

3RD MARCH 1887, No. 646 W., PUBLIC WORKS.

GOVERNMENT OF MADRAS.

PUBLIC WORKS DEPARTMENT.

General.
Account.

READ—the following letter from the Honorable R. W. BARLOW, C.S., Chairman, Harbour Trust Board, Madras, to the Secretary to Government, Public Works Department, dated Madras, 25th February 1887, No. 2398 :—

Referring to the concluding portion of paragraph 4 of G.O., No. 2251 W., Public Works, dated 8th September 1886, and to your endorsement order, No. 3208 C., dated 21st idem, communicating letter to your address, No. 90 W., dated 14th September, from the Examiner of Public Works Accounts, inquiring what contribution the Harbour Trust Board is to make for the audit of Harbour Works accounts from 1st June last till such date as the Trust may organise its own account and audit establishment, I have the honor to forward, for the information of Government, extract of proceedings of the Harbour Trust Board at their meetings of 3rd, 18th and 24th February 1887, and to request that Messrs. E. S. Traill Straith and James Stiven may be appointed joint auditors of the Madras Harbour Works accounts.

2. The remuneration sanctioned by the Board is Rs. 100 per mensem, to be divided between these gentlemen, for a joint monthly audit of the accounts, which it is proposed, subject to the sanction of Government, should commence with April accounts, the first of the financial year 1887-88.

ENCLOSURES.

Extract of proceedings of the Harbour Trust Board, at a meeting held at the offices of the Board on Thursday, the 3rd day of February 1887.

2. Read minute by Captain W. L. C. Baddeley, R.E., dated 14th January 1887, in reference to the audit of Harbour Works accounts.

Resolved that Government be addressed in the terms of this minute, and that the Chairman be invited to make inquiries as to what arrangements can be made for an efficient audit by public accountants employed by the Harbour Trust Board and at what cost, such audit to commence from the beginning of the next financial year.

Extract of proceedings of the Harbour Trust Board, at a meeting held at the offices of the Board on Friday, the 18th day of February 1887.

9. Read letter from Messrs. Straith and Stiven, dated 10th February 1887, stating the terms upon which they are prepared to undertake the audit of the Madras Harbour Works accounts.

Resolved that Messrs. Stiven and Straith be informed that the Board are prepared to give Rs. 100 a month for a joint monthly audit, subject to the approval of Government.

Extract of proceedings of the Harbour Trust Board, at a meeting held at the offices of the Board on Thursday, the 24th day of February 1887.

4. Read letter, dated 19th February 1887, from Mr. Donald Calder, Accountant, 1st grade, Public Works Department, offering to undertake the audit of the Madras Harbour Works accounts for an annual remuneration of Rs. 1,200 and minute thereon by Mr. George King.

Read also letter from Messrs. E. S. Traill Straith and James Stiven, Public Accountants, dated 23rd February 1887, acknowledging receipt of letter, No. 2311, dated 19th instant, from the Secretary, Harbour Trust Board, and accepting the offer made in the Board's resolution, No. 9, of 18th idem, offering Rs. 100 per mensem for a joint audit of the Madras Harbour Works accounts.

Resolved that Messrs. Stiven and Straith be appointed auditors of the Madras Harbour Works accounts for the financial year 1887-88, at a remuneration of Rs. 100 per mensem, for a joint monthly audit of the Harbour Works accounts, subject to the approval of Government.

Mr. Calder will be informed that, prior to the receipt of his letter, the Board had made an offer to Messrs. Stiven and Straith, which has been accepted by them.

ORDER—dated 3rd March 1887, No. 645 W., Public Works.

The Government have no objection to the proposal of the Madras Harbour Trust Board to make their own arrangements for the audit of the accounts of the Madras Harbour Works; and sanction the appointments of Messrs. E. S. Traill Straith and J. Stiven as joint auditors with a remuneration of Rs. 100 per mensem.

2. A copy of these proceedings will be forwarded to the Government of India for information, with reference to this department endorsement, No. 2545 W., dated 29th September 1886.

(Here enter No. 646 W., dated 3rd March 1887.)

(True Extract.)

(Signed) J. O. HASTED, Colonel, R.E.,
Secretary to Govt., P.W.D.

To the Chairman, Madras Harbour Trust Board.
" Examiner, Public Works Accounts.
" Marine Department.

ENDORSEMENT—dated 3rd March 1887, No. 646 W., Public Works.

Forwarded.

(Signed) J. O. HASTED, Colonel, R.E.,
Secretary to Govt., P.W.D.

GENERAL.
ACCOUNT.

Gobt. of 1887 Madras.
PUBLIC WORKS.

Dated March, 3rd.

Recd.

Encl.

G.O., 3rd March 1887, No. 646 W.

MARCH.

