M.R.O. 1—77,006—8-6-37.

(1) Number of pages 14

(2) Date of repair 3/5/44 1/90

(3) Initials of the Referencer

MADRAS RECORD OFFICE.

Government of Madras.

Financial DEPARTMENT.

G.O. No. 1851 Press ~~Mis.~~

156-157.

Dated 19-12- 1873.

8/9

Not to be folded or roughly handled

/N

Proceedings of the Madras Government, Financial Department,
19th December 1873.

No. 156. Read the following letter from R. K. PUCKLE, Esq., President of the Municipal Commissions, Tinnevelly, to the Hon. W. HUDLESTON, Chief Secretary to Government, Fort St. George, dated Courtallam, 2nd December 1873, No. 302:—

I have the honour to forward, herewith, the report called for in paragraph 9 of Government Proceedings, No. 1263, dated 10th September last.

2. The precautions suggested by the Auditor have been adopted, and the Municipal Commissioners of Tuticorin have done their best to prevent a repetition of the frauds detected.

From J. A. BOYLE, Esq., Vice-President of the Municipal Commission, Tuticorin, to R. K. PUCKLE, Esq., President of the Municipal Commissions, Tinnevelly, dated Tuticorin, 24th November 1873.

I have the honour to furnish the report called for in G.O., No. 1263, dated 10th September 1873, relating to the late defalcations in our Municipal Office, and to defects in the system of account-keeping noticed by the Auditor.

2. I have to state that, as soon as the defalcations were discovered and their method understood, measures were taken to render them improbable, if not impossible, in future.

3. The late Head Clerk effected his frauds mainly in one way, by signing receipts for sums received from tax-payers and others, and simply omitting to pay the money into the credit of the Municipality. He was exempt from all control under this system; and the very simple remedy has been applied of forbidding any clerk to sign any receipt whatever, and directing them to give receipts signed by the Vice-President, or, in his absence, by another Commissioner. The clerk is thus restricted to clerical duties.

4. Another evil practice was the use of a multiplicity of receipt-books, one for horses, one for carts, one for dogs, and one for every manner of tax, so that there was no possibility of checking the receipt of money. We have now one counterfoil cheque-book in use and no more. The total of these books represents the total receipts of the Municipality; and, as each receipt is signed by a Commissioner, fraud must be very ingeniously managed to escape detection. Indeed, the only way it could be effected would be to induce payers to accept blank bits of paper as receipts without any seal or signature.

5. Further, our cash-book is very much more simply drawn up than it used to be. When receipts are signed by me, the cash-book is produced and the item shown as an entry in the cash-book and initialled before it is signed in the receipt-book. The total of collections up to 3 P.M. being remitted each day to the Bank, there is no accumulation of money in the office.

6. The late Head Clerk had been allowed to dispense with the use of the vehicle registration book, so that his collections on that account were quite unchecked.

7. In order to classify our receipts and disbursements, we now keep two ledgers, in which each transaction is shown under its proper head—

Public Works.
Avenues.
Lighting.
Conservancy, &c.

Besides this, there is a daily ledger in which every transaction of whatever kind, involving the receipt or disbursement of money, appears.

8. These are our reformed accounts; they are, we think, as complete and effective as we can make them. In their preparation, we have consulted the Auditor of last year's accounts, to whose vigilance the detection of the frauds was mainly due, and it would not be right for me to close this report without expressing my sense of the valuable services which are constantly rendered to the Municipality by Captain Phipps, its oldest and most active member.

STATEMENT I.-A.—Endowments entrusted to the Municipal Commissioners under Sections 15 and 16 for the Official Year 1872-73.

Name of Institution.	1	Amount of funded capital.	2	Balance.	3	Interest or produce of land.	4	Appropriation from capital for expenditure.	5	Contributions and donations of all kinds.	6	Sale of medicines or sundry property.	7	Total collections, 3—7.	8	Current charges, Statements II. and III.	9	Allotted for Public Works, Statement II.-A.	10	Total charges.	11	Balance.	12	Remarks.	13
		Rs.		Rs.		Rs.		Rs.		Rs.		Rs. A. P.		Rs. A. P.		Rs. A. P.		Rs.		Rs. A. P.		Rs.		Rs. A. P.	
1. Hospitals and Dispensaries		...		...		...		...		700		228 6 6		928 6 6		1,362 6 2		...		1,362 6 2		...		433 15 8 negative balance.
2. Choultries		...		...		...		.....		.....		... ...		... ...		... ...		...		... ...		...		
3. Educational		...		...		...		.....		.....		... ...		... ...		... ...		...		... ...		...		
4. Miscellaneous ...		...		...		...		.....		.....		... ...		... ...		... ...		...		... ...		...		

(Signed) J. A. BOYLE,
Vice-President.

TUTICORIN,
24th November 1873.

No. 157. ORDER THEREON, 19th December 1873, No. 1851.

To be recorded.

(True Extract.)

W. HUDLESTON,
Chief Secretary.

Exd. J. H. Burns.

Govt. of [1873] Madras

FINANCIAL.

Dated December, 19th.

Recd.

Encl.

G.O., 19th December 1873, No. 1851.

DECEMBER.
Nos. 156-157.

Tuticorin Municipality.—The President's report on the late defalcations in the Municipal Office recorded.

