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MADRAS RECORD OFFICE

Government of Madras

Public Works DEPARTMENT

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Not to be folded or roughly handled

No. 307. Read the following letter from F. LUSHINGTON, Esq., Accountant General to the Government of Madras, to Colonel G. W. WALKER, R.E., Secretary to Government, Public Works Department, dated Fort St. George, 16th July 1873, No. 196:—

WITH reference to the Secretary of State's Despatch, No. 2, of 30th April last, recorded in Madras Government Order, No. 1,544, of 12th ultimo, I have the honour to observe that all the figures entered in the Appropriation Statements of the Great Southern of India Railway from this office for the two half-years of 1871 are accepted by the Secretary of State for India, except the opening balance in the first-half year's Statement on "Capital Advance Account." The opening balances, it will be observed from the letter from this office, No. 378, of 14th November 1871, recorded in Government Order, No. 3,020, of 29th idem, were given by the Consulting Engineer for Railways.

2. It will be seen from the enclosed copy of letter and its enclosures from the Examiner of Railway Accounts to the Accountant-General, Public Works Department, Simla, No. 423, of 6th ultimo, that he had been for some time engaged in arriving at correct balances on 31st December 1870 on the Capital Advance, Construction, and Stores Suspense Accounts of the Great Southern of India Railway. These balances are shown in the Statements A, B, and C thereto appended (which form part of the enclosures above alluded to) to have been Rupees 99,837-5-11, 151,34,726-3-4, and 30,63,032-8-2. I herein enclose a Memorandum exhibiting the above balances, the subsequent transactions for the year 1871, and the liabilities referred to by the Examiner of Railway Accounts; it will be observed from this that the results arrived at by this department agree with those attained by the Home Authorities.

3. With regard to the difference in the balances on 31st December 1871 on "Construction" and "Store Suspense Accounts" alluded to in the penultimate paragraph of Mr. E. R. Cave-Browne's Memorandum, recorded in the Order of Government above quoted, I beg to enclose, in explanation, copy of a letter from the Railway Examiner, No. 505, of 2nd instant.

*Proceedings of the Madras Government, Public Works Department,
19th August 1873.*

MEMORANDUM.

	Capital Advance Account.	Construction Account.	Stores Suspense Account.
	RS. A. P.	RS. A. P.	RS. A. P.
Amended balance on 31st December 1870 as per Statements A, B, and C, of the Examiner, Railway Accounts.	99,837 5 11	151,34,726 3 4	30,68,032 8 2
Add—Net payments during the two half-years of 1871 as per Appropriation Statements from this office ...	4,23,957 3 10	.....	1,94,295 7 8
Add—Net Transfer debits during do.	.....	1,90,248 0 10	.....
	5,23,794 9 9	153,24,974 4 2	32,62,327 15 10
Deduct— Do. Credits during do.	3,82,862 3 7	.....	1,71,497 15 5
	1,40,932 6 2	153,24,974 4 2	30,90,830 0 5
Deduct—A m o u n t shown in page 2 of the Secretary of State's Despatch printed in Proceedings of the Madras Government, No. 1,544, of 12th June 1873 ...	24,753 15 1		
Less—Difference in the balance of Stores Suspense Account printed in do.	6,272 2 3	18,481 12 10	.....
	1,22,450 9 4	.....	.....
Deduct—To adjust error in conversion of Sterling into Rupees ...	0 0 5	.....	.....
Deduct—The difference in the balance of Stores Suspense Account above referred to ...	.....	.....	6,272 2 3
	1,22,450 8 11	153,24,974 4 2	30,84,557 14 2
Add—Liabilities as per Statements B and C of the Examiner, Railway Accounts ...	1,59,471 15 5	19,784 14 10	1,39,687 0 7
Deduct— Do. do. do. ...	.....	.....	.....
	* 37,021 6 6	153,44,759 3 0	32,24,244 14 9

* The difference of one Pie between this and the amount in Mr. Browne's Memorandum is owing to the omission of fractions in conversion of Sterling into Rupees.

FORT ST. GEORGE,
16th July 1873.

(Signed) F. LUSHINGTON,
Accountant-General.

From R. K. WILLIAMS, Esq., Officiating Examiner of Railway Accounts, Madras, to the Accountant-General, Public Works Department Simla, dated Madras, 6th June 1873, No. 428.

REFERRING to paragraph 3 of my letter, No. 309, dated 24th April 1873, I have now the honour to forward a Supplementary Appropriation Statement of the "Capital Advance" and the "Stores Suspense" Accounts of the Great Southern of India Railway for the half-year ended 31st December 1872.

*Proceedings of the Madras Government, Public Works Department,
19th August 1873.*

2. This statement embraces all the adjustments required to bring the books of the India Office into perfect accord with those of the Railway Company, as will be seen from the accompaniments marked A, B, and C.

3. The opening balance of the Capital Advance Account at 31st December 1870, as entered in the first Appropriation Statement received from the India Office, showed a *credit* balance of Rupees 59,634-9-5, while the Company's Indian books recorded a *debit* balance of Rs. 33,040-7-8. Neither of these balances, however, having regard to the principle upon which the Appropriation Statements are written up, was strictly correct as will be shown below; and although endeavours were made from time to time both by this office and the Agency at Negapatam to reconcile these figures and arrive at a correct opening balance, no satisfactory result could be obtained owing to insufficiency of information regarding the state of the Company's London Accounts, and it was not till the close of the last half-year when, for the first time, a Memorandum was received from the India Office with the classified statements affording some of the required information that the work was undertaken with any prospect of success.

