

Government of Madras.

EDUCATIONAL DEPARTMENT.

Recd.

Enclosures

1910.

Rege.

Spare copies

G.O., No. 659, 22nd December 1909.

Lawrence Asylum, Ootacamund.

Recording, with remarks, the report on the audit of the accounts of the — for 1908-1909.

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GOVERNMENT OF MADRAS.

EDUCATIONAL DEPARTMENT.

READ—the following papers :—

I

Letter—from the Rev. W. H. G. PADFIELD, M.A., Principal and Secretary,
Ootacamund Lawrence Asylum.
To—the Director of Public Instruction.
Dated—Lovedale, the 5th October 1909.
No.—2113.

I am directed by the Committee to submit the accompanying report of the Auditor, with the remarks of the Sub-Committee thereon, for the favourable consideration of Government.

2. The Committee desires especially to emphasize the remarks of the Sub-Committee as recorded in the concluding paragraphs of its report.

3. The Committee is composed of officers who for the most part are individually either holding or have held positions of responsibility in which they either can or could decide definitely questions of more importance than those which—if relating to the Asylum—they can, after full discussion in Committee, only record their recommendation.

4. The Committee trust therefore that Government may be pleased to enlarge its powers in questions of finance and in matters generally which do not involve any change in the vital interests or constitution of the Asylum.

5. Should the principle involved meet with the approval of Government, definite proposals will be submitted by the Committee at an early date.

ENCLOSURES.

Letter—from H. BRIMASENA RAU, Esq., B.A., Assistant Accountant-General and
Examiner of Local Fund Accounts, Madras.
To—the Accountant-General, Madras.
Dated—the 22nd July 1909.

I have the honour to submit my report on the audit of the accounts of Lawrence Asylum, Lovedale, for the official year 1908-1909.

2. The usual statements of receipts and expenditure and of assets and liabilities of both the male and female branches of the institution are appended.

3. The balance of the permanent advance with the Principal and the Headmistress and the unremitted collections on the morning of the 16th June 1909 were verified by me with the books and found to be correct.

4. The remittances to and the withdrawals from the branch of the Bank of Madras at Ootacamund as recorded in the cash book were checked with the Bank's pass book and found to agree.

5. The orders of Government directing the discontinuance of the arrangement under which Mrs. Perkins, an employé of the Asylum, was given the contract for tailoring work of the Asylum have been carried out only from 1st January 1909. She has resigned her appointment in the Asylum but continues as a contractor for tailoring work of the Asylum.

6. Raw materials are being supplied to the tailoring contractor Mrs. Perkins on her indents countersigned by the Principal and charges for tailoring are paid on her bills giving details of the number of suits, jackets, blouses, etc., at the rates prescribed by the Committee for each manufactured article. These articles are then brought to stock. But the important connecting link between the quantity of raw materials issued and the articles manufactured is wanting. The contractor does not render any account monthly, how much materials of each kind had been used in the finish of article or articles handed over by her during the month and what balance she had at the end of each month. The articles manufactured are of common kind and repeat themselves often, but there is no data how much material each article consumes. The only check exercised appears to be that the Principal satisfies himself that the manufactured clothing for the year is not in excess of the regulation allowances of the boys, etc., and that the cost of the raw materials has not exceeded the budget allotment. It is very desirable that there must be some account to show whether all materials indented for by the contractor have been used by her in stitching the clothing. It is therefore very necessary that the contractor should be asked to send always with her monthly bill a statement showing the receipts of materials and consumption of the same in the manufacture of articles for whose stitching she has billed for. There should also be a data sheet approved by the Principal on which the calculations are made.

It may also be mentioned in this connection that the tailor contractor is supplied with all sorts of materials, such as tapes, cutting scissors, small and large machine reels, etc. It is for the consideration of the Committee whether the contractor should not be made to supply these small things herself, the Asylum providing cloths, gold lace and other major items. Though her charges will be raised in consequence, it will much minimise the work of the stewards and the Principal in passing and satisfying the various small indents, besides doing away with the necessity of keeping stock of all these small articles.

7. The tailoring work of the female branch of the Asylum is however done by the pupils under the supervision of the Headmistress, whose accounts are better kept. A list of articles supplied during the month and the monthly balances are worked out. They may be improved by having the consumption checked by a data sheet approved by the Principal and by filling up all the columns in the registers kept for the purpose.

8. While a stock register is maintained for many articles of tailoring, school supplies, etc., no such register is maintained in the case of provisions on which there is a very large expenditure. Many of the provisions are purchased through a contractor on weekly indents, and others, such as bread, milk, through separate contractors. They are all paid once a month on the certificate of the steward certifying to the receipt of the articles. There is also a register showing the daily issue of provisions to the coolies, based upon the actual attendance of boys and girls in the Asylum. No attempt is however made to total the issues in this register, compare them with the receipts from the contractors and to strike a balance at the end of a month. It is explained that provisions are not kept in stock in large quantities and that it is very difficult to maintain a stock register for all kinds of provisions. The Principal has however agreed that some attempt should be made to tally the issues with the receipts. It has been explained to him in person, how several registers now unnecessarily kept by the stewards may be dispensed with and how the register of issues improved and made to satisfy audit requirements. Monthly totals of issues and receipts of provisions must be agreed and the balance verified now and then.

9. A sum of Rs. 1,326-1-1 was spent in the year under report towards the establishment charges of wood-cutting. It was reported that firewood is cut at the expense of the Asylum and supplied free of cost to all the subordinates of the Asylum including those to whom no boarding is provided. There appears to be no orders either of Government or the Committee on this subject.

10. The registers maintained in connection with the Provident Fund were also inspected and found correctly maintained as the forms stand.

Under the rules of the Provident Fund institution of the Asylum, interest on the investment of subscriptions in the Post Office Savings Bank is distributable only once a year at the end of it proportionately to the balance of subscriptions at credit of each subscriber. No interest could therefore be calculated for the portion of the subscription paid for some months in the year when the accounts of subscribers are closed before the end of the year. It is therefore suggested that the rule may be so amended as to require the Asylum to calculate interest every month in accordance with the rules in force in the Post Office Savings Bank and check the total thus arrived for the year with that given by the Post Office, as in the case of Cantonment Provident Fund institutions. If the suggestion is approved, the registers will be suitably altered.

It is also suggested that instead of accumulating the subscriptions in the Post Office Savings Bank to the extent of Rs. 4,000 they may be invested in Government promissory notes through Comptroller, Post Office, under Post Office Savings Bank rules themselves.

11. It is said that a sum of Rs. 36 is being realized by the grant of license to hawkers annually but there seems to be no account maintained for it. This amount was said to be spent on the boys by the Principal.

12. In the tender notices, the contractors are not asked to deposit any portion of the contract deposit to safeguard against the non-fulfilment of the contract. It is therefore suggested that the contractors be asked to tender with their application in future a portion of the contractor's deposit fixed by the Committee. The necessity for this is apparent from the fact that one Kullari Nayudu who tendered to supply milk for 1908-1909 in February 1908 at the rate of 8 bottles per rupee for 6 months and 9 bottles for the other 6 months has refused in March 1908 to supply milk at the rate he tendered. The Asylum had therefore to suffer much in the months of April and May 1908. It is also suggested that as the contractors' deposits in Savings Bank pass books in all cases have not been pledged in favour of the Principal, he should see that they are done so in future to bind the contractors towards fulfilment of the contract undertaken by them.

13. The register required to be maintained in paragraph 7 of the last audit report has not yet been done. A service register in Form A appended may be maintained. It would be well also if a register showing all recurring and fixed charges in Form B appended is maintained to check the acquittance roll monthly.

14. Though the fee register suggested in the last year's report is maintained, it is found defective in two ways—

- (i) There is no column for noting the arrears due, and
- (ii) the total demand for the year as the register stands at present cannot be worked out for want of a column for noting the amount due in each month which is a variable quantity according to the salary of the parents and the number of boys. No proper check can therefore be exercised over the realization of fees without a correct demand for the year. Whatever that is paid by the parents in the following year on account of the previous year is taken as the balance of the previous year at present.

The suggestions offered in person in connection with the maintenance of this register, may be carried out.

15. As the rules of the Civil Service Regulations are declared to be applicable in regulating the pay and travelling allowance of the subordinates of the Asylum, these charges should not have been incurred without the sanction of Government.

(1) Voucher No. 144 of 1908-1909. The distribution of the available balance in 1907-1908 under Establishment (Teaching staff) to the various teachers.

(2) Vouchers Nos. 285, 398, 431 and 466 of 1908-1909. Payment of travelling allowance to teachers to join their first appointments in the Asylum.

