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MADRAS RECORD OFFICE

GOVERNMENT OF MADRAS

Revenue DEPARTMENT

G.O. No. / B.P. No.	843	Press / Mis.

Dated 29.5.1875 196 .

Not to be folded or roughly handled

Read again letter from the Accountant-General, dated 3rd March 1875, No. 682, recorded in G. O., dated 13th March 1875, No. 413.

No. 346. Read also the following Proceedings of the Board of Revenue, dated 5th May 1875, No. 1,159, Forest No. 73A:—

Read the following Proceedings of the Madras Government, dated 13th March 1875, No. 413, Revenue Department:—

ABSTRACT.—*Conservancy and Working Charges of the Forest Department.*—Referring to the Board of Revenue for remarks letter from the Accountant-General reporting on the present system of debiting advances for—.

THE existence of larger unadjusted balances now than before the forests were transferred to Collectors is due, not to any change in the system of drawing funds and keeping accounts, but to other causes.

2. The difference in the system of accounts is simply this. Formerly advances were made by Collectors to forest officers on cheques drawn against letters of credit issued by the Accountant-General at the request of the Inspector of Forests, and were first debited to "Forest—remittances" under "Public Debt," and afterwards adjusted when bills were received by a credit to "Public Debt" and debit to "Forest." Now, as the Collectors have charge of Forests, no letters of credit are issued, but their Forest Assistants are allowed to draw money not exceeding the budget grant, and the whole amount so drawn is at once charged off to "Forest" and afterwards accounted for by submission of bills as is done in the case of salt advances. An account of the sums drawn against the budget grant is sent monthly to the Board through the Collectors. The Board cannot see how this difference in the system can have any effect on enlarging the amount of unadjusted balances. To whatever head of account the amount drawn may be debited, the necessary advances must be drawn, and the Board do not think that either they or the Inspector of Forests are more competent than the Collectors to control and limit the advances. The real cause of the increased amount of unadjusted balances is the delay in the submission and audit of bills. Formerly range officers sent their bills for each month direct to the Central Office before the tenth of the following month with an account-current, and they were audited and forwarded to the Accountant-General within the tenth of the following month, so that there were never more than one month's bills in arrear. Now the bills have to come through Collectors, and this causes a delay of more than one month, and for auditing them in this office it generally takes nearly two months instead of one owing to heavier work mainly in connection with Budget and Administration reports which are now made to give more details than before. Thus there are always about three months' bills instead of one month's in arrear. This delay which cannot be avoided, is not of any consequence, as the *real* amount of unadjusted

balance is not large. *At present* the amount remaining unadjusted on account of each of the past years is as shown in the margin. Of the amount* of unadjusted balances on account of 1874-75, Rupees 82,928 have been since accounted for, and there are bills now in this office for Rupees 10,994 under audit.

	Rs.
1872-73...	7,096
1873-74...	2,728
1874-75 up to December	1,40,742*
Total...	1,50,566

3. As for the permanent advance it is always recouped at the end of each month, and is generally in cash with the forest officers.

4. The appearance of a very large balance in the accounts of March to October 1873 is owing to the special expenditure of a lakh of Rupees for the purchase of Walliar reserves and forest tracts adjacent to the Nelambur plantation, for which bills were received in November 1873.

5. The Board, however, must admit that the present system is calculated to complicate accounts. Amounts advanced and debited to a particular head some times happen to be afterwards accounted for under another head which requires adjustment in the accounts, whereas under the old system there was no necessity for such an adjustment as the amount stood debited to "Public Debt" till it was accounted for by submission of bills. On this ground, and this ground alone, the Board would prefer the old system of debiting all advances to "Public Debt" till they are accounted for, when they are transferred to the proper head under "Forest;" but the disadvantage of the system is that the transactions of one year are shown in the accounts of another, and that at the end of each year there is left a debt which has to be met from the next year's budget.

6. This system of leaving one year's expenditure to be met from another year's budget will, the Board fear, lead to complications, and on this ground the Board hesitate to adopt a system involving it.

7. On the whole, the Board are of opinion that the best course is to make no change till the Account Code forwarded with G. O., dated 18th August 1874, No. 1,035, is introduced, which, it is believed, will be shortly done. It is true that the Account Code contemplates, with regard to advances, a procedure similar to that in force previous to the transfer of forests to Collectors, but it is possible that the Code, as finally adopted, may rule otherwise, and it is desirable that changes should not be made oftener than can be avoided.

(A true Extract.)

(Signed) H. E. STOKES,
Acting Secretary.

No. 347.

ORDER THEREON, 29th May 1875, No. 843.

Forests, No. 23.

THE Government observe that the system of drawing funds and keeping accounts in the Forest Department, which has been in force for nearly three years, is pronounced by the Accountant-General to be less satisfactory than that which was in existence formerly. The Board of Revenue, on the other hand, maintain that the present system has certain advantages over the former, while the evils complained of are

not very much greater under the present arrangements than under the past.

