

GOVERNMENT OF MADRAS.

FINANCIAL DEPARTMENT.

READ—the following papers :—

G.O., dated 19th March 1895, Nos. 256, 257, Financial.

ABSTRACT.—Passing orders on the Provincial accounts for 1893-94, and forwarding, with remarks, copy of the Proceedings to the Government of India.

G.O., dated 24th July 1895, No. 544, Financial.

Read—the following letter from F. C. HARRISON, Esq., Officiating Accountant-General to the Government of Madras, to the Chief Secretary to Government, dated Fort St. George, 5th June 1895, No. 87-I.B.E:—

I have the honour to observe that I gather from paragraph 6 of G.O., No. 256, Financial, dated the 19th March 1895, that the Government are desirous that the details given in the consolidated abstract should more closely correspond to those given in the budget. I have been through both and find that there are many details in the budget that are not to be found in the other. These cases fall naturally into three classes: Those in which it is more or less clear that details should be given; secondly, doubtful cases; and, thirdly, those in which so great detail is undesirable. I will commence upon the first-class of cases. My references are to the budget, but will not always be completely intelligible, unless reference is also made to the consolidated abstract.

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II. Land Revenue, page 6, Detailed Account No. 1-A.—(a) I understand that formerly these details were both in the abstract and budget, but were struck out as was amplified. It is now for decision whether the details should be cut out of the budget or given in the abstract.

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If Government desire any of the changes to be introduced into the accounts of 1894-95, I request that I may receive an early intimation of such a wish pending a fuller reply.

Order—dated 24th July 1895, No. 544, Financial.

His Excellency the Governor in Council considers that the Accountant-General should exercise his own discretion in regard to the details to be inserted in the consolidated abstracts. Every endeavour should, however, be made to bring the details in the Accountant-General's books into exact accord with departmental figures under all heads. At the same time the Government has no desire to increase the work in the Accountant-General's office to such an extent as to necessitate an addition to his establishment.

2. Diversities in the classification of details tend to confusion, chiefly in the accounts of officers of special departments, e.g., the Government Epigraphist, Superintendent, Archaeological Survey, &c. In this connection attention is drawn to the remarks in paragraph 4 of G.O., dated 19th March 1895, No. 257 (page 9).

3. The details under I, *Land Revenue* should be reclassified in the consolidated abstracts.

4. No further details under *Local Funds* were contemplated.

5. The consolidated abstract for March as now submitted does not contain the final figures of the year. The Accountant-General will be requested to report whether he can make arrangements for furnishing an abstract with this information in lieu of the present March abstract and to state the earliest date on which he can submit the same to Government. The September abstract should be continued.

(True Extract.)

(Signed) J. F. PRICE,
Chief Secretary.

READ—also the following papers:—

From F. C. HARRISON, Esq., Officiating Accountant-General to the Government of Madras, to the Chief Secretary to Government, dated Fort St. George, 7th August 1895, No. 143—I.B.E.

With reference to G.O., dated 24th July 1895, No. 544, Financial, I have the honour to state that I have as yet received no requests for figures from special departments in accordance with the orders given in paragraph 5 of G.O., No. 256, but to minimize the delay I am furnishing such departments with the figures this month.

2. I request that I may be informed as to the principles upon which Government desire the details under land revenue to be re-classified. If they have no present views upon the subject, I will arrange the changes in communication with the Board.

3. With reference to the Government's request for final figures, I would respectfully point out that it is absolutely impossible to furnish final figures before the accounts are finally closed in December, but I can and will render the statement of Provincial accounts more intelligible by incorporating (instead of showing separately) the corrective entries which have actually been made up to date of despatch. I have also hopes that the memorandum which shows further possible alterations will in future years be smaller.

From R. NATHAN, Esq., Officiating Under Secretary to the Government of India, Finance and Commerce Department (Accounts and Finance—Estimates and Accounts), to the Chief Secretary to the Government of Madras, dated Simla, the 9th August 1895, No. 3833-A.

