

Government of Madras.

EDUCATIONAL DEPARTMENT.

Recd.

Regd.

1909.

Enclosures

Spare copies

G.O., No. 453, 5th August 1909.

Mrs. A. V. Narasinga Rao's College, Vizagapatam.

Recording letter from the Director of Public Instruction submitting the remarks of the managing committee of the — and the explanation of the Principal in connection with the report on the audit of the accounts of the college.

Government of Madras.

EDUCATIONAL DEPARTMENT.

Recd.

Regd.

1909.

Enclosures

Spare copies

G.O., No. 453, 5th August 1909.

Mrs. A. V. Narasinga Rao's College, Vizagapatam.

Recording letter from the Director of Public Instruction submitting the remarks of the managing committee of the — and the explanation of the Principal in connection with the report on the audit of the accounts of the college.

GOVERNMENT OF MADRAS.

EDUCATIONAL DEPARTMENT.

READ—the following papers :—

I

Letter—from H. BHIMASENA RAO, Esq., B.A., Assistant Accountant-General and Examiner of Local Fund Accounts, Madras.

To—the Accountant-General, Madras.

Dated—Camp Masulipatam, the 10th March 1909.

I have the honour to submit the following report on the recent audit of the accounts of Mrs. A. V. N. College, Vizagapatam, for the year 1907-1908.

2. The receipts and expenditure of the College during the year under report (exclusive of investments) together with the opening and closing balances are shown in Statements I and II appended, and the demand, collection and balance of the College fees are shown in Statements III and III-A. Statement IV reconciles the figures in Statement I.

3. The opening balance as given in Statement I is in agreement with the closing balance of the previous year's audit report.

4. The closing cash balance of Rs. 18,907-7-9 as appearing in the Cash book is in agreement with that appearing in the Treasury Pass Book after allowing for outstanding cheques for unremitted amounts and for the permanent advance remaining on hand at the close of the year. The investment balance of Rs. 1,00,000 agrees with the amount appearing in the Statement of Trust accounts published by the Accountant-General.

5. The audit was conducted by Local Auditor Mr. B. Sivasanker, in accordance with the rules on the subject and the defects discovered are detailed below.

6. *Receipts.*—The accounts relating to school fees which form the backbone of the institution as well as the Hostel accounts were left in confusion by the former clerks, who were said to have since been removed from service.

7. *School-fee registers—Current and Arrears.*—Correct details of outstandings at the end of the second term of 1906 according to the last audit report were not forthcoming. In the current term-fee registers the entries in the column "amount due for the term" were mostly made in pencil. In some cases, the amounts due by the students were not entered in the demand column, and in others, the amount entered was struck off without authentication. When items not in demand were subsequently collected, the amounts were noted only in the collection column but the demand was not correspondingly raised. Items written off were not correctly posted against the entries for the particular class concerned to facilitate check. The balances due at the end of each term were not struck and a correct demand, collection and balance account was not maintained. There was therefore much difficulty in exercising a proper check. The entries were verified in detail only as far as practicable within the limited time of audit and the correct arrears outstanding at the end of 1907 brought forward. They should be adopted as the opening balances of 1908, and a correct demand, collection and balance account prepared for this year. The balances outstanding at the end of 1907 amounted to Rs. 1,935-4-0 under school fees and Rs. 262-0-0 under special fees; but the amounts shown in the demand, collection and balance statement prepared by the College clerk and shown at the time of audit were Rs. 1,855-2-0 and Rs. 240-0-0 respectively. The Principal or one of his assistants deputed by him is required to periodically examine all the accounts and certify to that effect in the registers. If this check had been properly exercised, instead of being restricted to a verification of the collections only, this confusion in the accounts and registers could have been avoided.

8. *Receipts for fees collected.*—Receipts were not prepared in a uniform system during the period of audit. For some time, the procedure suggested in the rules contained in Accountant-General's Office letter L. F. No. 317, dated 16th May 1905, was adopted; subsequently, it was given up and all receipts prepared in advance before payment; so that within the period of audit, there were two sets of bills for two different periods, one prepared in chronological order according to the dates of collections, and another prepared in advance with various dates of collections, rendering a complete and efficient check according to either system impossible.

9. *Free scholarships.*—Under the Educational rules, the rates and levy of fees, etc., are left to the discretion of the Managers, who in the present case do not appear to have framed any rules regarding the grant of free scholarships. In several cases, quarter, half and three-fourths free scholarships were granted and in some cases, students who had failed to pay their fees and whose names were struck off the rolls according to the Educational rules, were subsequently treated as part-free scholars with retrospective effect and admitted again without payment of arrears. In such cases, the sanction of the Committee for the remission of the arrears was not forthcoming. It is desirable that the Committee should fix the number or percentage of free scholarships of each description to be granted in each class every year, and when in addition to these, any special free scholarships are sanctioned in the course of a year, with retrospective effect, to former paying pupils, the amount entered against their names as demand should be remitted with the sanction of the Committee and a note made to that effect in the term-fee register. Unless this is done, there will be no means of arriving either at a correct demand or a correct balance.

10. *Leaving certificates.*—The fees collected according to the following leaving certificates were not credited in the accounts. Before granting a leaving certificate, the term-fee register or the arrear register is required to be referred to and all arrears due collected. The Principal has noted in the leaving certificates that all arrears due have been collected from the pupils concerned and it is doubtful if this note would have been made in the leaving certificates or the leaving certificates granted to the pupils without actual collection of the arrears. The non-credit of the items may be enquired into.

Number of Certificate.	Date.	Name of pupil.	Amount due.
33	3rd May 1907	N. Morris	RS. A. P. 3 0 0
48	21st February 1908	A. Satyanarayana	6 12 0
40	2nd July 1907	P. Bhaskara Row	14 4 0
46	10th " "	V. S. Suryanarayana	6 12 0
54	17th " "	L. Narayana Row	1 12 0
57	23rd " "	V. R. Rajagopalachary	2 0 0
Total			34 8 0

There were two books in use for granting leaving certificates at the same time and before one of them was fully used up, a third one had been issued. It is desirable that leaving certificates should be granted in consecutive order and that no fresh book should be brought into use before the previous one is fully exhausted.

11. *Technical section.*—Stock was purchased for the manufacture and repair of articles for public bodies and private individuals as well as for the use of the College. There was no order of the Committee fixing the maximum limit of stock which may be kept in hand at any time. A limit should be fixed by the Committee and the value of stock should not be exceeded at any time without sanction. There was also no rule as to who should sanction the purchase of stock, tools and plant, furniture, etc. In some cases, purchases were found to have been made without specific sanction. It is desirable that definite rules should be laid down on the subject as in their absence no proper check can be exercised on expenditure.

12. *Credit sales.*—There were no rules regarding credit sales also, though they were allowed in several cases. In some cases, the cost of articles manufactured for private individuals remained unpaid for long periods and had ultimately to be written off.

13. *Indents for articles of daily consumption* were passed by the Technical Superintendent in many cases instead of by the Principal, though there were no orders authorising him to do it. In several cases, they were not passed at all. The foils remained undelivered to the maistry and the entries of issues in the stock register also remained unauthenticated by the receiver.

14. When *unfinished articles* in stock were utilised for the use of the College, they were simply shown as issues in the stock register. For examples, *vide* pp. 146, 147, 151 of the stock account of iron, etc. As the allotment given for the current expenditure of the College is distinct from the value of the stock allowed, it is desirable that the sanction of the Committee should be obtained for the transfer of the stock for the use of the College.

15. *Detailed stock account of articles manufactured or repaired.*—In this case, it is necessary that all orders given should be filed in a consecutive series and marked with a serial number according to the entries in the detailed stock account. Unless this is done, there is no means of seeing whether all orders received have been recorded in the register and charged for. The sale price as compared with the actual cost differed considerably in several cases. In some cases, the excess was very little, in others, it was about 100 per cent. over the actual cost. It is desirable that a certain percentage should be fixed by the Committee on account of the cost of supervision, wear and tear of tools, etc., and uniformly charged on all orders.

16. *Workmen.*—Workmen were employed at varying rates, which were said to be the local rates. There was no schedule of rates showing the rates admissible in such cases. In the absence of a schedule there is no means of check on the wages paid to workmen. A schedule may be prepared and passed by the Committee before it is acted upon every year.

