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(1) Number of pages 98

(2) Date of repair 582

(3) Initials of the Referencer

TAMIL NADU ARCHIVES

GOVERNMENT OF TAMIL NADU

FINANCIAL DEPARTMENT

G.O. No. / B.P. No.	1631	Press. / Mis.
Dated	3-9-1881	197

66/67

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to be folded or roughly handled

1631
1

LEDGER

OF THE

LAWRENCE ASYLUM FARM

OOTACAMUND

for the Year 1880—81

[631/2]

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Dr.

Balance Account

Date	Journal Folio	Ledger Folio	Particulars	Amount
1880.				
1st April 1881.			To Sundries	5470 15 1
31st March			To Sundries	23773 0 1
do.			To Profit and Loss	1411 12 10
			Total Rupees	29659 12 1

1831/3

Cr.

Balance Account

Date	Journal Folio	Ledger Folio	Particulars	Amount
1880.				
1st April 1881			By Sundries	26357 6 2
31st March			By Sundries	3302 5 11
			Total Rupees	29659 12 1

Dr

Profit and Loss Account

Date	Journal Folio	Ledger Folio	Particulars	Amount Rs	A	P
1880.						
30th Nov.	9	4	To Stock	34.	12	0
31st Dec.	10	4	To Stock	26	10	0
1881						
31st Jany.	11	4	To Stock	46.	15	0
28th Febry.	12	4	To Stock	30.	14	0
31st March	13	4	To Stock	35.	14	0
				175.	1	0
31st March	14	4	To Stock	236.	11	5
			Total Rs	411.	12	11

Cr

Profit and Loss Account 1631/4

Date	Journal Folio	Ledger Folio	Particulars	Amount		
1881						
31st March	14	1	By Balance Account	411.	12	11
			Total Rupees	411.	12	11

Dr. Miscellaneous Receipts

Date	Journal Folio	Ledger Folio	Particulars	Amount

Miscellaneous Receipts 1631/5 Cr.

Date	Journal Folio	Ledger Folio	Particulars	Amount

Dr.

Stock Acount

Date	Journal Folio	Ledger Folio	Particulars	Live Stock Rs	A.	P.	Dead Stock Rs	A.	P.	Total Rs	A.	P.
1880												
1st April	1		To Balance Acount	8057	8	0	13913	9	3	21971	1	3
30th April	2	6	To Bank of Madras	224	11	6				224	11	6
do	2	7	To Bills Payable	1049	14	4				1049	14	4
31st May	3	6	To Bank of Madras	172	14	6				172	14	6
do	3	7	To Bills Payable	863	4	2				863	4	2
30 June	4	6	To Bank of Madras	117	15	0				47	15	0
do	4	7	To Bills Payable	1245	2	8				1245	2	8
31st July	5	6	To Bank of Madras	189	11	4				189	11	4
do	5	7	To Bills Payable	1460	12	5				1460	12	5
31st Augt	6	6	To Bank of Madras	181	4	0				181	4	0
do	6	7	To Bills Payable	1332	8	9				1332	8	9
30 Septr	7	6	To Bank of Madras	175	1	3				175	1	3
do	7	7	To Bills Payable	716	7	6				716	7	6
31st Octr	8		To Bills Payable	505	9	5				505	9	5
30th Novr	9		To Bills Payable	515	9	8				515	9	8
31 Decr	10		To Bills Payable	610	3	8				610	3	8
1881 31st Janry	11		To Bills Payable	904	13	4				904	13	4
28th Febry	12		To Bills Payable	1338	7	7				1338	7	7
31st March	13		To Bills Payable	902	5	11				902	5	11
31st March	13		To Bills Payable	2329	7	3				2329	7	3
				22893	12	3	13913	9	3	36807	5	6

Cr.

Stock Account

Date	Journal Folio	Ledger Folio	Particulars	Live Stock Rs	A.	P.	Dead Stock Rs	A.	P.	Total Rs	A.	P.
1880												
30th April	1	5	By Cash	36	10	-	3	0	0	39	10	0
do	1	10	By Personal Ledger Account	1404	1	-				1404	1	0
31st May	3	5	By Cash	37	14	6				37	14	6
do	3	10	By Personal Ledger Account	1543	7	7				1543	7	7
30th June	4	5	By Cash	857	6					857	6	
do	4	10	By Personal Ledger Account	1483	15	3				1483	15	3
31st July	5	5	By Cash	13	4	6				13	4	6
do	5	10	By Personal Ledger Account	1253	0	6				1253	0	6
31st Augt	6	5	By Cash	38	12	6				38	12	6
do	6	10	By Personal Ledger Account	1187	0	10				1187	0	10
30th Septr	7	5	By Cash	34	10	0				34	10	0
do	7	10	By Personal Ledger Account	1302	3	5				1302	3	5
31st Octr	8	5	By Cash	5	8	0				5	8	0
do	8	10	By Personal Ledger Account	1457	4	0				1457	4	0
30th Novr	9	5	By Cash	8	4	0				8	4	0
do	9	10	By Personal Ledger Account	1244	12	10				1244	12	10
do	9	2	By Profit and Loss Account	34	12	6				34	12	6
31st Decr	10	5	By Cash	51	9	0	4	12	0	56	5	0
do	10	10	By Personal Ledger Account	1220	1	8				1220	1	8
do	10	2	By Profit and Loss Account	26	10	0				26	10	0
1881 31st Janry	11	5	By Cash	7	7	0	5	10	0	13	1	0
do	11	10	By Personal Ledger Account	1093	1	6				1093	1	6
do	11	2	By Profit and Loss Account	46	15	0				46	15	0
28th Febry	12	5	By Cash	5	10	0				5	10	0
do	12	10	By Personal Ledger Account	973	2	10				973	2	10
do	12	2	By Profit and Loss Account	30	14	0				30	14	0
31st March	13	5	By Cash	19	4	6				19	4	6
do	13	10	By Personal Ledger Account	1014	9	8				1014	9	8
do	13	2	By Profit and Loss Account	35	14	0				35	14	0
				15696	4	1	13	6	0	15709	10	1
do	14	1	By Balance Account	7437	0	0	13424	0	0	20861	0	0
do	14	2	By Profit and Loss Account	- 239	7	10	476	3	3	236	11	5
			Total Rupees.	22893	12	3	13913	9	3	36807	5	6

Cash Account

Date	Journal Folio	Ledger Folio	Particulars	Amount Rs	A	P
1880.						
30th April	1	4.1	To Sundries	1173	6	6
31st May	3	4.10	To Sundries	1128	7	6
30th June	4	4.10	To Sundries	1636	13	0
31st July	5	4.10	To Sundries	1302	7	4
31st August	6	4.10	To Sundries	1379	4	10
30th Septr.	7	4.10	To Sundries	1302	8	5
31st October	8	4.10	To Sundries	1408	4	8
30th Novr.	9	4.10	To Sundries	1440	12	4
31st Decr.	10	4.10	To Sundries	967	1	10
1881						
31st Janry	11	4.10	To Sundries	1460	0	8
28th Feby	12	4.10	To Sundries	1187	3	9
31st March	13	4.10	To Sundries	1216	0	4
			Total Rupees	15,605	11	2

Cash Account

Date	Journal Folio	Ledger Folio	Particulars	Amount Rs	A	P
1880.						
30th April	1	5	By Bank of Madras	1173	6	6
31st May	3	6	By Bank of Madras	1116	14	6
30th June	4	6	By Bank of Madras	1531	9	6
31st July	5	6	By Bank of Madras	1434	3	10
31st August	6	6	By Bank of Madras	1364	4	10
30th Septr.	7	6	By Bank of Madras	1308	12	5
31st Octr.	8	6	By Bank of Madras	1402	7	8
30th Novr.	9	6	By Bank of Madras	1440	8	4
31st Decr.	10	6	By Bank of Madras	850	9	6
1881.						
31st Janry	11	6	By Bank of Madras	1516	0	0
28th Feby	12	6	By Bank of Madras	1241	12	9
31st March	13	6	By Bank of Madras	1218	8	4
				15,605	2	2
31st March	14	1	By Balance Account	0	12	0
			Total Rupees	15,605	14	2

Dr. **Bank of Madras**

Date	Journal Folio	Ledger Folio	Particulars	Amount Rs	A	P
1880						
1st April		1	To Balance Account	3049	8	5
30th April		5	To Cash	1173	6	6
31st May		5	To Cash	1110	14	4
30th June		5	To Cash	1531	9	6
31st July	5	5	To Cash	1434	3	10
31st Augt		5	To Cash	1364	4	10
30th Sept		5	To Cash	1308	12	6
31st October		5	To Cash	1402	7	8
30th Novr		5	To Cash	1440	8	7
31st Decr		5	To Cash	856	9	6
1881						
31st Janry		5	To Cash	1500		
28th Febry		5	To Cash	1241	13	9
31st March		5	To Cash	1218	8	4
			Total Rupees	18652	10	10

Cr. **Bank of Madras** 1631/80

Date	Journal Folio	Ledger Folio	Particulars	Amount Rs	A	P
1880						
30th April		1	By Sundries	1299	10	7
31st May		4	By Sundries	1222	12	10
30th June		4	By Sundries	981	3	2
31st July		4	By Sundries	1434	14	0
31st August		4	By Sundries	1642	0	5
30th Sept		4	By Sundries	1927	1	0
31st Oct		4	By Bills Payable	1227	9	11
30th Nov		4	By Bills Payable	941	2	1
31st Decr		4	By Bills Payable	904	1	8
1881						
31st Janry		4	By Bills Payable	815	4	8
28th Febry		4	By Bills Payable	1120	9	6
31st March		4	By Sundries	3492	7	7
			Total Rupees	17008	13	5
31st March		1	By Balance account	1645	13	5
			Total Rupees	18654	10	10

Advances Recoverable

Dr.

