Archives I—10,006—16-8 77.

(1) Number of pages 48

(2) Date of repair 13-3-87 ✓

(3) Initials of the Referencer bno

TAMIL NADU ARCHIVES

GOVERNMENT OF TAMIL NADU

Publicworks DEPARTMENT

G.O. No. 2 (W)
~~B.P.~~ No.

Press.
~~Mis.~~

Dated 5-1-1882 ~~19~~.

[illegible]

Not to be folded or roughly handled

2/1

GOVERNMENT OF MADRAS.

PUBLIC WORKS DEPARTMENT.

5th January 1882, No. 2 W.

General.
Account.

Read the following papers :—

No. 3. From the Examiner of Public Works Accounts, dated 2nd September 1881, No. 94 W.

No. 3-A. Endorsement of the Financial Department, dated 10th November 1881, No. 1817, on Proceedings of the Board of Revenue, dated 2nd November 1881, No. 2588.

No. 3-B. Endorsement of the Financial Department, dated 9th December 1881, No. 1984, on letter from the Accountant-General, dated 7th December 1881, No. L.F.D./1304.

No. 4. ORDER THEREON, 5th January 1882, No. 2 W.

THE Examiner in his letter No. 94 W., dated the 2nd September 1880, reported that a change in the present system of accounting for Local Fund expenditure incurred by the Public Works Department is desirable, and proposed for adoption the method which prevailed prior to 1876, whereby much unnecessary work is saved. This method is also advocated by the Provincial Accountant-General. In future therefore Local Fund outlay will not be communicated to the Local Fund Boards by the Public Works Department.

2. The outlay will be communicated to the Provincial Accountant-General by the Examiner through his exchange accounts, but the accounts and advices hitherto furnished to Local Fund Boards by the Executive Officers and by the Examiner will be discontinued, and instead thereof the Accountant-General will advise Local Fund Boards of the audited expenditure communicated to him by the Examiner.

3. There will be no objection to the Local Fund Boards obtaining from Executive Engineers any information in regard to the progress of, and expenditure upon works in which they are interested, but Presidents will understand that, as regards expenditure, it must be taken as approximations only, and not for incorporation with, or as the basis of, other accounts.

(True Extract.)

(Signed) R. H. SANKEY, Colonel, R.E.,
Secretary to Govt., P.W.D.

To Superintending Engineers.
To the Consulting Architect to Government.
„ Examiner of Public Works Accounts.
„ Financial Department.
„ Board of Revenue.

Exd. S. T Austin.
Spare Copies

GENERAL
ACCOUNT.

Govt. of (1882) Madras.

PUBLIC WORKS.

To

SUPERINTENDING ENGINEERS,
&c., &c. &c.

Dated January, 5th.

Issued

Recd. Exd.

G.O., 5th January 1882, No. 2 W.

JANUARY.
Nos. 3–4.

Local Fund Expenditure.—Regarding the system of accounting for —.

9/62

Schedule C II — Detail of Expenditure in P.W.D. (Incorporated Local Funds expenditure under Act IV of 1871) Chargeable upon Civil Accounts for the month of July 1881.

(To accompany the P.W. Exchange Account Current for the month)

D/3

Public Works Department, Madras

Incorporated Local Funds under Act IV of 1871

Statement of Expenditure by the Public Works Department and Civil Officers during the Month of July 1881.

Head of Account	South Arcot Circle			Kurnool Circle			Negapatam Circle			Tanjore Circle			Trichinopoly Circle			Total carried over
	P.W.D.	C.C.	Total	P.W.D.	C.C.	Total	P.W.D.	C.C.	Total	P.W.D.	C.C.	Total	P.W.D.	C.C.	Total	
Original Works																
Civil Building	„	„	„	„	„	„	„ „ „	„ „ „	„ „ „	„	„	„	„	„	„	„
Communications	„	„	„	„	„	„	1447 4 9	„ „ „	1447 4 9	„	„	„	1775 5 6	„ „ „	1775 5 6	3222 10
Mis. Pub. Improvement	„	„	„	„	„	„	„ „ „	„ „ „	„ „ „	„	„	„	„	„	„	„
Total	„	„	„	„	„	„	1447 4 9	„ „ „	1447 4 9	„	„	„	1775 5 6	„	1775 5 6	3222 10
Repairs																
Civil Building	„	„	„	„	„	„	„ „ „	„	„	„	„	„	75 „ „	„	75 „ „	75 „
Communications	259 „ 6	„	259 „ 6	53 11 10	„	53 11 10	619 12 „	„	619 12 „	61 15 9	„	61 15 9	4451 6 8	„	4451 6 8	5445 14
Mis. Pub. Improvement	„	„	„	„		„	„ „ „	„	„	„	„	„	„ „ „	„	„ „ „	„ „
Total	259 „ 6	„	259 „ 6	53 11 10	„	53 11 10	619 12 „	„	619 12 „	61 15 9	„	61 15 9	4526 6 8	„	4526 6 8	5520 14
Total Orig. Wks and Repairs	259 „ 6	–	259 „ 6	53 11 10	„	53 11 10	2067 „ 9	„	2067 „ 9	61 15 9	„	61 15 9	6301 12 2	„	6301 12 2	8743 9
Establishment																
25% for P.W. Supervision	„ „	„	„	13 „ „	„ „ „	13 „ „	517 „ „	„ „ „	517 „ „	15 „ „	„	15 „ „	1575 „ „	„	1575 „ „	2120 „
Other Special Charges	„	„	„	„	„	„	„	„ „ „	„ „	„	„	„	„	„	„ „	„
Tolls and Ferries	„	„	„	„	„	„	„	„ „ „	„ „ „	„	„	„	„	„	„	„
Contingencies	„	„	„	„	„	„	„	„ „ „	„ „ „	„	„	„	„	„	„	„
Total	„	„	„	13 „ „	„	13 „ „	517 „ „	„ „ „	517 „ „	15 „ „	„	15 „ „	1575 „ „	„	1575 „ „	2120 „
Total Works & Estt.	259 „ 6	„ „ „	259 „ 6	66 11 10	„ „ „	66 11 10	2584 „ 9	„	2584 „ 9	76 15 9		76 15 9	7876 12 2	„	7876 12 2	10863 9
Tools & Plant				1 „ „		1 „ „	52 „ „		52 „ „	1 „ „		1 „ „	157 „ 9		157 „ „	211 „
Profit & Loss																
Total	259 „ 6		259 „ 6	67 11 10	„ „ „	67 11 10	2636 „ 9	„ „ „	2636 „ 9	77 15 9		77 15 9	8033 12 2	„	8033 12 2	11074 9