4. The balances of the "Construction" and the "Stores Suspense" Accounts adopted by the Secretary of State were taken from the accounts published with the Board of Directors Annual Report for 1870; but as these balances included large liabilities, as will be seen from enclosures B and C, the result of determining the balance of the Capital Advance Account by setting these balances against the total Capital withdrawals in England and in India, was to bring out a *credit* balance on this account of the figure already named. But if these liabilities be excluded and the balances thus obtained deducted from the withdrawals, the result will give the balance entered in enclosure A thus:—

	RS. A. P.	RS. A. P.
Total Capital withdrawals to 31st December 1870 ...	.....	183,02,596 1 5
Deduct construction less liabilities per enclosure B....	151,34,726 3 4	
And Stores Suspense do. do. do. C.	30,68,032 8 2	
		182,02,758 11 6

Balance of Capital Advance Account per enclosure A. ... 99,837 5 11

And this balance is proved with the Company's Indian books as follows:—

Balance per Company's books at 31st December 1870, Dr. ...	33,040 7 8
Add value of Stores expended on Revenue in October 1870 and paid into Treasury in January 1871 ...	12,272 13 10
Do. for November and December 1870, and Revenue proportion of Home expenditure for half-year ended 31st December 1870 paid into Treasury in February 1871.	29,770 1 5
Add Home expenditure (Revenue) from 1st July 1862 to the half-year ended 30th June 1867 formerly credited to London in the Local Accountant-General's books now reversed to Capital Account, see foot-note to Cash Statement for March 1871 ...	24,753 15 0
	66,796 14 3
Balance as above...	99,837 5 11

5. Supposing the Secretary of State's books to have been opened with the balances shown in the first skeleton Appropriation Statement received from England, it is evident from the fore-

*Proceedings of the Madras Government, Public Works Department,
19th August 1873.*

going that the liabilities included in the balances of the Construction and the Stores Suspense Accounts at 31st December 1870 should be written back; for, when subsequently these liabilities were discharged, they appeared as credits to the Capital Advance Account by debits to the accounts concerned in the Appropriation Statement for the half-year ended 30th June 1871—those relating to the Construction Account in the item Rs. 91,904-4-7 (*vide* enclosure D), and those relating to the Stores Suspense Account in the item Rs. 1,84,009-3-3 (*vide* enclosure C.)

6. *Capital Advance Account.*—The adjustment in connection with the opening balance of this account in the statement now sent forward do not appear to call for special remark, as the necessary particulars are given on the face of the statement itself; but it may be observed that as the Comptroller-General of Accounts entered no opening balance in the statement which he forwarded to the India Office for the half-year ended 30th June 1872, it only seems necessary for the purposes of the Secretary of State's books to add to the closing balance of the statement for the half-year ended 31st December 1871 (the rectifications in that for June 1872, pointed out in the Memorandum which accompanied my letter, No. 273, dated 9th April last, being made) the difference between the opening balance entered in the Appropriation Statement for the half-year ended 30th June 1871, and that shown in enclosure A, thus:—

	RS.	A.	P.
Closing Balance of Statement for half-year ended 31st December 1871	74,135	7	6
Add difference between opening balance at 31st December 1870 per enclosure A., and that entered in Appropriation Statement for half-year ended 30th June 1871.	66,796	14	3

Amended closing balance at 31st December 1871 1,40,932 5 9
and if to this balance the transactions for the half-years ended June and December 1872, as embodied in the statements prepared by this office, be applied, the result will be the figure 1,90,502-6-5, worked out as the opening balance in the Supplementary Statement.

7. The amounts refunded to Treasury in January, February, and March 1871, aggregating Rupees 75,722-6-0, and representing value of stores expended on Revenue and Revenue Proportion of Home expenditure, were omitted under a misconception from the Appropriation Statement for the half-year ended 30th June 1871. These several sums were entered as foot-notes in the local Accountant-General's Cash Statements for the months above named.

8. Of the amount here debited to Construction, Rupees 73,972-10-11 represent Capital proportion of Home charges from January 1871 to 31st December 1872, not adjusted in the Company's Indian books. But it seems necessary that the Secretary of State should be advised of this expenditure, and I have accordingly included it in this statement. The difference, Rs. 8,069-8-9, is likewise Home outlay, which, although adjusted in India, was incorrectly omitted from the Appropriation Statement. Similarly the Item Rs. 2,775-10-11, which was a credit on account of Home expenditure in the Indian books, was also omitted in error.

9. I have recently been in communication with the Agent on the subject of the adjustment of his Board to allow this to be done. But whether the English Capital expenditure be taken to it, otherwise the "Construction" Account in the Appropriation Statements should include it is understood they are, solely from these returns and the cash statements, will not agree with Company's books as regards this account, and in the Capital Advance Account there will be a corresponding discrepancy. I may here mention that the Great Southern is the only Railway Company in this Presidency which does not deal with the Home Capital charges in the Indian books, but these charges are invariably shown in Form IV. of the half-yearly Revenue Accounts, and it appears to me from the tenor of the recent Resolution of the Government of India, No. 126 A.-G. R., dated 3rd March last, that it is the intention that the debits to construction in the Appropriation Statements should work up to the result shown in this form.

*Proceedings of the Madras Government, Public Works Department,
19th August 1873.*

10. The item Rupees 8,925-7-9 represents value of stores expended on Revenue in January 1871, and paid for in cash from Revenue funds. This sum was twice charged to Revenue in the Appropriation Statement for the half-year ended 30th June 1871, once as a debit through the Revenue Advance Account, and again through the Stores Suspense Account. The debit through the Revenue Advance Account was, of course, correct; but in the Stores Suspense Account, the transaction should have appeared as a cash receipt in India, instead of which it was incorrectly entered as a transfer debit to Revenue.

11. The proof of the closing balance of this statement is given at foot of it, but independently of this it has also been proved as follows:—

Total withdrawals on Capital Account in England and in India to 31st December 1872—

	RS.	A.	P.
In England per India Office Statements	99,43,040	0	8
.. India per Company's Books	89,07,652	15	4
	188,50,693	0	0

Deduct balance of Construction Account per Form IV. of half-yearly Revenue Account for December 1872— <i>vide</i> enclosure B.	160,99,871	2	0
Do. balance of Stores Suspense Account per General Balance Sheet for above half-year— <i>vide</i> enclosure C.	27,06,382	14	7
	188,06,254	0	7

Balance per Appropriation Statement	44,438	15	5
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12. Now that a Memorandum is furnished half-yearly with the classified statements received from the India Office, showing the statement of the accounts in the Company's London books, it should always be possible to arrive at an equally satisfactory proof of the Appropriation Statement at the close of each half-year.

