

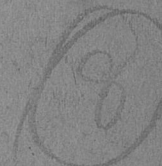
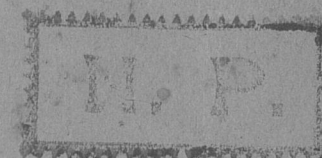
Educational (1903) Department.

ORDINARY PRINTED.

G.O., No. 457

DATED 22nd September

INDEXED.



ORIGINAL

[Despatch Abstract.]

Lawrence Asylum, Ootacamund - Recording with
remarks the explanation submitted by the Committee
of the — of the points noticed by the Auditor
in the accounts of the Asylum for 1901-02.

BACK PAPERS.

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.

Regd.

} 1903.

Enclosures

Spare copies

ORIGINAL

G.O., No. 457, 22nd September 1903.

N. P.

SEPTEMBER.

Lawrence Asylum, Ootacamund.

Recording, with remarks, the explanation submitted by the Committee of the — of the points noticed by the Auditor in the accounts of the Asylum for 1901-1902.

GOVERNMENT OF MADRAS.

EDUCATIONAL DEPARTMENT.

Read—the following paper:—

From the Rev. A. W. ATKINSON, Principal and Secretary, Ootacamund Lawrence Asylum, Lovedale, to the Director of Public Instruction, dated 22nd July 1903.

I have the honour to forward herewith memorandum of explanations on the Auditor's report on the Asylum accounts for 1901-1902.

The Committee of the Asylum have had the Auditor's report under consideration for the last three monthly meetings.

ENCLOSURE.

MEMORANDUM on the Auditor's report on Asylum accounts, 1901-1902.

Paragraph 3—(i) *Head V-4 "Amounts overdrawn and returned" is still retained.*—This heading was retained in order to show separately the return to the Bank of sums overdrawn, inadvertently or otherwise, when payments are made. As, however, the Auditor considers that it should be dispensed with, his suggestion will be adopted, and any amounts that may be overdrawn, will be placed under V-5. "Other items."

(ii) *Carriage-hire to the Rev. Mr. Taylor.*—The bills for carriage-hire to Ootacamund, to attend the meetings of the Committee, were passed for payment by the Finance Committee, as Mr. Taylor's appointment was an acting one and he had no conveyance of his own. The Committee trusts that, under these circumstances, the objection may be withdrawn.

(iii) *Cash-book not signed by the Principal.*—The cash-book and the certificate of balance will, prior to the monthly audit by the Finance Committee, be in future signed by the Principal.

(iv) *Investment of surplus balance in the Post Office Savings Bank.*—This was done by order of the Committee—vide resolution No. III-B, dated the 20th December 1901, and resolution No. III-A, dated 20th January 1902, for the reason mentioned by the Auditor. The Committee would be glad to receive a specific ruling from Government as to whether a deposit by it in the Government Savings Bank is an investment in accordance with the rules or not. If the reply is in the negative, all surplus cash balances will be invested in Government paper, but the Committee would point out that frequent purchase and sale of securities, which would under this arrangement be necessary, would involve much extra correspondence and delay, and possibly loss of income arising from expenses for sale and purchase, etc. If it is decided that a deposit in the Post Office Savings Bank is a proper investment, the account will be transferred to the designations of the official trustees.

(v) *Armstrong Medal.*—In the judgment of the Committee, this matter does not come under their cognizance at all.

Stock Accounts.—(a)—As regards regulating the issue of stationery the subject will be dealt with at an early date.

(b)—*Stores purchased, etc.*—Everything purchased for use at the Asylum will, in future, be passed through the books.

(c)—The questions of employing contractors for stores, and of substituting the system of procuring ready-made clothing from contractors, for that which now exists will have the early and careful consideration of the Committee. These are matters which cannot by any means be disposed of off-hand.

Information for complete balance sheet.—VII statements, such as are here referred to, have hitherto never been presented for audit, and exception has never been taken to this omission. To now prepare the statements indicated, which if it is intended that a perfect balance sheet should be placed before the Auditor would have to include the value of the whole of the land, buildings, plantation, and stock of every kind in hand belonging to the Asylum, would be a very troublesome and prolonged task and the results—unless Government was content with a valuation based on the existing state of things—be fallacious.

