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[Despatch Abstract.]

Accounts of the Lawrence Asylum for
Insane. Passing orders on the
report on ^{the} audit of the — for the Ca-
lendar year 1894.

BACK PAPERS.

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G.O., No. 782, 26th December 1896.

DECEMBER.

Accounts of the Lawrence Asylum Press, Ootacamund.
Passing orders on report on the audit of the — for the calendar year 1894.

GOVERNMENT OF MADRAS.

EDUCATIONAL DEPARTMENT.

Read—the following paper:—

G.O., No. 859, Financial, dated 10th December 1896.

Read—the following paper:—

From W. J. F. WILLIAMSON, Esq., Assistant Accountant-General, Madras, to the Accountant-General, dated Ootacamund, the 23rd September 1896.

I have the honour to submit herewith my report on the audit of the accounts of the Lawrence Asylum Press at Ootacamund for the calendar year 1894.

2. *Counter oil receipt Books.*—In 1894, as in the two previous years, receipts were not, as a rule, granted for moneys received in respect of cash sales—*vide* paragraph 2 of the last audit report. From the 22nd June 1895, however, it is stated that this has been invariably done, though in the absence of a regular system of periodical stock taking, it is not possible to verify the fact. In this connection attention is invited to paragraph 15 (d) below.

3. *Register of collections in cash.*—The entries of the daily cash sales in this register were in 1894 still made in full detail, and notwithstanding the suggestion contained in paragraph 3 of the last report, the practice continued up to the time of my audit. The required change was, however, introduced by the present Accountant, with effect from the 27th August 1896, on its being pointed out to him that some saving of labour would be effected by its adoption.

I may here remark, in connection with this and other instances of omissions to rectify the defects brought to light at the last audit, that though Mr. Pritchard's report was sent to the Ootacamund branch, it was, as far as can be ascertained, unaccompanied by any instructions from the Head office as to the action to be taken thereon. The Rev. Mr. Atkinson, the Secretary, informs me that he is not aware of any.

The uselessness of the annual audits under such a system has been alluded to before, and may again be drawn attention to, as improvement can hardly be looked for unless the press is required to adopt the suggestions made in the reports from time to time.

4. (a) *Register of collections in drafts.*—For the Pay Examiner's cheques received between January and May 1894, no covering letters from that officer were traceable in the remittance letter file.

(b) Bill No. 236 of 1894 for Rs. 23-10-9 due by Messrs. Wrenn, Bennett & Co., appears to have been paid by a cheque for Rs. 24 on Messrs. Binny & Co., Madras. This was not shown in the register of collections in drafts, but was forwarded to the Head office in Madras for realisation, and credit to "Lawrence Asylum Press No. 2 Account." Accordingly, in the Ootacamund office books, the above account was debited, and that of Messrs. Wrenn, Bennett & Co. was credited with Rs. 24, but in addition to these, a cash debit for Rs. 5-3, appears in the contingent account on the 11th May against the name of Wrenn, Bennett & Co., as "difference paid in cashing the cheque." This is obviously a fictitious entry, since, as stated above, the cheque was not cashed at Ootacamund, but was transferred to the Head office, and it is not understood, therefore, how the sum of Rs. 5-3 was spent.

It appears to be the general practice of this branch to transmit to the Head office for realisation all cheques drawn on Banks, &c., in Madras, in order to avoid the charges for discount payable in the case of local encashment. To this no objection can be offered, but I think these cheques should, in the ordinary course, be entered

in the register of collections in drafts, and through it credited in the ledger to the personal accounts concerned. When sent to the Head office for realisation, they would be debited through the cash book to "Lawrence Asylum Press No. 2 Account."

