Educational (1903) Department.

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G.O., No. 412

DATED 3rd September

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ORIGINAL

[Despatch Abstract.]

Lawrence Asylum Poona - Communicating to the trustees of the —, the report of the audit of the accounts of this fund for the year 1902.

G.O.	No.	Department.	Date.	G.O.	No.	Department.	Date.

FURTHER PAPERS.

G.O.	No.	Department.	Date.	G.O.	No.	Department.	Date.

Government {1903} of Madras

EDUCATIONAL.

Recd. } 1903. *Enclosures*

Regd. } *Spare copies*

ORIGINAL

G.O., No. 412, 3rd September 1903.

SEPTEMBER.

Lawrence Asylum Press.

Communicating to the trustees of the — the report of the audit of the accounts of the press for the year 1902.

GOVERNMENT OF MADRAS.

EDUCATIONAL DEPARTMENT.

Read—the following paper :—

From F. L. CARVALHO, Esq., Chief Superintendent in charge of Outside Audits, to the Accountant-General, Madras, dated 7th August 1903.

I have the honour to submit the following report on the audit of the accounts of the Lawrence Asylum Press, Madras, for the calendar year 1902.

2. The usual three statements are appended marked A, B and C.

(*a*) *Statement A.*—The total cash receipts during the year amounted to Rupees 2,02,518-14-11 against Rs. 1,88,339-13-9 and the disbursements to Rs. 1,99,499-6-7 against Rs. 1,78,020-3-4 in the previous year. Government securities of the nominal value of Rs. 30,000 were purchased during the year, for which Rs. 25,000 lodged in fixed deposits with the Bank of Madras was withdrawn and utilised.

(*b*) *Statement B.*—The adjustments referred to in paragraphs 4 (*b*), 4 (*c*), 4 (*d*), 6 and 11 of the last audit report have been carried out in the accounts for the year under review.

(*c*) *Statement C.*—The income of the press for the year amounted to Rupees 2,11,471-6-3, and the working expenses and miscellaneous charges aggregated Rupees 1,60,353-13-4. The gross earnings were therefore Rs. 51,117-8-11. But as the contributions to the Lawrence Asylum at Ootacamund, together with the cost of work done gratis for it and the loss sustained by the press on account of bad debts written off amounted to Rs. 23,801-5-3, the result of the year's transactions was a net profit of Rs. 27,316-3-8. The following table shows the contributions made to the Lawrence Asylum at Ootacamund during each of the past five years. The figures indicate a progressive increase :—

Year.	Amount of contribution.
	Rs.
1898	15,000
1899	15,000
1900	18,000
1901	20,500
1902	23,000

3. *Rough Contingent book.*—Rs. 2 paid to Mr. D'Monte, an examiner of the press, on the 20th December 1902, for overtime work done out of office hours was debited to "Coolies and cart-hire." The overtime allowance should have been drawn on a bill and debited to "Overtime" instead of to "Coolies and cart-hire."

4. *Payments by cheques.*—A cheque for Rs. 300 was issued on the 20th December 1902 for charges to be incurred for decorating and illuminating the press buildings in honour of His Majesty's Coronation. As the expenditure in this connection was incurred and paid for piecemeal in small amounts, and the largest item (Rs. 226) was paid only in January 1903, the cheque in question should not have been issued. The expenses, on the other hand, should have been met in the first instance from the allotment of Rs. 500 set apart for the contingent expenditure of the press and recouped on contingent bills with sub-vouchers attached.

5. The press, during the year under review, incurred an expenditure of Rupees 791-3-0 an account of travelling allowance and Rs. 384-4-6 on account of outfit allowance of the late Mr. J. B. Witney, Superintendent of the press, who came out from England. Such charges as the latter would be inadmissible in the case of Government servants.

6. *Cash and Contingent books.*—These books should be signed each month by the Superintendent in charge of the press, who should affix a certificate, after the closing entries on the last day of the month, to the effect that the balances of money (contingent advance and collections not remitted to the bank) in the possession of the manager and cash-keeper that day was found to be correct by actual counting.

7. It seems to be the practice of the press to show the total of collections for each day in the column "Remittance to the Bank", even though they may not have, on that day, been so remitted to the Bank. This is obviously wrong. No entry should be made in the column until a remittance to the Bank has actually taken place.