(3) The drawing of the first increment of the pay, by the clerk in advance by one year. In Order No. 52, Mis., dated 20th January 1908, Government sanctioned the change in the pay of the clerk from Rs. 45 to Rs. 40-1-50 at the same time

declining to allow the present incumbent to draw the maximum pay of the appointment. The clerk should therefore have drawn only Rs. 45 till 1st February 1909 and thereafter Rs. 46. Instead of this, he has drawn Rs. 46 from the date of the order quoted above and Rs. 47 from 20th January 1909.

16. In view of G.O., No. 114, Educational, dated 1st March 1909, it is doubtful whether the debit of Rs. 34-5-0 in Voucher No. 316 of 1908-1909 and Rs. 4-12-0 in Voucher No. 478 of 1908-1909, being the cost of kitchen utensils and a toilet set for the Headmaster's quarters and Upper School Matron, is admissible against the Asylum funds.

17. (1) Charges to the extent of Rs. 2-1-0 have been incurred for repairing hospital slippers when there are chucklers permanently appointed by the Asylum. It is hoped that such charges will not be incurred in future.

(2) Rs. 1-3-0 being the railway freight and cooly charges incurred from the Asylum funds on Vouchers No. 97 and 119 should be recovered from the contractor as all articles for the supply of which contract has been entered into, are to be delivered at site as per contract bond and tender notices.

18. Calculation of one day's pay granted as bonus to the staff of the Asylum in commemoration of the Jubilee day of the Founder should not have included famine batta also allowed to the servants as it does not form part of the pay.

It was observed that no income-tax was deducted in the bill for bonus in cases where recipients were liable to the income-tax.

19. The charges on outfit for 6 boys should have been limited to the outfit allowance of Rs. 300 at the rate of Rs. 50 per boy as usual. The excess charge of Rs. 25-8-0 incurred in Voucher No. 475 of 1908-1909 does not appear to have been specially sanctioned by the Committee.

20. The Committee have resolved in their resolution No. X, dated 28th November 1908, that the fees for the full month of January in cases where boys are taken out by the parents for vacation should be remitted, but that the subsistence allowance for that month should continue to be drawn from Government. The notice issued to the parents is however worded as follows:—

“The Committee have decided that parents who take their children out for the Christmas holidays may be excused from paying the portion of fees in excess of the subsistence allowance for the month of January only. The subsistence allowance must be paid in accordance with the rules throughout the year.”

It is not clear what is intended by the resolution. It is observed however that full fees have been remitted for January 1909. It is doubtful whether this is regular, as it is not usual in the Educational Department to remit such fees for the vacation.

21. It is also for consideration whether the usual statements of assets and liabilities may not be amended. At present several receipts due only on the 1st of April, such as monthly grants-in-aid, donation on Government securities, subsistence allowance, etc., are shown as assets on 31st March and all payments made during April are taken as liabilities. It ought to be sufficient to show only the funded capital, fixed deposits, value of stores of clothing, furniture, instruments, etc., only as assets and the ascertained dues before the 31st March as liabilities. The statement will then only show the real assets and the real liabilities.

22. The result of the audit has been on the whole satisfactory.

L.F. No. 22/7, dated 26th July 1909.

Forwarded to the Secretary to the Government of Madras, Educational Department (with four spare copies), through the Principal and Secretary, Lawrence Asylum, Ootacamund, and the Director of Public Instruction, Madras.

A. MONTAGU BRIGSTOCKE,
Accountant-General.

A—Form of Service Register of

Race	Residence	Father's Name and Residence	Date of birth by Christian era as nearly as can be ascertained.	Personal marks for identification.	Signature of Employé	Reference to any recorded punishment or censure or reward or praise of the Officer.
Exact height by measurement.	Signature of Principal.	Signature of Employé.	Date of termination of appointment.	Reason of termination, such as promotion, transfer, dismissal, etc.	Nature and duration of leave taken.	Signature of Principal.
Acting allowance.	Date of appointment.	If acting, here state substantive appointment.	Pay.	Whether substantive or acting and whether permanent or temporary.	Name of appointment.	

The details of all fixed recurring charges, such as those relating to the various establishments paid from Lawrence. The entries should be made first with reference to the last sanctioned budget, and all subsequent changes should be noted date so that it may be used both by the Office and the Audit Staff for the check of acquittance roll. All alterations in the shown in this Register and some space should be left between each entry of appointments to allow further changes, if any.

for Recurring Charges.

Asylum funds, as well as house-rents, salary grants, etc., should be recorded in this register for facility of reference. from time to time, as the orders relating to them are received. Special care should be taken to keep the register up to scale columns should be attested by the Principal. Only permanent changes in the incumbents of appointments need be being shown under it.

APPENDIX C.

STATEMENT of Receipts and Expenditure of the Male Branch for the year 1908-1909.

Receipts.

	Actuals, 1908-1909	
	RS.	A. P.
Opening balance	20,870	9 10
I.—FROM GOVERNMENT—		
1. Grant-in-aid	28,800	0 0
II.—PROFITS ON ASYLUM PROPERTY—		
1. Donation and interest on Government securities ..	39,352	15 4
2. Donation from Lawrence Asylum Presses ..	22,500	0 0
III.—SPECIAL FUNDS—		
1. Subsistence allowance	9,335	4 6
2. Pensions from funds	62	0 0
3. Fees	5,161	1 6
4. Telegraph Department	1,470	0 0
IV.—INDUSTRIES—		
1. Tailors' shop	Nil.	
2. Boot-making shop	15	4 0
3. Recoveries from Public Works Department ..	2,503	8 2
V.—MISCELLANEOUS—		
1. Sale of stores	254	7 0
2. From N.V.R. compensation for boots ..	150	0 0
3. Other items	74	11 5
4. Boarding money	120	5 1
5. Special money prizes	310	0 0
6. Donation	230	1 0
Total ..	1,31,210	3 10

Expenditure.

I.—EDUCATION—

(a) Scholastic—

1. Establishment	12,376	9 9
2. Books, prizes and stationery	1,545	1 5
3. Library and museum	379	15 8
4. Examination fees	153	0 0
5. Special money prizes	178	13 11

(b) Artistic—

1. Band—establishment	672	4 0
2. Band instruments, music and repairs ..	539	13 1
3. Gymnastic establishment	480	0 0
4. Apparatus and games	537	8 3
5. Honorarium to Band Examiner	20	0 0

(c) Telegraph—

1. Establishment	1,200	0 0
2. Premia	315	0 0

(d) Drawing—

1. Establishment	515	15 5
2. Materials, Models, etc.	43	14 0

(e) Type-writing, etc.—

1. Establishment	240	0 0
2. Machines, materials, etc.	38	8 0

APPENDIX C—cont.

Statement of Receipts and Expenditure of the Male Branch for the year 1908-1909—cont.

Expenditure—cont.

II.—CLOTHING AND VICTUALLING—

RS. A. P.

(a) Clothing—

1. Establishment	488	8 2
2. Material, etc.	8,274	0 10
3. Contract work, extra tailors	3,893	14 6
4. Shoeing	3,982	15 2
5. Sergeants' clothing	354	2 0
6. Servants' do.	255	8 0

(b) Victualling—

1. Establishment	1,844	8 0
2. Provisions	33,490	11 2
3. Kitchen and dining-room utensils	554	9 7
4. Boarders	1,107	3 6

III.—HOUSEHOLD, HOSPITAL AND SANITATION—

(a) Household—

1. Establishment	5,365	0 0
2. Washing	1,955	10 0
3. Lighting	889	7 0
4. Wood-cutting, etc.	1,012	13 7
5. Bedding and towelling	2,682	14 3
6. Hardware, soap, brushes	745	14 2
7. Furniture, carpets, etc.	2,590	5 6
8. Contingencies—cleaning doors, etc. ..	118	13 9

(b) Hospital—

1. Establishment	1,822	0 0
2. Medicines and wines	73	11 0
3. Extra nursing	13	1 9
4. Contingencies	Nil.	

(c) Sanitation—

1. Establishment	854	15 3
2. Tar and phenyle	79	4 0
3. Repairs to roads, drains, bush-cutting ..	957	0 2

IV.—GENERAL—

1. Establishment	7,225	11 4
2. Stationery	210	9 0

V.—BUILDINGS, LABOUR AND MATERIALS ..

2,623 13 2

VI.—MISCELLANEOUS—

1. Carrying charges and travelling expenses ..	3,683	5 7
2. Postage, advertisements and telegrams ..	384	1 2
3. Contingencies	526	9 6
4. Entertainment allowance	350	5 6

VII.—OTHER CHARGES—

1. Pensions	360	0 0
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VIII.—EXTRAORDINARY—

1. Chapel improvements	157	3 2
2. Improvements to buildings	7,933	11 0
3. Sinking fund	1,224	9 9
4. Gratuity	446	0 0
5. Grant towards Roman Catholic Chapel ..	—166	0 0
6. Fixed deposit	15,000	0 0
7. Lawrence Jubilee day	79	5 0

Total .. 1,32,682 11 0

Closing balance on the 31st March 1909 .. —1,472 7 2

Grand Total .. 1,31,210 3 10

APPENDIX D.