Date	Journal Folio	Ledger Folio	Particulars	Amount Rs.	As.	P.
1880.						
1st April		1	To Balance Account	100	0	0
			Total Rupees	100	0	0

Advances Recoverable

1631/10

Cr.

Date	Journal Folio	Ledger Folio	Particulars	Amount Rs.	As.	P.
1881						
31st March		1	By Balance Account	100	0	0
			Total Rupees	100	0	0

Dr. **Advances Repayable** 1

Date	Journal Folio	Ledger Folio	Particulars	Amount Rs	As
1881.					
31. March	14	5	To Bank of Madras	2000	0 0
Do	14	1	To Balance Account	2400	0 0
			Total Rupees	4400	0 0

Cr. **Advances Repayable** 1631/11

Date	Journal Folio	Ledger Folio	Particulars	Amount Rs	As
1880					
1. April	1	1	By Balance Account	4400	0 0
			Total Rupees	4400	0 0

Personal Ledger Account

Dr.

Date	Journal Folio	Ledger Folio	Particulars	Amount Rs.	A.	P.
1880						
1st April	1	1	To Balance Account	1230	12	3
30th April	2		To Stock	1404	1	0
31st May	3		To Stock	1343	7	7
30th June	4		To Stock	1483	15	3
31st July	5		To Stock	1230	6	
31st August	6		To Stock	1177	0	10
30th Septr.	7		To Stock	1302	3	5
31st Octr.	8		To Stock	1457	4	0
30th Novr.	9		To Stock	1241	12	10
31st Decr.	10	4	To Stock	1220	1	8
1881.						
31st Janry.	11		To Stock	1093	1	6
28th Febry.	12		To Stock	973	2	10
31st March	13		To Stock	1014	9	8
			Total Rupees.	16,413	9	4

Personal Ledger Account

163/12 Cr.

Cr.

Date	Journal Folio	Ledger Folio	Particulars	Amount Rs.	A.	P.
1880.						
30th April	1		By Cash	1133	12	6
31st May	2		By Cash	1090	9	0
30th June	4		By Cash	1551	5	6
31st July	5		By Cash	1289	2	10
31st Augt.	6		By Cash	1340	8	4
30th Septr.	7		By Cash	1267	14	5
31st Octr.	8		By Cash	1403	3	8
30th Novr.	9		By Cash	1432	8	4
31st Decr.	10		By Cash	910	12	10
1881						
31st Janry.	11		By Cash	1446	15	8
28th Febry.	12		By Cash	1181	9	9
31st March	13		By Cash	1199	11	10
				15248	2	8
31st March	14		By Balance Account	1165	6	8
			Total Rupees.	16,413	9	4

W. G. Grant
Asst. Accountant-General
in charge of Outside Audit

1631
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JOURNAL

OF THE

LAWRENCE ASYLUM FARM

OOTACAMUND

for the year 1880—81.

1631/14

Dr. **April 1880** 6r.

Total Rs	a	p	Amount Rs	a	p	Ledger Folio	Particulars	Ledger Folio	Amount Rs	a	p	Total Rs	a	p
							1st April							
5474	15	1				1	**Balance Dr. to Sundries** (for Liabilities on 1st April 1880).							
							Advances Repayable	9	4400	0	0			
							Bills Payable:-							
							Establishment 430-15-0							
							Miscellaneous 644-0-1		1074	15	1	5474	15	1
							Sundries Dr. to Balance (for Assets on 1st April 1880)	1				26367	6	2
			21971	1	3		Stock							
							Live Stock 8057-8-0							
							Dead Stock 13913-9-3							
			3049	8	8		Bank of Madras							
			100	0	0		Advances Recoverable							
26367	6	2	1236	12	3		Personal Ledger Account							
							30th April.							
1173	6	6					**Cash Dr. to Sundries** (for Cash received during the month as per Cash Book)							
							Stock							
							Live Stock — 36-10-0							
							Dead Stock — 3-0-0	4	39	10	0			
							Personal Ledger Account	10	1133	12	6	1173	6	6
1173	6	6				6	**Bank of Madras Dr. to Cash** (for Cash remitted to the Bank during the month)	5				1173	6	6
34179	2	3					Carried over					34179	2	3

Dr. **April 1880.** Cr.

Total Rs	a	p	Amount Rs	a	p	Ledger Folio	Particulars	Ledger Folio	Amount Rs	a	p	Total Rs	a	p
34179	2	3					Brought over					34177	11	
							Sundries Dr. to Bank of Madras					1991		
							(for Cash paid during the month as per Cash Book)							
			224	11	6		Stock							
							Live Stock - 224-11-6							
			1174	15	1		Bills Payable							
							Establishment 430-15-0							
							Miscellaneous 644-0-1							
1399	10	7												
1404	1	0					Personal Ledger Account Dr. to Stock					1404		
							(for Credit Sales of Farm produce during the month)							
							Live Stock - 1404-1-0							
1049	14	4					Stock Dr. to Bills Payable					1049	4	4
							(for debts due by the Farms at the end of the month)							
			Stock				Bills Payable							
			Live Stock - 1049-14-4				Establishment 412-2-0							
							Miscellaneous 637-12-4							
							1049-14-4							
37932	12	2					Total					37932	12	2

Dr. **May 1880** Cr.

1631/15

Total Rs	a	p	Amount Rs	a	p	Ledger Folio	Particulars	Ledger Folio	Amount Rs	a	p	Total Rs	a	p
							31st May							
1128	7	6					Cash Dr. to Sundries							
							(for Cash recd during the month)							
							Sundries							
							Live Stock - 37-14-6		37	14	6			
							Personal Ledger Account		1090	9	0	1128	7	6
1116	14	6					Bank of Madras Dr. to Cash					1116	14	6
							(for Cash remitted to the Bank during the month)							
							Sundries Dr. to Bank of Madras					1222	12	10
							(for Cash paid during the month)							
			172	14	6		Stock							
							Live Stock - 172-14-6							
			1049	14	4		Bills Payable							
							Establishment - 412-2-0							
							Miscellaneous - 637-12-4							
1222	12	10												
1543	7	7					Personal Ledger Account Dr. to Stock					1543	7	7
							(for Credit Sales of Farm produced during the month)							
							Live Stock - 1543-7-7							
863	4	2					Stock Dr. to Bills Payable					863	4	2
							(for debts due by the Farms at the end of the month)							
			Stock				Bills Payable							
			Live Stock - 863-4-2				Establishment 433-14-0							
							Miscellaneous 429-6-2							
							863-4-2							
5874	14	7					Total					5874	14	7

Dr.

June 1880.

Cr. 4

Folio	Rs	a	p	Amount Rs	a	p	Ledger Folio	Particulars	Ledger Folio	Amount Rs	a	p	Folio Rs	a	p
								30th June.							
	1636	13	0					Cash Dr. to Sundries							
								(for Cash received during the month)							
								Stock							
								Live Stock 85-7-6		85	7	6			
								Personal Ledger Account		1551	5	6	1636	13	0
	1531	9	6					Bank of Madras Dr. to Cash					1531	9	6
								(for Cash remitted to the Bank during the month)							
								Sundries Dr. to Bank of Madras					981	3	2
								(for Cash paid during the month)							
		17	15	0				Stock							
								Live Stock 17-15-0							
		863	4	2				Bills Payable							
	981	3	2					Establishment 133-14-0							
								Miscellaneous 729-6-2							
	1483	15	3					Personal Ledger Account Dr. to Stock					1483	15	3
								(for Credit Sales of Farm produce during the month)							
								Live Stock 1483-15-3							
	1245	2	8					Stock Dr. to Bills Payable					1245	2	8
								(for debts due by the Farm at the end of the month)							
								Stock	Bills Payable						
								Live Stock 1245-2-8	Establishment 436-13-0						
									Miscellaneous 808-5-8						
									1245-2-8						
	6878	11	7					Total					6878	11	7

Dr.

July 1880.

1631/16

Cr. 5

Folio	Rs	a	p	Amount Rs	a	p	Ledger Folio	Particulars	Ledger Folio	Amount Rs	a	p	Folio Rs	a	p
								31st July							
	1302	7	4					Cash Dr. to Sundries							
								(for Cash received during the month)							
								Stock							
								Live Stock 13-4-6		13	4	6			
								Personal Ledger Account		1289	2	10	1302	7	4
	1434	3	10					Bank of Madras Dr. to Cash					1434	3	10
								(for Cash remitted to the Bank during the month)							
								Sundries Dr. to Bank of Madras					1434	14	0
								(for Cash paid during the month)							
				189	11	4		Stock							
								Live Stock 189-11-4							
				1245	2	8		Bills Payable							
	1434	14	0					Establishment 436-13-0							
								Miscellaneous 808-5-8							
	1253	0	6					Personal Ledger Account Dr. to Stock					1253	0	6
								(for Credit Sales of Farm produce during the month)							
								Live Stock 1253-0-6							
	1460	12	5					Stock Dr. to Bills Payable					1460	12	5
								(for debts due by the Farm at the end of the month)							
								Stock	Bills Payable						
								Live Stock 1460-12-5	Establishment 1494-11-5						
									Miscellaneous 966-1-0						
									1460-12-5						
	6885	6	4					Total					6885	6	1

Dr.