13. *Stores Suspense Account.*—No adjustments are necessary in connection with this statement beyond such as relate to the balance, and as regards the Secretary of State's books all that seems necessary is that the liabilities at 31st December 1870, *vide* enclosure C, should be deducted from the opening balance.

14. The preparation of a similar Supplementary Appropriation Statement for the Madras Railway is now in progress, and it will be forwarded when completed.

15. A copy of the enclosed statement has been furnished to the local Accountant-General, as the whole of the adjustments embodied therein relate to a period anterior to 1st January 1872.

16. It may be here mentioned that the interest on the Revenue Balances of this Company for the half-year ended 31st December 1871, amounting to Rupees 1,003-15-6, has not appeared in any of the Comptroller-General's Cash Statements, though the amount was adjusted by transfer in the books of the local Accountant-General in March 1872, and it is thought therefore that the Secretary of State has had no advice of it.

No. 148.

FORWARDED to the Accountant-General, Fort St. George, for information.

(Signed) R. K. WILLIAMS,

12th June 1873.

Offg. Examiner, Railway Accounts, Madras.

*Proceedings of the Madras Government, Public Works Department,
19th August 1873.*

GREAT SOUTHERN OF INDIA RAILWAY COMPANY.

Appropriation Statement showing the Debits and Credits in connection with the Capital Advance Account of the above-mentioned Railway Company for the half-year ended 31st December 1872.

	RS.	A.	P.	RS.	A.	P.
Balance brought from preceding Statement	...	...	...	80,474	9	4
Add difference between closing balance (a) at 31st December 1871, and opening balance (b) entered in Statement for half-year ended 30th June 1872	43,230	14	10			
Add also difference between correct opening balance (c) at 31st December 1870 as now ascertained, and the balance (d) entered in the Appropriation Statement for the half-year ended 30th June 1871	66,796	14	3	1,10,027	13	1
(a) 74,135 7 6						
(b) 30,904 8 8				1,90,502	6	5
(c) 99,837 5 11	43,230	14	10			
(d) 33,040 7 8						
	66,796	14	3			
Deduct—Receipts in same period, viz. :—						
In England (as per Statement from London) £	...	...	...			
In India, as per monthly Cash Statements, viz. :—						
January 1871	...	...	...	12,272	13	10
February ..	...	...	...	29,770	1	5
March ..	...	...	...	33,679	6	9
				75,722	6	0
				75,722	6	0
				1,14,780	0	5
Total						
Deduct—Debits :—						
To Construction Account	...	...	...	82,012	3	8
To Revenue Account	...	...	...	...	...	...
To Stores Suspense Account	...	...	...	...	...	...
				82,012	3	8
Less—Credits :—						
To Construction Account	...	...	...	2,775	10	11
To Revenue Account	...	...	...	8,925	7	9
To Stores Suspense Account	...	...	...	...	...	...
				11,701	2	8
				70,341	1	0
Balance on 31st December 1872				44,438	15	5

Balance as above Dr.	...	...	...	RS.	A.	P.
Add liabilities in England per Memorandum received from the India Office	...	...	...	44,438	15	5
Add liabilities in India	...	...	...	6,605	12	4
	...	...	...	121	10	4
	...	...	...	6,727	6	8
Deduct transfer credit to Construction in December 1872 not adjusted in Capital Advance Account till subsequently	...	...	...	1,931	12	2
				4,795	10	6
				49,234	9	11
				Balance as per Company's Indian books.		

*Proceedings of the Madras Government, Public Works Department,
19th August 1873.*

Similar Appropriation Statement in connection with the Stores Suspense Account for the half-year ended 31st December 1872.

	RS.	A.	P.	RS.	A.	P.
Balance brought from preceding Statement	...	...	...	26,62,594	14	4
Deduct difference between opening balance (a) entered in Statement for half-year ended 30th June 1871, and the correct opening balance (b) at 31st December 1870 as now ascertained	...	...	...	1,33,414	14	4
				25,29,180	0	0
TRANSFERS.						
Add difference between closing balance (c) at 31st December 1871, and opening balance (d) as taken from state of accounts entered in Statement for half-year ended 30th June 1872...	...	...	...	1,77,202	14	7
				27,06,382	14	7
Add—Debit from Capital Advance Account,						
For Cash Payments in the half-year, viz. :—						
In England (£)	...	...	...	...	...	...
In India	...	...	...	...	...	...
Less—Credit from same Account,						
For Cash Receipts in the half year, viz. :—						
In England (£)	...	...	...	...	...	...
In India	...	...	...	...	...	...
Deduct—Debits :—						
To Construction Account	...	...	...	...	...	...
To Revenue Account	...	...	...	...	...	...
For value of Stores issued on "Capital" and "Revenue" Account respectively during half-year ended as above...						
				...	...	...
Balance on 31st December 1872 per Company's books				27,06,382	14	7

(a) 32,01,447 6 6		
(b) 30,68,032 8 2	1,33,414	14 4
(c) 32,24,244 14 9		
(d) 30,47,042 0 2	1,77,202	14 7

Similar Appropriation Statement in connection with the Revenue Advance Account for the half-year ended 1872.

Nil.

(Signed) R. K. WILLIAMS,
Offg. Examiner, Railway Accts., Madras,

6th June 1873.

Proceedings of the Madras Government,

Dr.

