W., dated 5th May 1896, on the subject of the fee for the audit of the construction accounts of the Madras Harbour, and in reply to forward, for the information of the Government of India, the accompanying copy of Proceedings No. 447, Marine, dated 19th June 1896, from which it will be seen that owing to delay, not clearly explained, on the part of the Examiner, Public Works Accounts, the concurrent audit of the construction accounts approved by this Government in May 1895 has not yet been introduced, and that a post audit by the Examiner, Public Works Accounts, personally, without the aid of his office, has been all that has been undertaken. For an audit of this description the Examiner suggests that Rs. 1,000 for each year's accounts dealt with will be sufficient, but that for a concurrent audit, such as that undertaken in the case of ordinary public works expenditure, the fee may be fixed at Rs. 3,500 per annum.

2. I am to support these proposals.

I have the honour to be,
Sir,

Your most obedient servant,

Colonel, R.E.,
Joint Secretary to Government.

OOTACAMUND,
19th June 1896.

Exd. T. K. Narayana Aiyangar.
Spare Copies

447-48 Mar
19. 6. 86 Marine Dept.

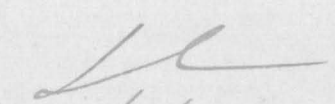
Note for H.E. the Governor.

Audit of the Harbour Works Construc-
tion accounts.

The papers were not available
for discussion at the last Council,
but the subject was mentioned, and
it was understood that His Excellen-
cy approved of a concurrent audit,
and that the Hon. Mr. Bliss also --
agreed.

The Hon. Mr. Grose has recorded
his approval on the draft order.

The papers are resubmitted for
His Excellency's formal orders.


16/6/86

W.

These papers were considered in Council
to-day, when it was agreed that the
Groomer should be called upon to
explain the delay mentioned as A
in the office note, and that the draft
order to the Govt. of India, be approved.

A. G. H.
17. 6. 86



H.S.

Audit of the Harbour Works
Construction Accounts

447
448

Issued with the addition
made on it in the audit
note.

15/6/96

W

CN-4997
of 150
447 Marine
W

£ 10 1108 74 dated c.
9th May 95 the receipt
and of the Harbour Works
the amount of £ 10 1108 74
of the 1108 74 was received
to date the 1108 74 was received
the duty. This I presume
means that £ 10 1108 74
was to be received the balance
and the amount to be
of the 1108 74 was received
the 15th Dec 95 this must have
been received by the 15th
I therefore do not understand what
the means of this is the
but in complete order of the
it will be necessary to put a further
party account of the 15th Dec 95.
I presume the amount May 96
as to receive the amount in Dec
the 15th Dec 95 the amount
for this is a circumstance and
there has been this.
What does he mean?
9/6/96 P.T.O.

I assume that the
 new audit should have
 commenced from the beginning
 of 1896-97. And as ~~in~~ ⁱⁿ ~~the~~ ^{the} middle of May 96 - the
 reconstruction estimate closed,
 he ~~has~~ ^{has been} relieved from the
 duty. But as pointed out in
 the draft order, he should
 have commenced the work
 in October 95 at latest.
 I do not see that he has
 any excuse for neglecting the
 orders of Govt. He has been
 given an opportunity of
 explaining, but judged by
 his reply, he seems to have
 no explanation to offer.

R.S.
 9 June 96

All communications
 should be addressed
 to the Secretary.

No. 117 New.
 GOVERNMENT OF INDIA.
 PUBLIC WORKS DEPARTMENT.
 ACCOUNT.
 Civil works.



To The Secretary to the
 Government of Madras,
 Public Works Department.

Simla, the 5th May, 1896.

Sir,

With reference to your letter No. 144
 Marine dated 6th March 1896 regarding reduction
 in the charge for the audit of the accounts
 of the Madras Harbour works, I am directed
 to request that the Government of India may
 be furnished with the views of the Examiner
 Public works accounts on the subject and
 with a report showing the nature and extent
 of the audit applied and its approximate cost

I have the honour to be
 Sir,
 Your most obedt. Servant
 Perrecher
 Offg. Secy. to the Govt. of India
 A.H.

Documents accompanying:-
 Nil.

MARINE C. No 534

Recd 13-5-96

dated

189 .

CURRENT No.

KEEP-WITH

No. 264 E 8/16 May 1896-

To C

Please say whether
you have anything to add
to the information contained
in your office note recorded
with G.O. 228. Marine
dated 2^d April 1896

14/5/96

CHAS
13.5.96.

O.L.S. 14

E. No. 27.
1,000-9-12-95.

GOVT.
OF MADRAS.

1896.

P. W.
DEPT.

EXAMINER, P. W. ACCOUNTS,

Madras, 4th May 1896.

OFFICE NOTE No. 320 A

20

To

W.

Harbour Construction Accounts.