5. *Bill Book.*—The bill book is said to have been sent down to the Sessions Court at Coimbatore in connection with the recent embezzlement case in which the late Assistant Superintendent and Accountant were concerned. I am therefore unable to offer any detailed remarks on the outstandings of the press. I gather however from other sources that the total amount outstanding on the 31st December 1894 was Rs. 4,363-13-10, *i.e.*, over 22 per cent. of the entire income of the press (Rupees 19,076-12-5) for the year under report, and as this is a somewhat high figure, it is again necessary to draw attention to the desirability of some systematic procedure being adopted for the realisation of claims. This point was fully dealt with in paragraph 5 of the last audit report, in which it was remarked that "the prompt settlement of bills is an important consideration in the working of the press," but so far from any improvement having been effected, the balance is higher than it has been for many years. It is true that one of the late Assistant Superintendents started a manuscript register of outstandings in his own handwriting, but this was never completed, and seems to have been a mere spasmodic effort. I would suggest therefore that a specimen form of the register which, it is believed, is maintained in the Head office, be sent to this branch with instructions for its early introduction, and for its periodical inspection by the Secretary. It is only by some such means as the above, and the issue of reminders at regular intervals, that an efficient check over outstandings can be exercised. In these remarks Mr. Atkinson concurs.

6. (a) *Contingent Book.*—The contingent vouchers did not, as a rule, bear any evidence of having been passed by the Secretary. In this connection I may remark that no orders have apparently been passed on the suggestion contained in paragraph 9 (d) of the last report, as to the advisability of a few simple rules being issued declaring whose sanction is required to increase salaries and allowances, and the purchase of articles of office furniture, &c. Two such cases were noticed this year, *viz.*, a charge of Rs. 14 for a teak-wood table, and a payment of Rs. 2 to Mr. D'Rozario, one of the late Assistant Superintendents, as carriage hire to Lovedale to see the Secretary—in both of which the bills were passed only by the Assistant Superintendent in charge. It is, I think, very desirable that the power at present exercised by this subordinate in passing contingent charges against the press should be clearly defined, if not considerably curtailed, especially in view of the dishonesty for which one Assistant Superintendent was discharged in 1894 and another in 1896.

Mr. Atkinson informs me that he agrees with this view, but that through not being on the spot, he is able to exercise very little supervision. The want of this is an undoubted fact, but even though the Secretary lives at some distance from the press, I think, with proper instructions to guide him, such as those mentioned in paragraph 19 below, he should be able to exercise sufficient supervision to prevent the recurrence of any serious irregularities.

(b) A voucher, dated the 27th March for Rs. 4 for two blankets, and another dated the 28th March for Rs. 3-6-0 for two umbrellas, appear to bear the Secretary's forged initials. This is said to be the handiwork of the late Accountant, who has recently been convicted of embezzlement by the Sessions Judge of Coimbatore.

(c) No written authority could be produced for the payment on the 12th March 1894 of Rs. 5-5-9, being one day's wages for February 1894, said to be due to Mr. Edwards, a former Assistant Superintendent of the Press.

(d) Santhiagoo, an extra binder on Rs. 7 per mensem, was paid for 6 days (1st to 6th August) Rs. 1-6-5, instead of Rs. 1-5-8. The mistake is due to the calculation having been made for a month of 30 days instead of 31.

(e) Cases were again noticed in which insufficient attention was paid to the proper classification of items of expenditure. For instance, the carriage hire of Mr. D'Rozario for the journey to Lovedale, a present of Rs. 5 to the pressmen on account of *Ayudapoojah* feast, and insufficient postage on a cover, were all debited to "Charges, Merchandise." Again in the transfer book, the railway fare of Mr. Taylor from

Madras, and the railway fare and cooly charge to and from Madras, on a case containing the books of the press for 1893 sent to the Head office for the annual closing, were both debited to the above head, which is closed at the end of the year to stock account. It is obvious that there can be no connection between stock account and such charges as the above, which should rather be taken to "Current expenditure" or "Miscellaneous."

7. *Postage Book*.—This book was not initialled by the Assistant Superintendent in charge between the 9th April and the 15th September 1894.

8. *Receipt Stamp Account*.—No remarks.

Amount.	Date according to	
	Cash book.	Bank challan.
Rs. A. P.		
* 924 10 2	2nd February.	6th February.
725 12 3	14th "	24th "
135 0 8	22nd "	26th "
115 11 3	6th April.	9th April.
97 13 8	25th May.	28th May.
318 12 10	10th August.	13th August.
604 6 9	22nd November.	26th November.

9. (a) *Bank remittance or Challan Book*.—In some cases* the dates of remittance as noted on the bank challans were later than those shown in the cash book, and the inference is that the remittances were not made on the dates entered in the latter.

(b) As in previous years the collections in 1894 were often† allowed to accumulate unduly before being remitted into the bank, and the danger of this was amply demonstrated in the year under report.