Capital Advance

Half-year ended.		Debits as advised in Appropriation Statements already rendered.	Omissions, etc., in previous Statements now adjusted in Supplemental Statements for half-year December 1872.	Total.
		RS. A. P.	RS. A. P.	RS. A. P.
June 1871.	To Balance at 31st December 1870 as now ascertained.	.....	.....	99,837 5 11
Do. ...	„ Treasury (India and England for advances) ...	2,88,694 7 9	.....	2,88,694 7 9
Do. ...	„ Construction Account ...	353 0 8	.....	353 0 8
Dec. 1871.	„ Stores Suspense Account ...	2,418 15 2	.....	2,418 15 2
Do. ...	„ Treasury (India and England for advances) ...	3,07,017 5 9	.....	3,07,017 5 9
Do. ...	„ Construction Account ...	345 3 3	2,775 10 11	3,120 14 2
Do. ...	„ Revenue do. ...	1,003 10 3	.....	1,003 10 3
June 1872.	„ Stores Suspense do. ...	1,66,433 12 4	.....	1,66,433 12 4
Do. ...	„ Treasury (India and England for advances) ...	1,63,068 12 6	.....	1,63,068 12 6
Do. ...	„ Construction Account ...	521 2 8	.....	521 2 8
Do. ...	„ Revenue do. ...	391 5 10	.....	391 5 10
Dec. 1872.	„ Stores Suspense do. ...	4,870 3 4	.....	4,870 3 4
Do. ...	„ Treasury (India and England for advances) ...	4,35,261 6 1	.....	4,35,261 6 1
Do. ...	„ Construction Account ...	2,004 0 5	.....	2,004 0 5
Do. ...	„ Revenue do. ...	1,023 2 11	.....	1,023 2 11
Supplemen- tary.	„ Stores Suspense do. ...	64,252 7 2	.....	64,252 7 2
	„ Revenue do. ...	.....	8,925 7 9	8,925 7 9
				15,49,197 8 8

MADRAS,
6th June 1873.

Public Works Department, 19th August 1873.

Cr.

Account.

Half-year ended.		Credits as advised in Appropriation Statements already rendered.	Omissions, etc., in previous Statements now adjusted in Supplemental Statements for half-year December 1872.	Total.
		RS. A. P.	RS. A. P.	RS. A. P.
June 1871.	By Treasury (India and England for refunds) ...	4,289 11 6	75,722 6 0	80,012 1 6
Do. ...	„ Construction Account ...	91,904 4 7	.....	91,904 4 7
Do. ...	„ Stores Suspense do. ...	1,84,609 3 3	.....	1,84,609 3 3
Dec. 1871.	„ Treasury (India and England for refunds) ...	1,67,464 14 2	0 0 5	1,67,464 14 7
Do. ...	„ Construction Account ...	79,322 7 3	8,069 8 9	87,392 0 0
Do. ...	„ Revenue do. ...	19,041 14 3	.....	19,041 14 3
Do. ...	„ Stores Suspense do. ...	1,78,538 15 11	.....	1,78,538 15 11
June 1872.	„ Treasury (India and England for refunds) ...	5,782 11 10	.....	5,782 11 10
Do. ...	„ Construction Account ...	84,839 4 7	.....	84,839 4 7
Do. ...	„ Revenue do. ...	11,140 12 10	.....	11,140 12 10
Do. ...	„ Stores Suspense do. ...	69,479 12 9	.....	69,479 12 9
Dec. 1872.	„ Treasury (India and England for refunds) ...	67,964 3 2	.....	67,964 3 2
Do. ...	„ Construction Account ...	2,93,900 5 11	.....	2,93,900 5 11
Do. ...	„ Stores Suspense do. ...	88,715 5 2	.....	88,715 5 2
Supplemen- tary.	„ Construction do. ...	.....	73,972 10 11	73,972 10 11
	By Balance...	.....	.....	15,04,758 9 3
				44,438 15 5
				15,49,197 8 8
	Balance as above...	.....	44,438 15 5	
	Add liabilities in England per Memorandum received from India Office ...	6,605 12 4		
Do. do. in India...		121 10 4		
		6,727 6 8		
	Deduct transfer credit to Construction in December 1872, adjusted on Capital Advance Account in January 1873...	1,931 12 2	4,795 10 6	
	Balance on 31st December 1872 per Company's Indian Books.	.....	49,234 9 11	

(Signed) R. K. WILLIAMS,
Offg. Examiner, Railway Accts., Madras.

Proceedings of the Madras Government, Public Works Department,
19th August 1873.

Dr.	B. Construction Account.					Cr.	
Half-year ended.		Debits as entered in Appropriation Statements already rendered.	Omissions, etc., in previous Statements now adjusted in Supplemental Statements for half-year ended December 1872.	Total.	Half-year ended.		Total.
June 1871.	To Balance at 31st December 1870 per India Office Statement.	RS. A. P. 91,904 4 7	RS. A. P. 18,081 6 3	RS. A. P. 151,54,511 2 2	June 1871.	By Capital Advance Account.	RS. A. P. 353 0 8
Do.	Deduct liabilities in India.	.....	.....	.....	Dec. "	Do. do.	3,120 14 2
June 1872.	Do. in England...	.....	1,703 8 7	151,34,726 3 4	June 1872.	Do. do.	521 2 8
Dec. 1872.	Correct opening Balance at 31st December 1870.	.....	.....	91,904 4 7	Dec. "	Do. do.	2,004 0 5
Supplementary.	Capital Advance Account.	.....	.....	161,05,870 3 11			5,999 1 11
	Stores Suspense "	16,017 15 11	.....	16,017 15 11			
Dec. 1871.	Capital Advance,	79,322 7 3	8,069 8 9	87,392 0 0			
Do.	Stores Suspense "	3,701 9 0	.....	3,701 9 0			
June 1872.	Capital Advance,	84,839 4 7	.....	84,839 4 7			
Do.	Stores Suspense "	25,288 9 9	.....	25,288 9 9			
Dec. 1872.	Capital Advance,	2,93,900 5 11	.....	2,93,900 5 11			
Do.	Stores Suspense "	2,94,127 3 11	673,972 10 11	2,94,127 3 11			160,99,871 2 0
Supplementary.	Capital Advance,	.....	.....	161,05,870 3 11			161,05,870 3 11

(Signed) R. K. WILLIAMS,
Offg. Examiner, Railway Accts., Madras.

MADRAS,
6th June 1873.

Proceedings of the Madras Government, Public Works Department,
19th August 1873.