17. *Stipendiary students of the Technical section.*—No rules have yet been framed as to who should fix the number of stipendiary students and the rates of stipends to be paid to them each year. In some cases, increments were given, but the rules regulating the grant of increments were wanting.

18. *Stock register of tools and plant.*—Some of the articles were noted as having been lost, some as having become useless, etc. No steps have been taken to write off or recover the value of the differences and bring forward the correct balances. The correct balances should now be brought forward in a new register, in which a column to note the cost may be opened, so as to ascertain the gross value of the stock in hand at any time.

19. *Hostel Section.*—(a) The accounts relating to the hostel were in much confusion. In some cases, there were differences between the hostel attendance register and the hostel fee register, in others there were errors in calculation. A certain number of days below thirty was sometimes taken as a whole month, but no rules on the subject were forthcoming. The totals of the demand and collection columns for each month were not made and the balances were not worked out in a manner capable either of verification or check. Even the collections of the arrear amounts were not posted side by side with the demand to work out the correct balances; they were sometimes posted in the margin and sometimes at foot of the register. For some months, the fees on account of guests were added to those of the boarders, so that the amount due could not be worked out with reference to the number of days fed. A ledger of the amounts due and paid by each boarder was also not maintained and no demand, collection and balance account was prepared. It is a pity that this account which was certified as having been checked by one of the assistant teachers should have been left in this condition. Unless registers are maintained and accounts kept properly, no efficient check can be exercised.

(b) In August 1907 B. Dharma Rao and B. Jagannadham were fed for 10 days each but neither bills have been issued in their names nor the amounts collected. Rupees 2-4-1 due from each may be recovered.

(c) In September, K. Sannyasiraz was fed for 25 days; the amount due from him was Rs. 5-13-4 but a demand of only Rs. 3-8-0 was shown against him and subsequently altered to Rs. 4-5-7.

(d) In October, P. Subba Rao and E. Kurmayya were fed for 22 days each; the demand against them was shown as Rs. 4-14-9 instead of Rs. 4-15-5.

(e) Rupees 4-4-0 collected from R. Satyanarayana, V Form, according to receipt No. 158, dated 10th July 1907, was not credited in the accounts. It was observed that this pupil had paid Rs. 4-4-0 on account of school fees and Rs. 4-4-0 on account of hostel fees on the same date according to receipts granted to him in respect of the items, but the credit for the latter amount was not traceable.

(f) Similarly, Rs. 6-0-0 appears to have been collected according to receipt No. 200, dated 16th September 1907, from P. Subba Rao, IV form, but no credit was traceable for this amount; a similar amount collected according to receipt No. 156 which also bore the same date was credited by chellan No. 261. The reasons for granting a receipt with a former date after several receipts of later dates had been issued from the counterfoil receipt book or for the non-credit of the amount according to the subsequent receipt may be explained.

(g) The following discrepancies were also noticed between the amounts collected according to the receipts granted and those credited according to the chitta:—

Receipt No.	Name.	Amount collected.	Amount credited in chitta.
179, dated 17th February 1908.	R. Satyanarayana	Rs. A. P. 2 10 3	Rs. A. P. 2 10 2
180	R. Suryanarayana	2 7 9	2 7 8
186	P. Subba Rao	2 4 2	2 4 1

(h) No counterfoil receipts were forthcoming in support of the following credits in the chitta:—

Date of credit.	Name.	Amount credited.
20th August 1907 ..	B. Venkata Rau V Form	Rs. A. P. 6 5 2
1st October 1907 ..	P. Dhananjaya Rau, VIII Class	7 0 0
10th October 1907 ..	B. V. S. Narayana, V Form	7 0 0
13th November 1907 ..	P. S. Ramayya, VI Form	7 0 0
25th November 1907 ..	B. L. Narayana, IV Form	2 9 0

(i) Receipts were not given either in chronological or serial order, *e.g.*, receipt No. 181 was issued on 19th November 1907, No. 201 on 18th September 1907; No. 176 on 19th November 1907; No. 177 on 13th November 1907 and so on. When the receipts are stamped with the facsimile signature of the Principal, that officer should see that the receipts are prepared either in chronological or at least in consecutive order.

20. *Cash Book.*—It was observed that Rs. 51-5-0 drawn in March 1908 was paid away in August 1908 and a sum of Rs. 200 received in the same month (March) was remitted to the Treasury in July 1908. Such delays should be avoided. A payment of Rs. 161-1-0 was made to one B. Ramaiyya & Co., Vizagapatam, which was supported neither by a bill nor a stamped receipt. This may be inquired into.

21. *Security deposits.*—Several security deposits held by the Committee were not accounted for by entries in any register. A register may now be opened for the purpose.

22. *General remarks.*—From the examination of the several registers and accounts maintained, it was observed that there was a general want of system in the accounts, owing partly to the absence of definite rules defining the powers and duties of the Chairman and the Principal of the College in regard to sanctions, purchases, payments, etc., and a want of strict adherence to the forms and procedure laid down for the maintenance of the accounts and registers. A set of draft rules and forms for the proper accounting of the receipts and charges of the College was forwarded by the Accountant-General with his letter L. F. No. 317, dated 15th May

1905, to the Committee for approval. Some of these forms have not been brought into use, some have been modified and some new ones have also been introduced. As the audit of the accounts is under the control of the Accountant-General, the account forms and registers once suggested or approved by him should not be altered, or other forms substituted for them, without reference to him. The forms and procedure in vogue at present seem to be capable of improvement and simplification. The Principal may be requested to address this office separately on this subject, furnishing copies of the forms now in use. It is desirable that the Committee should frame rules specifying the powers and duties of the several office-bearers in regard to the receipts and expenditure of the institution. The several points on which rules have to be framed have been referred to in the foregoing paragraphs and previous audit reports. The rules may be printed for reference and use by the members of the College Committee and staff, by officers of the Educational Department and by the Inspecting staff of the Accountant-General's office.

23. *A. Financial statement.*—A statement showing the financial position of the institution at the end of every year is not prepared at present. The income of the institution amounts to about Rs. 30,000 annually and it has an expenditure of about the same amount. It has, besides, a large endowment, buildings, furniture and apparatus, stock of manufactured and unfinished articles, tools and plant, etc., of considerable value. It is desirable that a financial statement showing on one side the assets and on the other side the liabilities of the institution should be prepared annually and placed before the Committee for adoption. At present, there is no information as to how the receipts and expenditure of the College are distributed under the several sub-heads of account; the figures have to be garbled by the auditors from the several registers maintained for the purpose of the audit report statements. It is undesirable that this system should continue and that the Committee should not have before them a statement prepared by the College authorities and checked by the Auditors showing the correct assets and liabilities of the institution every year.

24. In this connection, attention is specially invited to the large arrears outstanding under school fees and referred to in paragraph 7 above. This item does not really form an asset of the institution as it relates to amounts due from past students who have left the College, from whom there is no means of recovery, except when applications are received for readmissions or for leaving certificates. Such cases are comparatively few. There is therefore no use in showing such items in the accounts as balances outstanding, without any aim at accuracy as was noticed from the accounts maintained and without any means or certainty of collection and carrying them forward year after year. The present system has the effect of showing a fictitious figure under balances. The proper course to be adopted in such cases is to cancel all the uncollected bills at the end of each term and expunge them from the demand, and merely transfer the entries to the arrear register for the purpose of watching recovery, if any applications are received from the same pupils for readmission or for the grant of leaving certificates. The desirability of adopting this course in the accounts of the institution, in future years, is therefore brought to the notice of the Committee.

25. No action has been taken up to date, on the last audit report forwarded to the Principal on 24th February 1908. It is not clear whether that report was placed before the Committee of the College at all, by the Principal. That officer may now be requested to forward the last as well as the present report to the Director of Public Instruction, through the President of the Committee, with replies to the several points, at an early date.

26. The general result of the audit is unsatisfactory.

II

Endorsement No. L.F./2866, dated 29th March 1909.

Copy forwarded to Government for information.