SECRETARIAT

Municipal Commissioner's Office
Tuticorin 24th November 1873.

From

The Vice President
Municipal Commission
Tuticorin

To

The President
Municipal Commissions
Trincmelly

Sir,

I have the honor to furnish the report called for in Government Order No. 1263 dated 10th September 1873 relating to the late defalcations in our Municipal Office, and to defects in the System of account-keeping, noticed by the Auditor.

2. I have to state that as soon as the defalcations were discovered and their method understood, measures were taken to render them improbable, if not impossible in future.

3. The late Head Clerk effected his frauds mainly in one way, by signing receipts for sums received from tax payers and others, and simply omitting to pay the money into the credit of the Municipality. He was exempt from all control under this System: and the very simple remedy has been applied of forbidding any clerk to sign

sign any receipt whatever, and directing them to give receipts signed by the Vice President or in his absence by another Commissioner. The Clerk is thus restricted to clerical duties.

4. Another evil practice was the use of a multiplicity of receipt books, one for horses, one for carts, one for Dogs and one for every manner of tax; So that there was no possibility of checking the receipt of money. We have now one Counterfoil cheque book in use and no more. The total of these books represents the total receipts of the Municipality, and as each receipt is signed by a Commissioner, fraud must be very ingeniously managed to escape detection. Indeed the only way it could be effected would be to induce payers to accept blank bits of paper as receipts without any seal or signature.

5. Further our Cash book is very much more simply drawn up than it used to be. When receipts are signed by me, the Cash book is produced, and the item shown as an entry in the Cash book, and initialled, before it is signed in the receipt book. The total of Collections up to 3 P.M. being remitted each day to the Bank, there is no accumulation of money in the Office.

6. The late Head Clerk had been allowed to dispense with the use of the Vehicle Registration book. So that his Collections on that account were quite unchecked.

7. In order to classify our receipts and disbursements, we now keep two ledgers; in which each transaction is shown under its proper head.

Public works
Avenues
Lighting
Conservancy
&c.

Besides this, there is a daily ledger, in which every transaction of whatever kind, involving the receipt or disbursement of money appears.

8. These are our reformed accounts, they are we think, as complete & effective as we can make them. In their preparation, we have consulted the Auditor of last year's accounts to whose vigilance the detection of the frauds was mainly due, and

and it would not be right for me to close this report without expressing my sence of the valuable services which are constantly rendered to the Municipality by Captain Phipps, its oldest and most active Member

I have the honor to be
Sir
Your Most obedt. Servant
(Signed) J. A. Bayle.
Vice President.

True Copy)

A. Z. Arundell.
Offg. Asst. Collector
For Treasurer.

Statement I A Enclosure in Treasurer's No. 5 of 15th Municipal Commissioners under Section 15 of 16 for the Official Year 1872—73.

Name of Institution

	1	2	3	4	5	6	7	8	9	10	11	12	13
		Amount of funded Capital	Balance	Interest or produce of land	Appropriation from Capital for Expenditure	Contributions and donations of all kinds	Sale of Medicines or Sundry property	Total Collections 3—7	Current Charges Statements II & III	Allotted for public works Statement II A	Total Charges	Balance	Remarks
1. Hospitals & Dispensaries		"	"	"	"	"	"	"	"	"	"	"	
2. Asylums		"	"	"	"	"	"	"	"	"	"	"	
3. Educational		"	"	"	"	"	"	"	"	"	"	"	
4. Miscellaneous		"	"	"	"	"	"	"	"	"	"	"	

Municipal Commissioners Office
Tuticorin
24th November 1873

Certified

(Signed) J. A. Bayle.
Vice President

True Copy)

A. Z. Arundell
Offg. Asst. Collector
For Treasurer.

Compared

No. 802 Court House 2d December 1873

From R. K. Puckle Esquire
President, Municipal Commissioners
Summerly.

To The Honorable W. Hudleston
Chief Secretary to Government
Madras.

Sir

I have the honor to forward herewith the report called for in para 9 of Government Proceedings No. 1263 dated 10th September last.

2 The precautions suggested by the Auditor, have been adopted and the Municipal Commissioners of Saidapet have done their best, to prevent a repetition of the frauds detected.

I have the honor to be
Sir
Your most Obt. Servant

R K Puckle
President.

Comp'd

Encl: in a Letter from the President Municipal Commissioners of Saidapet dated 2d Dec. 1873

Report of Auditor

Copy of Letter from Auditor dated 27th Nov. 1873 addressed to the above Letter

Taid 22/12/73

Vol 9/10 Sept 17/73 Pages 19-20 &c

1873 Financial Depth

From
The President
Municipal Commrs
Tinnevelly

To
The Chief Secretary
to Government
Fort St George

Dated 2
Despd 4th } December 1873
Recd 8

No 2261. Inc 302
Enc. One
Do

Forwarding the report called for on the late defalcations in the Tuticorin Municipal Office

19 Dec 73 R. 1857.

Recorded

C 15/12
R 17

Govt. of {1873} Madras.

Financial

Dated 19 Dec. 73

Rec'd.

Ans.

G. 19 Dec. 1873, No 1857.

Nos. 156. 157.

Submitting Memo. the Presd. Report on the late defalcations in the Mund. Office, records.