Madras Harbour Works

Audit of the accounts.—Forwarding to the Government of India copy of proceedings allowing the Harbour Trust Board to make their own arrangements for the —, and sanctioning the appointment of Messrs. Stiven and Straith as joint auditors.



25TH JULY 1887, Nos. 330, 331, MARINE.

GOVERNMENT OF MADRAS.

MARINE DEPARTMENT.

READ—the following papers :—

From J. WESTLAND, Esq., Officiating Secretary to the Government of India, Department of Finance and Commerce, to the Chief Secretary to the Government of Madras, dated Simla, 30th April 1887, No. 2279.

I am directed to acknowledge receipt of the proceedings, forwarded with your communication, No. 646 W., Public Works, dated the 3rd March 1887, permitting the Madras Harbour Trust Board to make their own arrangements for the audit of the accounts of the Harbour Works, and sanctioning the appointments of Messrs. E. S. Traill Straith and J. Stiven as joint auditors.

2. I am directed to refer you to sections 43 and 44 of the Madras Harbour Trust Act II of 1886 in which it is provided—

- (a) that the accounts of the Board shall be laid before Government ;
- (b) that they shall be audited and examined by auditors ;
- (c) that the auditors shall be appointed for this purpose by Government ;
- (d) that the Government shall determine the remuneration, and the Board pay it.

His Excellency in Council will perceive that it is the intention of the Act that the auditors shall be authorities quite independent of the Board and appointed by Government to satisfy the Government, as representing the public interest, that the accounts of the Board are correct, and their proceedings, so far as they relate to receipts and expenditure, proper and within their authority.

The independence of the Board secured to the auditors by Act II of 1886 is, in the opinion of the Governor-General in Council, an essential element in the position of the auditors.

This principle has been observed in regard to the Calcutta and Bombay Port Trusts by both the Governments of Bengal and Bombay, which have in fact appointed as auditors the local Accountant-General in his outside audit department.

3. In this last respect it is open to the Government of Madras to do as it deems proper, but, in the opinion of the Governor-General in Council, the law prescribes that the Government in any case shall appoint auditors and prescribe their remuneration directly, and independently of the Board.

Copy forwarded to the Accountant-General, Madras, for information.

From H. F. CLOGSTOUN, Esq., Accountant-General, to the Chief Secretary to Government, dated Fort St. George, 15th June 1887, No. 1576.

With reference to your endorsement, dated 21st May, referring letter from the Government of India, No. 2279, dated 30th April 1887, Financial Department, for report as to whether the outside audit department of this office could undertake the duty of auditing the accounts of the Madras Harbour Trust, I have the honor to state that no difficulty would be experienced in arranging for the audit of the accounts of the Trust other than those connected with the expenditure on the actual construction

of the harbour. These accounts connected with construction, it seems to me, can be audited with far greater efficiency by the Examiner of Public Works Accounts, in whom the audit of these accounts was vested up to 31st March last.

No. 283-D.

NOTE.

It is observed that in para. 3 of their letter, No. 325 M., dated 10th August 1886, printed with Proceedings of Government, No. 2252 W., dated 8th September 1886, the Government of India inquired whether the Examiner of Public Works Accounts was "still responsible for the audit now that a Port Trust had been created, or whether the audit will now be arranged for by that body." On this, the Board was consulted, and elected to make their own arrangements for audit.

2. The audit which the Board arranged for was that of the monthly accounts. There is nothing in the Act relating to monthly audit, but sections 43 and 44 refer to an annual audit and lay down that the auditors are to be appointed by Government.

3. If an annual audit only is necessary, there is apparently no reason why the Accountant-General should not be appointed auditor as in Bengal and Bombay. In fact, it seems advisable to ascertain the course of procedure with regard to audit in the other presidencies, and adopt the same course if possible; accounts of construction apparently do not call for the audit of the Examiner, Public Works Accounts, any more than those of the new works of improvement which are carried out by the Port Trust of Bombay.

OOTACAMUND,
1st July 1887.

(Signed) J. O. HASTED, Col., R.E.,
Secretary to Govt., P.W.D.

Forwarded to the Marine Department, with reference to endorsement in that department, dated 28th June 1887, herewith returned with enclosures.

(Signed) J. O. HASTED, Col., R.E.,
Secretary to Govt., P.W.D.

ORDER—dated 25th July 1887, No. 330, Marine.

Previous to 1886-87, the first year of the Harbour Trust Board's existence, all accounts relating to expenditure on the harbour were audited by the Examiner of Public Works Accounts.

2. The general accounts of the Board for 1886-87 were audited by Messrs. Stiven and Straith, two independent gentlemen appointed as auditors by Government, under section 43 of the Harbour Trust Act,* on the recommendation of the Board, while the accounts of expenditure on construction work continued to be audited by the Public Works Examiner.