Dr.	C. Stores Suspense Account.					Cr.	
Half-year ended.		Debits as entered in Appropriation Statements already rendered.	Omissions, etc., in previous Statements now adjusted in Supplemental Statements for half-year ended December 1872.	Total.	Half-year ended.		Total.
June 1871 ...	To Balance at 31st December 1870, per India Office Statements	RS. A. P. 32,07,719 8 9	RS. A. P. 1,39,687 0 7	32,07,719 8 9	June 1871...	By Capital Advance Account	RS. A. P. 2,418 15 2
Dec. " ...	Deduct liabilities in England	1,37,597 9 3	.....	1,37,597 9 3	Do. "	Construction	16,017 15 11
June 1872 ...	Deduct liabilities in India	2,089 7 4	.....	2,089 7 4	Do. "	Revenue	60,820 10 7
Dec. " ...	Correct opening Balance at 31st December 1870	.....	.....	1,39,687 0 7	Dec. 1871...	Capital Advance	1,66,433 12 4
	To Capital Advance Account	.....	.....	30,68,032 8 2	Do. "	Construction	3,701 9 0
June 1871 ...	do. do.	.....	.....	(a) 1,84,609 3 3	Do. "	Revenue	90,957 11 11
Dec. " ...	do. do.	.....	.....	1,78,538 15 11	June 1872...	Capital Advance	4,870 3 4
June 1872 ...	do. do.	.....	.....	69,479 12 9	Do. "	Construction	25,288 9 9
Dec. " ...	do. do.	.....	.....	88,715 5 2	Do. "	Revenue	93,048 14 1
	Total...	.....	.....	35,89,375 13 3	Dec. 1872...	Capital Advance	64,252 7 2
					Do. "	Construction	2,94,127 3 11
					Do. "	Revenue	61,054 13 6
							8,82,992 14 8
							27,06,882 14 7
							35,89,375 13 3

(a) Includes payment of liabilities in England and in India, Rupees 1,39,687-0-7.

(Signed) R. K. WILLIAMS,
Offg. Examiner, Railway Accts., Madras.

MADRAS,
6th June 1873.

Boards DEPARTMENT.

No. 196

Fort Saint George,
Accountant General's Office
16th July 1873.

FROM THE ACCOUNTANT GENERAL,
TO THE GOVERNMENT OF MADRAS.

TO THE

Secretary to Government -
Public Works Department

SIR,

With reference to the Secretary of
States despatch No. 2 of 30th April last
recorded in Madras Government Order
No. 1544 of 12th ultimo, I have the honor to
observe that all the figures entered in the
appropriation statements of the Great
Southern of India Railway from this office
for the two half years of 1871, and accepted by
the Secretary of State for India, except the
opening balance in the first half year's state-
ment on "Capital advance account". The opening
balances, it will be observed from the letter
from this Office No. 378 of 14th November 1871,
recorded in Government Order No. 3020 of 29th
Idem, were given by the Consulting Engineer
for Railways.

2.

It will be seen from the enclosed
copy of letter and its enclosures from the Ex-
aminer Railway Accounts to the Accountant
General Public Works Department Dated
No. 428 of 6th ultimo that he had been for
some time engaged in arriving at correct
balances on 31st December 1870 on the Capital
advance

advanced, construction, and stores suspended accounts of the Great Southern of India Railway. These balances are shown in the statements A. B. & C. thereto appended which form part of the enclosures above alluded to) to have been Rupees 99,837-5-11, 15134-726-3-4 and 30,68032-8-2. I herewith enclose a memorandum exhibiting the above Balances, the subsequent transactions for the year 1871 and the Liabilities referred to by the Examiner Railway Accounts, it will be observed from this that the results arrived at by this Department agree with those attained by the Home authorities.

3. With regard to the difference in the balances on 31st December 1871 on "Construction" and "Stores suspended" accounts alluded to in the penultimate para of Mr. E. R. Carr's Browne's Memo. recorded in the order of Government above quoted. I beg to enclose in explanation copy of a letter from the Railway Examiner No. 505 of 2^d Instant.

I have the honor to be
Sir

Yours obedient servant

F. Ashington

Accountant General

Camp? H.

No. 505

Examiner Railway Accounts Office
Madras 2 July 1873 190

From, The Examiner Railway Accounts
To, The Accountant General
Fort St. George

Sir,
In reply to your letter No. 2673 dated 28th Ultimo. I have the honor to state that the difference of Rs. 45,710-11-7 on the Construction Account by S. I. Railway in the books of the Secretary of State at 31st December 1871 is due to the omission of the Home Charges for the half year ended June and December 1871 from the appropriation statement for these half years as shown below

Home Charges for 1 st half of 71	Rs. 7592.15.10
do do 2 nd half do	32823.13.11

Add Home Expenditure reported in India but not taken to account in appropriation statement for 2nd half of 71 (vide Enclosure C) to this office letter No. 428 dated 6th June 1873
Copy forwarded to you with my despatch

No. 448 of the 12 th Idem	Rs. 8069.8.7
Less Credit for ditto	2775.10.11
Difference in India Office Books	45,710.11.7

2 The difference of Rs. 131821.6.6, on the Stores Suspense Account should be the difference between the opening balance adopted by the Secretary of State and that entered in enclosure.

enclosure (C) to my letter above quoted
as will appear from para 5, less any
liabilities in England and in India at
31 December 1871 thus

Balance adopted by Secretary of State at 31 December 1870	Rs 32,01,447. 6. 6
Deducted in Enclosure (C) referred to above	Rs 30,65,032. 8. 2
	133,414. 14. 4
Deduct liabilities in India at 31 December 1871	662. 4. 5
	132,752. 9. 11
Difference in India Office Books	13,1821. 6. 6
Balance	Rs 1,2. 5

which should represent liabilities in England

There is however no information either
on this office or with the Agency at Nagasaki
by means of which the liabilities in England
at 31 December 1871, can be ascertained and
no more complete reconciliation of the discre-
pancy is therefore possible. But the papers
forwarded to you with this office docket already
quoted effect the desired agreement between
the Railway and India Office Books up
to 31 December/72. This would appear to
meet all the requirements of the case and
to render unnecessary an investigation of
the difference assumed to represent liabilities

in

18
in England existing at the earlier date.