The expenditure upon construc-
tion will be ^{closed} at an end this month, so
it does not seem necessary to require
special accounts to be prepared, and
audit carried out by the Examiners of-
fice for only two months of 1896-97. It
will be some time before the construc-
tion accounts are finally closed, as
many adjustments will be necessary owing
to the transfer of suspense accounts,
the valuation of Stock and Plant, etc.
for which credit has to be afforded to
the construction estimate.

2. The audit of the accounts for
1895-96 will be undertaken shortly, and
those for ~~for~~ the current year will
be audited in the same way as hereto-
fore as soon as adjustments have been
carried out and the construction esti-
mate finally closed.

3. The P.W.D. accountant who was
lent to the Board will probably be

The file is not complete. The question
cannot be understood without the
papers with the fee to be paid to
the Auditor. There was a letter to
the Port. of London in the subject,
a short time ago.

ASST 21.5.96

The Examiner omitted
to quote the previous
papers, and as the
question was taken up
in the Public Works
instead of the Marine
Department, the record
was not properly made up.
The file has now been com-
pleted & the subject recon-
sidered -

CHAS

useful to it for a time after the Engineers construction accounts are closed and the expenditure of his department transferred to the Board's office, but it is for the Board to determine how much longer his services will be required.

4. The fee for the audit of the accounts for 1893-94-95-96 will therefore be the fee for the 1896-97 audit.

dec
C.
under 2/5

*N. 2029 W of 15-8-95
1109 W of 9-5-95
1108 W of 9-5-95
259 W of 22-1-96
1573 W of 27-6-95
1481 W of 18-6-95
2945 W of 16-11-94*

4191
Dec: 5-5-96
13
The Examiner's proposals are approved.
2. The Chairman Madras Harbour Trust Board will report the period for which the services of the Public Works Accountant will be required.

15/5/96

*Consd
15.5.96*

*L.P.W.A.
Chairman M.H.B.*

22.3.97

dated

189 .

CURRENT No.

GOVT.
OF MADRAS.

1896.

E. No. 27.
1,000-9-12-95.

{ P. W.
DEPT.

EXAMINER, P. W. ACCOUNTS,

Madras, 19 May 1896.

OFFICE NOTE No. 364 A.

To

W.

Your O.N.No. 264 E of 16th. May 1896.

Please see my O.N.No. 320 A. of 4th. May 1896. The question of the amount of the audit fee must be considered with reference to the work done, and, as I explained in my O.N.No. 221 A of 21st. March 1896, my audit was a personal one, conducted as it might have been by a Public Accountant, and my office had no particular work in connection with it - I would suggest that Rs. 1000 be the charge for each years audit under these circumstances.

2. As the construction work is now finished, there will be no accounts for audit by the Examiner and his office. I shall in due course audit as before, the construction accounts for 1895-96, and later on when progress has been made in stock-taking, valuation of machinery, plant, stores etc. the closing accounts under the construction estimate will be audited in the same manner. The

*+ It is not finished -
Extensive improvements
are contemplated -*

audit fee of Rs.1000 per annum is therefore suggested for the Construction accounts for 1893-94 to 1896-97.

3. I suppose the Government of India knows that I have only the Construction accounts to audit and not the general accounts of the Board.

C.

Ad 1915

E. No. 27.
1,000-9-12-95.

GOVT.
OF MADRAS. }

1896.

{ P. W.
DEPT.

EXAMINER, P. W. ACCOUNTS,

Madras, / June 1896.

OFFICE NOTE No. 390 A.

To

W.

Your O.N.No.243 D.of 28th.May 1896.

My audit was ordered only for the "Harbour Construction Accounts", which has been understood to mean the work coming under the Re-construction Estimate. This work was completed in the middle of May, and it seemed to me unnecessary to prepare formal monthly accounts of six weeks expenditure for separate audit routine by the Examiner's office. The closing of the accounts under the Re-construction Estimate will consist for the most part of adjustments, mainly giving credits to the works for balances of stock, value of machinery etc. and this will take time to complete & possibly the adjusting transactions will all be effected at one time, and monthly accounts would be unnecessary.

2. The extensive improvements contemplated are not Harbour Construction expenditure, but, as you describe them, "improvements", or alterations and

additions ⁱⁿ the structure, and I have had no orders that the expenditure on such, or in other words all expenditure chargeable to capital is to be audited by the Examiner and his office. If it be decided that capital expenditure is to be so audited from 1896-97, the Harbour Trust should be informed, and the audit fee might then be the Rs. 3500 suggested for the detailed routine audit in the Examiner's office.

3. In reference to your para 3 I regret references to previous correspondence were omitted, and the inconvenience that has been caused thereby to His Excellency the Governor.

OC
C.
1896

16.11.94. 2945 W
9.5.95. 1108 W
9.5.95. 1109 W
15.8.95. 2029 W
18.6.95. 1487 W
27.6.95. 1573 W
2.11.95. 2770 W
22.1.96. 2594
6.3.96. 143-4 W
17.3.96. 1491 C
2.4.96. 228-9 W

Dec: 2.6.96

Government of Madras.