2. The report shows that from an account point of view the management of the College is not satisfactory. Attention is particularly invited to the state of the school-fee registers (paragraph 7), the absence of definite rules regarding the grant

of free scholarships (paragraph 9), the general management of the Technical section (paragraphs (11.—18) and the state of the Hostel accounts (paragraph 19). It appears too that rules and form suggested by this office are only partially introduced and that the audit report for the previous year has practically remained a dead letter.

3. The property administered by this Committee is an important trust and seems to require more supervision than it is now receiving. The accounts have been audited by this office for some years past; but no improvement is noticeable.

A. MONTAGU BRIGSTOCKE,
Accountant-General.

To the Secretary to Government, Educational Department.

III

Order—No. 234, Educational, dated 23rd April 1909.

The Accountant-General's report on the audit of the accounts of Mrs. A. V. Narasinga Rao's College, Vizagapatam, for 1907-1908 will be forwarded to the Director of Public Instruction who will be requested to obtain the remarks of the Committee of Management of the College on the several defects pointed out in the report, together with the explanation of the Principal which should be forwarded with the Committee's remarks, and to submit them to Government with his remarks and suggestions.

To the Director of Public Instruction.

IV

Letter—from the Hon'ble Mr. A. G. BOURNE, D.Sc., F.R.S., C.I.E., Director of Public Instruction.

To—the Secretary to Government, Educational Department.

Dated—Madras, the 12th July 1909.

No.—Ref. on Cur. No. 2303.

With reference to G.O., Mis. No. 234, Educational, dated 23rd April 1909, I have the honour to submit herewith the remarks and resolutions of the Managing Committee of the Mrs. A. V. Narasinga Rao's College, Vizagapatam, and the explanation of the Principal in connection with the Accountant-General's report on the audit of the accounts of the college for 1907-1908.

2. Mr. Yates, Inspector of Schools, I Circle, who is also a member of the Committee, says that the resolutions correspond with his own views. In the last few years, the college has grown and increased work has been thrown on the Principal; but in proportion to the additional work and responsibilities involved by the expansion of the college and in the matter of accounts by the suggestions made by successive auditors, the Committee has not hitherto been able to improve the efficiency of the clerical establishment and otherwise to afford the necessary help to the Principal in keeping the accounts.

It will be seen from the correspondence submitted herewith that the greater number of the defects were on small points of detail and that they were found in the technical section and in the hostel. The late head clerk who was neglectful of his duty was largely responsible for many of the errors noticed by the auditors. He has been replaced by a better man from whom a good security has been taken and the clerical establishment has been otherwise strengthened. The hostel has had to be closed and the technical section has been placed immediately under the supervision of a Sub-Committee. It is also proposed to devise a simpler system of accounts in personal consultation with the Government auditor. It is, therefore, hoped that there will be little cause for complaint in the future, when the arrangements already made or proposed to be made by way of rectification have settled down.

3. The Committee's replies to the audit notes for 1906-1907 were forwarded to the Accountant-General with this office letter Ref. on Cur. No. 2095/09, dated 7th April 1909.

ENCLOSURES.

EXHIBIT (A).

*Extract from the Proceedings of the Mrs. A. V. Narasinga Rao College Committee,
Vizagapatam, dated 19th June 1909.*

Read audit report for 1907-1908 and notes of Principal and Technical Section Sub-Committee and draft remarks.

Resolution No. 1.—Passed as modified.

EXHIBIT (B).

Resolutions of the College Committee on the Audit Report for 1907-1908.

Paragraphs 6-9.—Resolved that the teachers of the college be relieved of all supervision of the books. The Committee are of opinion after trial that this should not form a part of their legitimate work and must interfere with their class work, preparation of syllabuses and correcting of records of daily school work, etc., and that, as done, it has not been efficiently done. The whole of the office work will be done by the office staff, from whom money and personal securities have been taken.

Resolved also that the system of accounts and records which has grown up as the result of successive auditor's reports and the Accountant-General's remarks thereon especially in the technical section is too complicated and is possible only with a larger office staff than the Committee can afford. It is requested that the next auditor will discuss the whole question and suggest a simple and efficient system.

Resolved that in the opinion of the Committee the Principal's work is mainly organization of the teaching. He has been relieved of some part of his extra work by the formation of Committees—one of which the Hostel Committee has, owing to the closure of the hostel since ceased to exist. The signature of receipts for fees may be given to the clerk as is done in every other large institution. If the Principal is to check personally every book in the manner suggested by the auditor the greater part of his time would be taken up in office routine. The signature of the clerk on the fee receipts is considered to be sufficient in view of his pay and the security he gives. The daily chitta will be checked by the Principal. This, the Committee believes, is ample supervision. Whatever other changes are necessary will, it is requested, be suggested personally by the auditor at the next audit and discussed with the Committee.

Resolved that the Committee do record their opinion that most of the defects noticed by the auditor were due to the late head clerk, who on a report of a separate Sub-Committee was removed by the Manager. A competent clerk has been appointed and it is hoped the defects of detail will be largely removed. But the Committee are nevertheless of opinion that the system of office work needs simplification.

Paragraph 10.—The Committee has more than once resolved to leave the granting of leaving certificates and the writing off of arrears from poor boys that cannot pay their arrears to the Principal—*vide* replies to audit notes for 1905-1906, No. 8. The amount of Rs. 6-12-0 due from V. S. Suryanarayana will be collected from the security of the clerk concerned.

The irregularity noted of the use of two books of leaving certificate forms at the same time should be avoided.

Paragraphs 11-18, Technical Section.—The remarks of the Technical Section Sub-Committee will be forwarded to the Director of Public Instruction.

Paragraph 19, Hostel Section.—The hostel having been closed, no further action need be taken, except that the amounts mentioned by the Principal under (b), (c), (d) and (e) be ordered to be recovered.

Paragraphs 22-24.—The rules framed on 13th March 1909 herewith forwarded meet most of the points referred to. No rules regarding free scholarships need be made. The Committee requests that the auditor may, at the next visit, discuss with the Principal and the Technical Section Sub-Committee and propose a new set of rules and registers, simple and workable. This cannot be done by correspondence between the Principal and the Accountant-General.

Fees uncollected at the end of each term will be written off by the Principal before the next term-fee register is written up. This does not mean that the amount should not be collected if the pupil applies for leaving certificate but is provided only to obviate the necessity of showing a large fictitious demand term after term and maintaining a complicated arrears register written term after term.

EXHIBIT (C).

Remarks of the Technical Section Sub-Committee on Audit notes for 1907-1908.

General.—The Sub-Committee is of opinion that the rules for the maintenance of the accounts of the technical section, however good in themselves, are scarcely workable under the circumstances in which this section is being worked. The rules presuppose the existence of a maistry, a superintendent, a storekeeper, an accountant and so on, and that there is besides a Principal capable of scrutinizing the daily quality of wood screws, tools, etc., and passing indents for them before the workshop is opened daily. Apparently the rules were proposed without consultation with the Principal or any others who knew the actual working of the institution. Though called by the grandiose name of technical section, its total annual receipts vary from Rs. 3,000 to Rs. 1,000, net annual receipts nominal. To meet the rules, the drawingmaster of the college was asked to do duty also as superintendent, a man on Rs. 10 per mensem to be clerk, storekeeper and accountant; and year after year much difficulty has been felt with regard to the maintenance of the various registers proposed. The system of asking teachers of the college to supervise the registers of this section has only resulted in the detriment of the college work and not in the improvements of the state of the registers. It is highly desirable that some very simple forms of registers should be devised for this section. At present the technical section has been divided into two parts (1) the manual training classes which have been placed in the charge of the Principal, being part of the regular college work, no separate accounts or registers being required therefor. (2) The technical section which is under the direct supervision of this Sub-Committee and the accounts are maintained by the second clerk of the college. The Sub-Committee requests that the Accountant-General will direct the auditor to meet the Sub-Committee during his next visit and devise a simple system of accounts.

Paragraph 11.—The Sub-Committee purchases all required stock and considers general rules regarding their purchase neither feasible nor desirable.

Paragraph 12.—The Sub-Committee does not see any use in making discretionary rules regarding credit sales. The necessity for writing off bad debts has not occurred in recent years.

Paragraph 13.—*Vide* general reply above.