STATEMENT of Receipts and Expenditure of the Female Branch for the year 1908-1909.

Receipts.

	RS.	A.	P.
Opening balance	5,679	11	1
I.—FROM GOVERNMENT—			
1. Grant-in-aid	19,200	0	0
II.—PROFITS ON ASYLUM PROPERTY—			
1. Donation and interest	23,900	10	4
III.—SPECIAL FUNDS—			
1. Subsistence allowance	8,342	14	0
2. Pensions from funds	125	0	0
3. Fees	2,773	0	0
IV.—MISCELLANEOUS—			
1. Sale of stores	38	2	6
2. Other items	0	4	0
3. Special money prizes	110	0	0
Total	60,169	9	11

Expenditure.

I.—EDUCATION—			
(a) Scholastic—			
1. Establishment	6,171	4	0
2. Books, stationery, prizes	1,041	10	3
3. Library	107	15	6
4. Examination fees	104	0	0
5. Games	90	6	0
6. Tuning and repairing piano	285	0	0
7. Special money prizes	116	2	10
(b) Type-writing and Shorthand—			
1. Establishment	120	0	0
2. Machines materials	54	8	0
(c) Drawing—			
1. Establishment	120	0	0
II.—CLOTHING AND VICTUALLING—			
(a) Clothing—			
1. Establishment	1,330	0	10
2. Materials	7,561	7	7
3. Extra tailors	164	0	0
4. Shoeing	2,197	11	0
5. Outfit allowance	542	1	0
6. Servants' clothing	79	0	0
(b) Victualling—			
1. Establishment	715	2	5
2. Provisions	17,590	2	5
3. Kitchen and dining room utensils	293	0	3
III.—HOUSEHOLD, HOSPITAL AND SANITATION—			
(a) Household—			
1. Establishment	107	0	0
2. Washing	1,442	4	0
3. Lighting	519	1	6
4. Wood-cutting	313	3	6
5. Bedding and towelling	919	5	4
6. Hardware, soap, brushes, etc.	439	12	3
7. Furniture and repairs	755	0	9
8. Contingencies	52	12	8
(b) Hospital—			
1. Establishment	674	0	0
2. Medicines and wines	5	8	0
3. Extra nursing	31	4	6
(c) Sanitation—			
1. Establishment	540	15	0
2. Tar and phenyle	45	0	0
3. Bush-cutting, etc.	105	15	6

APPENDIX D—cont.

Statement of Receipts and Expenditure of the Female Branch for the year 1908-1909—cont.

Expenditure—cont.

	RS.	A.	P.
IV.—GENERAL—			
1. Establishment	2,643	8	8
V.—BUILDINGS AND REPAIRS	366	3	2
VI.—MISCELLANEOUS—			
1. Carrying charges and travelling expenses	1,302	8	2
2. Postage, telegrams, advertisements	37	7	6
3. Contingencies	63	15	8
VII.—OTHER CHARGES—			
1. Scholarship	240	0	0
VIII.—EXTRAORDINARY—			
1. Improvements to buildings	2,713	11	0
2. Lawrence Jubilee day	29	3	4
3. Sinking fund	510	15	9
4. Grant towards Roman Catholic Church	166	0	0
5. Gratuity	2,234	0	0
Total	54,942	4	4
Closing balance on the 31st March 1909	5,227	5	7
Grand total	60,169	9	11

APPENDIX E.

STATEMENT of Assets and Liabilities of the Ootacamund Lawrence Asylum, Male Branch, as they stood on the 31st March 1909.

Assets.

	RS.	A.	P.
Funded capital with the Accountant-General	5,10,100	0	0
Fixed deposits in the Madras Bank, Ootacamund	27,770	2	4
Permanent advance with the Principal	79	12	0
Grant-in-aid	2,400	0	0
Donation on Government securities	21,460	8	0
Half-yearly interest	8,120	4	9
Subsistence allowance	757	8	0
Pension from the Military Assistant Surgeons' fund	10	8	0
Fees in arrears	596	0	0
Bills claimable	10	0	0
Last donation from Lawrence Asylum Press	7,500	0	0
Steward's stores	3,861	6	9
Stores, made-up clothing	197	14	0
Furniture, etc.	27,316	2	11
Band instruments	2,413	4	0
Total	6,12,593	6	9

Liabilities.

Debtor balance	1,472	7	2
Personal account	7,971	10	8
Net assets	6,03,149	4	11
Total	6,12,593	6	9

APPENDIX F.

STATEMENT of Assets and Liabilities of the Ootacamund Lawrence Asylum, Female Branch, as they stood on the 31st March 1909.

Assets.		RS.	A.	P.
Funded capital with the Accountant-General	..	3,02,318	14	0
Permanent advance with the Headmistress	..	30	0	0
Grant-in-aid	..	1,600	0	0
Half-yearly interest	..	2,325	10	5
Subsistence allowance	..	6,211	8	0
Pension from the Military Assistant Surgeons' fund ..	..	21	0	0
Donation on Government securities	..	10,732	12	0
Fees in arrears	..	186	8	0
Steward's stores	..	10,534	14	11
Furniture, etc.	..	14,882	6	5
Credit balance	..	5,227	5	7
Total	..	3,54,070	15	4

Liabilities.		RS.	A.	P.
Personal account	..	3,536	11	6
Net assets	..	3,50,534	3	10
Total	..	3,54,070	15	4

REPORT by the Sub-Committee appointed under resolution No. IX of meeting dated the 20th August 1909 to consider the Auditor's report embodied in L.F. No. 22/7-1085, dated the 26th July 1909, and draft letter to Government thereon.

The Sub-Committee met at Major-General Penton's residence on the 24th August at noon.

The following paragraphs represent their recommendations on the corresponding paragraphs of the Auditor's report:—

Paragraph 5.—Mrs. Perkins resigned on the 31st December in accordance with the correspondence ending with G.O., No. 114, dated the 1st March 1909.

Paragraph 6.—The Sub-Committee consider that it will be advisable for contractors to supply everything the Asylum advancing, if necessary, any money required for stock. The suggestion was also made that Government may be addressed with a view to sanctioning indents on the Army Clothing Department for cloth required, as it is considered that the Asylum would then be able to obtain it at a more favourable rate than at present.

Paragraph 7.—A new form as suggested by the Auditor will be introduced.

Paragraph 8.—The present system has been passed by various Auditors for, it is understood, the last 18 years as satisfactory. As the contractor supplies certain provisions only once a week on "Shandy" days it has hitherto been difficult to calculate the exact expenditure up to the last day of the month. In future two indents will be sent to him for the last week, one for supplies up to the last day and the second from the last day up to the next Shandy day. It will then be possible to make up the accounts to the last day of the month.

Paragraph 9.—Item No. 3 of the Proceedings of the Committee at a meeting on the 9th June 1893:

"Requested that the compensation allowed to the staff be stopped and that firewood be given instead."

Resolution.—"Agreed to."

In the Budget Estimate correspondence for 1894-95, ending with G.O., No. 283, Educational, dated 24th April 1894, paragraph 28, III (4), it was noted—

"Firewood", the monthly compensation to the Asylum staff has been discontinued, and firewood is supplied instead, by which a saving has been effected."

Since this order, the compensation for firewood was discontinued, and firewood supplied free—the sanction of Government having been received in the Budget for the establishment of woodcutters required.

The Sub-Committee recommend that the present arrangement be continued.

Paragraph 10.—The Auditor's suggestion involves most intricate calculations and has no apparent advantage.

Paragraph 11.—This arrangement has been in existence, it is understood, for over 20 years without comment. The account is kept by the office manager, but payment is only made by order of the Principal.

The Sub-Committee consider that it is distinctly advisable that this account should be separate from the Asylum funds but there is no objection to its being held liable to inspection by the Auditor.

Paragraph 12.—The Sub-Committee consider that contractors should be called upon to make deposits, as suggested by the Auditor.

Paragraph 13.—The revised forms of acquittance roll and fee register have been introduced and a register of leave kept. Form A will be introduced at an early date.

The Sub-Committee consider that, as the appointments in the Asylum are non-pensionable, Form B only adds to the office work with no appreciable benefit.

Paragraph 14.—The new form of Fee register will apparently be an advantage and is being introduced.

Paragraph 15.—The Sub-Committee consider that the Government sanction, if required, should now be requested for these items.