No remittances made between	Amount then remitted.
	Rs. A. P.
† 17th January and 6th February 1894	924 10 2
7th and 24th February	725 12 3
16th and 25th May	97 13 8
15th and 26th September	392 0 9
26th November and 6th December	272 6 9

On the 5th February it was discovered by the Secretary, owing to information supplied to him by the then Accountant (who has since been convicted on another charge) that the cash in the hands of Mr. Edwards, the Assistant Superintendent, was short by Rs. 400-11-4. During that day Mr. Edwards refunded Rs. 71-10-0, but he was nevertheless at once suspended by the Secretary, and left immediately I believe for Coimbatore, whence he telegraphed to his wife in Madras to pay the balance, viz., Rs. 329-1-4, into the Head office. This was done and Mr. Edwards was merely discharged, but

it is evident that it was simply owing to the laxity of the rules that so large a sum as Rs. 1,325-5-6‡ was allowed to accumulate in the Assistant Superintendent's hands—a temptation which the result proves he apparently found too strong for him. This case has been referred to in some detail, as it affords a strong argument in favour of the issue of stringent orders for the prompt remittance into the bank of all moneys received at

the press. In paragraph 8 (b) of the last audit report it was suggested that remittances should be made at least once a week, but I am of opinion, in view of the lesson afforded by the above case, that a daily remittance should be insisted on, as in the case of municipalities and other semi-independent bodies. The press is certainly not more than 200 yards distant from the bank, so this might easily be done without inconvenience, and a strict observance of the proposed requirement would tend to remove one source of temptation from the press employes.

Mr. Atkinson, the Secretary, concurs in these remarks.

10. (a) *Cash Book*.—In the acquittance roll for February 1894, an allowance of Rs. 15 was paid to C. Parankusam Naidoo as Acting Assistant Superintendent, but no information was available in the office as to the rate at, the period for, or the authority under which, the allowance was drawn.

(b) A sum of Rs. 120 was advanced in September 1894 to Mr. D'Rozario, one of the Assistant Superintendents, on his appointment to the press, and under instructions from the Head office the amount was recoverable in six monthly instalments of

Rs. 20 each. The first two instalments were paid in November and December 1894, and the third, fourth and fifth in February, March and April 1895. The sixth and last instalment was, however, not recovered until February 1896, i.e., until after a lapse of ten months from the date of payment of the fifth instalment, and even then it was only adjusted, on the Assistant Superintendent's discharge, against the balance of pay due to him. An exactly similar case was noticed in paragraph 9 (d) of the last report, and the two afford a striking example of the methods of work in the branch press at Ootacamund.

11. (a) *Day Book*.—This book is not kept as tidily as it might be. In many cases the pencil entries in the carried over and brought forward totals were not rubbed out, and on pages 218 to 248 the corrections in the inked figures were in pencil only.

(b) The abstract of the outturn of work at the end of each month from January to July contain a great many alterations which might have been avoided by the exercise of a little care.

12. *The Journal*.—Certain articles purchased from Messrs. Oakes & Co., and Spencer & Co., on the 30th November 1894 were journalised with reference to the credit prices, though the amounts actually paid were the cash prices—*vide* contingent vouchers Nos. 69 and 74. The effect of this is that the personal accounts referred to above have each an excess credit represented by the difference between the cash and the credit prices of the articles purchased, while, at the same time, the cost of the latter shown under the impersonal accounts concerned (viz., "Charges, Merchandise," "Plant, Tools, Furniture, &c.," and "Merchandise purchased"), is more by that amount than was actually paid. It would, I think, be advisable if these excess debits and credits were now written back.

13. (a) *The Transfer Book*.—Certain adjustments appear in this book referring to the following payments made to Mr. G. W. Taylor by the Head office, Madras:—

	Rs.
Hotel charges from the 18th February to 21st March	170
House rent for April and May at Rs. 70 a month	140

The Head office letter authorising these adjustments was not forthcoming, but in any case I doubt whether the grant of such special allowances to highly-paid officers of the press is regular, except with the previous sanction of Government. I bring it to notice therefore for such orders as Government may see fit to pass.

(b) Want of care was again noticed in some cases in the posting of the transfer book, as on the occasion of the last audit (*vide* Mr. Pritchard's paragraph 11).