8. *Acquittance rolls.*—(*a*) The pay drawn for the employés of the press is regulated by a scale issued in print from time to time indicating the strength of establishment and its cost. In the course of the test-audit applied for two months, it was found that neither the strength of establishment nor the amount of pay drawn for it agreed with the printed scale. It is said that the total amount actually drawn for any month should not exceed the cost of scale, and that the agent, Mr. R. Rill, can entertain such additional establishment as may be necessary within the limit of the excess amount of the latter over the former. In order to observe this principle strictly, there should be prepared two pay bills for each month, one for the permanent and the other for the temporary establishment of the press, and the amount drawn for the latter establishment should be restricted to the amount by which the cost of the scale exceeds the cost of permanent establishment; but the amount of stoppages in the bill of the permanent establishment which represent sums not drawn for payment by reason of the absence of permanent men whose leave is not sanctioned should not be utilised for the entertainment of additional temporary establishment.

(*b*) The appointment of P. Pereira, compositor, section III of composing department, on Rs. 10 per mensem in March 1902, does not appear to have been sanctioned by any competent authority. He drew pay as a substitute in the previous month and in March 1902 as a permanent compositor. It will be well to maintain a register or order book with the necessary columns for entry of the grant of every kind of leave, the arrangements for the filling up of vacancies or for the discharge of absentee's work and the entertainment of temporary hands as sanctioned by the agent. The entries should be supported by the initials of the agent. This register should be placed at the disposal of the auditor during his audit.

9. *Journal and transfer entries.*—Vouchers in support of transfer items should, in future, be numbered and the numbers noted in the journal to facilitate reference.

10. The old practice of debiting Rs. 10 per £ in adjusting loss by exchange on supplies obtained from London is still continued. Now that the rupee equivalent is 1*s.* 4*d.* and not 2*s.* the amount of the bills paid should be calculated at this rate, and the difference, if any, between the amount in rupees actually paid and that calculated at this rate should alone be charged to "loss by exchange." If this system is followed in future, it will, in most cases, do away with the necessity for making such adjustments, and indeed, in a few cases, the resulting adjustment may indicate a gain instead of a loss in exchange.

11. *Job work book.*—This book is not signed by any responsible officer of the press. It is an important record as it relates to the revenue of the press and the duty of making entries in it, on which are based the debits in the day-book, should necessarily be entrusted to a responsible clerk who should affix his initials after each item is duly closed. It should also be reviewed by the Superintendent of the Press at convenient intervals (once a month at the least), who in token of having done so should affix his signature.

12. *Day-book.*—The commission allowed to the press by Messrs. Wrenn, Bennett & Co. who furnish their own paper for their work should be taken to the head "Commission" in the press books and not to "Printing" as is now done. The latter head is misleading.

13. *Stock books.*—It happens in some cases that the storekeeper of the press issues some articles similar to, but not exactly, those indented for, owing to the articles indented for being out of stock; for instance, he issues sheep skins of a smaller size for those of a larger size or straw boards of 1 lb. weight for ½ lb. weight. Such issues give rise to differences between account and stock balances, to obviate which, it is suggested that the indents should be altered in red ink with reference to actual issues and attested by the Superintendent.

14. *Stock list.*—The list prepared by the press at the end of the year and submitted for audit does not provide columns for noting the depreciation in value of old stores or deterioration for wear and tear of articles which are in use. The form D appended is recommended for use in future. The total of column 6 should at the end of each year be adjusted in the manner referred to in the succeeding paragraph.

15. (*a*) No adjustments were made in the press books on account of the following:—

(1) Deterioration for wear and tear of articles in use in the press.

(2) Depreciation on stationery.

(3) Cost of paper and ink for printing proofs, etc.

(4) Cost of bound books, etc., supplied to different departments of the press.

I could not ascertain (2) and (4), but I have ascertained that (1) amounted for the year to Rs. 10,405-3-4 and (3) to Rs. 498-2-3. It will be seen that these figures have been adjusted in the statement C appended.

(*b*) The credit entries * under stock account in the ledger erroneously include *labour* also instead of *material* alone. In the case of the Madras Railway Company contract which yields the largest income, the rate for the supply of forms includes paper, ink and labour; and in consequence it is said that labour alone cannot be entered separately. This is also the case with War office and District municipal forms and books, while in respect of the other items, the sale price is fixed (including the cost of paper, ink and labour for setting, printing and binding) and debited in a lump sum in the day-book. I would therefore suggest that, in future, the outturn may be apportioned to stock, printing and binding in a certain fixed proportion to be determined by the agents, instead of the gross value of the outturn being as now shown as income on stock alone.