2. The least satisfactory feature in the present system is the existence of larger unadjusted balances and complication in the accounts arising from their not being capable of adjustment once for all as under the old system.

3. It is, however, explained that the large unadjusted balances are due not so much to the system of accounts as to the circuitous course now followed for the submission of accounts and the nature of the agency entrusted with the audit of bills calculated to cause a delay of three months against one month under the old arrangement. The Government see no reason for a delay of one month in the Collector's Offices, and consider the delay of two months in the Board's Office excessive. They desire that every endeavour may be made to expedite the audit of bills, and to arrange for getting them from the Collector's Office with no greater delay than fifteen days, and to complete the adjustment of accounts in their own office within a month after their receipt.

4. The adoption of the suggestion made in paragraph 3 of the Accountant-General's letter, recorded in G. O., dated 30th October 1872, No. 1,509, will facilitate adjustments, as in that case each payment can be passed and adjusted when the bills relating to it are received without waiting till the payments reach a certain sum. Attention is also requested to paragraph 4 of the letter recorded in G. O., 13th March 1875, No. 413.

5. With these remarks, the Government will allow the continuance of the present system. The proposal to revert to the old system, which, with all its advantages, is subject to the one great drawback of the transactions of one year not being all shown in the accounts of that year, they defer for future consideration, it being in contemplation by the Government of India to introduce, at no distant date, a uniform Forest Account Code.

(True Extract.)

(Signed) A. MACGREGOR,
Acting Secretary to Government.

To the Board of Revenue.
„ the Accountant-General.
„ the Officiating Inspector of Forests.

Exd. J. W. Fischer.

Govt. of Madras.

REVENUE.

To

THE BOARD OF REVENUE.

&c., &c., &c.

Dated May, 29th.

Read

Encl.

G. O., 29th May 1875, No. 843.

M A Y.

Nos. 346 347.

Forest Accounts.—Permitting the continuance of the present system of —, and deferring, for future consideration, the proposal to revert to the old system, it being in contemplation by the Government of India to introduce shortly uniform Forest Account Code.

FOREST No. 73A.

PROCEEDINGS OF THE BOARD OF REVENUE, dated 5th May 1875, No. 1,159.

Read the following Proceedings of the Madras Government, dated 13th March 1875, No. 413, Revenue Department :—

ABSTRACT.—*Conservancy and Working Charges of the Forest Department.*—Referring to the Board of Revenue for remarks letter from the Accountant-General reporting on the present system of debiting advances for—.

THE existence of larger unadjusted balances now than before the forests were transferred to Collectors is due, not to any change in the system of drawing funds and keeping accounts, but to other causes.

2. The difference in the system of accounts is simply this. Formerly advances were made by Collectors to forest officers on cheques drawn against letters of credit issued by the Accountant-General at the request of the Inspector of Forests and were first debited to " Forest—remittances " under " Public Debt " and afterwards adjusted when bills were received by a credit to " Public Debt " and debit to " Forest." Now, as the Collectors have charge of Forests, no letters of credit are issued, but their Forest Assistants are allowed to draw money not exceeding the budget grant, and the whole amount so drawn is at once charged off to " Forest " and afterwards accounted for by submission of bills as is done in the case of salt advances. An account of the sums drawn against the budget grant is sent monthly to the Board through the Collectors. The Board cannot see how this difference in the system can have any effect on enlarging the amount of unadjusted balances. To whatever head of account the amount drawn may be debited, the necessary advances must be drawn, and the Board do not think that either they or the Inspector of Forests are more competent than the Collectors to control and limit the advances. The real cause of the increased amount of unadjusted balances is the delay in the submission and audit of bills. Formerly range officers sent their bills for each month direct to the Central Office before the tenth of the following month with an account-current, and they were audited and forwarded to the Accountant-General within the tenth of the following month, so that there were never more than one month's bills in arrear. Now the bills have to come through Collectors, and this causes a delay of more than one month, and for auditing them in this office it generally takes nearly two months instead of one owing to heavier work mainly in connection with Budget and Administration reports which are now made to give more details than before. Thus there are always about three months' bills instead of one month's in arrear. This delay, which cannot be avoided, is not of any consequence, as the *real* amount of unadjusted balance is not large. *At present* the amount remaining unadjusted on account of each of the past years is as shown in the margin. Of the amount* of unadjusted balances on account of 1874-75, Rupees 82,928 have been since accounted for, and there are bills now in this office for Rupees 10,994 under audit.

	Rs.
1872-73...	7,096
1873-74...	2,728
1874-75 up to December	1,40,742*
Total...	1,50,566

3. As for the permanent advance it is always recouped at the end of each month, and is generally in cash with the forest officers.