Shaw 8th 190

1 Sign R. H. Williams
off Chamber Railway Accounts
Madras

True Copy

D. W. Williams

Attest to the Account Genl.

Comp. P. H.

6/37

Credits and entered Commissions in
in Hypothecation, previous to the
now as Quarterly
Milemen's Company Sept 4. 1861 and
rendered. Feb 1/2 year, 1861/2

What

Half year ended

(a) *Indicates page of publication*
in *Quarterly* (B2 18081-6-3)

(b) *Capitalized* (partially) *thru*
Excluded (from *summary*)
to *Page 72* & *included* *Page*
included *in* *Summary*
in *Summary* (B2 1703-8-7)

(True Copy)
W. H. Williams

(Signed) *W. H. Williams*
Offy. Secy. Railway Accounts
Chicago

(Signed) *W. H. Williams*
Offy. Secy. Railway Accounts
Chicago



2418	15	22
16017	15	11
60820	10	7
166433	12	4
3701	9	.
90957	11	11
48703	4	
25288	9	9
93048	14	1
64252	7	2
294127	3	11
61054	13	6
882992	14	8
2706382	14	7
3589375	13	3

Original Dr H Williams
 Of the Socy of Friends
 at Madras.

P. Dr. 4434/72.

Dr

Capital Advance Account

140
6270

Accountant General

Half year ended	Debits as advised in Appropriation previous statements already rendered	Commissions &c in previous statements already rendered	Total	Half year ended	Credits as advised in Appropriation previous statements already rendered	Commissions &c in previous statements already rendered	Total
	Rs. A. P.	Rs. A. P.	Rs. A. P.		Rs. A. P.	Rs. A. P.	Rs. A. P.
To Balance at 31 st December 1870 as now ascertained			99,857 5 11	By Treasury (India & Eng. for refunds)	4,289 11 6	75,722 6	80,012 1 6
June 71 Treasury (India & Eng. for advances)	288,694 7 9		288,694 7 9	Construction Account	91,904 4 7		91,904 4 7
Construction Account	353 8		353 8	Stores Suspense Account	184,609 3 3		184,609 3 3
Stores Suspense Account	2,418 15 2		2,418 15 2	Treasury (India & Eng. for refunds)	167,464 14 2		167,464 14 2
Dec 71 Treasury (India & Eng. for advances)	307,017 5 9		307,017 5 9	Construction Account	79,322 7 3	8,069 8 9	87,392 14 3
Construction Account	345 3 3	2775 10 11	3,120 14 2	Revenue Account	19,041 14 3		178,538 15 11
Revenue Account	1,003 10 3		1,003 10 3	Stores Suspense Account	178,538 15 11		5,782 11 10
Stores Suspense Account	166,433 12 4		166,433 12 4	Treasury (India & Eng. for refunds)	5,782 11 10		84,839 4 7
June 72 Treasury (India & Eng. for advances)	163,068 12 6		163,068 12 6	Construction Account	84,839 4 7		11,140 12 10
Construction Account	521 2 8		521 2 8	Revenue Account	11,140 12 10		69,479 12 9
Revenue Account	391 5 10		391 5 10	Stores Suspense Account	69,479 12 9		67,964 3 2
Stores Suspense Account	4,870 3 4		4,870 3 4	Treasury (India & Eng. for refunds)	67,964 3 2		293,900 5 11
Dec 72 Treasury (India & Eng. for advances)	4,352 61 6		4,352 61 6	Construction Account	293,900 5 11		88,715 5 2
Construction Account	2,004 5		2,004 5	Stores Suspense Account	88,715 5 2		73,972 10 11
Revenue Account	1,023 2 11		1,023 2 11	Construction Account		73,972 10 11	150,475 8 9
Stores Suspense Account	64,252 7 2		64,252 7 2				44,438 15 5
Revenue Account							154,917 8 8
		8,925 7 9	8,925 7 9				
			154,917 8 8				

By Balance

Balance as above			44,438 15 5
Add liabilities in England for items received from India Office	6,605 12 4		
do do in India	121 10 14		
Deduct transfer credit to construction in Dec 72 adjusted on books India Books	6,727 6 8		
Balance on 31 st Dec 72 per books	1931 12 2	4,795 10 6	
		4,923 4 11	

Madras

6th June 73

Comp. P. A. K.

(True copy)

D. H. Williams

Apt. to the Accountant General

(True copy)

Sgt. R. H. Williams

Offs Examiner Railway Accounts
Madras.

(Sgt) R. H. Williams

Offs Examiner Railway Accounts
Madras.

26/11/1873

Memorandum.

Amended balance on 31st December 1870 as per statements a/c B.C. of the Ex-
aminer Railway Accounts.
Add. Net payments during the two half years of 1871 as per appropriation
statements from this Office.
Add. Net Transfer debits during ————

Deduct. Net Transfer Credits during ————
Deduct. Amount shown in page 2 of the Secretary of State's despatch printed in pro-
ceedings of the Madras Government's 13th 15th 1873. ———— 24,753-15-1
Less. Difference in the balance of Stores Suspense account printed in ———— 6,272-2-3
Deduct. To adjust error in conversion of Sterling into Rupees.
Deduct. The difference in the balance of Stores Suspense account above referred to ————

Add. Liabilities as per statements B and C of the Examiner's Railway Accounts.
Deduct. ————

For the Ex-aminer
Acc't General's Office
16th July 1873.
[Signature]

Capital advance account.	Construction account.	Stores Suspense account.
R. S. D.	R. S. D.	R. S. D.
99,837 5 11	15,134 7 26 3 4	30,680 32 8 2
4,239 57 3 10	" " " "	194,298 7 8
"	19,024 8 " 10	" " " "

523,794 9 9	153,249 7 4 2	32,623 27 15 10
382,862 3 7	" " " "	171,497 15 5
174,093 2 6 2	153,249 7 4 2	30,908 30 " 5
18,481 12 10	" " " "	" " " "
122,450 9 4	" " " "	" " " "
" " " "	" " " "	" " " "
" " " "	" " " "	6,272 2 3

122,450 8 11	153,249 7 4 2	30,845 57 14 2
" " " "	19,784 14 10	139,687 " 7
159,471 15 5	" " " "	" " " "
37,021 6 6	153,447 9 3	32,242 44 14 9

* The difference of one pie between this and the amount in Mr. Brown's Memo is owing to the omission of fractions in conversion of Sterling into Rupees.