14. (a) *Ledger*.—A debit of Rs. 14-12-6, through the day book for April 1894, against the Secretary, *Lodge Anchor of Hope*, Wellington, was twice* billed for and twice collected. No steps appear to have been taken to find out how the second credit came to be made, as should have been done when it was found that the ledger account was being closed for 1894 with a credit balance of Rs. 14-12-0, and a debit balance of Rs. 10-15-6, instead of with a net credit balance of Rs. 3-12-6 only.

(b) The Petty balance account in the ledger, which is debited with small irrecoverable balances under the personal accounts, and credited with balances at credit of accounts no longer current, showed a net balance on the 31st December 1894 of Rs. 7-1-3 in favour of the press, which sum included the following four items:—

	Rs.	A.	P.
A. R. Winterton	4	4	0
Colonel G. Simpson	0	1	6
Mrs. N. Bray	0	1	0
A. S. Cowdell	0	6	0
			2

As these accounts were all current in 1895, the balances should have been carried forward to the ledger of that year, instead of being taken to the Profit and Loss account through the Petty Balance account.

15. *Stock Accounts.*—(a) The Head Office invoices do not appear to be received with the goods, which generally arrive in advance.* The entries in the stock account are therefore delayed until receipt of the invoices, and as a consequence the articles are added to, and some portion of them occasionally issued from, stock before they are brought on the books. As this is somewhat undesirable, it would be well if arrangements could be made for the despatch of the invoices simultaneously with the goods.

Date of the arrival of consignment at Ooty.	Date of the invoice covering the consignment.
10th January.	19th January.
24th "	9th February.
12th March.	22nd March.
17th May.	29th May.
30th June.	17th July.
31st October.	6th November 1894.
17th November 1894.	23rd January 1895.
13th December 1894.	23rd "

(b) The following minor irregularities were noticed in these accounts.

(1) In the type stock ledger, under "Brevier No. 14, Roman capital letters, 6 lb. 1 oz. was posted as 6 lb. 10 oz. (Head Office Invoice No. 10-O.B., dated 19th January 1894).

(2) Under "Tools" (on page 288 of the ledger) 2 chisels, $\frac{1}{4}$ " and 2 chisels, $\frac{1}{8}$ ", were posted as 1 chisel, $\frac{1}{4}$ " and 1 chisel, $\frac{1}{8}$ " (Head Office Invoice No. 126-O.B., dated 11th October 1894).

(c) No action seems to have been taken with reference to paragraph 16 of the last report, regarding the depreciation to be written off in connection with Mr. Fisher's valuation of the stock of the press taken in February 1891.

(d) As regards the general question of stock-taking, I am informed that between March and September 1894, when Mr. Taylor was in charge of the press, stock was taken at random, of certain articles of stationery, but no periodical or systematic examination appears to have been undertaken for some years at least. It is hardly necessary to point out the opportunity this affords for irregularities, as there is at present no guarantee that all the moneys received for cash sales are duly brought to account, or indeed that the stock itself is not made away with. As some check in this direction, the practice of granting receipts in counterfoil was re-introduced in 1895, but as pointed out in paragraph 2 above, there is no means of ascertaining whether this is always done, and, under the present system, a valuable stock of stationery articles is left in the sole charge of the Storekeeper, who is never required to prove that the balances shown in his books are those actually in hand. This is contrary to all business conceptions, and I am therefore decidedly of opinion that a thorough stock-taking should be undertaken annually by an officer unconnected with the press.

There is, I am told, some rule that the Assistant Superintendent in charge should occasionally verify the balances, but in the first place this is never properly done, and secondly, the experience of these subordinates gained during the last two or three years points to the conclusion that the duty should be entrusted to some independent officer in whom reliance could be placed.

Mr. Atkinson informs me that he fully endorses the above.

16. The usual statements of (1) Receipts and expenditure, (2) Assets and liabilities, and (3) Profit and loss for the year under review, are attached. They show that the press worked at a profit of Rs. 3,799-3-6 in 1894 against Rs. 981-13-8 in 1893.

17. As the details which were collected by the office for the preparation of the statement of receipts and expenditure had not been preserved, and as both the clerk and Assistant Superintendent, who closed the books for 1894, have since been discharged, I have had to collect the particulars myself. The totals on the expenditure side have therefore been altered, to agree with my figures, under "Payment on parties' account" "Charges merchandise," "Merchandise purchased" and "Lawrence Asylum Press, Madras, No. 2 account." The differences under these heads are shown at foot of statement No. 1, but the grand total remains unaltered.