Paragraph 14.—This will be rectified. The head clerk will at once see that all adjustments are made as between the college and the technical section.

Paragraph 15.—Ten per cent. is fixed as profit to be charged; but the Sub-Committee cannot commit itself to an absolutely binding rule, as on the one hand necessity may arise to reduce the profit on particular orders, and on the other, 10 per cent. and more may have to be charged on small carved work, etc.

Paragraphs 16 and 17.—Paid workmen and stipendiary students have been almost all sent away and work is being done on the contract system, the Sub-Committee fixing the amount to be paid to the contractor in each case. A general schedule is not possible.

18. The tools of which an accurate stock has recently been taken will all be handed over to the college for the use of the manual training classes and will be added to the college apparatus. No tools are issued to the contract workmen.

EXHIBIT (D).

Note by M.R.Ry. P. T. Srinivasa Aiyangar Avargal, Principal, dated 13th April 1909 on the Audit Report for 1907-1908.

Paragraphs 6 and 7.—On 9th November 1907 the Committee passed orders that the head clerk should pay a security of Rs. 200 and be in charge of the college, etc., accounts and that in April 1908 it was thought necessary to invite the Vice-Chairman of the Committee and the Inspector of Schools to inspect the office. Thereon the head clerk was removed and a new head clerk was appointed. Soon after the recent audit, the late head clerk demanded his security and it was paid to him as per orders of the Chairman herewith put up.

The Committee ordered the fourth assistant on 9th November 1907 to check the term-fee register to see "that the payments have all been brought to book". He has done this carefully and more than this, I fear, cannot be done by the teaching staff.

Paragraph 8.—It was found that the late head clerk made some alterations in the chitta and then I thought it would be dangerous to leave my facsimile seal in the hands of the clerks and I adopted the system of preparing bills beforehand—a method which every auditor advised me was the proper thing. In this connection I request that orders be passed that my signature may be dispensed with in fee receipts. The head clerk alone deals with the fee receipts and if his signature in the receipts be held enough, a lot of difficulty and confusion will be saved.

Paragraph 9.—For a very long time, 10 per cent. of the fee income was surrendered by way of free scholarships and I used to award them on the results of a competitive examination. But latterly I have been reducing the amount of free scholarships so much that this year there are only three free scholars in the whole college, two partial and one full. "The loss of income by free scholarships" has thus been reduced from about Rs. 1,200 to Rs. 64 per year. Next year there will be only one free scholar and the year after, *nil*. No further action seems therefore to be necessary.

Paragraph 10.—In the case of leaving certificates Nos. 33, 40, 46 and 54, the boys being paupers, the amounts were remitted by me. In the case of No. 57, the amount of Rs. 2 special fees was also remitted in view of the fact that the boy did not, during the term, receive note-books, etc., as the price of which the money was due. In the case of No. 48, the issue of leaving certificate without collecting Rs. 6-12-0 due, is due to the carelessness of the late second clerk. I find two books were used in 1907-1908; this will be avoided in future.

Paragraphs 10-18.—The technical section has been since 1st April 1907 under the management of a Sub-Committee consisting of M.R.Ry. A. Suryanarayana Rao Pantulu Garu (Chairman), Mr. J. A. Yates and myself. The Sub-Committee looks into all details, sanctions all expenditure and accepts all orders. So no definite rules are necessary.

Credit sales are allowed only to public bodies ordinarily.

The system of works has been completely changed. There are no workmen on stipends. All work is done on contract.

Paragraph 19.—The hostel has been closed partly on account of the difficulty of management, there being only a single clerk on Rs. 10 and on account of its not paying its way.

Paragraph 20.—This was due to the late head clerk and was one of the reasons he was removed. As soon as the present head clerk was appointed he disbursed these amounts. The voucher for Rs. 161-1-0 was one of the papers abstracted by the late head clerk and since recovered. It will be shown to the auditor at the next audit.

Paragraph 21.—Will be attended to.

Paragraph 22.—On 13th March 1909, the Committee passed a set of rules herewith put up which meet most of the points raised here; no further rules seem to be necessary; but the auditor himself during the audit admitted that the system of accounts needed much simplification. If ordered, I shall correspond with the Accountant-General about it as suggested. Most of the forms recommended by the Accountant-General in 1905 are being maintained, but the Committee did not accept all his suggestions and have always exercised its right of changing forms of accounts. If a simple system of accounts could be agreed upon, it will be a great benefit especially because I being Principal of a College, Lecturer in English as well as Headmaster of the High School department, cannot spend much time on accounts; I can at best see that no money is being misused or misappropriated and reasonable care is being taken to collect all dues.

Paragraph 23.—A financial statement is being prepared every year in accordance with the prescribed form of the Educational Department.

Paragraph 24.—What is recommended in this paragraph was exactly what used to be done before 1905, but during that year the present system of including irrecoverable arrears which do "not really form an asset of the institution" in the demand, collection and balance statement was introduced under the instructions of the auditor; this has led to confusion. If the suggestion now made to "cancel all the uncollected bills at the end of each term and expunge them from the demand" be accepted, it will be a great relief to the office and tend to simplify accounts.

Paragraph 25.—The Committee passed orders on the previous year's audit report on 13th March 1909—please *vide* letter dated 7th April 1909 of the Director of Public Instruction.

EXHIBIT (E).

Additional note by M.R.Ry. P. T. Srinivasa Aiyangar Avargal, Principal, dated 26th May 1909, on the remarks in the Audit note for 1907-1908 on the Hostel Section.

19. The hostel was opened as a tentative measure in 1901 and no definite rules made for its management. It was found from the beginning that it did not pay its way and was kept up for a few years under the hope that if many boys joined it, it would begin to pay its way. A clerk on Rs. 10 was in charge of it and his work was supervised by one teacher after another deputed by me or the Committee. Finally in 1908-1909, it was placed under the management of a Sub-Committee, but it was found impossible to get it managed without frauds in the purchase and disposal of provisions and to get correct accounts maintained. So it was abolished on 31st March 1909.

(a) There were definite rules in 1907-1908 with regard to the rates chargeable. They were—

- (1) Rupees 7 per month was charged for board and housing per head.

(2) No reduction in the rate was allowed if boys were absent for three days in the month.

(3) A proportionate reduction was made in the case of absence of more than three days.

(4) If guests stayed with boys, the latter were charged for it, but the number of days they stayed were set off against the days in which the boys were absent.

I am sorry that at the time of audit none of the three clerks who maintained these accounts could explain these facts to the auditor, they having resigned or been dismissed, and the hostel itself having been closed. If this had been done, the auditor would not have found the difficulties he did.

(b), (c), (d) The amounts of Rs. 2-4-1, Rs. 1-7-9 and pies 8 will be recovered.

(e), (f) I think these are cases of two receipts given for the same amount given by mistake; the amount will be collected from the clerks concerned if ordered. They have all resigned or been dismissed from service.

(g) The discrepancies are each to the amount of 1 pie and may be overlooked.

(h) This means that the amounts were paid, but no receipts were granted. This is an inevitable result of the system of payment of fees now followed. A boy makes a payment and the head clerk enters it in the chitta, initials it and returns it to the boy. If the boy presents it to the second clerk, also called accountant, he gets a receipt; if not, there will be no receipts corresponding to the entry in the chitta. I do not think such an inconvenient system is followed in any educational institution.

(i) I again request to be relieved of the necessity of affixing my facsimile to these receipts. It is dangerous and no use to anybody.

EXHIBIT (I).

APPENDIX E.

Form of Security Bonds.

(1)

(Form of Security Bond where cash is taken as security.)

Know all men by these presents that I Puvvula Swami Nayudu of Vizagapatam am held and firmly bound unto Chairman and Committee. Mrs. A. V. N. College at Vizagapatam their successors and assigns in the sum of Rupees two hundred only to be paid to the said Chairman and Committee their successors or assigns for which payment I bind myself my heirs, executors, administrators and legal representatives by these presents.