Head of Account.	Total brought over.	Circle			Circle			Circle			Circle			D/E Grand Total		
		P.W.D	C.C.	Total	P.W.D	C.C	Total	P.W.D	C.C	Total	P.W.D	C.C	Total	P.W.D.	C.C	Total
Original Works.																
Civil Buildings	" " "													" "		" "
Communications	3222 10 3													3,222 10 3		3,222 10 3
Mis: Pub: Improvements.	" " "													" "		
Total	3222 10 3													3.222 10 3		3.222 10 3
Repairs																
Civil Buildings	75 " "													75 " "		75 " "
Communications	5445 14 9													5.445 14 9		5445 14 9
Mis: Pub: Improvement	" " "													" "		" " "
Total	5520 14 9													5.520 14 9		5.520 14 9
Total Orig: Works and Repairs	8,743 9 "													8,743 9 "		8,743 9 "
Establishment.																
25% for P.W. Supervision	2120 " "													2120 " "		2120 " "
Other Special charges	" " "															
Tolls & Ferries	" " "															
Contingencies	" " "															
Total	2120 " "													2120 " "		2120 " "
Total Works & Establishment.	10863 9 "													10863 9 "		10863 9 "
Tools & Plant.	211 " "													211 " "		211 " "
Profit & Loss																
Total	11074 9 "													11074 9 "		11074 9 "

Madras }
24 Sept/81 }

(True copy)
Chapman
Inspector of Local Fund Accounts

(Sd) T. E. Godfrey
Deputy Examiner
for Examiner of P.W. Accounts

2/6

FROM MAJOR D.H.TRAIL R.E.,

OFFG.EXAMINER P.W.ACCOUNTS,

MADRAS.

TO THE SECRETARY TO GOVERNMENT,

PUBLIC WORKS DEPARTMENT.

NO. 944

MADRAS, SEPTEMBER 1880
Despatched 6/9/80

SIR,

I HAVE THE HONOR TO BRING TO THE NOTICE OF GOVERNMENT THAT THE BULK OF EXPENDITURE ON LOCAL FUND WORKS IS NOW ACCOUNTED FOR TO THE ACCOUNTANT-GENERAL, MADRAS, BUT OUTLAY TO A LARGE EXTENT IS ALSO ACCOUNTED FOR TO THIS, OFFICE, AND SINCE THE STRENGTH OF THIS OFFICE ESTABLISHMENT HAS BEEN CONSIDERABLY REDUCED, IT WOULD APPEAR THAT EVERY EFFORT SHOULD BE MADE TO ADOPT A SYSTEM VOID OF EVERY THING THAT MAY BE CONSIDERED SUPERFLUOUS.

2. WITH THIS OBJECT IN VIEW, IT WOULD SEEM NECESSARY TO STATE AT FIRST, WHAT IS THE SYSTEM PURSUED IN COMMUNICATING, TO THE CIVIL DEPARTMENT, TRANSACTIONS UNDER LOCAL FUNDS IN THE ACCOUNTS OF THE P.W.DEPARTMENT, THE ADOPTION OF WHICH WAS RECOMMENDED AT AN OFFICIAL MEETING ON THE 22ND.OCTOBER 1875. AND SANCTIONED IN G.O.NO.2311.DATED THE 30TH.AUGUST 1876.