Such a valuation, to be worth anything, would have to be made by experts for the greater part and these must be paid for their services. It appears to the Committee hardly worth while to incur the expenditure which this would necessitate merely to ensure that the accounts of the Asylum, which is not a commercial concern, are from a strictly actuarial point of view, correct. However, if Government desires this, the Committee will see what can be done in the matter.

The Committee would invite the attention of the Government to the fact that, although the Auditor's report is dated 19th August 1902, the order thereon reached the Principal only on the 30th March 1903.

N. Ref. on C. No. 5451, dated 19th August 1903.

Submitted to Government.

G. H. STUART,
Director of Public Instruction.

ORDER—No. 457, Educational, dated 22nd September 1903.

Recorded.

2. The Committee's proposal to credit amounts overdrawn and returned to the head "V-5. Other items" is not in accordance with article 63 of the Civil Account Code. Such amounts should be adjusted by shortdrawing on the next occasion.

3. The objection to the item of carriage-hire may be withdrawn.

4. Under rule 62 of the Asylum rules, as it now stands, a deposit by the Committee in the Post Office Savings Bank is not an "investment". The rule will however be altered.

5. The accounts of the Armstrong medal fund may be regarded as private and excluded from those of the Asylum.

6. The Governor in Council agrees with the Committee that no change is necessary in the statement of assets and liabilities now submitted for audit.

7. The following notification will be published in the *Fort St. George Gazette*:—

NOTIFICATION.

In rule 62 of the rules regulating the constitution and working of the Lawrence Asylum, Ootacamund, after the words "with the Bank of Madras" the words "or with the Post Office Savings Bank" shall be inserted.

(True Extract.)

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

To the Committee of the Lawrence Asylum, Ootacamund
(through the Director of Public Instruction).

„ Director of Public Instruction.

„ Accountant-General.

Gazette.

NOTES CONNECTED WITH G.O., No. 457, EDUCATIONAL, DATED
22ND SEPTEMBER 1903.

[SUBJECT.—Accounts of the Lawrence Asylum, Ootacamund.]

From the Director of Public Instruction, No. 5451, dated 19th August 1903.

The explanation, submitted by the Committee of the Ootacamund Lawrence Asylum, of the points noticed in the audit report on the accounts of the asylum for 1901-1902, calls for orders in the following cases:—

(1) *Amounts overdrawn and returned.*—The auditor says that a distinct head of account for adjustment of amounts overdrawn is unnecessary and has suggested that such items should be separately noted and refunded or adjusted by shortdrawal on the next occasion of payment (paragraph 6 of the report on page 3 of G.O., No. 424, Educational, dated 5th September 1900). The committee say that they will omit the present separate heading "V. 4" and will show the amounts that may be overdrawn under "V. 5—Other items." This it is submitted would not do. The point is that overdrawn amounts should not be shown under any head of account at all, but should be adjusted by shortdrawing on the next occasion. The course suggested by

Yes.

A. T. PRINGLE—16-9-03.

A. G. CARDEW—17-9-03.

the auditor is the correct procedure—*vide* article 63 of the Civil Account Code—and the committee it is submitted should adopt it.

(2) *Carriage hire to the Rev. Mr. Taylor.*—The committee meetings are generally held in the library at Ootacamund and the Rev. Mr. Taylor, who acted for the Rev. Mr. Atkinson as Principal and Secretary, has been allowed carriage charges of Rs. 7 for attending each committee meeting. This the auditor points out is inadmissible under Government rules as the distance from Lovedale to Ootacamund is less than 5 miles. The committee state that the Finance Committee allowed carriage hire to Mr. Taylor as his appointment was an acting one and as he had no conveyance of his own and request that in these circumstances the objection may be withdrawn.

Certainly.

A.T.P.

A.G.C.—17-9-03.

Submitted that the committee's explanation may be accepted. Carriage hire to clerks and peons going out on duty is allowed in Government Offices.