Whereas the above bounden Puvvula Swami Nayudu was on the day of 1907 appointed to and now holds the office of head clerk at Vizagapatam in the said College of Vizagapatam in the Vizagapatam district and whereas the said Swami Nayudu by virtue of such office is bound to keep true and faithful accounts of his dealings with all property and money which may come to his hands or possession or under his control such accounts to be kept in the form and manner that may from time to time be prescribed by duly constituted authority and also to prepare and submit such returns and such accounts and other documents as may from time to time be required of him and whereas the said Puvvula Swami Nayudu has agreed to deliver to and deposit with the Chairman of the said Committee the sum of Rs. (200) two hundred only in cash as security for the due and faithful performance by the said P. Swami Nayudu of the duties of his said office and of any other office to which he may be appointed at any time and of other (the) duties which may be required of him and for the purpose of securing and indemnifying the said Committee its successors against all loss injury or damage which the said Committee or its successors may in any way suffer or sustain by reason of the misconduct neglect oversight or otherwise by means of the said P. Swami Nayudu or any person or persons acting under him or for whom he may be responsible and whereas the said P. Swami Nayudu has entered into the above bond in the penal sum of Rupees two hundred only as further security for the due performance by him of the duties of his said office and of any other office to which he may be appointed at any time and of other the duties which may be required of him and for the indemnity of the said Committee and its successors against all such loss injury or damage as aforesaid. Now the condition of the above-written bond is such that if the said P. Swami Nayudu has whilst he has held the said office of head clerk as aforesaid always duly performed and fulfilled the duties of his said office and if he shall whilst he shall hold the said office or any other office to which he may be appointed or in which he may act always duly perform and fulfil all and every the duties thereof respectively and other the duties which may from time to time be required of him and shall also at all times indemnify and save harmless the said Committee and its successors from all and every loss injury and damage which has been or shall or may at any times or time hereafter during the service or employment of the said P. Swami Nayudu in such office as aforesaid or in any such other office as aforesaid be sustained incurred

or suffered by the said Committee or its successors by reason of any act neglect failure misconduct default disobedience omission or insolvency of the said P. Swami Nayudu or of any person or persons acting under him or for whom he may be responsible then this obligation shall be void and of no effect otherwise the same shall be and remain in full force. Provided always and it is hereby declared and agreed that the said sum of Rupees two hundred only so deposited as aforesaid shall be and remain with the Chairman for the time being of the said Committee as such security as aforesaid with the full power for such Chairman as occasion shall require to apply the said sum of Rupees two hundred only or any part thereof in and towards the indemnity as aforesaid of the said Committee and its successors or otherwise as aforesaid. And it is hereby lastly agreed that on the final termination of the service of the said P. Swami Nayudu whether as such head clerk as aforesaid or otherwise the said sum of Rupees two hundred only or so much thereof as shall then be in deposit and this bond shall remain with such Chairman as aforesaid for six calendar months as security against any loss injury or damage that may have been sustained or incurred by the said Committee or its successors owing to the act neglect or default of the said P. Swami Nayudu or any such other person or persons as aforesaid and which may not have been discovered until after the termination of his said service and that his liability hereunder shall continue until the expiry of the said term of six calendar months.

In witness whereof the said P. Swami Nayudu has hereunto set his hand and seal this day of 190 .

Signed sealed and delivered by the above }
named P. Swami Nayudu in the presence of }

EXHIBIT (L).

Rules for the administration of the funds of the Mrs. A. V. Narasinga Rao's College, Vizagapatam, passed at the Committee's meeting held on 13th March 1909.

Treasury procedure.—These funds are lodged as an excluded Local Fund in the district treasury, and dealt with those under the rules for such funds in the Treasury Manual (section 250).

Account Rules.—(1) *Receipts.*—All college receipts from whatsoever source shall be credited daily to the general funds of the college and each daily total of the college cash-book shall be supported by a treasury chalan.

(2) *Charges.*—All charges incurred by the College shall be met by cheques on the treasury drawn in the form already prescribed. Each cheque shall specify the head of budget allotment to which it is chargeable.

(3) *Sanction of expenditure.*—(a) Salary bills shall be checked by the Principal and passed by him in accordance with the scale sanctioned by the Chairman or Committee or by both.

Contingencies.—(b) Contingencies shall be met by a permanent advance of Rs. 20 under the control of the Principal—*vide* Appendix I.

Technical stock.—(c) Purchase of technical stock shall be made under the sanction of the Technical Sub-Committee of the college.

Apparatus.—(d) Bills for books, furniture, stationery, printing, prizes, science apparatus and materials and other appliances for teaching, including manual training, and for gymnasium and games shall be signed by the Principal and countersigned by the Inspector of Schools for the time being in his capacity as a Committee Member.

Remission of fees and scholarships.—(e) The remission of fees and the granting of scholarships shall be generally left to the Principal's discretion subject always to any such general rules as the Committee may prescribe from time to time.

Buildings.—(f) No expenditure on new buildings shall be incurred without the sanction of the Committee.

Maintenance of buildings, travelling allowance.—(g) Ordinary repairs and upkeep and travelling allowances to teachers shall be sanctioned by the Chairman who may authorize the transfer of funds to meet such expenses from one or more budget allotments.

Extraordinary charges.—(h) Any unusual charges not falling under these heads shall require the sanction of the Committee, e.g., pensions, gratuities.

Audit rules.—The accounts are subject to a full audit annually by the Inspector of Local Fund Accounts.

Honorary treasurer.—The Honorary Treasurer shall be furnished with a copy of the budget and of all such resolutions of the Committee or of any Sub-Committee as relate to finance, for his guidance.

All cheques presented to the Honorary Treasurer for countersignature shall be accompanied by a classified abstract of expenditure under each head up to date. The treasurer shall compare each cheque with the classified abstract of expenditure and sign it if up to the limit of the budget allotment for each head or if in excess thereof on production of Committee's sanction provided that the supporting bill is formally correct. No detailed pre-audit is necessary.

All accounts shall be balanced at the end of each month and the cash-book forwarded to the Honorary Treasurer not later than the 15th of the succeeding month for countersignature to the effect that the monthly balance agrees with that shown in the Treasury Account. After the end of each month the treasurer shall inspect the accounts and see that a clear financial statement (1) of the general revenue and expenditure of the college and (2) of the technical section is drawn out before the end of the succeeding month.

A full financial statement of the college and of the technical section shall be presented quarterly to the Committee through the treasurer.

These rules to have effect from 1st April 1909.

Order—No. 453, Educational, dated 5th August 1909.

Recorded with the remark that the Government hope that the Managing Committee of the College will see that the accounts are properly maintained in future.

2. The Accountant-General will be requested to submit for the information of Government a copy of his next report on the audit of the accounts of the college.

(True Extract.)

W. FRANCIS,
Ag. Secretary to Government.

To the Director of Public Instruction.
" Accountant-General.
" Collector of Vizagapatam.

NOTES CONNECTED WITH G.O., No. 453, EDUCATIONAL,
DATED 5TH AUGUST 1909.[SUBJECT.—*Audit of the accounts of Mrs. A. V. Narasinga Rao's College, Vizagapatam.*]*Previous papers.*

G.O., No. 311, Educational, dated 2nd June	1899.
" " 143 " " 3rd March	1898.
" " 977, Judicial " 8th June	1896.
" " 643, Public " 12th September	1892.

NOTES CONNECTED WITH G.O., No. 234, EDUCATIONAL, DATED 23RD APRIL 1909.

From the Accountant-General, dated 29th March 1909, No. L.F. 2866.

The Accountant-General submits, for the information of Government, a copy of his report on the audit of the accounts of Mrs. A. V. Narasinga Rao's College, Vizagapatam, for 1907-1908.

2. The Accountant-General states that the report shows that from an account point of view the management of the college is not satisfactory. He invites the attention of Government particularly to the following matters:—

- (1) the state of the school fee registers as disclosed in paragraph 7 of the report;
- (2) the absence of definite rules regarding the grant of free scholarships (paragraph 9);
- (3) the general management of the Technical section (paragraphs 11-18); and
- (4) the state of the hostel accounts (paragraph 19).

3. The Accountant-General further states that the rules and forms suggested by his office have been only partially introduced and that the audit report for the year 1906-1907 has practically remained a dead letter. He adds that the property administered by the college committee is an important trust and seems to require more supervision than it is now receiving.

