Educational (1904) Department.

ORDINARY PRINTED.

G.O., No. 456

DATED 26. 7. 04

INDEXED.

ORIGINAL.

[Despatch Abstract.]

Laurence Brahmin Press

Forwarding [illegible] of the —
the report on the [illegible] of the account
of the Lawrence Brahmin Branch Press
at Chittagong for 1903.

BACK PAPERS.

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

FURTHER PAPERS.

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

2

Government {1904} of Madras.

EDUCATIONAL.

Read. } 1904. *Enclosures*

Regd. *Spare copies*

ORIGINAL

G.O., No. 456, 26th July 1904.

JULY.

Lawrence Asylum Press.

Forwarding to the Trustees of the — the report on the audit of the accounts of the Lawrence Asylum Branch Press at Ootacamund for 1903.

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, dated Fort St. George, 2nd July 1904.

I have the honour to submit my report on the audit of the accounts of the Lawrence Asylum Branch Press at Ootacamund for the calendar year 1903.

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

3. The following are the more important points noticed in the course of my audit, the minor ones having been personally brought to the notice of the Superintendent for necessary correction.

Cheques.

(*a*) At present all cheques drawn by the Superintendent have to be sent by post to the Agent at Madras for his countersignature before issue. These cheques are sent unregistered and some delay ensues. The practice of sending these cheques unregistered by post is attended with risk, while registration would entail an additional expenditure of about Rs. 8 a year taking the total number of cheques sent at about 30. The additional expenditure is however a trifle compared with the amount of risk otherwise involved. It is for consideration therefore whether the cheques in question cannot be countersigned locally by the Collector of the district or the Deputy Adjutant-General who are both members of the committee. If this could be done, the risk as well as the additional expenditure proposed would be effectively avoided. But if this is not practicable, I think it is necessary to incur the additional expenditure for registration.

Security Deposits.

(*b*) I understand that the storekeeper and the accountant have not furnished their security in full but that they have been allowed the privilege of making up the amounts by monthly instalments deducted from their pay. These instalments have been erroneously shown in the cash account as receipts of the press, but have not affected the Profit and Loss account since the amount recovered has been treated as a liability in the balance sheet. These amounts should properly have been kept in a separate account—Deposits.

Cash Book.

4. The remittances noted in the margin which have been made to the head office at Madras by cheques were not acknowledged by the latter immediately on their receipt, but credits were afforded in its statements of account with the branch press transmitted at intervals of four or five months. I would suggest that acknowledgments in proper form be obtained and filed in support of the remittances which are charged off in the cash book of the branch press.

Date.	Amount. Rs.	A.	P.	Particulars.
January 1903.	250	0	0	Security deposit of M. C. Chinnathambi Pillai transferred to the head office.
Do.	98	13	5	Value of stores supplied by the head office.
July 1903.	1,661	9	10	Do.
December 1903.	499	8	5	Do.

5. The Superintendent has, with reference to the suggestion contained in paragraph 4 of the last audit report, drawn up a revised form of cash book and submitted it to the Agent to the Trustees at

Madras for his approval. No reply has yet been received to the reference and the old form of cash book is still continued. The form is well suited to the limited transactions of this press and may be adopted at once as modified in the accompanying form (D) in which a separate column has been opened for noting the date of remittance. The opening of the last-mentioned column is necessary because collections made at a late hour in the evening cannot be remitted to the Bank on the same day. On the last day of each month a reconciliation should, if necessary, be effected in manuscript as at present at foot of the cash book of the balance shown in it and that in the pass book.

Cash Sales.

6. The register of daily sales now maintained by the press in a distinct and separate form appears to be unnecessary as all the items in it are entered in detail in the rough day sheets which form the main record for posting the issues of stores in the stock book. The maintenance of the separate cash sale register may possibly lead to the entries therein being also transferred to the stock book. This register may therefore be dispensed with and one or two pages of the rough day book for each month may be allotted for cash sales. This arrangement is recommended for the sake of convenience so that all the cash sales may be grouped together.

Fair Day Book.

7. The correctness of the entries in this book is now being certified to by the Superintendent who prepares a classified analysis of the outturn of work from the rough day sheets and checks the result thus arrived at with the entries in the fair day book.

Stock Book.