	Rs.	A.	P.
* Almanacs	4,377	6	1
Do. pocket	64	12	0
Do. sheet	102	9	8
Civil lists	5,187	8	8
History of services of gazetted officers ..	1,169	8	0
War office forms	2,444	2	11
Do. books	450	4	8
Madras Railway Company contract	1,05,162	3	9
District municipal forms and books	12,138	5	7

16. *Outstandings.*—The outstandings on bills on the 31st December 1902 amounted to Rs. 60,668-9-2, of which Rs. 58,496-12-11 was collected up to the 31st July 1903.

17. The press should be requested to pay to the credit of Government the prescribed audit fee of Rs. 300.

Enclosures.

A.—Statement of Cash Receipts and Expenditure of the Lawrence Asylum Press, Madras, for 1902.

Balance on the 1st of January 1902.

	Amount. Rs.	A.	P.	Total. Rs.	A.	P.
In the Bank of Madras	3,145	7	0			
In hand, in cash and drafts	1,260	1	2			
Permanent advance	500	0	0			
				4,905	8	2
Receipts.						
1. Collections by bills	1,88,287	3	4			
2. Collections without bills	4,740	3	5			
3. Sale-proceeds of books sold on commission	3,081	6	7			
4. Cash sales	421	5	9			
5. Recovery on account of supplies to Ooty Branch press	1,412	7	7			
6. Interest on superannuation fund ..	1,309	3	6			
7. Interest on employees' securities ..	93	12	0			
8. Interest realized on fixed deposits ..	875	0	0			
9. Deposits received from contractors with tenders	420	0	0			
	600	0	0			
10. Rents	2	11	1			
11. Discount on postage stamps purchased.	36	5	3			
12. Undisbursed pay of establishment ..	1	12	2			
13. Undisbursed overtime allowance of establishment	251	1	11			
14. Interest on the deposit with the Madras Railway Company	85	6	0			
15. Sale-proceeds of old stationery and stores	7	13	8			
16. Balance of money returned after the purchase of Government promissory notes	803	2	8			
17. Interest on Government securities in reserve fund				2,02,518	14	11
18. Amount of fixed deposits withdrawn ..	25,000	0	0	25,000	0	0
				2,32,424	7	1
Disbursements.						
1. Establishment	48,966	1	3			
2. Overtime allowance for extra work ..	2,589	9	10			
3. Postage and receipt stamps	876	1	9			
4. Advertising charges	159	12	3			
5. Taxes and insurance	2,541	1	0			
6. Repairs to buildings and machines ..	1,088	4	2			
7. Rent of telephone	225	0	0			
8. Allowances for compiling almanacs ..	911	8	4			
9. Lithographing	118	2	0			
10 Fuel for engine and stereos	1,798	5	0			
11. Law charges	64	4	6			
12. Pensions	1,664	2	8			
13. Lighting charges	210	2	6			
14. Coolies and cart-hire	807	13	0			
15. Office expenses	786	10	11			
16. Payments on account of books on commission sale	3,149	8	5			
17. Payments on personal accounts ..	3,341	7	2			
18. Payments on account of Ooty Branch press	528	8	10			

Disbursements—cont.

	Amount. RS. A. P.	Total. RS. A. P.
19. Audit fee	300 0 0	
20. Interest on employés' securities ..	86 12 0	
21. Deposits with tenders returned ..	420 0 0	
22. Payments on account of stock	1,04,044 8 2	
23. Improvement to press buildings ..	290 5 0	
24. Contribution to Lawrence Asylum, Ootacamund	23,000 0 0	
25. Commission for canvassing advertisements and for sorting waste-paper	55 14 4	
26. Travelling and outfit allowance of the new Superintendent	1,175 7 6	
27. Expenses for illuminating and decorating the press premises for coronation	300 0 0	
		1,99,499 6 7
28. Surplus cash invested in Government promissory notes of the nominal value of Rs. 30,000 purchased for the reserve fund	29,844 9 1	
		29,844 9 1

Balance on the 31*st December* 1902.

In the Bank of Madras	1,543 10 3	
In hand, in cash and drafts	1,036 13 2	
Permanent advance	500 0 0	
		3,080 7 5
		2,32,424 7 1

B.—Statement of Assets and Liabilities of the Lawrence Asylum Press, Madras, on the 31st December 1902.