August 1880

Cr.

Folio	Total Rs	a	p	Amount Rs	a	p	Ledger Folio	Particulars	Ledger Folio	Amount Rs	a	p	Total Rs	a	p
								31st August							
	1379	4	10					Cash Dr. to Sundries							
								(for Cash received during the month)							
								Stock.							
								Live Stock. 38-12-6		38	12	6			
								Personal Ledger Account		1340	8	4	1377	4	10
	1364	4	10					Bank of Madras Dr. to Cash					1364	4	10
								(for Cash remitted to the Bank during the month)							
								Sundries Dr. to Bank of Madras					1642	0	5
								(for Cash paid during the months)							
				181	4	0		Stock							
								Live stock 181-4-0							
9				1460	12	5		Bills Payable							
14								Establishment 496-11-5							
	1642	0	5					Miscellaneous 966-1-0							
	1187	0	10					Personal Ledger Account Dr. to Stock					1187	0	10
10								(for Credit Sales of Farms produced during the month)							
12								Live Stock 1187-0-10							
	1332	8	9					Stock Dr. to Bills Payable					1332	8	9
								(for debts due by the Farms at the end of the month)							
								Stock / Bills Payable							
								Live Stock 1332-8-9 / Establishment 533-0-1							
								Miscellaneous 799-8-8							
								1332-8-9							
	687														
	6905	3	8					Totals					6905	3	8

Dr.

September 1880.

1631/17

Cr.

Folio	Total Rs	a	p	Amount Rs	a	p	Ledger Folio	Particulars	Ledger Folio	Amount Rs	a	p	Total Rs	a	p
								30th September							
	1302	8	5					Cash Dr. to Sundries							
								(for Cash received during the month)							
								Stock							
								Live Stock. 34-10-0		34	10	0			
								Personal Ledger Account		1267	14	5	1302	8	5
	1308	12	5					Bank of Madras Dr. to Cash					1308	12	5
								(for Cash remitted to the Bank during the month)							
								Sundries Dr. to Bank of Madras.					1927	1	0
								(for Cash paid during the months)							
				175	1	3		Stock							
								Live Stock 175-1-3							
				1751	15	9		Bills Payable							
								Establishment 952-7-1							
	1927	1	0					Miscellaneous 799-8-8							
													1302	3	5
	1302	3	5					Personal Ledger Account Dr. to Stock							
								(for Credit Sales of Farms produced during the month)							
								Live Stock 1302-3-5							
	716	7	6					Stock Dr. to Bills Payable					716	7	6
								(for debts due by the Farms at the end of the month)							
								Stock / Bills Payable							
								Live Stock 716-7-6 / Establishment 172-1-10							
								Miscellaneous 544-5-8							
								716-7-6							
	6557	0	9										6557	0	9
								Totals							

Dr.

October 1880.

Cr.

Folio	Total Rs	a	p	Amount Rs	a	p	Particulars	Ledger Folio	Amount Rs	a	p	Total Rs	a	p
							31st October							
	1408	11	8				Cash Dr. to Sundries							
							(for Cash received during the month)							
							Stock							
							Live Stock - 5-8-0		5	8	0			
							Personal Ledger Account		1403	3	8	1408	11	8
	1402	7	8				Bank of Madras Dr. to Cash					1402	7	8
							(for Cash remitted to the Bank during the month)							
	1227	9	11				Bills Payable Dr. to Bank of Madras					1227	9	11
							(for Cash paid during the month)							
							Establishment 494-11-10							
							Miscellaneous 732-14-1							
							1227-9-11							
	1457	4	0				Personal Ledger Account Dr. to Stock		1457	4	0			
							(for Credit Sales of Farms produced during the month)							
							Live Stock 1457-4-0							
	505	9	5				Stock Dr. to Bills Payable		505	9	5			
							(for debts due by the Farms at the end of the month)							
							Stock / Bills Payable							
							Live Stock 505-9-5 / Establishment 104-19-7							
							Miscellaneous 400-13-10							
							505-9-5							
	6001	10	8				Total		6001	10	8			

Dr.

November 1880.

1431/18

Cr.

Folio	Total Rs	a	p	Amount Rs	a	p	Particulars	Ledger Folio	Amount Rs	a	p	Total Rs	a	p
							30th November							
	1440	12	4				Cash Dr. to Sundries							
							(for Cash received during the month)							
							Stock							
							Live Stock - 8-4-0		8	4	0			
							Personal Ledger Account		1432	8	4	1440	12	4
	1440	8	4				Bank of Madras Dr. to Cash					1440	8	4
							(for Cash remitted to the Bank during the month)							
	941	2	1				Bills Payable Dr. to Bank of Madras					941	2	1
							(for Cash paid during the month)							
							Establishment 320-9-6							
							Miscellaneous 620-8-7							
							941-2-1							
	1244	12	10				Personal Ledger Account Dr. to Stock					1244	12	10
							(for Credit Sales of Farms produced during the month)							
							Live Stock 1244-12-10							
	34	12	6				Profit & Loss Account Dr. to Stock					34	12	6
							(for free supplies of Farms produced to Principal)							
							Live Stock 34-12-6							
	515	9	8				Stock Dr. to Bills Payable					515	9	8
							(for debts due by the Farms at the end of the month)							
							Stock / Bills Payable							
							Live Stock 515-9-8 / Establishment 70-0-0							
							Miscellaneous 445-9-8							
							515-9-8							
	5617	9	9				Total		5617	9	9			

Dr. **December 1880.** Cr.

Folio	Rs	a	p	Amount Rs	a	p	Ledger Folio	Particulars	Ledger Folio	Amount Rs	a	p	Folio Rs	a	p
								31st December							
14	967	1	10					Cash Dr. to Sundries							
								(for Cash received during the month).							
								Stock							
								Live stock - 51-9-0							
								Dead stock - 4-12-0		56	5	0			
								Personal Ledger Account	1	910	12	10	967	1	10
	836	9	6					Bank of Madras Dr. to Cash.					836	9	6
								(for Cash remitted to the Bank during the month).							
	904	1	8					Bills Payable Dr. to Bank of Madras.					904	1	8
								(for Cash paid during the month).							
								Establishment 278-15-6							
								Miscellaneous 625-2-3							
								904-1-8							
	1220	1	8					Personal Ledger Account Dr. to Stock					1220	1	8
								(for Credit Sales of Farm's produce during the month)							
								Live stock 1,215-5-8							
								Dead stock 4-12-0							
								1220-1-8							
	26	10	0					Profit and Loss Account Dr. to Stock					26	10	0
								(for free supplies of Farm produce to Municipal)							
								Live Stock 26-10-0							
	610	3	8					Stock Dr. to Bills Payable.					610	3	8
								(for debts due by the Farm at the end of the month)							
								Stock / Bills Payable							
								Live Stock 610-3-8 / Establishment 177-4-7							
								Miscellaneous 432-15-1							
								610-3-8							
	4584	12	4					Total					4584	12	4

Dr. **January 1881.** 1631/19 Cr.

Folio	Rs	a	p	Amount Rs	a	p	Ledger Folio	Particulars	Ledger Folio	Amount Rs	a	p	Folio Rs	a	p
								31st January							
	1460	0	8					Cash Dr. to Sundries							
								(for Cash received during the month).							
								Stock							
								Live stock - 7-7-0							
								Dead stock - 5-10-0		13	1	0			
								Personal Ledger Account	10	1446	15	8	1460	0	8
	1516	0	0					Bank of Madras Dr. to Cash.					1516	0	0
								(for Cash remitted to the Bank during the month)							
	815	4	8					Bills Payable Dr. to Bank of Madras					815	4	8
								(for Cash paid during the month).							
								Establishment 177-4-7							
								Miscellaneous 638-0-1							
								815-4-8							
	1093	1	6					Personal Ledger Account Dr. to Stock					1093	1	6
								(for Credit Sales of Farm produce during the month)							
								Live stock 1087-7-6							
								Dead stock 5-10-0							
								1093-1-6							
	46	15	0					Profit and Loss Account Dr. to Stock					46	15	0
								(for free supplies to Municipal during the month)							
								Live Stock 46-15-10							
	904	13	4					Stock Dr. to Bills Payable					904	13	4
								(for debts due by the Farm at the end of the month).							
								Stock / Bills Payable							
								Live Stock 904-13-4 / Establishment 403-6-0							
								Miscellaneous 501-7-4							
								904-13-4							
	5836	3	2					Total					5836	3	2

Dr.

February 1881.