3. ACCORDING TO THE SYSTEM ADOPTED UNDER THE ABOVE G.O., EXECUTIVE OFFICERS FURNISHED COLLECTORS MONTHLY WITH A DETAILED REPORT OF THE RECEIPTS AND OUTLAY IN THE MONTH UNDER LOCAL FUNDS. AFTER THE AUDIT OF THE EXECUTIVE OFFICER'S MONTHLY ACCOUNTS, THIS OFFICE FURNISHED TO EACH COLLECTOR, FOR INCORPORATION IN HIS ACCOUNTS TO THE ACCOUNTANT-GENERAL, MADRAS, ABSTRACT STATEMENTS OF RECEIPTS AND EXPENDITURE UNDER LOCAL FUNDS. SIMULTANEOUSLY WITH THE DESPATCH OF THESE STATEMENTS TO COLLECTORS, THIS OFFICE SUBMITTED THE CIVIL EXCHANGE ACCOUNTS TO THE ACCOUNTANT-GENERAL, MADRAS, CERTAIN APPENDICES TO WHICH SHOWED THE TRANSACTION UNDER LOCAL FUNDS IN EACH CIRCLE.

4. TO MEET THE WISHES OF THE BOARD OF REVENUE WHO WANTED THE INFORMATION SUFFICIENTLY EARLY TO ADMIT OF ITS BEING USED FOR FINANCIAL CONTROL, EXECUTIVE OFFICERS WERE INSTRUCTED BY THIS OFFICE TO FURNISH COLLECTORS WITH ABSTRACT STATEMENTS OF THE APPROXIMATE AMOUNT OF LOCAL FUND RECEIPTS AND EXPENDITURE IN THE MONTH BY THE 10TH. OF THE MONTH FOLLOWING THAT TO WHICH THE ACCOUNTS RELATE. SO THAT UNDER INSTRUCTIONS ISSUED, COLLECTORS RECEIVED:-

1ST. APPROXIMATE ACCOUNTS ON THE 10TH. OF EACH MONTH FROM EXECUTIVE OFFICERS.

2NDLY. SCHEDULES OF RECEIPTS AND EXPENDITURE ON THE CLOSING OF THE MONTHLY ACCOUNTS FROM EXECUTIVE OFFICERS

3RDLY. MONTHLY STATEMENTS FROM THE EXAMINER.

5. WITH THESE THREE ACCOUNTS WITH HIM, ALL RELATING TO THE SAME MONTH, THE COLLECTOR COMPILED HIS ACCOUNTS TO THE ACCOUNTANT-GENERAL, MADRAS, WITH THE OBJECT OF

9/7

DESPATCHING HIS ACCOUNTS IN TIME. HE INVARIABLY ADOPTED THE FIGURES IN THE 1ST. OR 2ND. ACCOUNTS FURNISHED TO HIM, A CIRCUMSTANCE WHICH HAS BEEN A MOST FERTILE SOURCE OF DISCREPANCIES BETWEEN THE ACCOUNTS RENDERED TO THE ACCOUNTANT GENERAL, MADRAS, BY THIS OFFICE, AND THOSE SUBMITTED BY COLLECTORS, THE CORRESPONDENCE IN CONNECTION WITH WHICH WAS AS MUCH AS THIS OFFICE COULD COPE WITH. IT MAY BE SAID THAT THE AMOUNT OF LOCAL FUND EXPENDITURE AT PRESENT ACCOUNTED FOR TO THIS OFFICE IS COMPARATIVELY SMALL, BUT SINCE THE STRENGTH OF THE OFFICE ESTABLISHMENT HAS ALSO BEEN REDUCED, THE EVIL THAT A LARGER ESTABLISHMENT HAD TO CONTEND WITH STILL EXISTS IN A PROPORTIONATE DEGREE.

6. TO REMEDY THIS EVIL, IT IS DESIRABLE THAT THE SYSTEM IN FORCE PRIOR TO THAT INAUGURATED IN 1876, AND WHICH IS FOLLOWED ELSEWHERE SHOULD AT ONCE BE ADOPTED, VIZ., THAT LOCAL FUND EXPENDITURE INCURRED ON REGULARLY SANCTIONED ESTIMATES, FOR WHICH FUNDS HAVE BEEN APPROPRIATED, SHOULD FIRST BE ACCOUNTED TO THIS OFFICE IN THE ACCOUNTS OF EXECUTIVE OFFICERS, AND COMMUNICATED BY THE EXAMINER TO THE ACCOUNTANT-GENERAL, MADRAS, FOR INTIMATION TO THE PRESIDENTS OF LOCAL FUND BOARDS, WHO SHOULD BE BOUND TO ACCEPT THE DEBIT AS HAVING BEEN PREVIOUSLY SANCTIONED AND AGREED TO, AND THE AUDITED FIGURES COMMUNICATED TO THEM THROUGH THE ACCOUNTANT-GENERAL, MADRAS, SHOULD BE CONSIDERED FINAL.

I HAVE THE HONOR TO BE,
SIR,
YOUR MOST OBEDIENT SERVANT.

J. H. Trail

MAJOR R. E.
OFFG. EXAMINER P. W. ACCOUNTS.

2/9

2/9

P.W.D.
7SEP80
No 5678

FROM THE EXAMINER P.W. ACCOUNTS,
MADRAS.

TO THE SECRETARY TO GOVERNMENT,
PUBLIC WORKS DEPARTMENT.

NO. 94 W

DATED 2 SEPTEMBER 1880.
RECD. Despatched 6 Septr 80.