PUBLIC WORKS DEPARTMENT.

Ootacamund, 28th May 1896.

OFFICE NOTE.

From W

To
C.

Your Office Note No. 367 A., d/
19th May 1896.

In para 2 of the above, you propose that the fee for the audit of the Harbour Construction Accounts for 1893-94 to 1896-97 be fixed at Rs. 1,000 per annum. There seems no objection to this so far as the accounts up to 1895-96 are concerned. But it is not understood why the audit of the accounts for 1896-97 should not be by you and your office, as already ordered in G.O. 1108 W., dated 9th May 1895-Vide also para 2 of your office note No. 1491 C., d/17th March 1896, printed with G.O. 228 Marine dated 2nd April 1896. For an audit by you and

No 264 E 8 16.5-76.

and your office the fee payable is not Rs.1000 but Rs.3500 a year. Vide para 3 of your office note of the 17th March. It is not correct to assume that construction work on the Harbour is now finished. Extensive improvements are contemplated, involving further large expenditure.

2. Please let me know whether in the light of the above remarks, you wish to modify the terms of your office note 367 A., dated 19th May 1896. and why the concurrent audit already ordered

No 2432 828 May 1896.

has not yet, apparently, been begun.

24/5/96

W.

Please also explain why in your office note No 320 A. d/ 4 May 96 reference was not given to previous correspondence. This omission has caused some inconvenience to His Excellency the Governor.

28/5/96

28/5/96

PROCEEDINGS OF THE MADRAS GOVERNMENT.

Read the following

Letter from the Govt of India (H.E. No 117 ACW d/ 5th May 1896)
 Office note from the E.P.W.A. " " 320 A d/ 4 " "
 " " 367 A d/ 19th " "
 " " 390 A d/ 1st June " "

No 144 70 Maria 8 19 June 1896

His Excellency the Governor in Council observes that in para 2 of his office note No 367 A dated 19th May 1896, the Examiner P.W. Accounts proposes that the fee for the audit of the Harbour Construction Accounts for 1893-94 to 1896-97 be fixed at Rs 1000 per annum. The audit not having been a concurrent one by the

Examiner and his office,
and this fee is perhaps
equitable under the circum-
stances. But the Government
does not understand why
there should have been
such long delay in introducing
the system of concurrent
audit, approved in para
8 of Co. No. 1108W dated
9th May 1895. The sanction
of the Government of
India to the arrangement
was communicated to the
Examiner in Co. No. 2029W
dated 15th August 1895,
and it is not clear why
the system was not then
immediately introduced,
and the expenditure regularly
audited from the month
of October 1895 at latest,
when the accounts seem
to have been made over

* vide para 2 of the Examiner's
office note No. 221 & dated
21 Mar 1896 printed in the
Co. No. 228 Marine dated
22 April 1896.

* Added with reference to the
note of 17-6-96

to the Examiner. The result
has been that the Recon-
struction Estimate has now
been closed without that
regular audit of expenditure
which Government so long
ago as May 1895 admitted
to be necessary to ensure
a proper financial control
all over expenditure in construction.
This delay is much to be
regretted ^{and should be explained} Further additional
expenditure on extensions
and improvements to the
Harbour Works is now under
consideration, and on
sanction to the estimates
being accorded, His Excellency
the Governor in Council desires
that the Examiner will
make timely arrangements
for having the expenditure
subjected to the same
system of audit as that

adopted in the case of
ordinary public works.
The fee for an audit of
this kind, the Examiner
proposes to fix at Rs 3500
per annum.

* para 2 of office note
N-390 A of 1st June 1896.

2. The sanction of the
Govt of India to this proposed
scale of fees, both for the
post, and ^{con-}current, audit
will be requested.

(H.E. N-448 dated 17th June 1896)

The Chairman H.S. B?

" Examiner P.W. Accts.

3. The Secy: to the
Government of India
Public Works Dept

Sir,
I am directed to acknowledge
the receipt of your letter
N-117 A.C.W. dated 5th
May 1896 on the subject of the
fee for the audit of the
construction accounts of the
Madras Harbour, and in

A.S.M.
17.6.96

4.4.150

70
reply to forward for the
information of the Government
of India, the accompanying
copy of Proceedings N-
447 Marine, dated, 19 June 1896
from which it will be seen
that owing to delay, not
clearly explained, on the
part of the Examiner P.W.
Accounts, the concurrent
audit of the Construction
accounts approved by
this Government in May 1895
has not yet been introduced,
and that a post audit
by the Examiner P.W. Accounts
personally, without the aid
of his office, has been
all that has been undertaken.
For an audit of this description
the Examiner suggests that
Rs 1000 for each year's accounts
dealt with will be sufficient
but