Folio	Particulars	Ledger Folio	Amount	Total
			Rs a p	Rs a p
	28th February			
1187 3 9	Cash Dr. to Sundries.			
	(for Cash received during the month).			
	Stock			
	Live Stock - 5-10-0		5 10 0	
	Personal Ledger Account		1181 9 9	1187 3 9
1241 12 9	Bank of Madras Dr. to Cash			1241 12 9
	(for Cash remitted to the Bank during the month)			
1120 9 6	Bills Payable Dr. to Bank of Madras			1120 9 6
	(for Cash paid during the month)			
	Establishment - 403-6-0			
	Miscellaneous - 717-3-6			
	1120-9-6			
973 2 10	Personal Ledger Account Dr. to Stock			973 2 10
	(for Credit Sales of Farm produced during the month)			
	Live Stock - 273-2-10			
30 14 0	Profit and Loss Account Dr. to Stock			30 14 0
	(for free supplies of Farm produced to Principal)			
	Live Stock - 30-14-0			
1338 7 7	Stock Dr. to Bills Payable			1338 7 7
	(for Debts due by the Farm at the end of the month)			
	Stock	Bills Payable		
	Live Stock - 1338-7-7	Establishment - 982-4-0		
		Miscellaneous 356-3-7		
		1338-7-7		
5892 2 5	Total			5892 2 5

Dr.

March 1881.

1631/20

6

Folio	Particulars	Ledger Folio	Amount	Total
			Rs a p	Rs a p
	31st March:			
1219 0 4	Cash Dr. to Sundries			
	(for Cash received during the month)			
	Stock		19 4 6	
	Live Stock - 19-4-6		1199 11 10	1219 0 4
	Personal Ledger Account			1218 8 4
1218 8 4	Bank of Madras Dr. to Cash			
	(for Cash remitted to the Bank during the month)			3492 7 7
	Sundries Dr. to Bank of Madras			
	(for Cash paid during the month)			
1492 7 7	Bills Payable			
	Establishment - 982-4-0			
	Miscellaneous - 510-3-7			1014 9 8
2000 0 0	Advances Repayable			
1014 9 8	Personal Ledger Account Dr. to Stock			
	(for Credit Sales of Farm produced during the month)			
	Live Stock - 1014-9-8			35 14 0
35 14 0	Profit and Loss Account Dr. to Stock			
	(for free supplies of Farm produced to Principal)			902 5 11
902 5 11	Stock Dr. to Bills Payable			
	(for Debts due by the Farm at the end of the month)			
	Stock	Bills Payable		
	Live Stock - 902-5-11	Establishment 442-1-10		
		Miscellaneous 460-4-1		
		902-5-11		
2329 7 3	Stock Dr. to Bills Payable			2329 7 3
	(for sums wrongly debited to Cotton head instead of former from Sept. 1880 to March 1881)			
	Stock	Bills Payable		
	Live Stock - 2329-7-3	Establishment 1166-13-4		
		Miscellaneous 1162-9-11		
		2329-7-3		
10212 5 1	Carried over			10212 5 1

March 1881.

Total Rs	a	p	Amount Rs	a	p	Ledger Folio	Particulars	Ledger Folio	Amount Rs	a	p	Rs	a	p
10,212	5	1					Brought over					10,212	5	1
							Closing Entries							
23,773	0	1					Balance Dr. to Sundries							
							(for Assets on 31st March 1881)							
							Stock							
							Live stock 7,437-0-0							
							Dead stock 13,424-0-0		20,861	0	0			
							Cash		0	12	0			
							Bank of Madras		1,645	13	5			
							Advances Recoverable		100	0	0			
							Personal Ledger Account		1,165	6	8	3,311	0	1
							Sundries Dr. to Balance					3,311	0	1
							(for Liabilities on 31st March 1881)							
			902	5	11		Bills Payable							
							Establishment- 442-1-10							
							Miscellaneous- 460-4-1							
3,302	5	11	2,400	0	0		Advances Repayable							
236	11	5					Profit and Loss Account Dr. to Stock					236	11	5
							(for loss on Farms transacted during the year)							
							Live Stock = 239-7-10							
							Dead Stock - 476-3-3							
							236-11-5							
411	12	11					Balance Dr. to Profit & Loss Account					411	12	11
							(for nett loss of the Farms at the end of the year)							
37,936	3	6										37,936	3	6
							Total							

1st to 7th Jan'y 1881.

Stock account.

Jan 1 Kid born.	
2 Lambs born.	
" 1 " "	
" 4 " "	
3 Rabbits born	
2 Pigeons died	
" 1 sheep sold	
1 Lamb "	
5 Suckers "	

Root and Forage crops.

1st Jan. 180 Turnips for Cows	1	2	0	
— " 360 Cabbages Pigs	2	4	0	
3d " 190 — " —	1	3	0	
— " 50 Potatoes "	0	5	0	
— " 100 Turnips Cows	0	10	0	
4th — 80 — " —	0	8	0	
— " 100 Potatoes Pigs	0	10	0	
— " 160 Cabbages —	1	0	0	
5th — 120 Turnips Cows	0	12	0	
— " 120 Potatoes Pigs	0	12	0	
— " 220 Cabbages —	1	6	0	
6th — 200 — " — "	1	4	0	
— " 120 Potatoes —	0	12	0	
— " 90 Turnips Cows	0	9	0	
7th — 110 — " — "	0	11	0	
— " 130 Potatoes Pigs	0	13	0	
— " 190 Cabbages —	1	3	0	
Rs.	15	12	0	

Sales

1st to 7th Jan'y 1881

1st Jan. Dairy	25	5	6			
Vegetables	10	14	0			
Carrying Charges	4	5	0			
Poultry	1	2	0			
Pigs	1	2	0	42	12	6
2d Jan. Dairy	5	6	0	5	6	0
3d " Dairy	10	13	0			
Vegetables	4	0	0			
Carrying Charges	4	13	0			
Fruit	5	0	0	24	10	0
4th Dairy	11	15	0			
Vegetables	61	8	0			
Carrying Charges	16	7	0	89	14	0
5th Dairy	7	12	6			
Vegetables	1	1	0			
Carrying Charges	5	14	0			
Pigs	34	8	0	49	3	6
6th Dairy	7	11	0			
Vegetables	5	4	0			
Carrying Charges	2	8	0	15	7	0
7th Dairy	17	11	0			
Vegetables	17	8	0			
Sheep.	10	5	0	45	8	0
Rs				272	10	0

Abstract of Sales

Dairy	Rs. 89
Vegetables	10
Carrying Charges	30
Pigs	35
Sheep	10
Poultry	1
Rs.	272

Receipts 1881

1st	Captain Wilmot	C 315	4	8	0
3d	Cash as per Bailiffs memo		2	4	0
4th	Mowsingh	C 349	30	15	0
"	Mr. Wilson	C 312	4	12	0
"	Mr. Burrows	C 272	2	8	0
"	Mrs Lee	C 321	0	8	0
"	Cash as per Bailiffs memo		2	0	0
"	Mrs Lee	C 365	9	8	6
"	Mr. Greene	C 214	6	5	0
"	Mr. Calder	C 355	0	14	0
"	Mr. Hector	C 286	2	8	0
"	Serg.t Will	C 303	1	0	0
"	" Thomas	C 371	1	6	0
5th	Colonel Wilson	C 224	4	10	0
"	Serg.t Perkins	C 346	1	5	8
"	Mr. Burrows	C 345	4	8	0
"	Mrs Calder	C 344	12	10	0
"	Serg.t Sykes	C 343	1	5	0
"	Mrs Campbell	C 339	1	6	0
"	Serg.t Keeffe	C 336	1	5	0
"	" Major Lynch	C 329	6	11	0
7th	Male Branch	C 322	47	2	9
"	Female "	C 323	10	4	0

Payments.

3d	Mr. Calder salary for Dec:	1	50	0
"	Karaimsaomy — " —	2	20	0
"	Pettapollimma Ag.t as per A/c	3	44	8
4th	— Do —	4	30	1
"	Messrs. Hubbard & Son	5	34	8
6th	Labor Roll 22d to 28th Dec:	6	75	4
"	— do — 29th - 31st Dec:	7	31	4
7th	Kempah's milk Bill	8	103	2
"	Peroyee Row as per Bill	9	146	4

Abstracts.

Receipts		Payments.	
Vegel	144-4-0	Vegel	119-0-11
Dairy	247-7-5	Dairy	89-13-5
C. Charges	167-9-3	C charges	205-7-4
Pigs	32-15-6	Pigs	47-8-0
Sheep	0-4-0	Sheep	9-6-0
Rabbits	0-6-0	Rabbits	4-9-0
		Other Items	0-12-6
Rs	592-14-2	Rs	536-9-2

From copy for 1880 — 72 — 2

Stock Account for the month of

	Cow Cattle.				Buffaloes.				Sheep.			Goats	Pigs.			
	Cows.	Heifers.	Calves.	Bulls.	Cows.	Heifers.	Calves.	Bulls.	Lambs	Ewes	Rams.	Kids.	Boars.	Sows.	Suckers.	Poultry.
Live and dead Stock 1st Jan/81	11	12	32	1	5	.	1	1	2	14	69	2	26	33	1	5
Increase by Births.										23		1			5	3
— " — Purchase.																
Total to be accounted for —	11	12	32	1	5	-	1	1	2	37	69	3	26	33	6	8
Sold.										3						
Dead.										1					1	
Total Diminished.					/					4					1	
Live & dead Stock on 31st Jan/81	11	12	32	1	5	-	1	1	2	33	69	3	26	33	5	8

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Balance Sheet for January 1881