REPORTS THE EVIL RESULTS OF THE SYSTEM OF COMMUNICATING TO COLLECTORS LOCAL FUND TRANSACTIONS IN P.W. ACCOUNTS RECOMMENDED AT AN OFFICIAL MEETING AND SANCTIONED IN G.O. NO. 2311. DATED THE [illegible] AUGUST 1876 AND RECOMMENDED FOR ADOPTION THE SYSTEM PRIOR TO THAT INAUGURATED IN 1876 WHICH IS FOLLOWED ENSEWHERE.

In Finl 2434/80

O. 8-9-80

2/8

GOVT. OF MADRAS. } 188 . { P. W. DEPT.

SECRETARY.

Chepauk, 8th Sept. 1880.

OFFICE NOTE.

To W

Accounts of Local Fund Expenditure

There appears no doubt of the soundness of the Examiner's arguments or of the correctness of his proposals as stated in para 6, so far as accounts are concerned, but it is desirable not to overlook the distinction between accounts proper and statements of

In Finl 2434/80

penditure submitted for
information - For the
former the Collector a
wait until he obtains the
proper audited accounts
through the Accountant
General, but the latter
which are practically all
the basis for criticism which
the Local Funds Boards
have at their disposal
wanted at the earliest
ible date -

would therefore suggest
at the Provinces' pro-
sals be sanctioned, with
the proviso that they
not to interfere with
the statements of expenditure
now submitted for the
formation of Local Funds
only - The latter will
e to be submitted,

O/a

but Presidents must
understand that they
are to be taken as
approximations only,
and not to incorporated
with, or made the
basis of, other accounts -

//

The above remarks
are made on the
supposition that the
present system of accounts separate
for Local Fund expenditure
is to be continued, but
I venture to suggest
for consideration whether
the time has not come
when all Local Fund
expenditure as such
should be removed

on the marked passage [illegible]
of the [illegible] note [illegible]

from our accounts, and such expenditure, when incurred by P. W. officers be incorporated with, and treated wholly as, Provincial—

There are now only two Circles, Nimar and [illegible] in which the L. F. expenditure is in the hands of the P. W. D.— I would propose that all grants made from Local Funds be treated as grants in aid to Provincial, the amount of appropriation being at once credited in full to the P. W. Department— The works would then

e to be submitted,

9/10

be dealt with and audited as ordinary Provincial Works, the Local Fund accounts being in no way con=cerned with the actual expenditure from month to month—

There would be nothing in this course to prevent the Local Funds Board from being furnished with an extract from the E. E.'s schedule which would give them the information required as to the progress of the works in which they were interested, but as far as accounts were concerned the connection

as the marked progress
of the [illegible]

of the Local Funds with any work carried out by the P.W.D would be fin- and end with the transfer to credit of that Dept of the amount of the years appropriation —

It would perhaps be desirable to provide that all unexpended balances at the end of each year should be refunded to Local Funds, leaving the latter to make fresh grants in the following year —

D

C

Recd. W. C. 11-3-80

For any remarks you may wish to offer

10/3/80

EXAMINER P.W. ACCOUNTS

In file 2434/80

To W

I quite concur with the second portion of Dr. W's note & if the proposals were carried out invariably in their entirety every thing [illegible] would be unnecessary. Still to meet cases in which the grant in aid system is not adopted the change I suggest appears necessary —

Dun

27/11 7/9

C. A. W

A draft order in the above sense may now be circulated to the H.M.

12.3.80

R/

A draft is submitted, but I don't know whether asking it to be taken on the [illegible] before [illegible] of the D. W. note.

C. A. W.

Yes include Substance of the D. W's proposal in draft and circulate for approval

13/9/80

W

It is suggested that the enclosed draft might be sent to the Fin. Dept. before being circulated, that Dept. being interested in the decision.

14/9

No. 110 / 1070

PUBLIC WORKS DEPARTMENT.

PROCEEDINGS OF THE MADRAS GOVERNMENT.

UNDER date the

Read the following :—

2/12

From

The Examiner P. W. Accounts (H.E. No. 94 w dated 2d September

1. The Government consider that the time has now come when all Local Fund Expenditure, as such, should be removed from the P. W. account, such expenditure when incurred by P. W. officers being incorporated with, and treated wholly as, Provincial.

2. All grants made from Local Funds will therefore be treated as grants in aid to Provincial, and the amount of the appropriation be at once credited in full to the P. W. Department, the works being dealt with and audited as ordinary Provincial Works.

3. All unexpended balances at the end of each year will be refunded to Local Fund, and fresh grants in aid made by the latter in the following year.

4. The proposals made in the foregoing letter from the Examiner are sanctioned for adoption in any case in which the grant in aid system is, for special reasons, not employed; but it is not anticipated that such cases will often arise.

5. There will be no objection to the Local Funds Boards being furnished, if they desire it, with an extract from the Executive Engineer's Schedule, which would give them information in regard to the progress of the works in which they are interested.

14/9 14/9/70

To
Superintending Engineers
Superintendence of Works
Financial Department
Examiner P.W. Accounts

Finl. Department
(Local Funds)

GOVT. OF MADRAS. 1880. P.W. DEPT.

7/17 **SECRETARY.**

Ootacamund, Septr 14th 1880.

Recd. 16 Septr R.D.

OFFICE NOTE. 16 SEP 80

No. 2434

To

the Chief Secretary.