(1) The amount mentioned was Rs. 66-7-4, due to the second standard being temporarily without a teacher. The sum was divided in proportion to salaries "for overtime" worked by remainder of staff concerned, i.e.—

	RS.	A.	P.
Mr. Maddox	26	6	4
„ Cardis	11	0	1
„ Gomez	8	12	10
„ Coultrup	7	7	9
„ Haughton	6	9	8
Mrs. O'Kelly	6	2	8
Total	66	7	4

Of these, Mr. Maddox, Mr. Coultrup and Mrs. O'Kelly have left the service of the Asylum and it would therefore be difficult to recover the amount, especially as the addresses of the two latter are not known in this office. The distribution of salary as above was sanctioned by the Committee in resolution No. 12, dated the 24th April 1908. No extra expenditure of Asylum funds was incurred.

(2) It appears to the Sub-Committee that it is impossible to apply the Civil Service Regulations in their entirety to the employés of the Asylum, their terms of service are entirely different especially in the matter of pensions. To disallow travelling allowance to teachers on first appointment would mean that the Ootacamund Lawrence Asylum could only get teachers from the immediate neighbourhood of Ootacamund, which would mean that the Asylum practically could not replace casualties with effective candidates.

(3) This matter was brought before the Committee, and as the clerk had been drawing the Rs. 45 per mensem for four years it was considered that there was no objection to his increase starting from date of order.

The Sub-Committee is of opinion that this charge should be sanctioned.

Paragraph 16.—The expenditure was sanctioned by Finance Sub-Committee; the present Sub-Committee, under the circumstances, agree that it is a necessary one.

Paragraph 17.—The Resident Medical Officer indented for 12 pairs new hospital slippers in exchange for those in use. After carefully looking over them, the Principal considered they could be mended with advantage and, as the chucklers were hardworked, allowed them to take the slippers to their homes, paying them Rs. 2-1-0 as overtime and thus effecting a saving of Rs. 33-15-0 to the Asylum.

(2) This has been deducted from the tea contractor's bill.

Paragraph 18.—It would be very difficult to recover the full amount overpaid. The total is small and might be sanctioned.

Paragraph 19.—The six boys were appointed to the Cable Company at Bombay on receipt of an urgent wire ordering them to join at once. The articles had consequently to be obtained locally and therefore cost a little more. As the expenditure was passed by the Finance Sub-Committee under rule 61, the formal sanction of the Committee seemed unnecessary.

Paragraph 20.—The resolution of the Committee was as follows:—

Item No. X.—"The Principal requested instructions from the Committee as to whether fees are to be charged for January to those parents who have removed their children for the Christmas holidays"

Resolution.—"The fees may be remitted for the full month of January, but the subsistence allowance paid by Government should continue in the usual way"

Subsistence allowance on the higher scale is only received by the Asylum on account of orphans who have no home to go to and for the most part stay at the school for the whole year.

A note to the effect that fees were not charged for January was made in the budget, and duly received the sanction of Government.

The Sub-Committee, having carefully considered the whole question in all its bearing, are very strongly of opinion that it is very advisable from every point of view that the original resolution of the Committee should be upheld. The loss sustained by the remission of fees is counterbalanced by the decreased cost of the maintenance of children remaining on at the school for the holidays.

Paragraph 21.—The Sub-Committee see no objection to the course proposed by the Auditor.

The Sub-Committee also considered, in accordance with the views of members expressed at the last meeting of the Committee, the question of the financial control and responsibility of the Committee.

(1) It appears from G.O., No. 1234, dated 20th August 1860, that the original intention of Government was to treat this Asylum in the same way as the already existing Sanawar Lawrence Asylum and to make it a definitely Government institution. The Asylum records are defective and do not show what the final decision of Government on the matter was; but the reports of the Asylum show that, prior to 1876, there was no audit of Asylum accounts submitted to Government and that the Committee submitted yearly to Government a statement of accounts, for which they were held entirely responsible.

2. In G.O., No. 364, dated 21st February 1876, it was ordered that the accounts should be audited by an officer of the Accounts department.

3. Since then, each Auditor's report has gradually tightened the financial hold of Government on the Asylum until now, as evinced by the recent correspondence regarding pay of the office manager, the Committee have practically no powers whatsoever on any financial changes, but are obliged to submit the most trifling matters for sanction. The tightening of the financial control of Government does not seem to be due to any settled disposition on its part to reduce the powers of the Committee, but has resulted more or less automatically from the mere fact of the replies to the Auditor's objections having been submitted to Government.

4. It is considered that the Civil Service Regulations cannot be applied in their entirety to the Asylum, more latitude is necessary. Neither the institution nor the staff are entirely under Government, the latter are not entitled to pensions. It is advisable, as in other Government aided schools and the Asylum Press, that the Committee should be allowed to go to the open market for their staff to obtain the best available and to offer them salaries, etc., which in their opinion the institution is capable of paying.

5. The Committee is composed of eight official members and three unofficial, the former are appointed by Government and the appointment of the latter has to be reported to Government. All or nearly all these are holding or have held responsible positions under Government and could well be given larger powers and be trusted to run the school as efficiently as possible as the funds at its disposal will permit. They should not be obliged to refer, as they are at present, all matters, no matter how trivial, for Government sanction.

6. The Sub-Committee is strongly of opinion that Government should be asked to lay down definitely the powers of the Committee and to give them a freer hand than they have at present—the original arrangement or that in force prior to 1887 might be reverted to. The larger the powers granted, the easier the working of the institution will become and the greater the interest taken in it by individual members.

II

Letter—from the Rev. W. H. G. PADFIELD, M.A., Principal and Secretary,
Lawrence Asylum, Ootacamund.

To—the Director of Public Instruction.

Dated—Lovedale, the 5th October 1909.

I have the honour to forward the undernoted extract from the proceedings of the Ootacamund Lawrence Asylum Committee at their meeting on 17th ultimo.

ENCLOSURE.

Extract from the Proceedings of the Lawrence Asylum Committee, dated 17th September 1909.

Laid on the table report of the Sub-Committee appointed in resolution No. IX of last meeting to consider Auditor's report on the accounts for 1908-1909.

Resolution No. VIII.—The report to be sent on to Government with a very strong covering letter.

N. Ref. on Cur. No. 6814, dated 11th October 1909.

Submitted to Government.

A. G. BOURNE,
Director of Public Instruction.

Order—No. 659, Educational, dated 22nd December 1909.

Recorded with the following remarks:—

(1) Paragraph 6 of the audit report.—The Army Clothing Department cannot be asked to supply clothing to the Asylum. It would probably be best either to give the whole tender including cloth to a contractor or make the contractor purchase cloth from the Committee. In any case it would not be advisable to advance any money to the contractor. The important thing is to see that the contractor accounts properly for all the materials issued and the Committee are requested to insist upon this, whatever system is adopted.

(2) Paragraph 8 of the audit report.—If it is inconvenient to tally the issues of provisions with the receipts once every month and pay the contractors, the Committee are requested to arrange for the verification of the issues and receipts at least once every four weeks.

(3) Paragraph 9 of the audit report.—The Committee will be requested to state (1) how firewood came to be granted free to those employés of the Asylum for whom no boarding is provided, (2) whether an allowance for firewood was formerly granted to any such servants and if so what was the justification for it and (3) how the charges under that allowance compare with the present cost of supplying firewood. The Committee is also requested to state whether the supply of firewood to non-boarders cannot be discontinued.

(4) Paragraph 10 of the audit report.—The Government do not consider it necessary to amend rule 3 of the Provident Fund rules so as to require the interest on subscriptions to be calculated every month instead of at the end of a year, but they approve the suggestion of the Auditor that the subscriptions, instead of being accumulated to the extent of Rs. 4,000, in the Post Office Savings bank, might be invested in Government promissory notes through the Comptroller of Post Office under the Post Office Savings Bank rules. Rule 10 of the rules sanctioned in G.O., No. 826, Educational, dated 10th December 1907, will accordingly be amended as follows:—

“When the amount deposited in the Post Office Savings Bank exceeds Rupees one hundred, it shall be invested in Government promissory notes through the Comptroller of Post Office, under the Post Office Savings Bank rules, and when the amount so invested reaches the maximum admissible under those rules, the excess in complete sums of over Rs. 500 shall be withdrawn and remitted to the Accountant-General to be invested by him in Government securities, or in debentures issued by the Municipal Corporations of the three Presidency towns and of Rangoon, or in debentures of District Board Railways or in such other securities as Government may, from time to time, specially authorise. A separate account shall be kept of securities so purchased. The interest on these securities shall be deposited as received in the public account with Post Office Savings bank.”

(5) Paragraph 11 of the audit report.—The money realized by granting licenses to hawkers for selling their articles within the precincts of the Asylum and the expenditure incurred therefrom should be brought on to the accounts of the Asylum.