Liabilities.	Government securities. RS.	Cash. RS. A. P.	RS. A. P.
Employés' securities—			
Mr. C. Annamalay Mudaliar, Manager and Cashkeeper	..	1,000 0 0	
Mr. C. Lutchmiah Naidu, Storekeeper ..	..	400 0 0	
,, O. Moonoosawmy Chetty, Storekeeper ..	..	400 0 0	
,, C. Singaravaloo Mudaly, Bill Collector ..	..	250 0 0	
,, Kistnasawmy Naidu, Accountant, Branch press at Ootacamund	..	200 0 0	2,250 0 0
Contractors' securities—			
Messrs. V. Perumall Chetty & Sons	..	265 0 0	
Mr. Mungapathy Naidu	..	25 0 0	
,, C. Ferasawmy Naicker	..	25 0 0	
Messrs. H. Mahomed Ghose & Co.	..	25 0 0	340 0 0
Bills payable—			
Messrs. John, Dickinson & Co. (Paper Account)	..	4,464 8 7	
Messrs. Dymes & Co., Madras (Separate Account)	..	303 10 6	
Messrs. V. Perumall Chetty & Sons (Separate Account)	..	309 13 4	
Messrs. Wiele and Klein (Separate Account)	..	21 0 0	
Mr. Mungapathy Naidu (Separate Account) ..	..	97 0 0	
,, C. Ferasawmy Naicker (Separate Account)	..	341 6 10	5,537 7 3
Books on commission sales	..	....	481 8 0
Personal accounts in the ledgers	..	....	1,141 10 6
Total liabilities ..	..	....	9,750 9 9
Capital of the press—			
With accumulated profits at the end of the year including the deposit with the Madras Railway Company and Government securities in reserve and superannuation funds lodged with the Accountant-General and balances of cash and stock on the 31st December 1902.	69,500	....	4,51,193 3 6
Total ..	69,500	....	4,60,943 13 3

Assets.	Government Securities. RS.	Cash. RS. A. P.	RS. A. P.
Cash balances—			
With the Bank of Madras	..	1,543 10 3	
In hand, in Cash and Drafts	..	1,036 13 2	
Permanent advance	..	500 0 0	
			3,080 7 5
Stock balances—			
Plant and dead stock	..	1,91,328 14 11	
Stationery, printing and writing and stores in use in departments	..	26,688 12 5	
India Army forms and books	..	175 15 11	
District municipality forms and books ..	..	395 4 3	
Furniture	..	4,430 6 6	
			2,23,019 6 0
Balance of postage and receipt stamps and postcards	..	....	61 5 6
Investment and interest account—			
Superannuation fund, in Government securities lodged with the Accountant-General	37,500		
Reserve fund, in Government securities lodged with the Accountant-General ..	30,000		
Employés securities, in fixed deposits with the Bank of Madras	..	2,250 0 0	
			2,250 0 0
Deposit account—			
With tender with the Madras Railway Company	2,000	....	....
Bills receivable—			
From Lawrence Asylum press, Ootacamund Branch	..	98 13 5	
From customers	..	60,668 9 2	
			60,767 6 7
Press premises	..	....	1,71,765 3 9
Total ..	69,500	....	4,60,943 13 3

C.—Profit and Loss Account of the Lawrence Asylum Press, Madras, for 1902.

Expenditure.

	Rs.	A.	P.
1. Establishment	48,936	3	3
2. Overtime allowance for extra work	2,586	13	9
3. Contingencies	7,966	13	1
4. Pensions	1,664	2	8
5. Allowances for compiling almanacs	921	8	4
6. Amount written back	3,598	8	4
7. Cost of stores issued	80,843	9	1
8. Deterioration of stock in use in the press for 1902	10,405	3	4
9. Commission paid in purchasing Government securities for the reserve fund	49	0	6
10. Discount and commission	53	3	3
11. Depreciation allowed on press premises	1,138	9	7
12. Law charges	64	4	6
13. New Superintendent's travelling and outfit expenses	1,175	7	6
14. Illuminating and decorating expenses for coronation	300	0	0
15. Stationery supplied to different departments of the press.	152	3	11
16. Cost of stationery stores issued for proof forms in 1902.	498	2	3
	1,60,353	13	4

Income.