4. The property of Mrs. A. V. Narasinga Rao's College is a trust vested in Government. In 1892 Mr. Ankitam Venkata Narasinga Rao of Vizagapatam left under his will one lakh of rupees for the establishment of a college in that town and Rs. 15,000 for erecting a building for the college. In G.O., No. 643, Public, dated 12th September 1892, the Government accepted the trust, appointed the Director of Public Instruction to manage it on behalf of Government and called upon that officer to prepare and submit a scheme for the foundation and maintenance of the college. The validity of Mr. Narasinga Rao's will was disputed by his daughters, but was finally established after nearly four years of litigation. In G.O., No. 977, Judicial, dated 8th June 1896, the Government then requested the Director of Public Instruction to expedite the submission of the scheme for the establishment of a college which was first called for in 1892. The Director in consultation with the executors of the will submitted a scheme in 1897. The scheme provided for

(1) the taking over of the Hindu College, Vizagapatam, with its assets, liabilities, buildings, furniture, etc.;

Para 3, *Ibid.*

(2) the vesting of the management of the college in a committee consisting of five members, namely, the Collector for the time being of the district, the

- * 1. Mr. W. A. Willock.
- 2. M.R.Ry. P. T. Srinivasa Aiyangar, Principal of the College.
- 3. Mr. A. V. Jagga Rao.

Inspector of Schools, Northern Circle, and the three * executors of the will. This scheme was approved in G.O., No.

143, Educational, dated 3rd March 1898. The number of members of the committee was subsequently increased to seven—*vide* G.O., No. 311, Educational, dated 2nd June 1899.

5. The college is thus managed on behalf of Government by a committee appointed by Government. This committee is, therefore, accountable to Government for its action.

6. It is for consideration whether the Accountant-General's report may be communicated to the Director of Public Instruction for report as to what action he proposes should be taken to remedy the defects noticed by the auditor.

7. The audit report is not usually submitted to Government. But the Accountant-General forwards a copy of the report for the year 1907-1908 for the information of Government.

T.K.—8-4-09.

K. RANGASWAMI AIYANGAR—8-4-09.

The Director of Public Instruction should certainly look into the system of accounts in the college.

C. A. SOUTER—20-4-09.

There has evidently been almost entire neglect by the Committee and the Principal. At this stage we can only ask the Director of Public Instruction to obtain the remarks of the Committee with which the explanation of the Principal should be forwarded and to submit them to Government with his remarks and suggestions.

A. BUTTERWORTH—21-4-09.

Draft submitted for approval.

T. KANAKASUNDARAM PILLAI—22-4-09.

Issue.

C. A. SOUTER—23-4-09.

[G.O., No. 234, Educational, dated 23rd April 1909.]

From the Director of Public Instruction, dated 12th July 1909, No. 2303.

Please see G.O., No. 234, Educational, dated 23rd April 1909, and the notes therewith.

2. In March last, the Accountant-General forwarded to Government a copy of his report on the audit of the accounts of Mrs. A. V. Narasinga Rao's College, Vizagapatam, for the year 1907-1908 and invited the attention of Government to certain defects in the accounts of the College and in the management of the College by the Committee appointed by the Government for the purpose.

3. With G.O., No. 234, Educational, dated 23rd April 1909, the Accountant-General's report was forwarded to the Director of Public Instruction and he was requested to obtain and submit to Government, with his remarks and suggestions, the replies of the Committee of management to the points noted in the audit report and the explanation of the Principal of the College on the defects pointed out in the report.

4. The Director of Public Instruction now submits the remarks and resolutions of the Managing Committee of the College and the explanation of the Principal (Mr. P. T. Srinivasa Aiyangar).

5. The Managing Committee consists of seven members, namely,

- G.O., No. 143, Educational, dated 3rd March 1898. (1) The Collector of the district,
- (2) The Inspector of Schools, First Circle (Mr. Yates).

(3) Mr. W. A. Willock (represented by a deputy).

(4) M.R.Ry. P. T. Srinivasa Aiyangar, Principal of the College. } Executors of the will of Mr. A.

(5) Mr. A. V. Jagga Rao, son of the testator (Mr. A. V. Narasinga Rao). } V. Narasinga Rao.

(6) } Names of the present members not known. These are selected by the
& } other members of the Committee by co-option—*vide* G.O., No. 311,
(7) } Educational, dated 2nd June 1899.

6. The principal defects pointed out by the Accountant-General were—

(1) the confused state of the school-fee registers—paragraph 7 of the report on page 2 of G.O., No. 234, Educational, dated 23rd April 1909 ;

G.O., No. 234, Educational, dated 23rd April 1909. (2) the absence of definite rules regarding the grant of free-scholarships—paragraph 9 of the report on page 3 of the Government Order above referred to ;

G.O., No. 234, Educational, dated 23rd April 1909. (3) want of adequate supervision over the management of the Technical section—paragraphs 11 to 18 on pages 4 to 6 of the Government Order ; and

G.O., No. 234, Educational, dated 23rd April 1909. (4) the confused state of the hostel accounts—paragraph 19 of the report on pages 6 to 8 of the Government Order.

These will be dealt with below *seriatim*.

7. (1) *School-fee registers*.—The auditor pointed out the following defects in the registers :—

“Correct details of outstandings at the end of the second term of 1906 according to the last audit report were not forthcoming. In the current term fee registers, the entries in the column ‘amount due for the term’ were mostly made in pencil. In some cases, the amounts due by the students were not entered in the demand column, and in others, the amount entered was struck off without authentication. When items not in demand were subsequently collected, the amounts were noted only in the collection column, but the demand was not correspondingly raised. Items written off were not correctly posted against the entries for the particular class concerned to facilitate check. The balances due at the end of each term were not struck and a correct demand; collection and balance account was not maintained. . . . The balances outstanding at the end of 1907 amounted to Rs. 1,935-4-0 under school fees and Rs. 262 under special fees ; but the amounts shown in the demand, collection and balance statement prepared by the College clerk and shown at the time of audit were Rs. 1,855-2-0 and Rs. 240 respectively. The Principal or one of his assistants deputed by him is required to periodically examine all the accounts and certify to that effect in the registers. If this check had been properly exercised, instead of being restricted to a verification of the collections only, this confusion in the accounts and registers could have been avoided.”

8. The Managing Committee state that most of the defects noticed by the auditor were due to the late head clerk, who, on a report of a separate Sub-Committee, has since been removed. They state that a competent clerk has now been appointed and hope that the defects of detail pointed out will in future largely disappear. As regards the Principal's responsibility in the matter of the accounts, the Committee state that in their opinion the Principal's work is mainly the organization of teaching and that he has now been relieved of some part of his extra work by the formation of committees. They consider that, if the Principal is to check every book in the manner suggested by the auditor, the greater part of his time would be taken up in

office routine and that the signature of the clerk in the fee receipts is sufficient in view of the clerk's pay and the security he has given. They further consider that the checking of the daily chittahs by the Principal will be ample supervision.

The Committee are further of opinion that the system of office work in the College needs simplification and propose to
C. A. SOUTER. | devise a working scheme in consultation with the auditor at his next visit.

The Committee's explanation may be accepted.

9. (2) *The absence of definite rules regarding the grant of free scholarships.*—The G.O., No. 234, Educational, dated 23rd April 1909. | auditor observed that the Managing Committee did not appear to have framed any rules regarding the grant of free scholarships; that in several cases, quarter, half and three-fourth free scholarships were granted and in some cases, students who had failed to pay their fees and whose names were struck off the rolls in accordance with the Educational rules were subsequently treated as part free scholars with retrospective effect and admitted again without payment of arrears; and that no sanction of the Committee for the remission of the arrears in such cases was forthcoming.

10. With reference to these observations, the Principal states that for a very long time ten per cent. of the fee income was surrendered by way of free scholarships which he used to award on the results of a competitive examination; but that latterly the amount of free scholarships has been reduced so much that this year there are only three free scholars—two partially free and one wholly free; and that the loss of income by free scholarships has been reduced from about Rs. 1,200 to Rs. 64 per annum. Next year, he observes, "there will be only one free scholar and the year after, *nil*." The Principal concludes that no further action in this matter seems necessary.