S/ The enclosed papers are forwarded with request that it may be stated whether there is any objection on the part of the Finl. Dept. to the proposed draft order

Col. R.E.

A.W.
14/9

187

2/13

CURRENT No. 3132

PROCEEDINGS OF THE BOARD OF REVENUE, dated 2nd November 1881.

No. 2588.

Read—the following Official Memorandum from J. A. DAVIES, Esq., Acting Under Secretary to Government, Financial Department, to the Secretary to the Board of Revenue, dated 24th September 1880, No. 1871.

ENCLOSURE No. 1.

From Major D. H. TRAIL, R.E., Officiating Examiner of Public Works Accounts, Madras, to the Secretary to Government, Public Works Department, dated 2nd September 1880, No. 94 W.

I HAVE the honor to bring to the notice of Government that the bulk of the expenditure on Local Fund works is now accounted for to the Accountant-General, Madras, but outlay to a large extent is also accounted for to this office, and since the strength of this office establishment has been considerably reduced it would appear that every effort should be made to adopt a system void of everything that may be considered superfluous.

2. With this object in view it would seem necessary to state at first what is the system pursued in communicating to the Civil Department transactions under Local Funds in the accounts of the Public Works Department the adoption of which was recommended at an official meeting on the 22nd October 1875 and sanctioned in G.O., No. 2311, dated the 30th August 1876.

3. According to the system adopted under the above Government Order, Executive Officers furnished Collectors monthly with a detailed report of the receipts and outlay in the month under Local Funds. After the audit of the Executive Officer's monthly accounts this office furnished to each Collector, for incorporation in his accounts to the Accountant-General, Madras, abstract statements of receipts and expenditure under Local Funds. Simultaneously with the despatch of these statements to Collectors this office submitted the Civil Exchange Accounts to the Accountant-General, Madras, certain appendices to which showed the transaction under Local Funds in each circle.

4. To meet the wishes of the Board of Revenue, who wanted the information sufficiently early to admit of its being used for financial control, Executive Officers were instructed by this office to furnish Collectors with abstract statements of the approximate amount of Local Fund receipts and expenditure in the month by the 10th of the month following that to which the accounts relate, so that under instructions issued Collectors received—

First.—Approximate accounts on the 10th of each month from Executive Officers.

Secondly.—Schedules of receipts and expenditure on the closing of the monthly accounts from Executive Officers.

Thirdly.—Monthly statements from the Examiner.

5. With these three accounts with him, all relating to the same month, the Collector compiled his accounts to the Accountant-General, Madras. With the object of despatching his accounts in time he invariably adopted the figures in the first or second accounts furnished to him, a circumstance which has been a most fertile source of discrepancies between the accounts rendered to the Accountant-General, Madras, by this office and those submitted by Collectors, the correspondence in connection with which was as much as this office could cope with. It may be said that the amount of Local Fund expenditure at present accounted for to this office is comparatively small, but since the strength of the office establishment has also been reduced the evil that a larger establishment had to contend with still exists in a proportionate degree.

6. To remedy this evil it is desirable that the system in force prior to that inaugurated in 1876, and which is followed elsewhere, should at once be adopted, viz., that Local Fund expenditure incurred on regularly-sanctioned estimates, for which funds have been appropriated, should first be accounted to this office in the accounts of Executive Officers and communicated by the Examiner to the Accountant-General, Madras, for intimation to the Presidents of Local Fund Boards, who should be bound to accept the debit as having been previously sanctioned and agreed to and the audited figures communicated to them through the Accountant-General, Madras, should be considered final.

CN 5098 of/80

ENCLOSURE No. 2.

[Proposed Order in the Public Works Department.]

Proceedings of the Madras Government, under date the

Read the following :—

From the Examiner, Public Works Accounts (H. E. No. 94 W., dated 2nd September 1880).

THE Government consider that the time has now come when all Local Fund expenditure, as such, should be removed from the Public Works Accounts, such expenditure when incurred by Public Works Officers being incorporated with, and treated wholly as, Provincial.

2. All grants made from Local Funds will therefore be treated as *grants in aid* to Provincial, and the amount of the appropriation be at once credited in full to the Public Works Department; the works being dealt with and audited as ordinary Provincial Works.

3. All unexpended balances at the end of each year will be refunded to Local Funds, and fresh grants in aid made by the latter in the following year.

4. The proposals made in the foregoing letter from the Examiner are sanctioned for adoption in any case in which the grant-in-aid system is, for special reasons, not employed; but it is not anticipated that such cases will often arise.

5. There will be no objection to the Local Fund Boards being furnished, if they desire it, with an extract from the Executive Engineer's schedule, which would give them information in regard to the progress of the works in which they are interested.

To the Superintending Engineers.
,, Superintendents of Works.
,, Financial Department.
,, Examiner, Public Works Accounts.

ENCLOSURE No. 3.

Office Note from the Public Works Department, to the Chief Secretary, dated 14th September 1880.

THE enclosed papers are forwarded with request that it may be stated whether there is any objection on the part of the Financial Department to the proposed draft Order.

(Signed) R. H. SANKEY, Colonel, R.E.

Official Memorandum—dated 24th September 1880, No. 1871.