4. The appearance of a very large balance in the accounts of March to October 1873 is owing to the special expenditure of a lakh of Rupees for the purchase of Walliar reserves and forest tracts adjacent to the Nelambur plantation, for which bills were received in November 1873.

5. The Board, however, must admit that the present system is calculated to complicate accounts. Amounts advanced and debited to a particular head sometimes happen to be afterwards accounted for under another head which requires adjustment in the accounts, whereas under the old system there was no necessity for such an adjustment as the amount stood debited to "Public Debt" till it was accounted for by submission of bills. On this ground, and this ground alone, the Board would prefer the old system of debiting all advances to "Public Debt" till they are accounted for, when they are transferred to the proper head under "Forest;" but the disadvantage of the system is that the transactions of one year are shown in the accounts of another, and that at the end of each year there is left a debt which has to be met from the next year's budget.

6. This system of leaving one year's expenditure to be met from another year's budget will, the Board fear, lead to complications, and on this ground the Board hesitate to adopt a system involving it.

7. On the whole, the Board are of opinion that the best course is to make no change till the Account Code forwarded with G. O., dated 18th August 1874, No. 1,035, is introduced, which, it is believed, will be shortly done. It is true that the Account Code contemplates, with regard to advances, a procedure similar to that in force previous to the transfer of forests to Collectors, but it is possible that the Code, as finally adopted, may rule otherwise, and it is desirable that changes [illegible] than can be avoided.

H Ellerton

Acting Secretary.

To the Officiating Chief Secretary to Government, Revenue Department,

with statement returned.

Copy to the Accountant-General.

" to the Inspector of Forests, with copy of statement.

Rxd. J. W. Fischer,

G.O. 18 Aug. 1874 No. 1035
13 Land 75 — 16 Ls

Rec: 1875: Dept.
No. 1159

No. 346.
22 Encl. to Govt. Lr. dated 29 May 75.

PROCEEDINGS, 5TH MAY 1875, No. 1,159.

Dept. 1591, 1875
Encl. 2
to Pro. 843 of 29 May 1875

Received 27 May.

MAY.
Forest No. 735.

Conservancy and Working Charges of Forest Department.—Difference between the old and present system of forest accounts explained with remarks regarding certain balances and permanent advances.—Opinion expressed that it is not desirable to make any more changes in system till the Account Code forwarded with G. O., dated 18th August 1874, No. 1,035, is introduced.

BOARD OF REVENUE,
MADRAS.
1875.

Revenue Department

No 843

843/X

Proceedings of the Madras Government

Under date the 29th May 1875

Read again letter from the Accountant General dt 3d March 1875, No. 682, recorded in G.O. dated 13th March 1875, No. 413.

Read also the following Proceedings of the Board of Rev.

Sub. explanation on the present system of debiting advances for Conservancy & working charges of the Forest Establishment &c.

R. Dis. 5 May 1875, No. 1159.

The Govt. observe that the system of drawing funds and keeping accounts in the Forest Dept. which has been in force for nearly 3 years is pronounced by the

the Accountant General to be less satisfactory than that which had been in existence formerly. The Board of Revenue on the other hand maintain that the former system has certain advantages over the latter while the evils complained of are not very much greater under the present arrangements than under the past.

2. The least satisfactory feature in the present system is the existence of larger unadjusted balances and complication in the accounts arising from their not being capable of adjustment once for all as under the old system.

3. It is however explained that the large unadjusted balances are due not so much to the system of accounts as to the circuitous course now followed for the submission of accounts and the nature of the agency entrusted with the Audit of bills calculated to cause a delay

delay of 3 Months against one month under the old arrangement. The Govt see no reason for a delay of one month in the Collectors' offices and consider the delay of 2 Months in the Board's office excessive. They desire that every endeavour may be made to expedite the audit of bills & to arrange for getting them from the Collectors' Offices with no greater delay than 15 days; and to complete the adjustment of accounts in their

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their own office within a month after their receipt.

4. The adoption of the suggestion made in para 3 of the Accts General's letter recorded in G.O. dated 30th October 1872, No. 1509, will facilitate adjustments, as in that case each payment can be passed and adjusted when the bills relating to it are received without waiting till the payments reach a certain sum. Attention is also requested to para 4 of the

the letter recorded in G.O.
13th March 1875, No. 413.

5. With these remarks
& suggestions, the Govt.
will allow the continu-
-ance of the present system.
The proposal to revert
to the old system, which
with all its advantages
is subject to the one
great drawback of the
transactions of one year
not being all shown
in the accounts of that
year, they defer for
future consideration,
it

it being in contemplation
by the Govt. of India,
to introduce, at no dis-
-tant date, a uniform
forest account Code.

1 to the Board of Revenue Des & Jand
1-11-6
1 the Accountant General S
1-11-6
1 the Offg Inspector of Forests S
1-11-6

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Ex

G O

System of debiting
advances for Conservancy
& working charges of
the Forest Department