Receipts.				Payments.			
Balance-	3208	10	5	1st to 7th Jan'y 1881			536
1st to 7th Jan'y 1881	592	14	2	8th to 14th — " —			159
8th — 14th — " —	124	10	0	15th — 21st — " —			52
15th — 21st — " —	319	3	0	22d — 28th — " —			66
22d — 28th — " —	292	13	6				
29th — 31st — " —	130	8	0				
				Balance Rs	3858	6	8
Total Rs	4668	11	1	Total Rs	4668	11	1

January 1881

Abstract of Receipts	For the month			Brought forward			Total.			Abstract of Payments	For the month			Brought forward			Total		
Dairy.	443	3	5	3778	12	6	4221	15	11	Dairy.	236	11	5	3142	1	2	3378	12	7
Garden.	377	1	0	3387	13	0	3764	14	0	Garden.	119	0	11	6175	4	2	6294	5	1
Pigs.	96	13	0	848	11	2	945	11	2	Pigs.	47	8	0	724	1	9	771	9	9
Sheep.	7	12	0	403	11	0	411	7	0	Sheep.	9	6	0	323	0	6	332	6	6
Goats.	-	-	-	6	0	0	6	0	0	Goats.	-	-	-	65	0	0	65	0	0
Rabbits & Poultry.	-	14	-	196	14	0	197	12	0	Rabbits & Poultry	14	9	8	214	0	8	228	9	2
Fuel.	-	-	-	572	4	9	572	4	9	Fuel.	-	-	-	85	12	0	85	12	0
Carrying Charges.	328	11	3	2319	15	1	2648	10	4	Carrying Charges	385	6	10	1558	3	2	1943	10	0
Plantations.	-	-	-	31	1	0	31	1	0	Farrier.	-	-	-	26	4	0	26	4	0
Sea.	5	10	0	61	6	0	67	0	0	Other Items.	2	10	6	258	12	0	261	6	6
Other receipts.	-	-	-	59	11	8	59	11	8	Sea.	-	-	-	8	0	3	8	0	3
Labor supplied.	-	-	-	73	2	3	73	2	3										
£	1400	0	8	11,739	9	5	13199	10	1	£	815	4	8	11,580	7	8	12395	12	4

1631/83 23

Roll

Remarks

1631/84 6

Some Explanation may be necessary of the entry "Stock Dr. to Bills Payable" at the foot of page 13. This is a transfer entry needed to correct other entries which had been made from September 1880 to March 1881. It will be noticed that up to August 1880, there was always an entry each month "Sundries Dr. to Bank of Madras", but after August the monthly entry became "Bills Payable Dr. to Bank of Madras". This is because it was thought at the time that the whole payments of the month were payments of bills due at the end of the previous month, and hence "Bills Payable" was debited with the full amount of the payments made. It was found however on coming to the end of the year that the total debit under "Bills Payable" was more in excess of the total Credit than it ought to have been, as the only difference between the two sides of the Account should have been the amount of bills outstanding on 31st March 1881. It was clear therefore that the monthly debits to "Bills Payable" for several months had been greater than they ought to have been, and that the excess should have been debited to some other Account. On enquiry it was found that this was the case, that part of the amount taken monthly as payment of bills previously due was really direct Expenditure on Stock, being paid for in Cash at the time. These amounts therefore should have been debited to "Stock" instead of to "Bills Payable", and hence the correcting entry "Stock Dr. to Bills Payable" was rendered necessary before the Accounts for the year were closed. The amount debited and credited there is the sum total of the amounts which had been wrongly debited in the months extending from September to March.

With regard to the entry "Profit & Loss Account Dr. to Stock" on page 14, it will be noticed that the amount (viz. Rs. 236-11-5) is shewn below as the difference between Rs. 476-3-3 under "Dead Stock" and Rs. 239-7-10 under "Live Stock" the latter amount having a minus sign before it. Properly there should have

have been 2 entries here, viz:

476-3-3 Profit & Loss Account Dr. to Stock - 476-3-3
(for loss under "Dead Stock")

239-7-10 Stock Dr. to Profit & Loss Account 239-7-10
(for Gain under Live Stock)

but for simplicity and convenience I have combined the 2 entries into one, by debiting "Profit & Loss" and crediting "Stock" with the difference between the 2 amounts. It is hardly necessary to point out that the result would have been the same in the end, had two Entries been made as above mentioned instead of only one.

It will be noticed that whenever Stock had been debited or credited throughout the year the debit or credit has generally been taken entirely to "Live Stock". This is not because the expenditure was necessarily incurred on account of Live Stock only or because the receipts were entirely from Live Stock, but because in the absence of information readily available as to the distribution of the debit and credit, I took the whole to "Live Stock" as the head most likely to be debited or credited.-

W. S. Grant
Asst. Accountant-General
in charge of Outside Audit.

The Farm Book should:—

Cap. 1 (a) An inventory of Live and Dead Stock, Vegetable Root and Forage Crops, Implements in Husbandry, &c, with their values on the first day of the Official, with increases and decreases during the past official year.

— 2 Summary of Stock &c on 1st April.

— 3 (a) Receipts and Payments for each month throughout the year.

(b) Yearly summary of Receipts and Payments, under their various heads, such as Dairy, Feeders, Live Stock &c.

— 4 (c) Stock Account for the month.

— 5 (b) Balance Sheet for the month.

— 6 Abstract of Receipts and Payments for the month, under different heads.

— 7 Daily Labor Roll for the week

— 8 Memoranda
a Stock Account for the week
b Root and Forage Crop account for the week
c Sales during the week
d Abstract of — do —
e Receipts and Payments — do —
f Abstract of — do — — do —

15 July 1921

Principal Secretary
Lawrence Asylum

Outside Audit Departt

Fort Saint George
Accounts General's Office
15th June 1881

No. 2213

CURRENT No. 232

From

W. F. Clogstoun Esqre
Offg Accountant General,
Madras

To The Chief Secretary
to Government,
Financial Department
Ootacamund.

631/25

Sir,

I have the honor to submit the report in original of my Assistant, Mr. W. J. Groves, on the audit of the Accounts of the Lawrence Asylum and of the Lovedale Farm.

2. Mr. Groves testifies to the neat and methodical way in which the accounts in their present state are kept and to the care with which vouchers are preserved and arranged, a work reflecting great credit on the Accountant, Mr. Burrows. He considers, however, that the existing system of accounts is defective, particularly as regards the Farm, in so much as it is at present impossible with its aid only, to ascertain readily and accurately at any time the amounts due by and to the Farm, and whether the Farm is working at

at a profit or at a loss. He is of opinion that a Journal and Ledger are absolutely essential in view to these objects, and he has been at the pains to prepare these statements himself for the past year in order to show exactly the result of the working of the year and as a guide to the Accountant in preparing future similar returns. Mr. Groves explains that he went through the greater part of the year's accounts with the Accountant, Mr. Burrows, and showed him the meaning of the entries, so that with a little practice he could keep a Journal and Ledger with ease and accuracy. It is very desirable I think that these accounts should, if possible, be maintained for the Farm at any rate.

The advantages of a Ledger in the form proposed are clearly stated by Mr. Groves in para 27.-

3. Mr. Groves found that a careful inventory and valuation of all stock at the beginning and end of the year had been made under the personal supervision of the Principal. He urges the importance of this valuation being performed by a professional man; but I see no reason to question the fairness of the valuations hitherto made, and would not

not urge the adoption of Mr. Groves' proposal, should its acceptance involve any difficulty. It is not improbable that the experience already acquired by Mr. Dene renders him better qualified for the duty than the Superintendent of the Government Farms, the Officer whom Mr. Groves suggests as being most fitted for the duty.

4. In paras 30 - 32, Mr. Groves raises the question whether the Farm should not be debited with a sum of Rs. 29,265-4-10, the net amount expended on it between the 1st. December 1874, the date on which operations were first commenced and the 31st. March 1878, the date on which the separation of the Farm from the Male Branch was effected. The question is only of moment in determining whether the Farm has upto the present date paid its way; in this view I notice that articles to the value of Rs. 40 per month are supplied by the Farm to the Male Branch free of Cost, and if one item is to be debited to the Farm the other should in fairness be credited.-

5 In para 40 Mr. Groves alludes to the difficulty experienced by him when auditing the Vouchers in determining "not whether the Expenditure had been incurred, but whether

Expenditure

Expenditure actually incurred was properly
chargeable against the Asylum? He recommends
that the Finance Committee instead of
examining the Books should carefully scrutin-
-ize and pass or reject all Vouchers, brought
before them, each Voucher admitted being Counter-
-signed by a Member of the Committee. I concur
in this recommendation.-

6. The present financial position of
the Institution and the mode in which
it has been affected by the operations
of the year are fully and clearly detail-
-ed in the Audit Report.-

I have the honor to be,
Sir
Your most Obedient Servt

H. Hogstoun
Offg Accountt General.

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From
W. S. Groves Esqre
Assistant Accountant General
in charge of Outside Audits.

To
H. F. Hogstoun Esqre
Offg Accountant General

Dated Fort Saint George 16th May 1881.