I am directed to refer to your letter No. 257, dated 19th March 1895, with which you forwarded a copy of the Proceedings of the Government of Madras of the same date, No. 256, reviewing the Provincial accounts of the year 1893-94.

2. In your second paragraph you invite the special attention of the Government of India to the inconvenience arising from the numerous adjustments permitted after the closure of the final accounts, and request that the wishes of the Madras Government in regard to the restriction of adjustments and transfer entries within the narrowest possible limit may be acceded to.

3. In reply I am to say that the Governor-General in Council desires to consult as far as possible the convenience of the Madras Government in this matter. I am to observe that it is essential that the final accounts of the Government of India, namely, the Finance and Revenue accounts, should be as correct and complete as it is practicable to make them, and therefore, that it is not possible to entertain a proposal to abstain from making further entries after the "March final" accounts are made up in August, and before the central accounts have been closed, with a view to render the local accounts prepared in August really final. It is, however, for consideration whether the local accounts cannot be rendered more complete before the date of their closing, in order that the number of subsequent entries may be reduced.

These entries arise chiefly in the following ways:—

- (a) in settlement of outstandings in exchange accounts with other account officers, a process part of which arises upon, and therefore must follow, the "March final" account;
- (b) in rectification of errors of classification, etc., discovered in the Accountant-General's Office when writing the Appropriation Report;
- (c) in rectification of errors discovered in the Comptroller-General's office; and
- (d) in annual adjustments, e.g., of survey expenditure and others, which cannot be made up until the "March final" account is closed.

4. Adjustments and corrections of this nature are all essential for the purpose of the Finance and Revenue accounts of the Government of India and could not be omitted without seriously affecting their completeness and accuracy. The Government of India however believe that if more careful attention were given to the matter, some, at least, of these entries could be made before the local accounts are closed.

It is also considered that the Government of Madras are perhaps put to some unnecessary inconvenience by reason of the practice, which it is understood prevails in the Madras Accounts Office, in accordance with which the Accountant-General, after rendering his final accounts to the local Government, submits a memorandum showing the probable further adjustments, which again is followed by batches of entries which are not progressively consolidated. The result is that the Local Government are themselves obliged to make up the corrected account on the receipt of each batch of entries.

5. The Governor-General in Council accordingly proposes to instruct the Comptroller-General to issue stringent orders to all Account Offices, that any adjustments and corrections that can possibly be made before the "March final" accounts are closed, should be included in those accounts; and further that they should incorporate in a progressive account the corrections due to the Journal Entries which they subsequently communicate to the local Governments.

His Excellency in Council trusts that these orders will materially lessen the difficulties at present experienced by the Government of Madras.

6. In your third paragraph you state that the Consolidated Abstract of Receipts and Disbursements (Article 1065 of the Civil Account Code) is the only source of information regarding actuals available to the Madras Government, and that it would be a great convenience if full details were incorporated in it as in the Civil Estimates. With reference to this proposal, I am to say that the Government of India doubt whether it is necessary, that the compilation of the monthly accounts rendered to the local Government should be in the same detail as in the Civil Estimates, and fear that the proposed elaboration would throw considerable additional work on the Account Office. If, however, the Government of Madras consider further details necessary, the Accountant-General will be instructed to comply with their wishes as far as may be possible. It is understood that the question is in course of settlement in direct communication between the Accountant-General and the Madras Government.

7. You request in the fourth paragraph of your letter that orders may be issued in view to the following transactions being embodied in the copies of the final accounts submitted to the Madras Government:—

- (i) Receipts and charges of the Public Works and Railway Departments.
- (ii) Adjustments on account of Forest surveys and interest on Provincial Loans and Advances.

8. With regard to the first of these proposals, I am to point out that the details of the Public Works transactions form no part of, and cannot under the existing process of accounting be incorporated in, the Accountant-General's accounts and should be obtained from the Examiners of Accounts in the Public Works Department who, it should be remarked, do not render their accounts to the Civil Accountant-General. It would be dangerous to authorize the Accountant-General to make up, as an account, a statement not compiled by the regular process of accounting.