REFERRED to the Board of Revenue and Accountant-General for opinion before final orders are issued.

Read—the following letter from W. DONALD, Esq., Officiating Accountant-General, Madras, to the Chief Secretary to Government, Financial Department; and Endorsement by C. D. MACLEAN, Esq., Under Secretary to Government.

ENCLOSURE No. 1.

From J. WESTLAND, Esq., Officiating Comptroller-General, to the Accountant-General, Madras, dated Calcutta, 28th April 1880, No. 242.

IN reply to your No. 1422, dated 17th April 1880, regarding adjustment of Local Fund charges of Department of Public Works, I have the honor to say that the authorized procedure regarding charges incurred in the Department of Public Works for Local Funds borne on the Civil books is that the Examiner should debit the amounts to you in his Exchange Account Current in exactly the same way as he debits Provincial Service Public Works, only, of course, under the entirely different minor head "Public Works, *Local*."

2. It is then a matter for local arrangement whether the debits are taken direct by you upon your books to the Local Funds concerned or whether you make an actual recovery by directing the administrators of the Local Funds concerned to pay the amount into the local Treasury by charge to the Local Fund.

3. I beg to inquire if there is any particular reason why the regular procedure should not be followed in your accounts.

0/16

4. I would remind you also that an account is said to be "reconciled" when an accurate account is kept of the differences as well as when it is made to work accurately up to a given figure. I understand, however, from your letter that according to your procedure the whole responsibility for bringing the charge against the Local Fund concerned lies upon the Examiner, and I doubt if this tends to promptness in bringing the charges actually incurred against their proper head.

Letter—dated 9th December 1880, No. 61.

WITH reference to your Official Memorandum, No. 1872, without date, I have the honor, when returning the proposed Order in the Public Works Department, to forward copy of letter, No. 242, dated 28th April 1880, from the Comptroller-General, and to state that the Government Order in the Public Works Department prescribing the manner of bringing on the Civil books expenditure incurred in the Department of Public Works for Local Fund borne on the Civil books should be in conformity with the instructions given by the Comptroller-General.

2. Major Trail's proposal in the last paragraph of his letter, No. 94 W., dated 2nd September 1880, is in accordance with those instructions.

Endorsement—dated 17th December 1880, No. 2409.

REFERRED to the Board of Revenue in continuation of Memorandum from this office, dated 24th September 1880, No. 1871.

Resolution—

THE Board regret the delay which has taken place in replying to this reference from Government.

2. The Examiner proposes a reversion to the method of accounting for Local Fund works undertaken by the Department of Public Works which prevailed before 1876. The differences between that method and the one now in force are clearly explained in the Examiner's letter, and he prefers the former as saving unnecessary labor. It is certainly true that if Collectors are compelled for the sake of expenditure to despatch their accounts to the Accountant-General without awaiting the statements numbered 3 in paragraph 4 of the Examiner's letter, there is little benefit derived from the Examiner reporting direct to Collectors. The correspondence regarding subsequent adjustments mentioned in paragraph 5 of that letter is also to be deprecated. The Examiner proposes to omit the accounts numbered 1, 2, and 3 in his letter now rendered to Collectors, a monthly schedule of expenditure being submitted by the Examiner to the Accountant-General for audit and communication to Presidents, and the latter being under the necessity of accepting the debits thus notified. The Accountant-General endorses this proposal, and the Comptroller-General, as the Board gather, does so also.

3. The draft Government Order forwarded for the Board's opinion would, as the Board understand, deal with all works executed by the Department of Public Works under the usual method of accounting proper to that department, relieving the Accountant-General altogether of the duty of audit in respect of such works. Expenditure made on account of Local Funds would be treated as so much "grant-in-aid" to the ordinary Provincial works of the Public Works Department. Where the procedure just mentioned was for any special reason found to be undesirable, the draft Government Order would fall back on the Examiner's method.

4. The Board are of opinion that the principle enunciated in the draft Government Order is correct. So few works now remain which are not undertaken by the local Boards themselves, that a special procedure for the remainder appears to be unnecessary. The Board do not think that, in practice, even the cases mentioned at the close of the last paragraph would occur. If the present moment is considered a proper one for altering the method of accounting the Board think that the principle enunciated in the Government Order should be adopted.

ENCLOSURE · 13 DEC 81 · EXAMINER P. W. ACCOUN

5. The Board note paragraph 5 of the draft. In practice this will prove, they consider, a highly desirable provision.

(True Copies and Extract.)

Acting Sub-Secretary.

To the Chief Secretary to Government, Financial Department.

Exd. A. S. Rodgers.

ENCLOSURE
15 NOV 81
EXAMINER P. W. ACCOUNTS

ENCLOSURE
13 DEC 81
EXAMINER P. W. ACCOUNTS

1881.

Board of Revenue,

MADRAS.

To

THE CHIEF SECRETARY TO GOVT.,
FINANCIAL DEPARTMENT.

Printed November 7th.

Received

Despatched 9 Novr/81.

PROCEEDINGS, 2ND Nov. 1881, No. 2588.

SUBMITTING remarks as to how the expenditure incurred on *Local Fund works executed by the Public Works Department* should be accounted for.