18. Rs. 177-12-9, shown as "written back" in the profit and loss account, includes the sum of Rs. 3, being the total of the following two bills, which though paid by the parties concerned, were not brought to credit by the then Assistant Superintendent Mr. Edwards:—

	RS.
(1) Bill No. 1006, dated 30th September 1893, paid by the Military Secretary to His Excellency the Governor	1
(2) Bill No. 84, dated 16th August 1893, paid by Mr. J. C. Larminie	2
	3

19. The general result of the audit must be regarded as unsatisfactory, as it revealed a considerable want of system and some laxity of rules, which resulted in one or two grave irregularities, besides some minor ones. The attention of the responsible authorities may, therefore, be drawn to the several matters referred to in this report, more especially those alluded to in the concluding portion of paragraph 3, and in paragraphs 5, 6 (a), 9 (b), 10 (b), 13 (a) and 15 (d). Unless effective action is taken on these points, there is no doubt the defects and irregularities brought to light will tend to recur, and it is therefore suggested that, in addition to such orders as may be passed on this report, a set of detailed instructions be issued for the permanent guidance of the press in account matters. The points dealt with might be (1) the respective duties and responsibilities of the Accountant, Storekeeper, Assistant Superintendent and Secretary in regard to accounts and books, with special reference to the checks to be applied by two latter officers; (2) the powers of the Secretary and Assistant Superintendent as regards the passing of contingent charges against the press, (3) the authorities empowered in each case to sanction increases to salaries, and to pass allowances personal to the officers drawing them, such as travelling and conveyance allowances, (4) the rules governing (a) the remittance of money into the bank, (b) stock-taking and (c) the watch of outstandings and the issue of periodical reminders. A set of permanent instructions on the above and such other points as may seem desirable would be of considerable use in checking irregularities, and in systematising the work, and if they were printed and supplied to the several officers concerned, they would always be available for reference in a handy form. These suggestions are approved by the Secretary.

20. The press may be asked to pay the usual audit fee of Rs. 200 into the Bank of Madras to the credit of Government.

Receipts and Expenditure of the press as derived from the cash book for 1894.

No. of Items.	Items.	RS.	A.	P.	RS.	A.	P.
1.	Balance on the 1st January.						
	Cash in hand	300	4	9			
	In the Bank of Madras, Ootacamund	1,011	7	7			
	Contingent advance	50	0	0			
					1,361	12	4
2.	Receipts.						
	For the previous years	2,728	11	4			
	For the current year	16,348	1	1			
					19,076	12	5
					20,438	8	9

No. of Items.	Items.	RS.	A.	P.	RS.	A.	P.
<i>Expenditure.</i>							
Working Expenses—							
3.	Establishment	7,373	7	11			
4.	Allowance to the Secretary ..	600	0	0			
5.	Extra work	111	0	5			
6.	Receipt stamps	10	4	0			
7.	Rent of office premises	600	0	0			
8.	Tax on trade	50	0	0			
9.	Postage on letters	45	11	6			
10.	Law charges	50	6	0			
11.	Repairs	16	0	0			
					8,856	13	10
Other payments—							
12.	Discount and commission ..	3	12	0			
13.	Payments on parties' account ..	245	14	3			
					249	10	3
Payments on account of stock—							
14.	Merchandise purchased	17	9	0			
15.	Charges merchandise	334	12	5			
16.	Plant, tools and furniture ..	44	11	0			
17.	Lawrence Asylum Press, Madras, No. I account	6,000	0	0			
18.	Lawrence Asylum Press, Madras, No. II account	2,913	12	4			
					9,310	12	9
					18,417	4	10
<i>Balance on the 31st December 1894.</i>							
19.	Cash in hand	47	13	5			
20.	In the Bank of Madras, Ootaca- mund	1,923	6	6			
	Contingent advance	50	0	0			
					2,021	3	11

Note.—In the statement submitted for audit, the figures against the items numbered 13, 14, 15 and 18 were Rs. 246-9-9, Rs. 18-1-0, Rs. 333-9-11 and Rs. 2,913-11-4, respectively, vide paragraph 17 of the report.