8. The practice of the press in respect of the issue of stores for private and job work is, that the manager who is also the store-keeper enters the required quantity of stores in a rough issue book and obtains in it the initials of the pressman or binder. But it does not appear that the Superintendent exercises check over such issues. In this connection the Superintendent explained to me that the issues of stationery for job numbers are checked by him only when he considers it necessary to do so by the entries that are made in the rough day sheets to ascertain whether the quantities issued for job numbers are not in excess of requirements. But this is not enough. To avoid the issues of stores in this respect over and above the actual requirements, I would suggest that a counterfoil indent book in the appended form E should be maintained by the printing and the binding sections, which will enter the probable quantity of stores required for each work in an indent and submit it to the Superintendent with the strike order or other requisition of the party and the proof-copy for his scrutiny and sanction. The foreman of the section should, after the indent is passed by the Superintendent, deliver it to the store-keeper and obtain the stores and when the work is finished enter the indent number and the quantity of stores consumed on the proof-copy and transmit it to the account section for debiting the party in the rough day sheets. The day sheets should have an additional column for noting the number of indent. The Superintendent should, at the time of passing the debits in the rough day sheets, satisfy himself that the quantity of stores charged for in them agree with the indents with the store-keeper.

9. The indent book maintained by the press for stationery utilised for office is in order, but the entries made in it are not clear for want of sufficient space. Two pages of the book may conveniently be utilised for the issues of one month so that the entries may be made in figures and in words.

Journal.

10. No adjustment was made in the press books on account of the cost of work done for the office such as printing and binding office registers, etc., during the year. The press had therefore lost credit for such an amount in its outturn for the year under printing and binding. The value of work done for office should, in future, be adjusted to the credit of "Outturn" under printing or binding, as the case may be, by contra debit to "Working expenses".

11. The value of stores issued for office during the year under audit was not adjusted in the press accounts as suggested in paragraph 9 of the last audit report. I have, however, included its value of Rs. 269-4-1 in statement C appended and reduced the loss shown under stock account in it by that amount.

Ledger.

12. The stock account in the ledger of the press was closed for the year with a loss of Rs. 365-3-1 which meant that the stationery stores were sold at a lower rate than that at which they were purchased. But this is not the case. The press is really selling the stores at a little more than the cost price and the profit so realised is swallowed up by the loss representing the value of stationery issued for office and the amount of depreciation on old stores, which, if adjusted regularly at the end of the year to the credit of "Stock account", would bring out the result of profit under that account. The Superintendent estimates the amount of depreciation on old stores for the year under report at Rs. 741-4-10, and the cost of printing and binding work done for the press at Rs. 20. If these amounts be taken into account, the loss of Rs. 95-15-0 shown under stock in statement C would be converted into a profit of Rs. 665-5-10. I have explained to the Superintendent how this adjustment should be effected annually, and he has promised to have it carried out regularly commencing from the accounts of the current year.

13. The "Profit and Loss account" as made up by the press for the year indicates that a sum of Rs. 15-11-1 has been deducted on account of disputed bills, while the correct amount written off on that account during the year was Rs. 18-6-1. The difference of Rs. 2-11-0 represents the unclaimed petty balances of personal accounts credited and should be taken against irrecoverable balances and bad debts and not against deductions from disputed bills which do not constitute regular dues to the press. I have therefore adopted the correct figures in my "Profit and Loss account" of the press.

Bill Book.

14. Among the items outstanding in the books of the press, the first two of those noted in the margin appear to require immediate action with reference to the letter, dated the 18th February 1904, of Mr. Barton Wright, who, it is said, had also been the Manager, Highland farm factory. He intimated that he would settle the claim in the first week of March last but has not done so yet. Items 3 and 4 may be written off the books as the amounts are very small and the party in respect of item 3 is dead, and in the case of item 4 is transferred to Simla. As regards the last two items, it is said that the parties have left the place and their whereabouts are not known, and consequently reminders have not been issued to them. In this connection I may note that a sum of Rs. 1-8-0 is owing by the Honorary Secretary, Skittle Gymkhana, to the press. A bill for this amount was issued on the 31st August 1903, but it was returned to the press with the words "no funds" endorsed on it. It is fortunate that the amount is small, but the Superintendent should ascertain whether the bill is likely to be paid when funds are available and exercise the necessary precautions not to place himself under such circumstances in future.