Sir,

I have the honor to submit the follow-
-ing report on the Audit of the Accounts
of the Lawrence Asylum, Coloarmund,
for the year ended 31st March last.-

2. As mentioned in previous Audit
Reports the Asylum is divided into 3 distinct
branches or Departments viz: Male Branch,
Female Branch, and Farm; which are finan-
-cially quite independent of each other, and
consequently a separate set of Accounts is
maintained for each branch. I propose to review
the Accounts of the 3 branches in order, com-
-mencing on the present occasion with the Farm,
not only because it is in some respects the
most important of the three, but because my
attention was chiefly directed to these Accounts
as a system and if any proposals regarding

them

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them be adopted, they may readily be extended to the Accounts of the other Branches.—

Farm

3 The Cash transactions of the Farm during the year may be classified as follows:—

		Rs. a. p.	Rs. a. p.
Balance in the Bank on 31st March 1880			3049 8 8
Received for			
Live Stock			
Dairy		1959 8 6	
Garden		8019 4 3	
Pigs		1936 9 0	
Sheep		517 11 0	
Goats		6 0 0	
Rabbits and Poultry		216 8 0	14755 8 3
Dead Stock			
Tea		67 0 0	
Plantations		31 1 0	
Fuel		572 4 9	
Miscellaneous		180 0 2	850 5 11 / 15605 14 2
Total Rs.			18655 6 10
Expended on			
Farm Supervision			620 11 0
Live Stock			
Dairy		3888 6 7	
Garden		8586 11 10	
Pigs		859 2 3	
Sheep		372 3 6	
Goats		65 0 0	
Rabbits and Poultry		247 7 6	14018 15 8
Dead Stock			
Tea		8 0 3	
Fuel		85 12 0	
Miscellaneous		275 6 6	369 2 9 / 15008 13 5
Balance Rs.			3646 9 5
Deduct refund to Male Branch			2000 0 0
Balance on 31st March 1881	In the Bank	1645 13 5	1646 9 5
	In hand	0 12 0	

4. The refund of Rs. 2000 above shewn, was a transfer to the Male Branch in part repayment of the loan of Rs. 4,400 originally granted to the Farm, when it started as a distinct Department of the Asylum. Of the final balance of Rs. 1646-9-5, Rs. 1645-13-5 was found on a reference to the Bank Pass Book to have been in the Bank on the 31st March last, and it is presumed that the small difference of 12 Annas was in hand on the same date, as it was not possible for the Auditor himself to verify the balance, the audit being commenced subsequently. Ordinarily all money received is forwarded regularly once a week to the Bank, and the month's remittances generally represent the month's receipts, but sometimes there is a small difference as in the case now noted.

5 I have reason to believe that the classification of receipts and expenditure above given is correct, but I cannot vouch for it, as at present the classification is not adopted in the Accounts themselves, and it would have taken more time than I could command to have inspected every voucher closely in order to classify the items. But though I cannot vouch for the classification, I have of course satisfied myself, as far as evidence was procurable, that the total amounts shewn as received and spent during the year were actually so received and spent.

The

* I have used this term as the most convenient one to denote not only the Crops on the Farm, but the horses and Cattle employed on it, and hence it has been entered under "Live Stock"

4. The

6 The difficulty of exercising any ade-
quate check over receipts is well known
and in the case of an institution like a Farm,
it is peculiarly difficult, as the value of
stock is liable to increase or diminish daily
from so many causes, and it is impossible,
therefore, to be certain that all money received
has been brought to account. As far as the
Asylum itself is concerned an admirable
system is in force by which the Farm Bailiff
acts as a check on the Accountant (Mr Burrows)
and the Accountant in his turn acts as a
check over the Farm Bailiff. The rule is
that though the Bailiff issues farm produce
he himself neither makes out nor sends out
bills, but this work is entirely done by the
Accountant, who receives from the Bailiff
from time to time a memorandum shewing
the total issues with prices and the names
of the persons against whom the bills are
to be made out. The Bailiff also keeps a
Personal Ledger in which the amount due
against every customer is entered daily. It
is clear that if this system were strictly
adhered to, a perfect check over receipts might
be exercised, at least as far as Credit trans-
actions are concerned. For the Bailiff by
an inspection of his own books knows how
much is due to the Asylum from the public,
and

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and the Accountant should be able to satisfy
him either that the whole amount has
been realized or that bills for the difference
are still unpaid. This applies, however,
only to Credit transactions. As far as Cash
transactions are concerned there is absolute-
ly no check, and it would scarcely be
possible indeed to invent one. The Bailiff
is free to sell any of the farm produce to any
one who applies for it, and if Cash is paid
at the time, as is sometimes done, it
depends entirely upon his honesty whether
the money is ever credited to the Asylum
or not.

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7 I stated above that this system of
check over receipts answered
"as far as the Asylum itself was concerned"
by which I meant that the fact of its
existence would scarcely be of much service
to an Auditor. He cannot satisfy himself
that the check is ever or constantly applied
as it should be, and in case of a collusion
between the Bailiff and the Accountant
it would cease to operate altogether. The
most satisfactory course open to me, though
one I believe not adopted by previous
Auditors, would certainly have been
to do the Bailiff's work for him, by com-
paring the daily memoranda of sales in
his Books with the counterfoils of bills
sent

sent out, and these again with the amounts credited in the Cash Book. But it was quite impossible to attempt this in the limited time at my disposal. All I could do therefore was, as before, to compare the Counterfoils of Bills noted as paid with the entries in the Cash Book. This was done thoroughly, though the labour involved was considerable as there were nearly 1000 Counterfoils to be thus examined. As the result of my examination I found that all counterfoils marked paid were correctly represented by entries in the Cash Book, and those not so marked were found to represent bills outstanding in the Personal Ledgers kept by the Bailiff. As regards Cash sales, I compared the Memos submitted by the Bailiff when forwarding the Cash to the Accountant, with the entries in the Cash Book, and found that the two corresponded in every case but one. In this case there was a Memo shewing that 8 Annas had been forwarded, but there was no corresponding entry in the Cash Book, evidently through an oversight. As soon as I pointed it out to Mr. Burrows he at once made good the amount and credited it in the Cash Book for the Current year.

Mr. Chapman

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8. Mr. Chapman in his report drew attention to the want of covering letters in all cases from persons who remitted money in payment of bills. Such evidence would be valuable if it were always forthcoming, but as explained by Mr. Dene, many remittances are received without any covering letter. Several letters were however submitted for my inspection and these I made full use of in my Audit.

9. I trust I have succeeded in shewing that in checking the Farm receipts I carefully avoided myself of all evidence within my reach, and that the Receipts as recorded may therefore be accepted as correct. The great difficulty, however, remains, and that is, to be sure that all money received has been brought to account. Unfortunately no such certainty I believe is possible – that is, of course from an Auditor's point of view. The fact that Mr. Dene himself is Treasurer of the Institution must be sufficient to satisfy the Committee and the general public.

10. There was not the same difficulty in checking the Expenditure of the Farm, as for all except very petty items sales factory Vouchers would be required and were forthcoming, and no more Expenditure could

could be admitted) than was vouched for. I can certify therefore to the absolute correctness of the expenditure recorded above. It will be noticed that I have set down the sum of Rs. 620-11-0 on account of "Supervision" separately, as it was not possible to distribute the charge fairly over the several heads "Dairy, Garden &c."

11 While referring to the Expenditure of the Farm, I would observe that a large portion of this is incurred by the Farm Agent at Mettapolliem out of the Permanent advance of Rs. 50 which is allowed to him for the purpose, and that he does not furnish a satisfactory receipt at present for the amount of his bills permitted to him from time to time by Cheque. The bills themselves were submitted to me as Vouchers for the Expenditure he incurred but there was nothing on the face of the bills to shew that they had been paid, and I could only satisfy myself on this point by referring to the Cheques Cashed by the Bank. I have suggested to Mr. Dewe as the best plan to be adopted under the circumstances that a Pass Book should be used for recording all money transactions between himself and his Agent, that the practice

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practice of submitting separate bills or rather Memos of Expenditure (as they should more properly be called) should be discontinued, and that all expenditure should be recorded by the Agent in this Book, which should be duly receipted after each remittance has reached him.

12. It appears that the Agent declines to furnish stamped receipts at his own expense. But I see no reason why his position as Agent should exempt him from the charge. In any case it is clear that stamped receipts, by whomsoever the cost may be met, are necessary when the sum acknowledged exceeds Rupees 20. It is further contended that when payment is made by Cheque, a stamped receipt is not required, as in that case there would be two stamps used for each transaction. But the Board have I believe already decided against this view.

13. Having disposed of the Cash transactions of the Farm, I have now to refer to the changes in Stock. The value of Farm Stock at the Commencement and the close of

of the year with the gain or loss in each case is shewn below:-

Head of Stock	Value of Stock on 1st April 1880			Value of Stock on 31st March 1881.			Difference shewing gain or loss.			
	Rs	a	p.	Rs	a	p.		Rs	a	p.
Live Stock										
Dairy	1280	0	0	1070	0	0	-	210	0	0
Garden	3751	8	0	4121	8	0	+	370	0	0
Pigs	1160	0	0	836	0	0	-	324	0	0
Sheep	1535	0	0	1195	0	0	-	340	0	0
Goats	136	0	0	161	8	0	+	25	8	0
Rabbits and Poultry	195	0	0	53	0	0	-	142	0	0
Dead Stock										
Land	8400	0	0	8400	0	0		0	0	0
Buildings	1220	0	0	930	0	0	-	290	0	0
Sea	1950	0	0	1800	0	0	-	150	0	0
Plantations	0	0	0	0	0	0		0	0	0
Fuel	0	0	0	0	0	0		0	0	0
Seed	153	9	3	300	0	0	+	146	6	9
Tools & Plant	2190	0	0	1906	0	0	-	284	0	0
Medicines				31	0	0	+	31	0	0
Miscellaneous				57	0	0	+	57	0	0
Total Rs	21971	1	3	20861	0	0	-	1110	1	3

14. I cannot of course vouch for the valuation here given, as the figures are simply taken as they stand from the Inventory in the Farm Book.