(6) Paragraph 13 of the audit report.—The Government do not think that a register of recurring and fixed charges in Form B is necessary.

(7) Paragraph 15 of the audit report.—(a) The action of the Committee in distributing among the teachers of the Asylum the unexpended portion of the allotment under “Establishment—Teaching staff in 1907-1908” was irregular. It is, however, now sanctioned. In future it is requested that the sanction of Government may be obtained to such proposals.

(b) The Government will not object to the payment by the Committee of travelling allowances to employes for first joining appointments in the Asylum.

(c) The Committee's action in having allowed the clerk of the Asylum to draw his first increment in advance by a year was not in accordance with the orders of Government on the subject. The previous sanction of Government should have been obtained to grant the increment in advance of the due date, but the action of the Committee is now approved as a special case.

(8) *Paragraph 16 of the audit report.*—The cost of kitchen utensils supplied to the Headmaster should not have been debited to the Asylum funds. The Government will however sanction the arrangement as a special case.

(9) *Paragraph 17 of the audit report.*—The payment of Rs. 2-1-0 to the chucklers for repairing certain slippers is approved.

(10) *Paragraph 18 of the audit report.*—The excess bonus paid to the staff of the Asylum is sanctioned.

(11) *Paragraph 20 of the audit report.*—The Committee's action in remitting the fees for the month of January in cases where the boys are taken out of the Asylum by their parents for the Christmas vacation is approved.

2. The Government will be ready to consider any proposals made by the Committee to define their powers. It is however very important that in the administration of such an institution as the Lawrence Asylum, the audit should be most thorough. In the case of this as in the case of other similar institutions the annual audit will always reveal a number of petty irregularities. It, however, constitutes a very necessary safeguard to the administration and it would be very bad policy to make it any less strict than it is at present.

(True Extract.)

N. S. BRODIE,
Ag. Secretary to Government.

To the Committee of the Lawrence Asylum, through the
Director of Public Instruction.
" Director of Public Instruction.
" Accountant-General.

EDUCATIONAL DEPARTMENT.

NOTES CONNECTED WITH G.O., No. 659, EDUCATIONAL, DATED 22ND DECEMBER 1909.

[SUBJECT.—*Report on the audit of the accounts of the Lawrence Asylum,
Ootacamund, for 1908-1909.*]

Previous paper.

G.O., No.	364,	Educational,	dated 21st February	1876.
" "	283	"	" 24th April	1894.
" "	572	"	" 2nd September	1907.
" "	52	"	" 20th January	1908.
" "	320	"	" 29th April	"
" "	607	"	" 25th August	"
" "	631	"	" 3rd September	"
" "	114	"	" 1st March	1909.
" "	195	"	" 29th "	"
" "	387	"	" 1st July	"
" "	502,	Financial	" 9th November	"
" "	768,	Educational	" 14th "	"

From the Director of Public Instruction, dated 11th October 1909, No. 6814.

The Committee of the Lawrence Asylum, Ootacamund, submits for the consideration of Government the Assistant Accountant-General's report on the audit of the accounts of the Asylum for the year 1908-1909, together with the remarks of a Sub-Committee of the Asylum thereon on the several points noticed in the report.

2. Hitherto, the report on the audit of the accounts of the Asylum used to be submitted direct to Government and to be communicated to the Committee of the Asylum for explanation of any points in the report which appeared to Government to require explanation. This year the audit report has been submitted by the Accountant-General through the Committee of the Lawrence Asylum, and the Committee now submits the report to Government together with its remarks. This procedure is convenient and may be followed in future years.

3. The points noticed in the audit report which require consideration are dealt with below.

4. *Account of raw materials supplied to the tailoring contractor.*—The auditor observes—

" Raw materials are being supplied to the tailoring contractor Mrs. Perkins
" on her indents countersigned by the Principal and charges for tailoring are paid on
" her bills giving details of the number of suits, jackets, blouses, etc., at the rates
" prescribed by the Committee for each manufactured article. These articles are
" then brought to stock. But the important connecting link between the quantity
" of raw materials issued and the articles manufactured is wanting. The contractor
" does not render any account monthly, how much materials of each kind had been
" used in the finish of article or articles handed over by her during the month and
" what balance she had at the end of each month. The articles manufactured are of
" common kind and repeat themselves often, but there is no data how much material

"each article consumes. The only check exercised appears to be that the Principal satisfies himself that the manufactured clothing for the year is not in excess of the regulation allowances of the boys, etc., and that the cost of the raw materials has not exceeded the budget allotment. It is very desirable that there must be some account to show whether all materials indented for by the contractor have been used by her in stitching the clothing. It is therefore very necessary that the contractor should be asked to send always with her monthly bill a statement showing the receipts of materials and consumption of the same in the manufacture of articles for whose stitching she has billed for. There should also be a data sheet approved by the Principal on which the calculations are made.

"It may also be mentioned in this connection that the tailor contractor is supplied with all sorts of materials, such as tapes, cutting scissors, small and large machine reels, etc. It is for the consideration of the Committee whether the contractor should not be made to supply these small things herself, the Asylum providing cloths, gold lace and other major items. Though her charges will be raised in consequence, it will much minimise the work of the stewards and the Principal in passing and satisfying the various small indents, besides doing away with the necessity of keeping stock of all these small articles."

5. The Sub-Committee of the Asylum considers that it will be advisable for the

? including cloth.

R. F. AUSTIN.

? as an alternative.

R. F. AUSTIN.

requested to authorize the Army Clothing Department to supply the cloth required for the Asylum, as in that case the Asylum would be able to obtain its cloth at a more favourable rate than at present.

The Auditor's remarks seem only commonsense.

Under the present arrangement there is nothing to prevent the contractor from charging twice over for the same material as there is no check whatever on the cloth actually used. Unless more complete accounts are prescribed it seems best as suggested in the office-note to call for tenders in the ordinary way and give the clothing to a contractor who will do everything.

C. A. SOUTER—29-11-09.

Army Clothing Department cannot be asked. Committee can either give the whole tender including cloth or make contractor purchase cloth from the Committee. Money should not be advanced.

R. F. AUSTIN.

If the existing system were continued, the Committee would do well to accept the suggestions of the auditor and require the contractor to account for the raw materials supplied as suggested by him.

C. A. SOUTER—29-11-09

7. Maintenance of a register of provisions.—The auditor states—

"While a stock register is maintained for many articles of tailoring, school supplies, etc., no such register is maintained in the case of provisions on which there is a very large expenditure. Many of the provisions are purchased through a contractor on weekly indents, and others, such as bread, milk, through separate contractors. They are all paid once a month on the certificate of the steward certifying to the receipt of the articles. There is also a register showing the daily issue of provisions to the coolies, based upon the actual attendance of boys and girls in the Asylum. No attempt is however made to total the issues in this

R. F. AUSTIN—2-12-09.

"register, compare them with the receipts from the contractors and to strike a balance at the end of a month. It is explained that provisions are not kept in stock in large quantities and that it is very difficult to maintain a stock register for all kinds of provisions. The Principal has however agreed that some attempt should be made to tally the issues with the receipts. It has been explained to him in person, how several registers now unnecessarily kept by the stewards may be dispensed with and how the register of issues improved and made to satisfy audit requirements. Monthly totals of issues and receipts of provisions must be agreed and the balance verified now and then.

8. The Sub-Committee notes—

"The present system has been passed by various auditors for, it is understood,

Probably there is not much wrong with a system which has passed muster for eighteen years but it seems only business to check issues. The auditor's remarks may be commended to the attention of the Committee.

C. A. SOUTER—29-11-09.

"the last eighteen years as satisfactory. As the contractor supplies certain provisions only once a week on "SHANDY" days, it has hitherto been difficult to calculate the exact expenditure up to the last day of the month. In future two indents will be sent to him for the

"last week, one for supplies up to the last day and the second from the last day up to the next Shandy day. It will then be possible to make up the accounts to the last day of the month."

9. As pointed out by the Auditor what appears to be necessary is to tally the issues of provisions with their receipts. The issues and receipts will not always tally as some allowance will have to be made for shortage. The Principal, however, must make an attempt to check the issues with the receipts and to have any differences satisfactorily accounted for.

10. Free supply of firewood to asylum subordinates.—The Auditor observes:—

"A sum of Rs. 1,326-1-1 was spent in the year under report towards the establishment charges of wood-cutting. It was reported that firewood is cut at the expense of the Asylum and supplied free of cost to all the subordinates of the Asylum including those to whom no boarding is provided. There appears to be no orders either of Government or the Committee on this subject."

11. The Sub-Committee says that formerly a monthly compensation for firewood was paid to the Asylum staff; that it was proposed in connection with the budget for 1894-1895 to discontinue the compensation for firewood and to supply the staff with firewood free of charge, and that the Government sanctioned this proposal. The Sub-Committee further recommends that the present arrangement may be continued.