Item Number.	Bill Number.	Amount.	Name of party.
		Rs. A. P.	
1	691 of November 1901	16 10 0	Manager, Highland farm factory.
2	318, 537 and 608 of 1901 ..	73 0 0	C. Barton Wright, Esq.
3	731 of November 1901	0 4 0, balance.	Anga Pillai.
4	....	0 0 2, balance.	Inspector-General of Ordnance.
5	385 of July 1901	12 0 0	C. Akilandiah, Esq.
6	301 of June 1900	1 4 0	Captain Harris.

15. The amount of bills outstanding on the 31st December 1903 as per personal ledger account was Rs. 3,677-9-7; but this sum has been diminished by Rs. 3,317-14-3, collections in the current year on account of bills of previous years, and the balance remaining uncollected up to the 10th May 1904 was Rs. 359-11-4 only.

Stock List.

16. The stock list prepared by the press for the year was a mere copy of the closing entries of the stock book and these entries have been carried forward to the stock book for the succeeding year. This procedure will not correct the closing balances of the stock book and in course of time the differences between the book balances and the actual quantities of stores on hand will be enormous. The practice has been for the Superintendent to generally take stock a few months after the lapse of the year and hence the difference between the book balance and the list prepared by him of stores found at the time is left unadjusted in the stock book. The list of stock found is entered in pencil on small slips of paper. I would suggest that a list in form F appended should be maintained for the future and that stock be taken immediately after the close of each year. The form provides for the comparison of book balances with the quantities found at stock-taking. The entries in columns 4 and 8 should be carried forward to the stock book of the following year and the folio of the new stock book noted in column 9. The total of column 7 represents the amount of depreciation on old stores for the year, and it should be adjusted to the credit of "Stock account" by debit to "Profit and Loss account" as otherwise the "Stock account" in the ledger would lose a credit which it is entitled to at the end of the year and the closing entry for the year would represent loss on account of stores which is absurd—*vide* paragraph 12 *supra*.

17. As will be seen from the Profit and Loss account, statement C, the press worked at a net profit of Rs. 1,232-14-6 for the year; but if the contributions to the Lawrence Asylum of Rs. 2,000 in cash and of Rs. 230-1-0 in the way of printing work done gratis be taken to account, the result of the year's transactions would be a gross profit of Rs. 3,462-15-6.

18. The result of my audit has been satisfactory and it is equally satisfactory to note that the Superintendent spares no pains to systematize the working of the press. The cash balance on the evening of the 25th May 1904 which consisted only of the balance of the permanent advance with the Superintendent and which I personally counted was found to be correct. The receipts of the press are remitted daily to the Bank and there remained no balance with the Superintendent on this account. This was also personally verified by me. The defects noticed and the suggestions made to remedy them have been personally discussed with the Superintendent and settled.

19. The press should be requested to pay the usual audit fee of Rs. 200 into the Bank of Madras to the credit of Government.

Enclosures.

A.

Abstract of Receipts and Disbursements of the Lawrence Asylum Press, Ootacamund Branch, for the year 1903.

	Rs.	A.	P.	Rs.	A.	P.
Receipts.						
I. Balance on the 1st January 1903—						
Cash in hand	1	3	2			
In the Bank of Madras, Ootacamund ..	3,438	8	10			
Contingent advance	43	3	3			
				3,482	15	3
II. Receipts—						
Cash sales	24	14	0			
Collections for current and previous years.	13,205	5	2			
				13,230	3	2
III. Security deposits—						
From M. C. Chinnathambi Pillai, storekeeper and manager	125	0	0			
From B. Kristnasawmi Nayudu, accountant	60	0	0			
				185	0	0
				16,898	2	5
Disbursements.						
I. Working expenses—						
Superintendent's salary	1,480	0	0			
Establishment	6,517	0	0			
Extra work	123	9	1			
Rent of premises	600	0	0			
Receipt stamps	8	0	0			
Postage	30	4	0			
Audit fee	200	0	0			
Warm clothing for peons	25	0	0			
Law charges	41	8	0			
Tax on profession	25	0	0			
Miscellaneous	104	8	9			
				9,154	13	10
II. Payments on account of stock—						
Lawrence Asylum Press, Madras ..	2,259	15	8			
Merchandise purchased	57	8	0			
Plant, tools, furniture, etc.	60	0	0			
				2,377	7	8
III. Other payments—						
Payments an account of customers ..	64	10	3			
Contribution to the Lawrence Asylum, Ootacamund	2,000	0	0			
				2,064	10	3
IV. Security deposit of M. C. Chinnathambi Pillai, storekeeper and manager, transferred to the head office at Madras ..	..			250	0	0
				13,846	15	9
V. Balance on the 31st December 1903—						
Cash in hand	10	6	0			
In the Bank of Madras, Ootacamund ..	2,991	12	8			
Contingent advance	49	0	0			
				3,051	2	8
				16,898	2	5