C. A. SOUTER. | The Committee do not specifically refer to the matter.

No further action seems to be necessary.

11. (3) *Defects in the management of the Technical section.*—The auditor observed Paragraphs 11 to 18 of the audit report in G.O., No. 234, Educational, dated 23rd April 1909. | that there was no order of the Committee fixing the maximum limit of stock which might be kept in hand at any time; that there was also no rule as to who should sanction the purchase of stock, tools and plant, furniture, etc., and that in some cases purchases were found to have been made without specific sanction. He also noticed that there were no rules regarding credit sales, that indents for articles of daily consumption were passed in many cases by the Technical Superintendent who was not authorised to do so instead of by the Principal and that unfinished articles in stock were utilized for the use of the College and were simply shown as issues in the stock register.

The Principal explains that the Technical section has since 1st April 1907, been under the management of a Sub-Committee consisting of M.R.Ry. A. Suryanarayana Rao Pantulu Garu (Chairman), Mr. J. A. Yates (Inspector of Schools) and himself, that this Sub-Committee looks into all details, sanctions all expenditure and accepts all orders. He therefore says that no definite rules are necessary. He further observes that credit sales are allowed only to public bodies ordinarily.

The Technical Section Sub-Committee state that the rules framed for the management of the section are unworkable; that they appear to have been framed without consulting those who were acquainted with the actual working of the section; that some very simple forms of registers should be devised and that the auditor will be requested to meet the Sub-Committee during his next visit and devise a simple system of accounts.

12. (4) *The Hostel Accounts.*—The auditor noted that the accounts relating to the hostel were in much confusion. "In G.O., No. 234, Educational, dated 23rd April 1909. | some cases, there were differences between the hostel attendance register and the hostel fee register, in others there were errors in calculation. A certain number of days below 30 was sometimes taken as a whole month, but no rules on the subject were forthcoming. The totals of the demand and collection columns for each month were not made and the balances were not worked out in a manner capable either of verification or check. Even the collections of the arrear amounts were not posted side by side with the demand to work out the correct balances; they were sometimes posted in the margin and sometimes at foot of the register. For some months, the fees on account of guests were added to those of the boarders, so that the amount due could not be worked out with reference to the number of days fed. A ledger of the amounts due and paid by each boarder was also not maintained and no 'demand, collection and balance account' was prepared. It is a pity that this account which was certified as having been checked by one of the assistant teachers should have been left in this condition. Unless registers are maintained and accounts kept properly, no efficient check can be exercised."

13. The Managing Committee state that the hostel having been closed, no further action need be taken except that the short recovery of charges noticed by the auditor under (b), (c), (d) and (e) in paragraph 19 of his report (on page 7 of G.O., No. 234, Educational, dated 23rd April 1909) should be ordered to be recovered.

C. A. SOUTER. | It is presumed that the Managing Committee will effect the recovery of the amounts specified.

14. The Director of Public Instruction states—

"In the last few years, the College has grown and increased work has been thrown on the Principal; but in proportion to the additional work and responsibilities involved by the expansion of the College and in the matter of accounts, by the suggestions made by successive auditors, the Committee has not hitherto been able to improve the efficiency of the clerical establishment and otherwise to afford the necessary help to the Principal in keeping the accounts. The greater number of the defects were on small points of detail and . . . they were found in the Technical section and in the hostel. The late head clerk who was neglectful of his duty was largely responsible for many of the errors noticed by the auditors. He has been replaced by a better man from whom a good security has been taken and the clerical establishment has been otherwise strengthened. The hostel has had to be closed and the Technical section has been placed immediately under the supervision of a sub-committee. It is also proposed to devise a simpler system of accounts in personal consultation with the Government auditor. It is, therefore, hoped that there will be little cause for complaint in the future, when the arrangements already made or proposed to be made by way of rectification have settled down."

15. In view of the above remarks of the Director of Public Instruction it does not appear that anything further need be done. The current may, it is submitted, be recorded, copy with enclosures being forwarded to the Accountant-General.

T.K.—30-7-09.

The Government may, in recording the papers, express the hope that the Committee of the College will see that the accounts are properly maintained [and that no room is given for complaint in future].
For the portion in brackets substitute "and may ask the Accountant-General to send to Government his next audit report for information".

W. FRANCIS—3-8-09.

K. RANGASWAMI AIYANGAR—31-7-09.

W. FRANCIS—3-8-09.

The above disposal seems correct.

C. A. SOUTER—2-8-09.

Yes, as amended.

W. FRANCIS—3-8-09.

A draft is submitted for approval. Perhaps a copy of the order may go also to the Collector of Vizagapatam who is the President of the College Committee.

T.K.—4-8-09.

K. RANGASWAMI AIYANGAR—4-8-09.

Issue.

C. A. SOUTER—4-8-09.

[G.O., No. 453, Educational, dated 5th August 1909.]