9. With reference to the second proposal regarding adjustments on account of Forest surveys and Provincial Loans and Advances, I am to say that the Government of India consider that the Accountant-General should be able to make most of the annual adjustments (such, for instance, as those for the interest on the Provincial Advance and Loan Account and for the supply of Stamps and Stationery) by the 10th August, the date for closing the final accounts. The adjustment of the survey expenditure cannot, however, be made by that date, as the distribution among the several Provinces and the necessary adjustments must be deferred until the accounts of the Comptroller, India Treasuries, for March final have been made up, and the total survey charges to be brought on his books ascertained.

Copy forwarded to the Comptroller-General for information and such further action as may be necessary.

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

ORDER—dated 26th August 1895, No. 623, Financial.

The Government did not intend that absolutely no corrective entries should be made after the submission of the "final accounts" of the 10th August, but desired that the accounts should be scrutinised by heads of departments and all errors rectified, as far as possible, before that date. The check by heads of departments of the "final accounts" after August will not answer the purpose. Heads of departments should work on the preliminary accounts and endeavour to carry out all corrections before the 1st August. The Accountant-General will in future bring to the notice of Government any cases in which adjustments, which could have been avoided by the observance of these orders have been necessitated, as well as instances in which adjustments brought to book subsequent to March could, with due care on the part of heads of departments, have been carried out before that date.

2. The details under I, *Land Revenue*, should be re-classified in consultation with the Board of Revenue.

3. Intermediate statements of corrective entries need not be furnished to Government between August and December. It will suffice if the *final accounts* submitted in December, under Imperial, Provincial and Local, contain the latest information available.

4. The consolidated abstract containing the March final accounts corrected up to 10th August only, will not be of any use to Government, as it will not embody the latest figures of the year. Its submission to Government may therefore be discontinued. It will suffice if the Accountant-General takes steps to incorporate the latest figures in the column of actuals in the volume of the civil estimates submitted on the 15th January.

5. No details are required in the *monthly* accounts, as is apparently supposed by the Government of India in paragraph 6 of its letter read above.

6. The transactions of the Public Works Department are now reported to Government in full detail about the same time that the monthly accounts are received from the Accountant-General.

7. The Accountant-General will be requested to endeavour to include all adjustments, with the exception of that on account of *Forest Surveys*, in the final accounts of August, and the Government expects heads of departments to co-operate in the matter by avoiding the necessity for corrections after that date.

(True Extract.)

J. F. PRICE,
Chief Secretary.

To the Revenue Department.
" the Public Works Department.
" all Heads of Departments under Chief Secretary.
" the Accountant-General.

Govt. of {1895} Madras
FINANCIAL.

Issued

Recd.

Encl.

G.O., 26th August 1895, No. 623.

AUGUST.

Consolidated Abstract and Final
Accounts.

Directing the discontinuance of the submission of the consolidated abstract containing the March final accounts corrected up to 10th August; requesting the Accountant-General to endeavour to include all adjustments, with the exception of that on account of *Forest Surveys*, in the final accounts of August; and directing heads of departments to co-operate in the matter by avoiding the necessity for corrections after that date.

No 2363 W of 24 Sep 1895

Communicated to
officers concerned in
continuation of G.O. No.
989 W of 29 April 1895
(2) JP
W

C. E for I
C. E for Rys.
Exr: PWA

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- (i) Receipts and charges of the Public Works and Railway Departments.
- (ii) Adjustments on account of Forest surveys and interest on Provincial Loans and Advances.

8. With regard to the first of these proposals, I am to point out that the details of the Public Works transactions form no part of, and cannot under the existing process of accounting be incorporated in, the Accountant-General's accounts and should be obtained from the Examiners of Accounts in the Public Works Department who, it should be remarked, do not render their accounts to the Civil Accountant-General. It would be dangerous to authorize the Accountant-General to make up, as an account, a statement not compiled by the regular process of accounting.