B.

Statement of Assets and Liabilities of the Lawrence Asylum Press, Ootacamund Branch, for 1903.

Assets on the 31st December 1903.

	Rs.	A.	P.	Rs.	A.	P.
Cash balance—						
Cash in hand	10	6	0			
In the Bank of Madras, Ootacamund	2,991	12	8			
Contingent advance	49	0	0			
				3,051	2	8
Stock—						
Plant and dead stock	14,964	12	1			
Stationery, printing and writing	794	6	0			
Postage stamps	0	3	9			
Receipt stamps	0	8	0			
				15,759	13	10
Personal ledger account				3,677	9	7
				22,488	10	1

Liabilities on the 31st December 1903.

Lawrence Asylum Press, Madras	30	15	6			
Personal ledger account	185	0	6			
				216	0	0
Profit for the year				1,232	14	6
Accumulated profits of previous years representing the capital of the press at the beginning of the year				21,039	11	7
				22,488	10	1

C.

Profit and Loss account of the Lawrence Asylum Press, Ootacamund Branch, for 1903.

Expenditure.

	Rs.	A.	P.	Rs.	A.	P.
Working Expenses—						
Superintendent's salary	1,480	0	0			
Establishment	6,517	0	0			
Extra work	123	9	1			
Rent of premises	600	0	0			
Receipt stamps	7	8	0			
Postage	22	8	9			
Audit fee	200	0	0			
Warm clothing for peons	25	0	0			
Law charges	41	8	0			
Tax on profession	25	0	0			
Miscellaneous	112	8	9			
Stationery used in the working of the press for the year	269	4	1			
				9,423	14	8
Amount written off on account of disputed bills				18	6	1
Loss under stock account				95	15	0
				9,538	3	9

Income.

Press, job work—						
Printing	11,325	3	11			
Die press	93	6	0			
Card press	44	1	0			
Miscellaneous	122	12	9			
				11,585	7	8
Binding				1,413	0	7
Unclaimed petty balances credited				2	11	0
				13,001	3	3
Deduct expenditure				9,538	3	9
Gross profit				3,462	15	6
Deduct contribution to the Lawrence Asylum—						
In cash	2,000	0	0			
In the way of work done gratis	230	1	0			
				2,230	1	0
Net profit for the year				1,232	14	6

D

CASH-book of the Lawrence Asylum Branch Press, Ootacamund, for the month of 190 .

Receipts.

Date.	Ledger folio.	Names of payers.	Bill number.	Collections of: Previous years.	Collections of: Current year.	Initials of Superintendent.	Remittance to Madras Bank, Ootacamund: Date.	Remittance to Madras Bank, Ootacamund: Amount.	Collections with bills.	Collection without bills.	Cash sales.	
1	2	3	4	5	6	7	8	9	10	11	12	13
				RS. A. P.	RS. A. P.			RS. A. P.	RS. A. P.	RS. A. P.	RS. A. P.	RS. A. P.
		Total Receipts ..										
		Add opening balance ..										
		Grand total ..										
		Deduct disbursements.										
		Closing balance ..										

D

CASH-book of the Lawrence Asylum Branch Press, Ootacamund, for the month of 190 .

Payments.