READ AGAIN G.O., No. 234 Edl., dated 23-4-1909. *12* *13* *14* *15* *16* *17* *18* *19* *20* *21* *22* *23* *24* *25* *26* *27* *28* *29* *30* *31* *32* *33* *34* *35* *36* *37* *38* *39* *40* *41* *42* *43* *44* *45* *46* *47* *48* *49* *50* *51* *52* *53* *54* *55* *56* *57* *58* *59* *60* *61* *62* *63* *64* *65* *66* *67* *68* *69* *70* *71* *72* *73* *74* *75* *76* *77* *78* *79* *80* *81* *82* *83* *84* *85* *86* *87* *88* *89* *90* *91* *92* *93* *94* *95* *96* *97* *98* *99* *100* *101* *102* *103* *104* *105* *106* *107* *108* *109* *110* *111* *112* *113* *114* *115* *116* *117* *118* *119* *120* *121* *122* *123* *124* *125* *126* *127* *128* *129* *130* *131* *132* *133* *134* *135* *136* *137* *138* *139* *140* *141* *142* *143* *144* *145* *146* *147* *148* *149* *150* *151* *152* *153* *154* *155* *156* *157* *158* *159* *160* *161* *162* *163* *164* *165* *166* *167* *168* *169* *170* *171* *172* *173* *174* *175* *176* *177* *178* *179* *180* *181* *182* *183* *184* *185* *186* *187* *188* *189* *190* *191* *192* *193* *194* *195* *196* *197* *198* *199* *200* *201* *202* *203* *204* *205* *206* *207* *208* *209* *210* *211* *212* *213* *214* *215* *216* *217* *218* *219* *220* *221* *222* *223* *224* *225* *226* *227* *228* *229* *230* *231* *232* *233* *234* *235* *236* *237* *238* *239* *240* *241* *242* *243* *244* *245* *246* *247* *248* *249* *250* *251* *252* *253* *254* *255* *256* *257* *258* *259* *260* *261* *262* *263* *264* *265* *266* *267* *268* *269* *270* *271* *272* *273* *274* *275* *276* *277* *278* *279* *280* *281* *282* *283* *284* *285* *286* *287* *288* *289* *290* *291* *292* *293* *294* *295* *296* *297* *298* *299* *300* *301* *302* *303* *304* *305* *306* *307* *308* *309* *310* *311* *312* *313* *314* *315* *316* *317* *318* *319* *320* *321* *322* *323* *324* *325* *326* *327* *328* *329* *330* *331* *332* *333* *334* *335* *336* *337* *338* *339* *340* *341* *342* *343* *344* *345* *346* *347* *348* *349* *350* *351* *352* *353* *354* *355* *356* *357* *358* *359* *360* *361* *362* *363* *364* *365* *366* *367* *368* *369* *370* *371* *372* *373* *374* *375* *376* *377* *378* *379* *380* *381* *382* *383* *384* *385* *386* *387* *388* *389* *390* *391* *392* *393* *394* *395* *396* *397* *398* *399* *400* *401* *402* *403* *404* *405* *406* *407* *408* *409* *410* *411* *412* *413* *414* *415* *416* *417* *418* *419* *420* *421* *422* *423* *424* *425* *426* *427* *428* *429* *430* *431* *432* *433* *434* *435* *436* *437* *438* *439* *440* *441* *442* *443* *444* *445* *446* *447* *448* *449* *450* *451* *452* *453* *454* *455* *456* *457* *458* *459* *460* *461* *462* *463* *464* *465* *466* *467* *468* *469* *470* *471* *472* *473* *474* *475* *476* *477* *478* *479* *480* *481* *482* *483* *484* *485* *486* *487* *488* *489* *490* *491* *492* *493* *494* *495* *496* *497* *498* *499* *500* *501* *502* *503* *504* *505* *506* *507* *508* *509* *510* *511* *512* *513* *514* *515* *516* *517* *518* *519* *520* *521* *522* *523* *524* *525* *526* *527* *528* *529* *530* *531* *532* *533* *534* *535* *536* *537* *538* *539* *540* *541* *542* *543* *544* *545* *546* *547* *548* *549* *550* *551* *552* *553* *554* *555* *556* *557* *558* *559* *560* *561* *562* *563* *564* *565* *566* *567* *568* *569* *570* *571* *572* *573* *574* *575* *576* *577* *578* *579* *580* *581* *582* *583* *584* *585* *586* *587* *588* *589* *590* *591* *592* *593* *594* *595* *596* *597* *598* *599* *600* *601* *602* *603* *604* *605* *606* *607* *608* *609* *610* *611* *612* *613* *614* *615* *616* *617* *618* *619* *620* *621* *622* *623* *624* *625* *626* *627* *628* *629* *630* *631* *632* *633* *634* *635* *636* *637* *638* *639* *640* *641* *642* *643* *644* *645* *646* *647* *648* *649* *650* *651* *652* *653* *654* *655* *656* *657* *658* *659* *660* *661* *662* *663* *664* *665* *666* *667* *668* *669* *670* *671* *672* *673* *674* *675* *676* *677* *678* *679* *680* *681* *682* *683* *684* *685* *686* *687* *688* *689* *690* *691* *692* *693* *694* *695* *696* *697* *698* *699* *700* *701* *702* *703* *704* *705* *706* *707* *708* *709* *710* *711* *712* *713* *714* *715* *716* *717* *718* *719* *720* *721* *722* *723* *724* *725* *726* *727* *728* *729* *730* *731* *732* *733* *734* *735* *736* *737* *738* *739* *740* *741* *742* *743* *744* *745* *746* *747* *748* *749* *750* *751* *752* *753* *754* *755* *756* *757* *758* *759* *760* *761* *762* *763* *764* *765* *766* *767* *768* *769* *770* *771* *772* *773* *774* *775* *776* *777* *778* *779* *780* *781* *782* *783* *784* *785* *786* *787* *788* *789* *790* *791* *792* *793* *794* *795* *796* *797* *798* *799* *800* *801* *802* *803* *804* *805* *806* *807* *808* *809* *810* *811* *812* *813* *814* *815* *816* *817* *818* *819* *820* *821* *822* *823* *824* *825* *826* *827* *828* *829* *830* *831* *832* *833* *834* *835* *836* *837* *838* *839* *840* *841* *842* *843* *844* *845* *846* *847* *848* *849* *850* *851* *852* *853* *854* *855* *856* *857* *858* *859* *860* *861* *862* *863* *864* *865* *866* *867* *868* *869* *870* *871* *872* *873* *874* *875* *876* *877* *878* *879* *880* *881* *882* *883* *884* *885* *886* *887* *888* *889* *890* *891* *892* *893* *894* *895* *896* *897* *898* *899* *900* *901* *902* *903* *904* *905* *906* *907* *908* *909* *910* *911* *912* *913* *914* *915* *916* *917* *918* *919* *920* *921* *922* *923* *924* *925* *926* *927* *928* *929* *930* *931* *932* *933* *934* *935* *936* *937* *938* *939* *940* *941* *942* *943* *944* *945* *946* *947* *948* *949* *950* *951* *952* *953* *954* *955* *956* *957* *958* *959* *960* *961* *962* *963* *964* *965* *966* *967* *968* *969* *970* *971* *972* *973* *974* *975* *976* *977* *978* *979* *980* *981* *982* *983* *984* *985* *986* *987* *988* *989* *990* *991* *992* *993* *994* *995* *996* *997* *998* *999* *1000* *1001* *1002* *1003* *1004* *1005* *1006* *1007* *1008* *1009* *1010* *1011* *1012* *1013* *1014* *1015* *1016* *1017* *1018* *1019* *1020* *1021* *1022* *1023* *1024* *1025* *1026* *1027* *1028* *1029* *1030* *1031* *1032* *1033* *1034* *1035* *1036* *1037* *1038* *1039* *1040* *1041* *1042* *1043* *1044* *1045* *1046* *1047* *1048* *1049* *1050* *1051* *1052* *1053* *1054* *1055* *1056* *1057* *1058* *1059* *1060* *1061* *1062* *1063* *1064* *1065* *1066* *1067* *1068* *1069* *1070* *1071* *1072* *1073* *1074* *1075* *1076* *1077* *1078* *1079* *1080* *1081* *1082* *1083* *1084* *1085* *1086* *1087* *1088* *1089* *1090* *1091* *1092* *1093* *1094* *1095* *1096* *1097* *1098* *1099* *1100* *1101* *1102* *1103* *1104* *1105* *1106* *1107* *1108* *1109* *1110* *1111* *1112* *1113* *1114* *1115* *1116* *1117* *1118* *1119* *1120* *1121* *1122* *1123* *1124* *1125* *1126* *1127* *1128* *1129* *1130* *1131* *1132* *1133* *1134* *1135* *1136* *1137* *1138* *1139* *1140* *1141* *1142* *1143* *1144* *1145* *1146* *1147* *1148* *1149* *1150* *1151* *1152* *1153* *1154* *1155* *1156* *1157* *1158* *1159* *1160* *1161* *1162* *1163* *1164* *1165* *1166* *1167* *1168* *1169* *1170* *1171* *1172* *1173* *1174* *1175* *1176* *1177* *1178* *1179* *1180* *1181* *1182* *1183* *1184* *1185* *1186* *1187* *1188* *1189* *1190* *1191* *1192* *1193* *1194* *1195* *1196* *1197* *1198* *1199* *1200* *1201* *1202* *1203* *1204* *1205* *1206* *1207* *1208* *1209* *1210* *1211* *1212* *1213* *1214* *1215* *1216* *1217* *1218* *1219* *1220* *1221* *1222* *1223* *1224* *1225* *1226* *1227* *1228* *1229* *1230* *1231* *1232* *1233* *1234* *1235* *1236* *1237* *1238* *1239* *1240* *1241* *1242* *1243* *1244* *1245* *1246* *1247* *1248* *1249* *1250* *1251* *1252* *1253* *1254* *1255* *1256* *1257* *1258* *1259* *1260* *1261* *1262* *1263* *1264* *1265* *1266* *1267* *1268* *1269* *1270* *1271* *1272* *1273* *1274* *1275* *1276* *1277* *1278* *1279* *1280* *1281* *1282* *1283* *1284* *1285* *1286* *1287* *1288* *1289* *1290* *1291* *1292* *1293* *1294* *1295* *1296* *1297* *1298</*

TO PRESS, MADRAS,
OOTY.

A

B

C

Please send proof in triplicate. The papers have been carefully edited.

Proof returned corrected. Please strike off and send number of copies as indicated.

As the matter is clear manuscript and has been carefully edited, (b) proof need not be sent. Please print and supply number of copies as indicated.

Type may be released after usual interval.
at once.

Type may be released after usual interval.

.....Clerk.

.....Clerk.

.....Clerk.

.....Supdt.

.....Supdt.

.....Supdt.

(b) Three copies of proof of all notes should be sent for approval, except when instructions are given to the contrary.

SPECIAL INSTRUCTIONS.

TO BE FILLED IN BY THE PRESS.

Diary.	Initials of Press official.
Received in Press on.....	9-8-29
First proof furnished on.....	10/8/29
Call for revised proof received on.....	24/8/29
Revised proof furnished on.....	24/8/29
Corrected proof received for striking on.....	24/8/29
Final copies supplied on.....	2/9/29

Account of copies.	Complete copies.	Notes.	Issue copies.
Supplied to Secretariat for Record.....	22	19	
" " " Issue.....	20		
For Volumes.....	16		
For E.T.....			
Total ...	65	19	