But I believe the valuation has been carefully and impartially made by Mr. Dene himself and may therefore be accepted in the absence of an Estimate from an independent professional man. The correctness of the valuation however is of so much importance in shewing whether the Farm is working at a profit or at a loss, that I would strongly urge the importance of employing an independent professional man on the task once a year if the services of one could be readily secured. Probably the best person to undertake the work would be the Superintendent of the Government Farm, but it might be inconvenient or expensive to employ him considering his distance from the Hills.-

15. Accepting the valuation as it stands, it is clear that the Stock as a whole depreciated during the year to the extent of Rs. 1110-1-3. The loss under Live Stock amounted to Rs. 620-8-0 and under Dead Stock to Rs. 489-9-3. It will be remembered however that Live Stock is entirely Stock in trade, whereas Dead Stock for the most part is not, and therefore a deficiency does not necessarily imply a loss in both cases.

In

16. In strictness therefore the Cash received and spent during the year as well as outstandings due at the end of the year should be taken into account and this is done in the following Statement:-

Heads of Stock	Value of Stock on 31st March 1880	Cash expended during the year	Bills Payable at close of the year	Total	Cash received during the year	Bills receivable at the end of the year	Value of Stock on 31st March 1881	Total	Difference between the totals showing Profit or Loss.
	Rs a p	Rs a p	Rs a p	Rs a p	Rs a p	Rs a p	Rs a p	Rs a p	Rs a p
Live Stock									
Dairy	1280 - -	3588 6 7	*300 - -	5268 6 7	4959 8 -	*447 - -	1070 - -	6476 8 -	+ 1008 1 5
Garden	3751 8 -	6586 11 10	*602 5 11	10940 2 9	8019 4 3	*718 6 8	4051 8 -	12859 2 11	- 81 6 10
Pigs	1160 - -	859 2 3	- - -	2019 2 3	1036 9 -	- - -	836 - -	1872 9 -	- 146 9 3
Sheep	1535 - -	372 3 6	- - -	1907 3 6	517 11 -	- - -	1195 - -	1712 11 -	- 194 8 6
Goats	136 - -	65 - -	- - -	201 - -	6 - -	- - -	161 8 -	167 8 -	- 33 8 -
Poultry	195 - -	247 7 6	- - -	442 7 6	216 8 -	- - -	353 - -	569 8 -	- 172 15 6
Dead Stock									
Land	8400 - -	- - -	- - -	8400 - -	- - -	- - -	8400 - -	8400 - -	- - -
Buildings	1920 - -	- - -	- - -	1920 - -	- - -	- - -	930 - -	930 - -	- 990 - -
Tea	1958 - 3	8 - 3	- - -	1958 - 3	67 - -	- - -	1800 - -	1867 - -	- 91 - 3
Plantations	- - -	85 12 -	- - -	85 12 -	572 4 9	- - -	- - -	572 4 9	+ 486 8 9
Fruit	- - -	- - -	- - -	- - -	153 9 3	- - -	300 - -	300 - -	+ 146 6 9
Lac	153 9 3	- - -	- - -	153 9 3	- - -	- - -	1906 - -	1906 - -	- 284 - -
Tools &c	2190 - -	- - -	- - -	2190 - -	- - -	- - -	31 - -	31 - -	+ 31 - -
Medicines	- - -	- - -	- - -	- - -	- - -	- - -	57 - -	57 - -	+ 57 - -
Miscellaneous	- - -	- - -	- - -	- - -	- - -	- - -	700 - 2	700 - 2	- 446 1 4
Miscellaneous	- - -	896 1 6	- - -	896 1 6	180 - 2	- - -	- - -	180 - 2	- 716 1 4
	21971 11 3	15008 13 5	902 5 11	37882 4 7	15665 11 2	1165 6 8	20881 - -	37837 4 10	- 249 15 9

The result shews a nett loss of Rs 249-15-9. Even this however is not perfectly correct as will be proved and explained further on when I proceed to work out the profit or loss of the Farm in the new set of Accounts I have drawn up.

17. I must now proceed to the important question of the Accounts themselves, considered as a system. Of system at present there is really none, and I have long felt that for the

* These figures only show the probable distribution of the total Charge and Receipt at foot, as the actual distribution could not be ascertained.

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the Farm at any rate some systematic way of exhibiting Cash and Credit transactions in their relation to each other was absolutely necessary. It is impossible otherwise to ascertain readily and accurately at any time the amounts due by and to the Farm and whether the Farm is working at a profit or at a loss. In the case of the other branches of the Asylum the question may scarcely arise, though even here I believe it to be of some moment, but with the Farm which is expected at least to pay its own way, if not to prove remunerative to the rest of the Institution, the question of profit or loss is all important. And as the profit or loss of any mercantile concern cannot be readily and accurately ascertained without a proper set of Accounts, I need not say more to prove that the Farm at any rate should have such a set of Accounts, which it certainly has not at present.

18. The only books in the way of account now maintained are (1) a Cash Book, recording simply Receipts and Expenditure of Cash, with brief memoranda at the head of each page of credit sales of farm produced, and (2) a Personal Ledger containing Accounts-Current between the Farm and its many customers. This Ledger

it

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is very useful and indeed indispensable as it stands, but it is not a Ledger in the proper sense of the word as it does not bring together the entire financial transactions of the Farm, and balance them against each other. A Ledger in this, the proper, sense is I consider absolutely necessary, and I would now propose one for adoption, without wishing to abolish or even alter the existing Ledger, which should be kept as an Appendix to the main Ledger.

19 I am aware that Mr. Donald proposed a form of Ledger for the Asylum, and that this has been adopted, but with due deference I would state it as my opinion that such a Ledger is too simple to be of much use, and I am satisfied at any rate that it would be perfectly useless if adopted for the Farm, to which, I may remark, its use has not yet been extended.

20. I have therefore taken considerable pains to draw up a proper Ledger for the Farm, and as the best means of opening it and proving whether it would answer or not, I have worked out in it the transactions of the year under review. The Ledger and accompanying Journal thus drawn up are appended to this Report, and it will be easy for any one to judge by inspection whether it would be worthwhile keeping up such books or not, and whether the labour involved would be excessive or otherwise.— For my own part, I do not think, when once the System is understood, that it would take more than a few hours to make a months entries, while the advantage of keeping up such books is obvious on the face of them.

21. Mr. Dene expresses himself perfectly willing to keep up these books, if Government direct it but he would rather not undertake it otherwise, owing to the amount of work already imposed on his one Accountant. Mr Burrows does not profess much knowledge of Book-keeping in its scientific sense, and might therefore at first find some difficulty in making the necessary entries, but I went through the greater part of the year's accounts with him & shewed him the meaning of the entries, and this with a little practice will I think enable him to keep the Journal and Ledger easily & accurately.

22 To exhibit briefly the system of Account proposed, I have made an Abstract of the Journal and Ledger for the year, and herewith submit them for inspection.

Journal of the Lawrence Asylum Farm for the year 1880-81.

Dr. Cr.

Total			Amount			Particulars	Amount			Total		
Rs.	A.	P.	Rs.	A.	P.		Rs.	A.	P.	Rs.	A.	P.
						Opening Balances.						
5474	15	1				Balance Dr. to Sundries. (for Liabilities on 1st April 1880).						
						Advances Recoverable	4400	"	"			
						Bills Payable						
						Establishment 430-15-"						
						Miscellaneous 644-"-1						
							1074	15	1			
										5474	15	1
5474	15	1				Carried Over						
										5474	15	1

Dr. 6

Folab			Amount			Particulars	Amount			Folab		
5474	15	1				Brought Over				5474	15	1
						Sundries Dr. to Balance				26357	6	2
						(for Assets on 1st April 1880)						
			21971	1	3	Stock						
						Live Stock 8057-8-4						
						Dead Stock 13913-9-3						
			3049	8	8	Bank of Madras						
			100	"	"	Advances Recoverable						
26357	6	2	1336	12	3	Personal Ledger Account						
						Intermediate Transactions						
15605	14	2				Cash Dr. to Sundries						
						(for Cash received during the year as per Cash Book)						
						Stock						
						Live Stock — 345-5-6						
						Dead Stock — 13-6-"	357	11	6			
						Personal Ledger Account	15248	2	8	15605	14	2
15605	2	2				Bank of Madras Dr. to Cash				15605	2	2
						(for Cash remitted to the Bank during the year as per Bank Pass Book).						
						Sundries Dr. to Bank of Madras				17008	13	5
						(for Cash paid during the year as per Cash Book and Bank Pass Book).						
			3391	"	10	Stock						
						Live Stock 3391-"-10						
						Dead Stock — " " "						
			1161	12	7	Bills Payable						
						Establishment 4651-4-6						
						Miscellaneous 6966-8-1						
17008	13	5	2000	"	"	Advances Repayable						
15176	13	1				Personal Ledger Account Dr. to Stock				15176	13	1
						(for Credit Sales of Farm produce during the year as per Bailiff's books)						
						Live Stock 15176-13-1						
						Dead Stock — " " "						
						15176-13-1						
175	1	6				Profit and Loss Account Dr. to Stock				175	1	6
						(for free supplies of Farm produce to the Principal during the year)						
						Live Stock 175-1-6						
						Dead Stock — " " "						
						175-1-6						
95404	1	7				Carried Over				95404	1	7

Dr. 1631/1836 11 86 Cr.