Date.	Ledger folio.	Details of items.	Amount.	Number and date of cheque.	Amount withdrawn from the Ooty branch of the Bank of Madras.
			RS. A. P.		RS. A. P.
		Contribution to the funds of the Ootacamund Lawrence Asylum.			
		Lawrence Asylum Press, No. 2 account			
		Audit fee			
		Establishment. Superintendent			
		Establishment. Office			
		Establishment. Examining department			
		Establishment. Composing ,, ...			
		Establishment. Press ,, ...			
		Establishment. Binding ,, ...			
		Establishment. Servants ,, ...			
		Overtime. Examining ,, ...			
		Overtime. Composing ,, ...			
		Overtime. Press ,, ...			
		Overtime. Binding ,, ...			
		Current expenses			
		Merchandise purchased			
		Plant, tools, furniture, etc., of the Press			
		Profession-tax			
		Law charges			
		Rent of premises			
		Cash on account of contingent advance account			
		Total ..			

E.

No.

LAWRENCE ASYLUM PRESS, OOTACAMUND BRANCH.

Ootacamund.

Date

Indent for articles required for Binding / Press department for private jobs.

Description of article.	Quantity or numb r.	
	In figures.	In words.

Initials of Superintendent. Initials of Foreman.

No.

LAWRENCE ASYLUM PRESS, OOTACAMUND BRANCH.

Ootacamund.

Date

Indent for articles required for Binding / Press department for private jobs.

Description of articles.	Quantity or number.	
	In figures	In words.

Initials of Superintendent. Initials of Foreman.

Supplied.

Initials of the Storekeeper.

F.

Stock list of the Lawrence Asylum, Branch Press, Ootacamund, for the year 190 .

Stock book folio.	Description of article.	Quantity or number.		Value.			Depreciation.				Net value.			Folio of stock book brought forward.	Difference between columns 3 and 4.			Remarks.
		As per stock book.	As per stock-taking.				Rate.	Amount.							Excess.	Defi-ciency.	Explanation for the difference.	
1	2	3	4	5			6	7			8			9	10	11	12	13
				Rs.	A.	P.	Rs.	Rs.	A.	P.	Rs.	A.	P.					

O.A. No. 117/4294, dated 15th July 1904.

Forwarded to Government in the Educational Department. It is requested that orders may be passed for the payment of the audit fee to the credit of Government.

W. DOBBIE,
Accountant-General.

Order—No. 456, Educational, dated 26th July 1904.

The report is forwarded to the Trustees of the Lawrence Asylum Press and their attention drawn to the remarks and suggestions of the auditor.

2. The Trustees are requested to arrange for the payment of the audit fee of Rs. 200.

(True Extract,)

H. D. TAYLOR,
Ag. Secretary to Government.

To the Trustees of the Lawrence Asylum Press,
through the Director of Public Instruction.
„ Accountant-General.

Exd. C. Parthasarathy.

[E. 1]
1,000—23-12-01.

Educational (1904) Department.

CURRENT No. 1258

From

[*Name*]_____

[*Designation*] The A.G

[*Station*]_____

No. O.A. No. 117/4294 Received 18-7- 1904.

Dated 15-7-04 190 .

Enclosures 3 Sp. C. Registered 18-7- 1904.

SUBJECT.

Forwarding the report on the audit of the accounts of the L. Asylum Branch Press at Kodaikanal for 1903.

BACK PAPERS.

FURTHER PAPERS.

[E. 3]
1,000—5-12-02.

EDUCATIONAL DEPARTMENT.

Incs 2 10

28

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

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

READ ALSO:—

C. No. 1258, From the A.G ..... , No. 417 / 429a , dated 15-7-1904.

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

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

ORDER No. 456, dated 26-7- 1904.

P. S.

The report is forwarded to the trustees of the Lawrence Asylum Press and their attention is drawn to the remarks and suggestions of the auditor.

2. The trustees are requested to arrange for the payment of the audit fee of Rs. 200.

Rm 22/7/04 Hy. 7/8

HDJ 28-7-04

PH 23/7/4

To. The Trustees of the L. Asylum Press
thro' the D.P.I.
" A.G. ✓

Despd 22/8/4

First copy sent to Press.

Returned for signature.

Despatched in print.

Number of forms required: { Order complete. / Letter only. / Order complete with Letter. }

3/1

Read again G.O., No. 190 . Dated

Current No.

Enclosures to C. No.

Order of Government ..

Letter of Government.

Statement with ditto.

Papers not filed up, being meant for despatch in original.

N.B.—

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