(3) *Investment of surplus balance in the Post office savings bank.*—In paragraph 16 (c) of his audit report on the accounts for 1899-1900, the auditor pointed out that there was always a large balance in hand and that on the date of his report it amounted to nearly Rs. 30,000 and suggested that Rs. 15,000 of it should be invested in Government securities for the benefit of the asylum. The committee approved the auditor's suggestion, but in view of the fact that the balance would be reduced by large payments for improvements decided to place only Rs. 10,000 as a fixed deposit in the bank. This being opposed to rule 62 of the asylum rules the attention of the committee was drawn thereto in clause (iii) of G.O., No. 445, Educational, dated 2nd August 1902.

In paragraph 3 (iv) of his report on the accounts for 1901-1902, the auditor points out that in compliance with his previous suggestion the committee have deposited a sum of Rs. 10,000 in the Post office savings bank; that this is opposed to rule 62 of the rules of the asylum; that, granting it is not opposed to rule 62, the

depositing the amount in the name of the Rev. Mr. Atkinson, Principal and Secretary, for the time being, is irregular and that all investments should under rule 62 stand in the names of the trustees appointed by Government, viz., the Director of Public Instruction and the Collector of the Nilgiris.

The committee say that this was done to facilitate withdrawal and ask for a specific ruling of Government as to whether a deposit by them in the Government savings bank is an investment in accordance with the rules or not. It is submitted that deposit in Post office savings bank is not an investment in accordance with the rules. The committee's desire is that the money thus available for deposit must be invested in such a way that it can be withdrawn easily. The best thing therefore

* Under the rules as they now stand fixed deposit in the Madras Bank is allowable, but the amount so deposited cannot be withdrawn on an emergency.

P. T. THARYAN.
Yes. The rule may be altered. The so called investment in the Post office savings bank is quite unobjectionable in itself.

A. T. PRINGLE—16-9-03.

A. G. CARDEW—17-9-03.

in Government securities in the names of the Trustees—the Director of Public Instruction and the Collector.

(4) *Armstrong medal*.—In paragraph 11 of his report on the accounts of 1900-1901, the auditor pointed out that some years ago a sum of Rs. 200 was collected in honour of the late headmaster of the asylum, Mr. Armstrong, and was deposited with the Commercial Bank of India in the name of Messrs. Atkinson and Maddox and that the proceeds of the fund expended on a silver medal called the "Armstrong medal" given to one of the pupils for good conduct, but that it was not accounted for in the books of the asylum nor referred to in the asylum report. He also suggested that a separate account should be maintained of the endowment.

In paragraph 3 (v) of the audit report for 1901-1902, the auditor again refers to the matter and states that the endowment still remains unaccounted for in the books of the asylum.

The committee say that the matter does not come under their cognizance at all. Submitted that as the endowment is connected with the asylum, it should, as the auditor says, be accounted for in the books of the asylum.

A.T.P.

We do not know the circumstances under which the Rs. 200 were collected and deposited, but I agree with the Assistant Secretary that the matter may be left as it is.

A.G.C.—17-9-03.

(5) *Balance sheet*.—The auditor says that the statement of assets and liabilities submitted at present for audit does not include—

- (1) valuation on account of furniture in the school and other buildings;
- (2) valuation of books in the library; and
- (3) valuation of the band instruments and the church organ;

and that it should include them.

The committee say that the cost of furniture, etc., was never included in the statement of assets and liabilities and no exception was ever taken to this omission. If a perfect balance sheet is to be placed before the auditor, it should include, the committee say, the value of the whole of the land, buildings, plantation and stock of every kind, which would be a very troublesome business and the results would be fallacious. But if the Government desires this, the committee will see what can be done in the matter.

A perfect balance sheet including the cost of land, buildings, etc., does not appear to be necessary, but it appears desirable that the statement of assets and liabilities presented for audit should include the cost of furniture, books, band instruments and church organ. The committee may be so informed.

I disagree and would support the Committee.

A. T. PRINGLE.

I agree with Assistant Secretary.