9. With reference to the second proposal regarding adjustments on account of Forest surveys and Provincial Loans and Advances, I am to say that the Government of India consider that the Accountant-General should be able to make most of the annual adjustments (such, for instance, as those for the interest on the Provincial Advance and Loan Account and for the supply of Stamps and Stationery) by the 10th August, the date for closing the final accounts. The adjustment of the survey expenditure cannot, however, be made by that date, as the distribution among the several Provinces and the necessary adjustments must be deferred until the accounts of the Comptroller, India Treasuries, for March final have been made up, and the total survey charges to be brought on his books ascertained.

Copy forwarded to the Comptroller-General for information and such further action as may be necessary.

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

ORDER—dated 26th August 1895, No. 623, Financial.

The Government did not intend that absolutely no corrective entries should be made after the submission of the "final accounts" of the 10th August, but desired that the accounts should be scrutinised by heads of departments and all errors rectified, as far as possible, before that date. The check by heads of departments of the "final accounts" after August will not answer the purpose. Heads of departments should work on the preliminary accounts and endeavour to carry out all corrections before the 1st August. The Accountant-General will in future bring to the notice of Government any cases in which adjustments, which could have been avoided by the observance of these orders have been necessitated, as well as instances in which adjustments brought to book subsequent to March could, with due care on the part of heads of departments, have been carried out before that date.

2. The details under I, *Land Revenue*, should be re-classified in consultation with the Board of Revenue.

3. Intermediate statements of corrective entries need not be furnished to Government between August and December. It will suffice if the *final accounts* submitted in December, under Imperial, Provincial and Local, contain the latest information available.

4. The consolidated abstract containing the March final accounts corrected up to 10th August only, will not be of any use to Government, as it will not embody the latest figures of the year. Its submission to Government may therefore be discontinued. It will suffice if the Accountant-General takes steps to incorporate the latest figures in the column of actuals in the volume of the civil estimates submitted on the 15th January.

5. No details are required in the *monthly* accounts, as is apparently supposed by the Government of India in paragraph 6 of its letter read above.

6. The transactions of the Public Works Department are now reported to Government in full detail about the same time that the monthly accounts are received from the Accountant-General.

7. The Accountant-General will be requested to endeavour to include all adjustments, with the exception of that on account of *Forest Surveys*, in the final accounts of August, and the Government expects heads of departments to co-operate in the matter by avoiding the necessity for corrections after that date.

(True Extract.)

Rancis

for Chief Secretary.

To the Revenue Department.
 " the Public Works Department.
 " all Heads of Departments under Chief Secretary.
 " the Accountant-General.

Gobt. of {1895} Madras.
FINANCIAL.

No 1908 W of 31-7-95
1361 W of 8-6-95
989 W of 29-4-95
250 W of 1-2-95
1758 W of 13-7-94
1757 W of 13-7-94
2955 W of 8-12-92

40 S.C
Dec: 16. 9. 95

No 2363 W of 24 Sept 1895

B Communicated to

officers concerned

in continuation of
L.O. No. 989 W of 29

April 1895

Issued

Recd.

Encl.

G.O., 26th August 1895, No. 623.

AUGUST.

194

Consolidated Abstract and Final
Accounts.

Directing the discontinuance of the submission of the consolidated abstract containing the March final accounts corrected up to 10th August; requesting the Accountant-General to endeavour to include all adjustments, with the exception of that on account of Forest Surveys, in the final accounts of August; and directing heads of departments to co-operate in the matter by avoiding the necessity for corrections after that date.

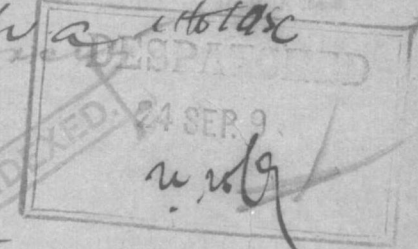
19/9/95

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C. E. for Rg ate 130

Exr: P. W. a 16105C



o.L.S. 385 R 21/9