STATEMENT of Assets and Liabilities for 1894.

<i>On the 31st December 1894.</i>							
Assets—							
	RS.	A.	P.	RS.	A.	P.	
Cash and drafts in hand	47	13	5				
Cash in the Bank of Madras, Ooty ..	1,923	6	6				
Contingent advance	50	0	0				
				2,021	3	11	
Stock—							
Plant, &c., dead stock	18,842	9	7				
Stationery, printing and depository ..	5,626	5	3				
				24,468	14	10	
Postage stamps	0	15	3				
Receipt stamps	1	3	0				
				2	2	3	
Personal ledger accounts				4,363	13	10	
Extraordinary charges in suspense inci- dental to the opening of the press at Ooty				1,138	4	5	
Total				31,994	7	3	
Liabilities—							
Lawrence Asylum Press, Madras, No. I account	16,500	0	0				
Lawrence Asylum Press, Madras, No. II account	382	12	0				
Personal ledger account	14	12	0				
				16,897	8	0	
Profits of the year				3,799	3	6	
Accumulated profits of previous years ..				11,297	11	9	
Total				31,994	7	3	

Profit and Loss account for 1894.

Items.	<i>Expenditure.</i>			<i>Amount.</i>		
	RS.	A.	P.	RS.	A.	P.
Working expenses—						
Establishment	8,583	6	2			
Extra work	111	0	5			
Secretary's allowance	600	0	0			
Rent of premises	600	0	0			
Trade-tax	50	0	0			
Law charges	50	6	0			
Receipt stamps	9	1	0			
Postage on letters	46	14	3			
Repairs	91	9	2			
				10,142	5	0
Amount written back	177	12	9			
Lawrence Asylum for work done gratis ..	274	6	0			
				452	2	9
Depreciation of stock				1,262	2	1
				11,856	9	10
Profits of the year				3,799	3	6
Total				15,655	13	4
Income.						
Press Job work—						
Printing	12,603	11	2			
Card press	164	14	0			
Die press	98	0	0			
Miscellaneous	82	8	0			
				12,949	1	2
Binding				2,698	3	5
Discount and commission				1	7	6
Petty balance				7	1	3
Total				15,655	13	4

No. 3111.

Forwarded to Government.

2. The attention of Government is particularly requested to this audit report. From what the Auditor says at the close of paragraph 3 of his letter, no attempt is made to benefit by these audits. Three points call imperatively for notice. *Firstly* and chiefly it is essential to any effective check over the working of the press that stock should be annually taken. At present the Auditor checks a percentage of the balance shown upon the books. This is of little use if that book balance does not correspond to the stock actually in existence. *Secondly*, duplicate receipts should be made out for all cash sales. When this is not done, sums collected in cash can be embezzled with some facility. *Thirdly*, the head of the press should personally satisfy himself by an examination (and enquiries if necessary) of the amounts outstanding, that they are really outstanding, and if outstanding that every effort is made to collect them. Numerous defects are pointed out by the Auditor and summarized at the conclusion of his report. The state of affairs disclosed in paragraph 9 (b) of his report calls for notice. The accounts of the press are in a very unsatisfactory condition.

FORT ST. GEORGE,
7th October 1896.

(Signed) F. C. HARRISON,
Offg. Accountant-General.

Order—No. 859, Financial, dated 10th December 1896.

The report will be transferred to the Educational Department to which department future reports on the audit of the accounts of the Lawrence Asylum Press at Madras and of the Branch press at Ootacamund should be submitted by the Accountant-General.

(True Extract.)

(Signed) A. T. ARUNDEL,
Ag. Chief Secretary.

To the Educational Department (with report in original).
„ Accountant-General.

ORDER—No. 782, Educational, dated 26th December 1896.

Communicated to the Directors of the Lawrence Asylum Press with the request that the fee for the audit (Rs. 200) may be paid into the Madras Bank to the credit of Government.

2. The Government agrees with the opinion expressed by the Auditor in paragraph 19 of his report which is endorsed by the Accountant-General, viz., that the general result of the audit must be regarded as unsatisfactory as it reveals both want of system and laxity of rules, which have resulted in numerous irregularities. This result is, in the opinion of His Excellency the Governor in Council, only to be expected from the present defective supervision over the transactions of the Branch press. The fact that no instructions have been issued by the head office on previous audit reports has led to the recurrence of irregularities which would have been avoided if these reports had received attention, and lends colour to the view of the Accountant-General that no attempt is made to benefit by the audits.