1881
Fin Dept
(Lt. Accts) F

Pros Board of Revenue

R. D.
3 NOV 81

No 2588

~~Dy 2 Novr 81~~

CURRENT No. 3132/acc/81

Local Fund accounts

NOTE.—This paper should be returned with reply, and should not be marked in any way by the receiving office.

No 1817

Referred to the Public Works Dept.

J. C. Dawson
Chief Secy

10/11/81

10/11/81

9/18

No. 1004 N a/14-11-81

To C.

For remarks

Dy. W.

TO N. No. 8359/17th Novr. 1881 Encl. 1

THE SYSTEM PROPOSED BY GOVERNMENT AND ADVOCATED BY THE BOARD OF REVENUE WOULD DISPENSE WITH THE SUBMISSION OF THE THREE ACCOUNTS REFERRED TO IN PARA 4 OF THIS OFFICE LETTER NO.64 E.DATED THE 2ND. SEPTEMBER 1880, BUT THIS RESULT WILL ALSO BE ATTAINED IN THE ADOPTION OF THE METHOD PROPOSED BY MAJOR TRAIL.

2. THE GRANT-IN-AID SYSTEM PROPOSED BY GOVERNMENT WOULD NO DOUBT BE OF GREATER ADVANTAGE, INASMUCH AS

THERE WILL BE NO LOCAL FUND ACCOUNTS TO MAINTAIN, AND UNDER THIS ARRANGEMENT IT WILL NOT BE NECESSARY TO SUBMIT TO THE ACCOUNTANT GENERAL MADRAS, THE ACCOUNT OF LOCAL FUND EXPENDITURE WHICH FORMS ONE OF THE APPENDICES TO THE P.W. EXCHANGE ACCOUNTS.

3. IT IS HOWEVER QUESTIONABLE WHETHER THE ACCOUNTANT GENERAL MADRAS WOULD CONSENT TO THE NON-SUBMISSION OF THIS APPENDIX, AND IF IT IS TO BE FURNISHED AS HITHERTO, THE ADVANTAGE POINTED CEASES, SINCE LOCAL FUND ACCOUNTS WILL HAVE TO BE MAINTAINED, OR IT WILL BE NECESSARY TO SHOW DISTINCTLY FROM PROVINCIAL IN THE PROVINCIAL ACCOUNTS, SUCH OUTLAY AS MAY BE INCURRED FROM THE LOCAL FUND GRANTS IN AID, A COURSE THAT IS LIKELY TO CAUSE CONFUSION.

E.

17/11

CURRENT No. 3233

No. 2779 of 22nd Novr/81.

Retransferred to the Financial Dept with the remark that there now appears to be no objection to the issue of the proposed order of Government, if the Accountant General will consent to dispense with the appendix referred to in para 3 of the Examiners last note.

R. H. Sankey
Colonel R.E.
Secretary to Govt. P.W.D.

NOTE—This paper should
[illegible]
way by th
receiving of

EXAMINER P. W. ACCOUN
13 DEC 81

Financial (1881.) Deptt

Public Works Department.

(Local Fund. Works)

Gr. Local 3
7270 / 4

Returned to the Fin. Dept. for [illegible] c No. 1921
(by order)
[illegible]
29 [illegible] 81

No. 2779
Dated 22 November /81.
Despatched B. D.
Received 2 N 81

CURRENT No. 3236

SUBJECT.

Retransferring to the Financial Deptt, letter regarding the expenditure incurred on Local Fund works executed by the P. W. Deptt.

With Endorsement

Local Fund DEPARTMENT.

Fort Saint George,
Accountant General's Office,
7th December 1881.

No. L.F.D./1304

CURRENT No. 3394

9/12

From
R. F. Clogstoun Esqre,
ACCOUNTANT GENERAL
TO THE GOVERNMENT OF MADRAS,

To
THE Chief Secretary
to Government,
Financial Department,
Fort Saint George.

SIR,

In reply to your memorandum No. 1921, dated the 29th ultimo, I have the honor to state that the course proposed by Major Trait in para 6 of his letter No. 94 W, dated 2nd September 1880, for the adjustment of Local Funds Expenditure incurred by Officers of the Public Works Department, seems to be distinctly preferable to that proposed in the draft G. O. Public Works Department, incorporated in the Board's Proceedings No. 2588 dated 2nd November 1881, which accompanied your letter — Under Major Trait's proposal the Expenditure in question will appear in the Accounts each month as Local Funds Expenditure under the proper heads of Account, as Roads, Buildings, New Works Repairs — Under the draft G. O., it would appear merely as a Contribution or grant in aid to Public Works.

2. It does not seem to me either, that the course

EXAMINER
No
13 DEC 81
P.W. ACCOUNTS

course proposed by Government would give any material relief to the Public Works Accounts Department, such as would justify the sufferance of the above inconvenience– An exact Account of the Expenditure on Local Fund Works must be kept up, to enable the Examiner to determine the exact amount of the unexpended balances to be returned to the Local Funds at the close of the year (para 3 of the draft), and if this Account is to be kept up, it does not seem that much is to be gained by permitting the Examiner to communicate the particulars of it annually to this Office, instead of monthly. A monthly adjustment is generally preferable to an annual one.