3. The Board proposed, in reply to a reference from the Public Works Department, that all their accounts for the current year should be audited, monthly, by Messrs. Stiven and Straith, and that these gentlemen should receive a joint remuneration of Rs. 100 per mensem. These recommendations were sanctioned in the Government Order read above; but Messrs. Stiven and Straith were none the less appointed auditors, and their remuneration fixed by Government under sections 43 and 44 of the Act.

4. Messrs. Stiven and Straith will continue to audit the accounts for the current year, for which alone they have been appointed. In future years, the Accountant-General and the Examiner of Public Works Accounts will be appointed joint auditors, the general accounts of the Board being audited in the Accountant-General's outside audit office, as is the case in respect of the ports of Calcutta and Bombay, and the accounts connected with harbour construction by the Public Works Examiner.

5. There is no objection to the Board having their accounts audited monthly; as a matter of convenience, provided that a general report be made for the whole year and laid before Government, as directed in section 43 of the Act.

(True Extract.)

H. E. STOKES,
Ag. Chief Secretary.

To the Chairman, Harbour Trust Board.
„ Public Works Department.
„ Accountant-General.

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Ag. Chief Secretary.

Exd. A. Raitt.

Gobt. of (1887) Madras.

MARINE.

B. N. 2169 Wd/15 August 1887
Commnd. to the Ex. P.W.
accts.
sgd J. H. W.

Issued

Recd.

Encl.

G.O., &c., 25th July 1887,
Nos. 330, 331.

B. N. 2169 Wd/15 August 1887

JULY.

Harbour Trust Board.

Passing orders in regard to the appointment of
auditors for the audit of the accounts of the —

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His Excellency in Council will perceive that it is the intention of the Act that the auditors shall be authorities quite independent of the Board and appointed by Government to satisfy the Government, as representing the public interest, that the accounts of the Board are correct, and their proceedings, so far as they relate to receipts and expenditure, proper and within their authority.

The independence of the Board secured to the auditors by Act II of 1886 is, in the opinion of the Governor-General in Council, an essential element in the position of the auditors.

This principle has been observed in regard to the Calcutta and Bombay Port Trusts by both the Governments of Bengal and Bombay, which have in fact appointed as auditors the local Accountant-General in his outside audit department.

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Exd. A. Raitt.

W.P. 2169b-d/15 August/87

Communicated
to the Examiner of Accounts

(sd) J.O.H

Govt. of (1887) Madras.

MARINE.

Issued

Recd.

Encl.

G.O., &c., 25th July 1887,
Nos. 330, 331.

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Passing orders in regard to the appointment of
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B. N^o 2169 Wd 15 August

1887

Commnd: to the Ex: P.W.
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Ex: P.W.
14

Govt. of (1887) Madras.

MARINE.

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2. The general accounts of the Board for 1886-87 were audited by Messrs. Stiven and Straith, two independent gentlemen appointed as auditors by Government, under section 43 of the Harbour Trust Act,* on the recommendation of the Board, while the accounts of expenditure on construction work continued to be audited by the Public Works Examiner.

3. The Board proposed, in reply to a reference from the Public Works Department, that all their accounts for the current year should be audited, monthly, by Messrs. Stiven and Straith, and that these gentlemen should receive a joint remuneration of Rs. 100 per mensem. These recommendations were sanctioned in the Government Order read above; but Messrs. Stiven and Straith were none the less appointed auditors, and their remuneration fixed by Government under sections 43 and 44 of the Act.

4. Messrs. Stiven and Straith will continue to audit the accounts for the current year, for which alone they have been appointed. In future years, the Accountant-General and the Examiner of Public Works Accounts will be appointed joint auditors, the general accounts of the Board being audited in the Accountant-General's outside audit office, as is the case in respect of the ports of Calcutta and Bombay, and the accounts connected with harbour construction by the Public Works Examiner.

5. There is no objection to the Board having their accounts audited monthly, as a matter of convenience, provided that a general report be made for the whole year and laid before Government, as directed in section 43 of the Act.

(True Extract.)

H. E. Stokes
Ag. Chief Secretary.

To the Chairman, Harbour Trust Board.
„ Public Works Department.
„ Accountant-General.

ENDORSEMENT—dated 25th July 1887, No. 331, Marine.

Copy forwarded to the Government of India, Department of Finance and Commerce, with reference to letter in that department, dated 30th April 1887, No. 2279.

H. E. STOKES,
Ag. Chief Secretary.

Exd. A. Raitt.

PWC No 6241V

No. 2169 w a 15. August 187

Govt. of (1887) Madras.

MARINE.

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G.O., &c., 25th July 1887,
Nos. 330, 331.

No. 2169 w a 15. August 187

JULY.

Harbour Trust Board.

Passing orders in regard to the appointment of
auditors for the audit of the accounts of the —

Exr. P. W. Accts. ✓
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