For the Ex-aminer
Acc't General's Office
16th July 1873.
[Signature]
Accountant General

N^o 428

1049
Examiner Railway Accounts Office
Madras 6th June 1873. 2/3

From

The Examiner Railway Accounts
Madras

To The Accountant General
Public Works Department,
Simla.

Sir,

Referring to paragraph 3 of my letter
N^o 309, dated 24th April 1873, I have now the honor to
forward a supplementary Appropriation Statement of
the "Capital Advances" and the "Stores Suspense" Accounts
of the Great Southern of India Railway for the half
year ended 31st December 1872.

2. This statement embraces all the adjustments
required to bring the Books of the India Office into
perfect accord with those of the Railway Company, as
will be seen from the accompaniments marked A.B.C.

3. The Opening Balance of the Capital
Advances Account at 31st December 1870, as entered in
the first Appropriation Statement received from
the India Office, shewed a Credit Balance of
Rs. 59,634-9-5 while the Company's Indian Books
recorded

P.W. 4434/73.

recorded a Debit Balance of Rs 33040-7-8. Neither of these Balances however, having regard to the principle upon which the Appropriation Statement was written up was strictly correct as will be shown below; and although endeavours were made from time to time both by this Office and the Agency at Singapore to reconcile these figures and arrive at a correct opening Balance, no satisfactory result could be obtained owing to insufficiency of information regarding the state of the Company's London Accounts and it was not till the close of the last half year when for the first time a memorandum was received from the India Office with the Clarified Statements affording some of the required information that the work was undertaken with any prospect of success.

4. The Balances of the Construction and the Stores Suspended Accounts adopted by the Secretary of State were taken from the accounts published with the Board of Directors annual report for 1870; but as these Balances included large liabilities as will be seen from enclosures B & C, the result of determining the Balance of the Capital Advanced Account by setting these Balances against the total Capital withdrawals in England and in India, was to bring out a Credit Balance on this account of the figure of Rs 99,837-5-11 already

385

a ready named. But if these liabilities be excluded and the Balance, thus obtained deducted from the Withdrawals the result will give the Balance entered in enclosure A. Thus:

Total Capital Withdrawals to 31 Dec 70	Rs 183,025 96 1 5
Deduct Construction & Stores liabilities for same date	Rs 151,342 6 3 6
Stores Suspended A/c	306,803 2 8 2
Balance of Cap. Adv. Acct. for same date	99,837 5 11

And this Balance is joined with the Company's Indian Books as follows:

Balance for Company's Books at 31 Dec 70	33,040 7 8
Add value of Stores expended on Revenue in Oct 70 and paid into Treasury in January 1871	122,721 13 10
do for November & Dec 1870	
+ Revenue proportion of Home expenditure for half year ended 31 Dec 70 paid into Treasury in Feb 71	29,770 15 5
Add Home expenditure (Revenue) from 1 July 1862 to the half year ended 31 June 1867 formerly credited to London in the Local Account and General's Books, now reversed to Capital Account. see foot note to Cash Statement for March 71	24,753 15 5
	66,796 14 3
Balance as above	Rs 99,837 5 11

5. Supposing the Secretary of State's books to have been

been opened with the balances shown in the first, the later Appropriation Statement received from England it is evident from the foregoing that the liabilities included in the Balances of the Construction and the Stores Suspended Account, at 31st Decr/70 should be written back; for when subsequently these liabilities were discharged they appeared as credits to the Capital Advanced Account by debits to the accounts concerned in the Appropriation Statement for the half year ended 30 June 1871. Those relating to the Construction account in the item 91,904-4-7 (vide enclosed B) and those relating to the Stores Suspended account in the item 184,609-3-3 (vide enclosed C).

6 Capital Advanced Account.
The adjustment in connection with the opening Balance of this account in the Statement now sent forward do not appear to call for special remark in the necessary particulars and given on the face of the Statement itself; but it may be observed that as the Comptroller General of Accounts entered no opening Balance in the Statement which he forwarded to the India Office for the half year ended 30 June/72, it only seems necessary for the purposes of the Secretary of State's Books to add to the closing Balance of the Statement for the half year ended 31 Decr/71 (the rectifications in that for June/72 promitted out in the Memorandum which accompanied

350 6
my letter N^o 273, dated 9th April last being made) the difference between the opening Balance entered in the Appropriation Statement for the half year ended 30 June 1871, and that shown in enclosed A. Thus—

Closing Balance of Statement for
half year ended 31 Decr/71 ————— 74,135 7 6

Add difference between opening balance at
31 Decr/70 per enclosed A and that entered
in Appropⁿ Stat^{mt} for half year ended
30 June 1871 ————— 66,796 14 3

Adjusted Closing Balance at 31 Decr/71 Rs. 140,932-5-9
And if to this Balance the transactions for the half
year ended June and December 1872, as embodied in the
Statement prepared by this Office be applied the
result will be the figure 1,90,502-6-8 worked out as the
opening Balance in the Supplementary Statement.