3. A Copy of the Local Fund Appendix to the Public Works Exchange Accounts last received is herewith forwarded– I do not think that its submission can entail much labor on the Public Works Accounts Department, or that any very great advantage can possibly be gained by its discontinuance.–

I have the honor to be,
Sir
Your most obed't Servt

H Clayton
Offg Accountt General

1/2

2/12

PROPOSED DRAFT ORDER.

THE EXAMINER IN HIS LETTER NO.94 V. DATED THE 2ND. SEPTEMBER 1880 REPORTED THAT A CHANGE IN THE PRESENT SYSTEM OF ACCOUNTING FOR LOCAL FUND EXPENDITURE INCURRED BY THE P.W.DEPARTMENT IS DESIRABLE, AND PROPOSED FOR ADOPTION THE METHOD WHICH PREVAILED PRIOR TO 1876, WHEREBY MUCH UNNECESSARY WORK IS SAVED. THIS METHOD IS ALSO ADVOCATED BY THE PROVINCIAL ACCOUNTANT GENERAL. IN FUTURE THEREFORE LOCAL FUND OUTLAY WILL NOT BE COMMUNICATED TO THE LOCAL FUND BOARDS BY THE P.W.DEPARTMENT.

2. THE OUTLAY WILL BE COMMUNICATED TO THE PROVINCIAL ACCOUNTANT GENERAL BY THE EXAMINER THROUGH HIS EXCHANGE ACCOUNTS, BUT THE ACCOUNTS AND ADVICES HITHERTO FURNISHED TO LOCAL FUND BOARDS BY THE EXECUTIVE OFFICERS AND BY THE EXAMINER WILL BE DISCONTINUED, AND INSTEAD THEREOF, THE ACCOUNTANT GENERAL WILL ADVISE LOCAL FUND BOARDS OF THE AUDITED EXPENDITURE COMMUNICATED TO HIM BY THE EXAMINER.

3. THERE WILL BE NO OBJECTION TO THE LOCAL FUND BOARDS OBTAINING FROM EXECUTIVE ENGINEERS ANY INFORMATION IN REGARD TO THE PROGRESS of AND EXPENDITURE UPON WORKS IN WHICH THEY ARE INTERESTED, BUT PRESIDENTS WILL UNDERSTAND it/ THAT AS REGARDS EXPENDITURE THEY MUST BE TAKEN AS APPROXIMATIONS ONLY, AND NOT FOR INCORPORATION WITH, OR AS THE BASIS OF, OTHER ACCOUNTS.

Supdg. Engineer √
Cons: Architect to Govt. √
Examiner P.W. Accts. √
Financial Dept. √
Board of Revenue

Recd
17/1/81

20/12/81

The Am W. Huddleston

GO 2311. 30-8-76.

Cir 20-12 R. 24/12/81

G.O. No 2311 of 30.8.76.

TO 7. No 954 D/16 Dec/81

Encls. 11

HEREWITH THE DRAFT OF PROPOSEL ORDER, WHICH MIGHT PERHAPS BE SENT BY YOU TO LOCAL ACCOUNTANT GENERAL FOR HIS CONCURRENCE BEFORE IT IS FINALLY ISSUED.

2W

E.P. 16/12 No 1139 N of 17-12-81

To
The Accountant Genl:
Madras.

Forwarded accordingly.

ACCOUNTANT GENERAL'S OFFICE
19 DEC 81
MADRAS

17.12.81

W.

No LAD/1329

I approve of the proposed order.

H Mac[illegible]
Offg Acct Genl

19.12.81

E.P. 20/12 R 20/12

Financial
1881. Department.
(Local Fund Works)

From
The Accountant General
Madras.

R.D.
9 DEC 81

To
The ~~Chief~~ Secretary
to Government. Financial
Department.
Fort Saint George

CURRENT No. 3394

No. 1304

Dated 7th } December 1881
Received 8th }

No.

Submitting the report called for by Government relative to the manner in which Local Fund Works executed by Public Works Department should be accounted for.

No.
13 DEC 81
ENQA.

9/12/81

No. 1984

Transferred to the Public Works Department.

(By order)
[illegible]
as Asst Secy

E.V.S.

No. 1113 N.

To C.

Please draw up for approval the draft of an order meeting your requirements and those of the Accountant General.

D.W.

No. 2 W.

P1

PUBLIC WORKS DEPARTMENT.

PROCEEDINGS OF THE MADRAS GOVERNMENT.

UNDER date the 5th January 1882

Read the following:—

From,
The Examiner P.W. Accounts. (A.E. No. 94 W of 2d Sept./81)

Endorsement, Financial Dept. on Pro: of the Board of Revenue No. 2588 of 2d Nov./81 } (" " 1817 of 10th Nov. ")

Endorsement, Financial Dept. on letter from the Accountant General, No. $\frac{L.F.D.}{1304}$ of 7th Dec./81 } (" " 1984 of 9th Dec. ")

2/23

2·9

Cir 20/12 R-71

Govt. of (1881) Madras.

PUBLIC WORKS.

To

21.

Dated

Issued

Recd. Encl.

G. O., 5th Jany 1882, No. 7 W.

Nos. 3 - 4

Local Fund Ex-
-penditure.

Regarding the syst
of accounting for