G.O., No. 283, Educational, dated 24th April 1894.
The present system may continue as it has been in existence without question for 15 years.

C. A. SOUTER—29-11-09.

In paragraph 8 (4) of the Committee's letter on page 8 of G.O., No. 283, Educational, dated 24th April 1894, mention is made of the discontinuance of the payment to the staff of the Asylum of compensation for firewood and the supply of firewood instead, but this proposal of free supply was not specifically sanctioned in that order. It is not known under what circumstances the monthly compensation was first paid. It is for consideration whether the free supply of firewood to the Asylum staff may be continued; at any rate the free supply to those to whom no boarding is provided appears to be of doubtful propriety and may be discontinued.

Ask for report how firewood came to be granted even to those for whom no boarding is provided, whether, and if so, why they used to get a firewood allowance and how the charges under that allowance compare with present cost of supplying free firewood and whether the supply cannot be discontinued to our boarders.

R. F. AUSTIN.

12. *Modification of the Provident Fund Rules.*—The Auditor makes two suggestions:—

G.O., No. 826, Educational, dated 10th December 1907.

(2) That rule 10 may be so altered as to permit the investment in Government promissory notes through the Comptroller of Post Offices, under Post Office Savings Bank rules, instead of accumulating the subscriptions in the Post Office to Rs. 4,000.

13. The Sub-Committee states that the Auditor's first suggestion involves most intricate calculations and has no apparent advantage. The adoption of the suggestion will perhaps involve some further calculations, but it must be noted that it has this advantage, viz., that a subscriber will receive interest for the amount of subscriptions paid during a portion of the year, should his account happen to be closed before the end of that year.

C. A. SOUTER—29-11-09.

I agree.

R. F. AUSTIN—2-12-09.

A rule as suggested by the Auditor has recently been introduced into the Government Provident Fund Rules as Rules 15-A (G.O., No. 502, Financial, dated 9th November 1909);

(2) Approved.

R. F. AUSTIN.

Suggestion (2) also seems good and both may be approved.

14. *Income from licenses to hawkers.*—In paragraph 11 of his report the Auditor notes that a sum of Rs. 36 is said to be realized by the grant of license to hawkers annually, but that it is not brought into the accounts of the Asylum and that the amount is said to be spent on the boys by the Principal.

15. The Sub-Committee states that this arrangement has been in existence for over 20 years without comment; that the account is kept by the Office manager, but that payment is only made by order of the Principal. The Sub-Committee does not specify the purpose for which the money is spent, but considers that it is distinctly advisable that this account should be separate from the Asylum funds, and that there is no objection to its being held liable to inspection by the Auditor.

C. A. SOUTER—29-11-09.

It should be brought on to the accounts.

R. F. AUSTIN—2-12-09.

16. The amount involved is small, but as a matter of principle, money realised by granting licenses to hawkers for selling *within the precincts of the Asylum* should form part of the regular receipts of the Asylum and should be brought to account and the expenditure therefrom similarly accounted for. There appears, however, to be no objection to the money being spent on the boys by order of the Principal.

17. *Maintenance of certain registers.*—In paragraph 3 of G.O., No. 768, Educational, dated 14th November 1908, the Government ordered that a register of leave and leave allowances suggested by the Auditor in paragraph 7 of his audit report for 1907-1908 should be maintained. The Auditor now points out (paragraph 13 of the report) that this register has not yet been introduced. He further suggests that a service register in Form A appended hereto may be maintained and that it would be well also if a register showing all recurring and fixed charges in Form B is maintained to check the acquittance roll monthly.

18. The Sub-Committee states that a register of leave and leave allowances is kept and that a service register in Form A suggested by the Auditor will be introduced at an early date. The Sub-Committee considers that, as the appointments in the Asylum are non-pensionable, Form B suggested by the Auditor only adds to the office work with no appreciable benefit.

19. Form B suggested by the Auditor is required for checking the monthly acquittance roll and not for pension purposes. For checking the acquittance roll the information which will be given in the first seven columns and column 13 of Form B will be sufficient and as the entries in these columns will not be required to be altered often the maintenance of such a register will not add much to the work of the office. The register provides for entries for five years (columns 8 to 12) and as the entries will require only slight alterations, the maintenance of the register in the form suggested by the Auditor will not entail much additional labour. The Committee may therefore be asked to maintain this register also.

C. A. SOUTER—29-11-09.

B not necessary.

R. F. AUSTIN.

20. *Distribution among other teachers of the pay of the teacher of the second standard.*—In paragraph 15 (1) of his report the auditor points out that the balance available in 1907-1908 under establishment (teaching staff) was distributed to the various teachers without the sanction of Government.

The Sub-Committee states that the amount so distributed to the teachers was Rs. 66-7-4 and that it was due to the second standard being temporarily without a teacher. The Committee states that the sum was divided in proportion to salaries for "overtime" worked by the remainder of the staff concerned, as follows:—

	RS.	A.	P.
Mr. Maddox	26	6	4
Mr. Cardis	11	0	1
Mr. Gomez	8	12	10
Mr. Coultrip	7	7	9
Mr. Haughten	6	9	8
Mrs. O'Kelly	6	2	8
	66	7	4

It is also pointed out that the above distribution was sanctioned by the Committee in Resolution No. XII, dated 24th April 1908, and that no extra expenditure was involved. It does not appear why the auditor thinks that the sanction of Government to the distribution is necessary. The distribution was regularly sanctioned by the Committee and that sanction seems to be sufficient. The action of the Committee was however irregular, from the standpoint of the Civil Service Regulations.

C. A. SOUTER—29-11-09.

Sanction should be obtained in such cases.

R. F. AUSTIN.

21. (2) *Payment of travelling allowance for joining first appointment.*—The auditor notes (paragraph 15 (2) of the report) that travelling allowance was paid to many teachers to join their first appointment in the Asylum without the sanction of Government.

The Sub-Committee states that it is impossible to apply the Civil Service Regulations in their entirety to the employees of the Asylum, their service not being pensionable and that to disallow travelling allowance to teachers on first appointments would mean that the Ootacamund Lawrence Asylum practically could not replace casualties with effective candidates.

Under article 1083 of the Civil Service Regulations travelling allowance is not ordinarily granted for joining first appointments, but considering the peculiar circumstances of the Asylum the Committee may be allowed to sanction travelling allowance to employees for joining first appointments in the Asylum.

I submit so.

C. A. SOUTER—29-11-09.

R. F. AUSTIN—2-12-09.

22. *Pay of the first increment to the clerk in advance by a year.*—The auditor points out, paragraph 15 (3) of the report, that the clerk of the Asylum has drawn the first increment of the pay in advance by one year. He observes "In Order No. 52, Mis., dated 20th January 1908, Government sanctioned the change in the pay of the clerk from Rs. 45 to Rs. 40--1--50 at the same time declining to allow the present incumbent to draw the maximum pay of the appointment. The clerk should therefore have drawn only Rs. 45 till 1st February 1909 and thereafter Rs. 46. Instead of this, he has drawn Rs. 46 from the date of the order quoted above and Rs. 47 from 20th January 1909."

23. The Sub-Committee states that this matter was brought before the Committee and that as the clerk had been drawing Rs. 45 per mensem for four years it was considered that there was no objection to his increase being given effect to from the date of the order. The Sub-Committee is of opinion that this charge should be sanctioned.

24. In their letter to the Director of Public Instruction No. 1075, dated 23rd July 1908, the Committee raised the question of the date from which the first increment to the clerk should be sanctioned. The Director of Public Instruction informed the Committee that as the clerk was already in receipt of Rs. 45, he should continue to draw that pay for a year and then rise by annual increments of Re. 1 to Rs. 50—

The action of the Committee was irregular. Government may say so while sanctioning what it has done.

C. A. SOUTER—29-11-09.

September 1908. In spite of these orders,

Sanctioned. But it was not in accordance with the G.O. and previous sanction to give immediate increment should have been obtained.

R. F. AUSTIN.

25. *Supply of kitchen utensils, etc., to the staff.*—In G.O., No. 114, Educational,

dated 1st March 1909, the Government ruled that articles of crockery other than bedroom crockery, glass-ware cutlery and kitchen utensils should not be supplied to the Principal of the Asylum at the expense of the funds of the Asylum. With reference to this order, the Auditor asks whether the cost of kitchen utensils and a toilet set supplied during 1908-1909 to the Headmaster and the Upper School Matron at a cost of Rs. 34-5-0 and Rs. 4-12-0, respectively, is debitable to the Asylum funds.

I don't think a "furnished house" includes cooking pots. If so, Committee may be told to recover the cost from Principal. Toilet set comes fairly under the head of bedroom crockery and may be allowed.