A. G. CARDEW—17-9-03.

T. KANAKASUNDARAM PILLAI—5-9-03.

[The delay in communicating the audit report has already been investigated and suitably dealt with. The notes connected with the matter are with the defaulters' book.]

P. T. THARYAN—8-9-03.

I have noted in the margin. The auditors go beyond their province, it seems to me, in some respects.

A. T. PRINGLE—16-9-03.

A. G. CARDEW—17-9-03.

The draft placed below may issue.

P. T. THARYAN—17-9-03.

A. T. PRINGLE—18-9-03.

A. G. CARDEW—18-9-03.

J. T. [HOMSON]—19-9-03.

[No. 457, Educational, dated 22nd September 1903.]

Educational (190³) Department.

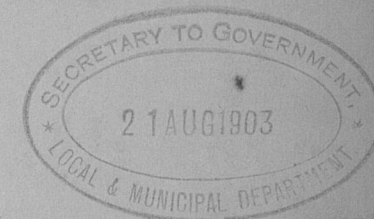
CURRENT No. ¹³⁰⁹~~1309~~

From

[Name] The Honourable Mr. G.H. Stuart, M.A.,

[Designation] Director of Public Instruction,

[Station] Madras.



N. Ref. on C No. 5451 of 03

Received 21-8-1903.

Dated 19th August 1903

Enclosures one

Registered 21-8-1903.

SUBJECT.

Submitting memorandum of explanations on the Auditors' report on the Lawrence Asylum accounts for the year 1901-1902.

BACK PAPERS.

80. 838716-2-03	529 - 18-9-07
" 64587 2-8-02	421 - 5-9-07

FURTHER PAPERS.

9.

The Secretary to Government,

Educational Department.

$$\left[\frac{E.}{3} \right]$$

1,000-5-12-02.

EDUCATIONAL DEPARTMENT.

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

READ ALSO:—

C. No. 1309, From the SP1, No. 5451, dated 19-8- 1903

" " " " " "

190

ORDER

No. 457, dated 22-9-1903

Recorded with the following remarks:

1st 2. The Committee's proposal to credit amounts overdrawn and returned to the head "V-5 - other items" is not in accordance with article 63 of the Civil account Code. Such amounts should be ~~not be credited at all but should be~~ adjusted by short-drawing on the next occasion.

occasion.

(item of
1873. The objection to the carriage hire
~~drawn by the Rev. Mr. Taylor is that he is~~
may be
with drawn.

1314. ^{Under} ~~As~~ rule 62 of the Asylum rules
as it now stands a deposit by the Committee in
the Post office Savings bank is not an
investment

"investment" ~~in accordance with it. but~~
~~the rule will be altered, by the insertion of~~
~~the words "or with the Post office Savings~~
~~bank" after the words "with the Bank of~~
~~Madras"~~

(4) The accounts of the Armstrong
medal fund ~~need not be brought into~~ private & excluded from
those of the Asylum. 12-12 1903 post

(5) The Governor in Council agrees with
the Committee that no change is necessary
in the statement of assets & liabilities now
submitted for audit.

2. The following notification will be
published in the Fort St George Gazette:-

Notification

In rule 2 of the rules regulating
the Constitution and working of the
Lawrence Asylum, Ootacamund,
the words "or with the Post office Savings
bank" shall be inserted after the words
"with the Bank of Madras".

17/9/13

18/9

18-9-03

HM

Done
12/10/13

Issue
21.9.03.

To the Committee of the L.A. Ootacamund
thru the S.P.
S.P.
A.L. Datta
Gazette. 13-10-13
[Reference for correction of all office copies of the rules]

First copy sent to Press.

Returned for signature.

Despatched in print.

READ AGAIN G.O., No.
190

, DATES

CURRENT No.

ENCLOSURES TO C. No.

ORDER OF GOVERNMENT.

LETTER OF GOVERNMENT.

STATEMENT WITH DITTO.

FILED UP, BEING MEANT FOR DESPATCH
ORIGINAL.

N.B.—

A = Print in full.
B = Not to be printed.
P = Print abstract only.
Q = Print heading only.