3. As pointed out by the Accountant-General, three points call imperatively for notice:—

- (1) the absence of a regular system of stock-taking;
- (2) the necessity for granting duplicate receipts for all cash sales; and
- (3) the institution of a regular system for the collection of outstandings.

4. Further defects which should receive immediate attention are—

- (4) the accumulation of collections before their remittance to the Bank [paragraph 9 (b) of the Auditor's report]; and
- (5) the necessity for invoices accompanying goods forwarded from the head office [paragraph 15 (a) of the Auditor's report].

5. With reference to the suggestion of the Auditor in paragraph 19 that a set of detailed instructions should be issued for the permanent guidance of the Branch press in account matters, the Directors of the Lawrence Asylum Press will be requested to forward, through the Committee of the Lawrence Asylum and the Accountant-General, a draft of the rules which they would propose to bring into force.

6. The Directors will also be requested to report on the matter brought to light in paragraph 13 (a) of the Auditor's report as regards the payments on account of hotel charges and house-rent to the late Superintendent Mr. G. W. Taylor.

(True Extract.)

G. S. FORBES,
Secretary to Government.

To the Directors of the Lawrence Asylum Press.

„ Director of Public Instruction, for communication to the
Lawrence Asylum Committee.

„ Accountant-General.

„ Public Department.

Exd. C. M. Thambuswamy.

Educational (1896) Department.

CURRENT No. 1479

From

The Financial Dept

For Orders.

The draft order attached

*to the current, which was prepared
in the Finl. dept. may issue?*

No. 859

Dated 10th December 1896.

Received 12/12

Registered 14/12

Enclosures

Spare copies.

SUBJECT.

*Transferring Acc^t General's
report on the audit of the
accounts of the Lawrence Asylum
Press at Ootacamund for
1896 and informing the Acc^t
General that future reports
should be submitted
to the Education Dept.*

BACK PAPERS.

G.O.	No.	Department.	Date.

FURTHER PAPERS.

G.O.	No.	Department.	Date.

CURRENT NO. 1479 28

Financial Department.

PROCEEDINGS OF THE MADRAS GOVERNMENT.

Read the following paper:-

From the Accountant-General, Madras, No 3111, dated 7th October 1896.

ORDER :- No 859 dated 10th December 1896.

The report will be transferred to the Educational Department to which department future reports on the audit of the accounts of the Lawrence Asylum Press at Madras and of the Branch press at Ootacamund, should be submitted by the Accountant-General.

(True Extract)

A. L. Hanuman
11/12/96
for Chief Secretary.

To

The Educational Department (with report in original) ✓
--- Accountant-General

6/4

General, three points call imperatively for notice—

- (1) the absence of a regular system of stock taking;
- (2) the necessity ^{for} ~~of~~ granting duplicate receipts for all cash sales; and
- (3) the institution of a regular system for the collection of outstandings.

4. Further ^{defects} ~~points~~ which ^{should} receive immediate attention are

- (4) the accumulation of collections before their remittance to the Bank

[para 9 (b) of the Auditor's report];

and (5) the necessity ^{for} ~~of~~ invoices accompanying goods forwarded from the ^h ~~head~~ office [para 15 (a) of the Auditor's report]

5. With reference to the suggestion of the Auditor in para 19 that a set of detailed instructions ^{should} be issued for the permanent guidance of the ^{Branch} press in account matters, the Directors of the Lawrence Asylum Press will be requested to forward, through the Committee of the Lawrence Asylum and the Accountant General, a draft of the rules which they would propose to bring into force.

6. The Directors will also be requested to report on the matter brought to light in para 13 (a) of the Auditor's report as regards the payments on account of hotel charges and house rent to the late Supt. Mr. G.W. Taylor.

Page 9 of Current.

Page 4 of Current

Page 7 of the Current.

Page 5 of cis.

To
The Directors of the L.A. Press
,, D.P.I., for communication to
the L.A. Committee.
,, Accountant General
,, Educational Dept.
,, Public Dept.

First copy sent to Press.

Returned for signature.

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AGAIN G.O. No.
189

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