R. F. AUSTIN—2-12-09.

I do not see that the Principal has had anything — it is the Headmaster, a different person altogether!

M. H[AMMICK].

The Sub-Committee states that the expenditure was sanctioned by the Finance Sub-Committee and that it agrees that the expenditure is necessary.

26. The expenditure appears to have been sanctioned before the date of G.O., No. 114, Educational, dated 1st March 1909, and may now be admitted as a special case, the Committee being at the same time informed that such expenditure should not be incurred in future from the Asylum funds.

C. A. SOUTER—27-11-09.

27. *Cost of repairing slippers.*—In paragraph 17 (1) of his report, the Auditor points out that charges to the extent of Rs. 2-1-0 have been incurred for repairing hospital slippers when there are chucklers permanently appointed by the Asylum and expresses the hope that such charges will not be incurred in future.

Why if it is an economical arrangement?

M. H[AMMICK]—17-12-09.

In explanation of this, the Sub-Committee states that the Resident Medical Officer indented for 12 pairs of new hospital slippers in exchange for those in use and that after carefully looking over them, the Principal considered that they could be mended with advantage and allowed the chucklers, who were hard-worked, to take the slippers home and mend, paying them Rs. 2-1-0 as overtime and thus effecting a saving of Rs. 33-15-0 to the Asylum.

The amount is small and was incurred as overtime fees to the chucklers; it may be passed unnoticed. But the payment of such allowances to the servants of the Asylum is not warranted and should not be allowed to recur.

C. A. SOUTER—29-11-09.

R. F. AUSTIN—2-12-09.

28. *Payment of bonus on famine batta.*—In paragraph 18 of his report, the auditor observes that one day's pay was granted to the staff of the Asylum in commemoration of the Jubilee day of the Founder and that in calculating this bonus, the famine batta allowed to the servants should not have been included, as it does not form part of the pay. He also notes that no income-tax was deducted in the bill for bonus in cases where recipients were liable to the income-tax.

29. The Sub-Committee says that it would be very difficult to recover the full amount over-paid and that as the total amount is small it might be sanctioned.

C. A. SOUTER—29-11-09.

R. F. AUSTIN—2-12-09.

The Committee's view may, it is submitted, be accepted.

30. *Outfit allowance.*—In paragraph 19 of the report, the Auditor points out that a charge of Rs. 25-8-0 was incurred on the outfit for six boys, in excess of Rs. 300, at the rate of Rs. 50 per boy as usual, and that the excess charge does not appear to have been specially sanctioned by the Committee.

31. The Sub-Committee states that the six boys who were appointed to the Cable Company at Bombay were ordered by an urgent wire to join at once and that the articles required for them had consequently to be obtained locally and therefore cost a little more. The Sub-Committee further states that the expenditure was passed by the Finance Sub-Committee under rule 61 of the Asylum rules and that the formal sanction of the Committee seemed therefore unnecessary.

C. A. SOUTER—29-11-09.

R. F. AUSTIN—2-12-09.

32. The sanction of the Finance Sub-Committee to the charge seems to be sufficient and no further sanction of the Committee is necessary.

33. *Remission of fees for January.*—In paragraph 20 of the report, the Auditor notes that the Committee have in their resolution No. 10, dated 28th November 1908, resolved that the fees for the full month of January should be remitted in cases where the boys are taken out of the Asylum by their parents for the Christmas vacation. He doubts whether this action of the Committee is regular, as it is not usual in the Educational Department to remit such fees for the vacation.

34. Having carefully considered the whole question in all its bearing, the Sub-Committee is very strongly of opinion that it is very advisable from every point of view that the original resolution of the Committee should be upheld, as the loss sustained by the remission of fees is counterbalanced by the decreased cost of the maintenance of children remaining at the school for the holidays.

Under G.O., No. 607, Educational, dated 25th August 1908, the school is closed for Christmas vacation for a period not exceeding two months and there is no Midsummer vacation. In these circumstances there seems to be no objection in remitting the fees for the month of January.

C. A. SOUTER—29-12-09.

The procedure may be generally approved.

R. F. AUSTIN.

35. *Enlargement of the financial powers of the Lawrence Asylum Committee.*—The Sub-Committee states that prior to 1876, no audit report on the Asylum accounts

was submitted to Government, but that the Committee submitted yearly to Government a statement of accounts for which the Committee was held entirely responsible. I do not see that this order has anything to do with audit?

M. H[AMMICK]—17-12-09.

Department and since then, the Sub-Committee remarks: "Each Auditor's report has gradually tightened the financial hold of Government on the Asylum. Until now, as evinced by the recent correspondence * regarding the pay of the office manager, the Committee have practically no powers whatever on any financial changes, but are obliged to submit the most trifling matter for sanction." The Sub-Committee notes that the tightening of the financial control of Government does not seem to be due to any settled disposition of Government to reduce the powers of the Committee, but has resulted more or less automatically from the mere fact of the replies to the Auditor's objections having been submitted to Government.

The Sub-Committee further remarks that the Civil Service Regulations cannot be applied in their entirety to the Asylum, and that more latitude is necessary. Neither the institution nor the staff are entirely under Government, and the latter are not entitled to pensions. It is advisable, as in other Government Aided schools and the Asylum Press, that the Committee should be allowed to go to the open market for their staff to obtain the best available and to offer them salaries, etc., which in their opinion the institution is capable of paying.

36. The Sub-Committee thinks that the Committee of the Lawrence Asylum which is composed of eight official and three non-official members who are holding or have held responsible position under Government, could well be given larger powers and be trusted to run the school as efficiently as possible as the funds at its disposal will permit. They should not be obliged to refer, as they are at present, all matters, no matters however trivial, for Government sanction. The Sub-Committee therefore proposes that the Government should lay down definitely the powers of the Committee and to give it a freer hand than it has at present and observes that the larger the powers granted, the easier the working of the institution will become and the greater the interest taken in it by individual members.

37. The Committee of the Asylum strongly supports the Sub-Committee's proposal and expresses the hope that "Government may be pleased to enlarge its powers in questions of finance and in matters generally which do not involve any change in the vital interests or constitution of the Asylum." The Committee states that if this suggestion meets with the approval of Government, it will submit definite proposals for the approval of Government.

38. In connection with the scheme of decentralization the question was raised of delegating to the Director of Public Instruction certain powers with regard to the Lawrence Asylum and the Secretary. Mr. Taylor, then noted:—

"Under rule 3 of the Lawrence Asylum rules, the management is vested in a Committee which is directly responsible to Government and is bound to carry out all orders of Government."

"2. The Committee has not, in the past, proved itself to be at all a business-like body, and it has been extremely lavish in the grants of extra allowances. With the adoption of the provisions of the Civil Service Regulations the Audit officer will be able to keep an eye on all matters of this sort. The Asylum's income is derived mainly from the profits of the Lawrence Asylum Press, and from capitation, etc., grants given by the Government of India and from investments.

"3. I do not think that there is really very much correspondence in matters relating to the Asylum which can be delegated. The following must be reserved to Government:—

"(1) Alteration in rules as to constitution and working of the Asylum.

"(2) Approval of non-official members of the Committee—rule 6.

"(3) Appointment or removal of Principal and fixing his pay.

"(4) Budget estimate, annual report and audit report.

"(5) Sanction to grant of gratuities, other than gratuities payable under the Provident Fund schemes, and revision of Provident Fund rules.

"4. I doubt whether there is much to be gained by delegation of powers to the Committee, except by allowing it to correspond direct with Public Works Department officers in regard to repairs and new works, within the budget provision, but I think they can do this at present.

"All proposals for additional establishment other than menial establishment should, I think, continue to come up to Government. The Director of Public Instruction is at present nearly a post-office between Government and the Committee and he does not ask for delegation of powers to himself. On the whole perhaps matters may rest where they are and the question of delegation dropped."

39. The Honourable Member (Mr. Hammick) said:—

"I agree. There is nobody in Madras, I think, less fitted to be left uncontrolled than this Committee. I would not delegate anything myself that I know of at present. The work entailed is not very heavy."

40. It would seem from the remarks of the Sub-Committee that it would be glad to be freed from the audit of the asylum accounts by the Accountant-General. The matters brought to notice in the present audit report and the correspondence regarding the pay of the office manager to which the Sub-Committee refers show clearly the necessity for an annual audit of the asylum accounts. The audit of the accounts should not therefore be discontinued. The asylum is worked practically as a Government institution and receives large grants from Government for its upkeep and Government are interested in its being efficiently maintained. There is therefore no reason why the Committee should fight shy of interference by Government in all matters connected with its administration. There seems however to be no objection to giving the Committee enlarged powers in the matter of finance and otherwise, and the Committee may be asked to submit definite proposals to Government for consideration.