1. Printing and binding work and lithography	47,396	9	7
2. Books, periodicals, forms, etc., printed (including stationery)	1,59,797	15	8
3. Interest realized on Superannuation fund investment	1,309	3	6
4. Rent	610	0	0
5. Interest on fixed deposits	875	0	0
6. Interest on Government security deposited with the Madras Railway Company	41	1	11
7. Commission realized on sale of books	366	11	5
8. Petty balances	59	4	5
9. Interest on reserve fund	576	11	9
10. Discount on Government promissory notes purchased for the Reserve fund	438	12	0
Total	2,11,471	6	3
Less expenditure	1,60,353	13	4
Gross profit for the year	51,117	8	11

Deduct—

	Rs.	A.	P.			
Contribution to Lawrence Asylum, Ootacamund	23,000	0	0			
Work done gratis for Lawrence Asylum, Ootacamund	479	13	10			
Bad debts written off	321	7	5			
				23,801	5	3
Net profit for the year				27,316	3	8

D.—Stock list of Lawrence Asylum Press, Madras, for the year 190 .

Stock ledger folio.	Description of article.	Quantity.	Value.	Amount allowed for depreciation of old stores or deterioration of articles in use.		Net value.	Carried to stock ledger folio.	Remarks.
				Rate per cent.	Amount.			
1	2	3	4	5	6	7	8	9
			Rs. A. P.		Rs. P	Rs. A. P.		

No. O.A.D./5340.

Forwarded to Government in the Educational department.

2. It is requested that orders may be passed for the payment into the Bank of Madras to the credit of Government of the audit fee of Rs. 300.

19*th August* 1903.

W. S. ADIE,
Offg. Accountant-General.

Order—No. 412, Educational, dated 3rd September 1903.

The report will be forwarded to the trustees of the Lawrence Asylum Press whose attention will be drawn to the remarks and suggestions of the auditor.

2. The trustees will be requested to arrange for the payment of the audit fee of Rs. 300.

(True Extract.)

A. G. CARDEW,
Ag. Secretary to Government.

To the Trustees of Lawrence Asylum Press, through the Director of Public Instruction.

„ Accountant-General.

Exd. P. Seetharam.

[E. / 1]

1,000--5-12-02.

Educational (1903) Department.

CURRENT No. 1362

From

[*Name*] W. S. Adie Esqr., I. C. S.,

[*Designation*] Accountant-General,

[*Station*] Madras

No. O.A.D/5340

Dated 19- 8- *1903.*

Enclosures 3 S.C.

Received 31- 8- *1903.*

Registered 31- 8- *1903.*

SUBJECT.

Forwarding the report on the audit of the accounts of the Lawrence Asylum Press, Madras, for the Calendar year 1902.

BACK PAPERS.

FURTHER PAPERS.

[G. 3]
4,520—5-3-03

SECRETARY TO GOVERNMENT
31 AUG 1903
LOCAL & MUNICIPAL DEPARTMENTS

Public Department.

C. No. 2557., From the Accountant-General, No. A.A.D/5340 Dated 19-8-1903.

Endorsement. No. 3044-28-8-03.

Transferred to the Educational department

[signature]
27.8.03
Ag Under Secretary

Ch
26.8.03

Don't print this.
PM

MK
26/8/03

[E. 3]

1,000—5-12-02.

3

EDUCATIONAL DEPARTMENT.

9

READ AGAIN G.O., No. ....., dated ..... 190 .

" " " " ....., " ..... 190 .

READ ALSO:—

C. No. 1362, From the Accountant-General, No. O.A.D. 5340, dated 19-8- 1903 .

" " ....., " " ....., " ....., " ..... 190 .

" " ....., " " ....., " ....., " ..... 190 .

ORDER No. 412, dated 3-9- 1903.

P.S.

desp 3/9/3

The report will be forwarded to the trustees of the Lawrence asylum Press whose attention will be drawn to the remarks and suggestions of the auditor.

2. The trustees will be requested to arrange for the payment of the audit fee of Rs. 300.

AAD 1/9/03

Pty 2/9/3

AGL 3-9-03

To the trustees of Lawrence asylum Press, thro' the D.P.S.

" A.G. ✓

3 desp 18/9/3

First copy sent to Press.

Returned for signature.

Despatched in print.

NUMBER OF COPIES REQUIRED. { Order complete. 50
Letter only.
Order complete with Letter.

READ AGAIN G.O., No. DATED
190 .

CURRENT No.

ENCLOSURES TO C. No.

ORDER OF GOVERNMENT .. ..

LETTER OF GOVERNMENT.

STATEMENT WITH DITTO.

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