7 The amounts refunded to Treasury in January,
February, and March 1871 aggregating Rs 75,722-8- and
representing, value of stores expended on Personnel and
Revenue proportion of Home expenditure, were omitted
under a misconception from the Appropriation Statement
for the half year ended 30 June/71. These several
sums were entered as foot notes in the Local Account.
General's Cash Statements for the months above named.
8 Of the amount here debited to Construction, 18

Rs 73,972-10-11 represent Capital proportion of Home Charges from January 1/71 to 31 Dec/72 not adjusted in the Company's Indian Books. But it seems necessary that the Secretary of State should be advised of this expenditure and I have accordingly included it in this Statement. The difference Rs 8069-8-9 is likewise Home Outlay which although adjusted in India was incorrectly omitted from the Appropriation Statement. Similarly the item 2775-10-11 which was a credit on account of Home Expenditure in the Indian Books was also omitted in error.

9. I have recently been in communication with the Agent on the subject of the adjustment in his Indian Books of the whole of the Home Charges and Mr. Pett has asked the permission of his Board to allow this to be done. But whether the English Capital expenditure be taken to account in India or not it seems desirable that the Appropriation Statement should include it otherwise the Construction Account in the Secretary of State's Books if they are posted as it is understood they are, solely from the returns and the Cash Statements will not agree with Company's Books as regards this account, and in the Capital Advance Account there will be a corresponding discrepancy. I may have mentioned that the Great Southern is the only Railway Company in this Presidency which does not deal with the Home Capital Charges in the Indian

318 4
Indian Books but these Charges are invariably shown in Form IV of the half yearly Revenue Accounts and it appears to me from the tenor of the recent Resolution of the Government of India No 126th Q.R. dated 3 March last that it is the intention that the debits to Construction in the Appropriation Statements should work up to the result shown in this Form.

10. The item Rs 8925-7-9 represents value of stores expended on Revenue in January 1871 and paid for in Cash from Revenue Funds. This sum was twice charged to Revenue in the Appropriation Statement for the half year ended 30 June 1871, once as a debit through the Revenue Advance Account, and again through the Stores Suspense Account. The debit through the Stores Suspense Account was of course correct, but in the Stores Suspense Account the transaction should have appeared as a cash receipt in India instead of which it was incorrectly entered as a transfer debit to Revenue.

11. The proof of the closing Balance of this Statement is given at foot of it, but independently of this it has also been proved as follows.

Total Withdrawals on Capital Account in England and in India to 31st December 1872.
In England per India Office Stat^{ts} 99,43,610-8
India per Company's Books 89,07,652-15-4
188,50,693-23-2

Deduct Balance of Construction

Account per Form IV of Half
yearly Rev^d Account for
December 22. Vide enclosure B—160,998,871-2-

Balance of Stores Suspended

Account per General Balance

Sheet for above Half year vide

enclosure C. ————— 27,063,382-11-7

188,062,251-7-

Balance per Appropriation Statement ————— 188,062,251-7-5

12. Now that a Memorandum is fur-
-nished half yearly with the Classified State-
-ments received from the India Office, showing
the Statement of the Account in the Company's
London Books, it should always be possible to
arrive at an equally satisfactory proof of the
Appropriation Statement at the close of each
half year.

13. Stores Suspended Account

No adjustments are necessary in connection
with this statement beyond such as relate to the
Balance,

298 8

Balance, and as regards the Secretary of State's
Books all that seems necessary is that the liabilities
at 31st December 1870. Vide enclosure C. should
be deducted from the Opening Balance.

14. The preparation of a similar
Supplementary Appropriation Statement
for the Madras Railway is now in progress
and it will be forwarded when completed.

15. A Copy of the enclosed Statement
has been furnished to the Local Accountant
General as the whole of the adjustments
embodied therein relate to a period anterior
to 1st January 1872.

16. It may be here mentioned that
the Interest on the Reserve Balances of this
Company for the half-year ended 31st December
1871 amounting to Rs 1,003-15-6 has not
appeared in any of the Comptroller General's
Cash Statements though the amount was
adjusted by transfer in the Books of the
Local Accountant General in March 72.

and it is thought therefore that the Secretary of
State has had no advice of it.

Shaw & Co
/Sig/ R. H. Williams
Off Examiner Raily Accounts
Madras.

/True Copy/
N^o 11,8

Forwarded to the Accountant General, Fort St George,
for information

Madras. }
12 June 1873. }
Comd & Off

/Sig/ R. H. Williams
Off Examiner Raily Accounts
Madras

/True Copy/

D. J. V. S. S. S.

Apt. to the Accountant General

438

70

438

438

APPROPRIATION STATEMENT.

Great Southern of India

RAILWAY COMPANY,

Half Year ended *31 Decr 1870*

P.W. 4434/70.

Similar Appropriation Statement in connection with the Revenue Advance Account for the half-year ended _____ 18/.

Ms. 19 Aug 1931 18h. 30m.

Examiner Railway Accounts Office
The 6th June 1873.

True Copy
Messrs R. H. Williams
Off Examiners Railway Accounts
Madras

True Copy
D. W. W. W. W. W.
 Sent to the Accountant General

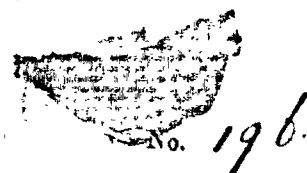
30

N: 1873 Department
No 4434.
1873 DEPARTMENT,

FROM THE ACCOUNTANT GENERAL,
TO THE GOVT. OF MADRAS.

To The Secretary to Govt.
Public Works Depart.

Dated 16th } July 1873.
Recd. 9th } Augth



Enclosures. 7.

Forwarding explanation
on account of certain
differences in the appro-
priation statements of the
Great Southern of India
Railway for the two half years
of 1871 pointed out by the
Secretary of state
With order

Ordered that these papers be for-
warded to the Home Dept.

N: 20670.

To
The Honble Secy
to the Govt of Madras

J. C. Campbell Secy to Govt

N: 307-308.

C/434
Boht. of 1873 Madras.

PUBLIC WORKS.

to the Accountant General

Dated

Encl.

Encl.

G. O. 17th Aug 1873. 2067.

Nos. 374, 308

G. S. of S. Narasimhaiah
Letter from the Acct.
General submitting
Explanation regarding
the differences in the
figures as given in the
appropriation statement

of the G. S. of S.
the half year
30 June & 31