T.K.—26-11-09.

K. RANGASWAMI AIYANGAR—27-11-09.

Of all the public or semi-public bodies I have had to deal with, the Committee of the Lawrence Asylum is about the most unbusinesslike. The Anjuman is a long way ahead of it. Any proposals to give this Committee increased financial powers should be looked upon with distrust from the beginning. One of the signatories in the current file only this year nearly let himself in for a large sum on documents which he signed without knowing in the least what he was doing. I submit that the Committee may be told that before Government can consider the matter they must have definite proposals regarding the delegations of financial authority which it wishes.

C. A. SOUTER—29-11-09.

Draft (for circulation).

R. F. AUSTIN—2-12-09.

A draft order is placed below for approval.

C.R.V.—5-12-09.

K. RANGASWAMI AIYANGAR—6-12-09.

C. A. SOUTER—9-12-09.

R. F. AUSTIN—11-12-09.

I do not see that the order of 1876 has anything to do with audit. Every public or semi-public body must have its accounts audited and we cannot possibly allow any neglect in this matter.

The members of the Sub-Committee, Colonel Marriott and General Penton, are, I should say, persons quite unfit to manage the finances of any institution and Mr. Padfield, excellent man as he is, is the most muddleheaded man of business I have ever come across.

The "very strong" covering letter is amusing.

However the Committee is clearly very sore over the way they are treated and I understand from Mr. Francis that they may all resign, at least the non-official members. We do not want this and the draft order is far too curt to be suitable for an unpaid Committee who at all events think that they are working hard for the public good. I have amended it.

M. H[AMMICK]—17-12-09.

A. L[AWLEY]—19-12-09.

N. S. BRODIE—20-12-09.

Issue.

[Office—Please note the Honourable Member's directions as to wording of criticisms of proceedings of semi-public bodies consisting in whole or part of non-officials.]

R. F. AUSTIN—22-12-09.

[G.O., No. 659, Educational, dated 22nd December 1909.]

C.No., 1891 From the D.P. J.

No. 6814 Dated, 4. 10 1909.

ORDER.
P.S.

Recorded with the following remarks:-

(1) Paragraph 6 of the audit report.

The Army clothing Department cannot be asked to supply clothing to the Asylum. ~~The Committee should either give the whole tender including cloth to a contractor or make the contractor purchase cloth from the Committee.~~ In any case ~~no money should be advanced to the contractor.~~

(2) Paragraph 8 of the audit report.

If it is inconvenient to tally the issues of provisions with the receipts once every month and pay the contractors, the Committee ~~should~~ ^{are requested} arrange for the verification of the issues and receipts ~~once~~ ^{at least} every four weeks.

(3) Paragraph 9 of the audit report.

The Committee will be requested to state (1) how fire-wood came to be granted ^{free} ~~even~~ to those employees of the Asylum for whom no boarding is provided. ⁽²⁾ ~~it is a fact that~~

(2) ~~whether an allowance for~~ ^{was formerly granted} fire-wood ~~is given to any such servants,~~

~~what need there is to grant a separate~~ ⁽³⁾ ~~fire-wood allowance, and how~~ the charges under that allowance compare with the present cost of supplying fire-wood.

The Committee is also requested to state whether

p. 6. of file + pp
2 + 3 quotes.

It would probably be best

it would not be advisable to advance any money

p. 7. of file + pp
3 + 4. quotes.

The important thing is to see that the contractor accounts properly for all the material issued & the Committee are requested to visit upon this, whatever system is adopted.

p. 7. of file +
pp 4 + 5 quotes.

(2) whether an allowance for

and if so what was the justification for it.

whether the supply of fire-wood to non-boarders cannot be discontinued.

(4) Paragraph 10 of the audit report.

The Government ^{do not} consider it unnecessary to amend rule 3 of the Provident Fund rules so as to require the interest on subscriptions to be calculated every month instead of at the end of a year, but they approve ~~of~~ the suggestion of the auditor that the subscriptions, instead of being accumulated to the extent of Rs.4,000, in the Post Office Savings Bank, might be invested in Government promissory notes through the Comptroller of Post Offices under the Post Office Savings Bank rules. Rule 10 of the rules sanctioned in G.O. No. 826 Edl., dated 10th December 1907, will accordingly be amended as follows:-

"When the ^{amount} deposited in the Post Office Savings Bank ^{exceeds} ~~amount~~ ^{one hundred} Rupees ~~one hundred~~

"~~more~~, it shall be invested in Government Promissory notes through the Comptroller of Post Office, under the Post Office Savings Bank rules, and when the amount so invested reaches the maximum admissible under those rules, the excess in complete sums of over Rs.500/- shall be withdrawn and remitted to the Accountant-General to be invested by him in Government securities, or in debentures issued by the Municipal Corporations of the three Presidency towns and of Rangoon, or in debentures of District Board Railways

"or

p. 7 of file &
pp 586 notes.

p. 8 of M.

3. 67 198
"or in such other securities as Government
"may, from time to time, specially autho-
"rize. A separate account shall be kept
"of securities so purchased. The interest
"on these securities shall be deposited
"as received in the public account with
"the Post Office Savings Bank."

(5) Paragraph 11 of the audit report.

The money realized by granting licenses
to hawkers for selling their articles with-
in the precincts of the Asylum ~~forms part~~
~~of the regular receipts of the Asylum and~~
~~this money~~ ^{incurred} and the expenditure ^{therefrom} should
be brought on to the accounts of the
Asylum.

(6) Paragraph 13 of the audit report.

The Government do not think that a register
^{and fixed} of recurring charges in Form B is necessary.

(7) Paragraph 15 of the audit report.

(a) The action of the Committee
in distributing among the teachers of the
Asylum the unexpended portion of the allot-
ment under Establishment - Teaching staff -
in 1907-08 was irregular. The sanction
of Government ^{may} ~~should~~ be obtained ~~in future~~
^{to} in such cases proposals

(b) The Government will not
object to the payment by the Committee of
travelling allowances to employees for
[joining] [first] appointments in the Asylum.

(c) The Committee's action in
having allowed the clerk of the Asylum to
draw his first ^{increment} ~~incumbent~~ in advance by a
year

p. 7 of ct file &
p. 6 & 7 quotes

p. 8 of ct file &
p. 7 & 8 quotes

p. 8 of ct file & p. 8
& 9 quotes

It is however, now sanctioned
in future it is requested
that

p. 8 of ct file &
p. 9 & 10 quotes

p. 8 of ct file & p. 9
& 10 quotes

year was not in accordance with the orders of Government on the subject. The previous sanction of Government should have been obtained to grant the increment in advance of ^{the} due date, but the action of the Committee is now approved as a special case.

(8) Paragraph 16 of the audit report.

G. ~~As already pointed out in C.O. No. 114 B.I., dated 1st March 1905, the cost of kitchen utensils supplied to the Principal should not be debited to the Asylum funds. The Government will however sanction Committee are therefore requested to recover the cost of the kitchen utensils from the Principal.~~

(9) Paragraph 17 of the audit report.

The payment of Rs. 2-1-0 to the chacklers for repairing certain slippers is approved, but such payment to the servants of the Asylum is not warranted and should not be allowed to recur.

(10) Paragraph 18 of the audit report.

^{Excess bonus}
The ~~amount over~~ paid to the staff of the Asylum in the matter of bonus of one day's pay in commemoration of the Jubilee day is sanctioned.

(11) Paragraph 20 of the audit report.

The Committee's action in remitting the fees for the month of January in cases where the boys are taken out of the Asylum by their parents for the Christmas vacation is approved.

p. 8 of ct file &
p. 11 notes

The Principal is with
the H. Master - Survey
in office under the

the arrangement

p. 8 of ct file &
p. 11 & 12 notes

p. 8 of ct file &
p. 12 notes

p. 9 of ct file
& p. 13 & 14 notes

49
19 21P

1/22-24 at file 4/4
15-19 notes of notes.

3. The Government ~~are not at~~
~~present prepared to give additional powers~~
~~to the Committee, in regard to the adminis-~~
~~tration of the finances of the Asylum.~~

CRV. 5.12-09.

AD
8/12/09

Cid
M

Pr
11/12/09

Will be ready to consider any proposals
made by the Committee to define their
powers. It is however very important that in
the administration of such an institution as
the A. A. the audit should be made thorough.
In the case of this ~~institute~~ as in the case of
other similar institutions the annual audit
will always reveal a number of petty
irregularities. It, however, constitutes a
very necessary safeguard to the administration
and it would be very bad policy to make
it any less strict than it is at present.

To
The Committee of the Lawrence
Asylum, through the Director
of Public Instruction.
" D. P. I.
" Acct. Genl.

Depd

15/1/10

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LEGISLATIVE

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on the audit of the accounts of the
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