Folab			Amount			Particulars	Amount			Folab		
95404	1	7				Brought Over				95404	1	7
11445	3	5				Stock Dr. to Bills Payable				11445	3	5
						(for debts due by Farm at the end of the several months in the year)						
						Stock — Bills Payable						
						Live Stock 11445-3-5 — Establishment 4662-7-4						
						Dead Stock — " " " — Miscellaneous 6782-12-"						
						11445-3-5 — 11445-3-5						
						Closing Balances.						
93773	"	1				Balance Dr. to Sundries.						
						(for Assets on 31st March 1881).						
						Stock						
						Live Stock 7437-0-0						
						Dead Stock 13424-0-0	20861	"	"			
							"	12	"			
						Cash	1645	13	5			
						Bank of Madras	700	"	"			
						Advances Recoverable	1165	6	8			
						Personal Ledger Account				93773	"	1
236	11	5				Profit and Loss Account Dr. to Stock				236	11	5
						(for loss on Farm transactions during the year).						
						Live Stock = 239-7-10 ×						
						Dead Stock + 476-3-3 ×						
						236-11-5						
411	12	11				Balance Dr. to Profit and Loss				411	12	11
						(for nett loss of the Farm at the end of the year).						
131270	13	5				Folab				131270	13	5

× Properly speaking there should be 2 distinct Entries here, viz:

R. a. p.		R. a. p.
239-7-10	Stock Dr. to Profit and Loss Account	239-7-10
476-3-3	Profit & Loss Account Dr. to Stock	476-3-3

but for simplicity & convenience I have combined the two Entries, placing a minus sign before the former to show its true place.

Ledger of the Lawrence Asylum Farm
for the year 1880-81.

Dr. Balance Cr.

Date	Particulars	Amount Rs	a	p	Date	Particulars	Amount Rs	a	p
1880					1880				
1st April	To Sundries	5474	15	1	1st April	By Sundries	26357	6	2
1881 31st March	To Sundries	23773	-	1	1881 31st March	By Sundries	3302	5	11
Do.	To Profit and Loss	411	12	11					
	Total Rs.	29659	12	1		Total Rs.	29659	12	1

Dr. Profit and Loss Cr.

Date	Particulars	Amount Rs	a	p	Date	Particulars	Amount Rs	a	p
1881					1881				
31st March	To Stock	175	1	6	31st March	By Balance	411	12	11
Do.	To Stock	236	11	5					
	Total Rs.	411	12	11		Total Rs.	411	12	11

Dr. Stock Cr.

Date	Particulars	Live Stock Rs	a	p	Dead Stock Rs	a	p	Total Rs	a	p	Date	Particulars	Live Stock Rs	a	p	Dead Stock Rs	a	p	Total Rs	a	p
1880											1881										
1st April	To Balance	8457	8	-	13913	9	3	21971	1	3	31st March	By Cash	344	5	6	13	6	-	357	11	6
											Do.	By Personal Ledger Account	15176	13	1	-	-	-	15176	13	1
1881 31st March	To Bank of Madras	3391	-	10	-	-	-	3391	-	10	Do.	By Profit & Loss Account	175	1	6	-	-	-	175	1	6
Do.	To Bills Payable	11445	3	5	-	-	-	11445	3	5			15696	4	1	13	6	-	15709	10	7
											Do.	By Balance	7437	-	-	13424	-	-	20861	-	-
											Do.	By Profit & Loss Account *	739	7	10	476	3	3	236	11	6
	Total Rs.	23833	12	3	13913	9	3	36807	5	6		Total Rs.	23833	12	3	13913	9	3	36807	5	6

* See Explanatory note under the corresponding Journal entry.

Dr. Cash Cr.

Date	Particulars	Amount Rs	a	p	Date	Particulars	Amount Rs	a	p
1881					1881				
31st March	To Sundries	15605	14	2	31st March	By Bank of Madras	15605	2	2
					Do.	By Balance	-	12	-
	Total Rs.	15605	14	2		Total Rs.	15605	14	2

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Dr. Bank of Madras

Date	Particulars	Amount Rs	a	p	Date	Particulars	Amount Rs	a	p
1880					1881				
1st April	To Balance	3049	8	8	31st March	By Sundries	17008	13	5
1881 31st March	To Cash	15605	2	2	Do.	By Balance	1645	13	5
	Total Rs.	18654	10	10		Total Rs.	18654	10	10

Dr. Bills Payable Cr.

Date	Particulars	Establishment Rs	a	p	Miscellaneous Rs	a	p	Total Rs	a	p	Date	Particulars	Establishment Rs	a	p	Miscellaneous Rs	a	p	Total Rs	a	p
1881											1880										
March	To Bank of Madras	4651	4	6	6766	8	1	11417	12	7	1st April	By Balance	430	15	-	644	-	1	1074	16	1
Do.	To Balance	442	1	10	460	4	1	902	6	11	1881 31st March	By Stock	4662	7	4	6782	10	1	11445	3	5
	Total Rs.	5093	6	4	7226	12	2	12320	2	6		Total Rs.	5093	6	4	7426	10	2	12520	2	6

Dr. Advances Recovarable Cr.

Date	Particulars	Amount Rs	a	p	Date	Particulars	Amount Rs	a	p
1880					1881				
1st April	To Balance	100	-	-	31st March	By Balance	100	-	-
	Total Rs.	100	-	-		Total Rs.	100	-	-

Dr. Advances Repayable Cr.

Date	Particulars	Amount Rs	a	p	Date	Particulars	Amount Rs	a	p
1881					1880				
31st March	To Bank of Madras	2000	-	-	1st April	By Balance	4400	-	-
Do.	To Balance	2400	-	-					
	Total Rs.	4400	-	-		Total Rs.	4400	-	-

Dr. Personal Ledger Account Cr.

Date	Particulars	Amount Rs	a	p	Date	Particulars	Amount Rs	a	p
1880					1881				
1st April	To Balance	1936	12	3	31st March	By Cash	15248	7	8
1881 31st March	To Stock	15176	13	1	Do.	By Balance	1165	6	8
	Total Rs.	16413	9	4		Total Rs.	16413	9	4

23 Most of the headings explain themselves, but in one or two cases some explanation may be necessary.

(a) "Advances Repayable" – This heading I have taken to express the opposite of "Advances Recoverable", the latter representing Advances paid and to be recovered, the former representing Advances received and to be repaid. In the case of the Farm there are advances of both kinds, which should clearly be treated differently and not be entered in the same account.

(b) "Bills Payable" – I have used this term as the briefest and most expressive term to denote all sums due by the Farm at the end of the month, whether on account of Establishment or on account of articles purchased but not paid for. There is no means at present of ascertaining exactly the amount of the latter (see below para 26).

(c) "Personal Ledger Account" – This is really an Abstract of the entire set of Accounts included in the Personal Ledger above referred to (para b). The Bailiff debits and Credits each particular account concerned but the sums of the debits in the month or the year must agree with the single debit in this account for the same period, and similarly with regard to the Credits. Consequently if the entries have been correctly made the net debit or Credit under Personal Ledger

1631

Ledger Account must correspond with the net balance of all the Accounts in the Personal Ledger taken together. The Accounts in the Personal Ledger should be balanced at the end of every year and the result compared with the balance under "Personal Ledger Account".

24. It is clear from the Journal that

(a) for all Cash received, the Cash Account is debited with the full amount, and other Accounts credited in the proportion in which it comes from them, "Stock" if it is for Cash Sales of farm produce, "Personal Ledger Account" if it is in payment of bills.

(b) for all Cash remitted to the Bank (which is generally the whole amount received), "Cash" is credited, and "Bank of Madras" debited.

(c) for all Cash paid (as payment is invariably by Cheque on the Bank), "Bank of Madras" is credited with the full amount, and other Accounts are debited in the proportion in which it is paid to or on account of them, "Stock" if it is direct expenditure on Stock, "Bills Payable" if it is in payment of bills due at the end of the previous month.

(d) for all Credit Sales of Farm produce, "Stock" is credited and "Personal Ledger Account" is debited.

(e) for Farm produce issued or lost without any equivalent return, as in the case of free supplies

to

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to the Principal or in the case of the death or destruction of any article of Stock "Stock" is credited with the amount and "Profit and Loss" debited.

(f) Similarly if any article of Stock were presented to the Farm free of cost, "Stock" would be debited and "Profit and Loss" credited.

(g) for debts due by the Farm at the end of the month, "Stock" is debited and "Bills Payable" credited.

The above seven entries are almost the only ones that are ever likely to be necessary preceding the monthly transactions of the Farm, and the labour involved in writing up the Journal would therefore not be considerable. As soon as the Journal entries are made, any one, without special knowledge of Accounts, might be employed in posting the Ledger.

25. In every case but one the sources from which the figures required for the Journal entries are to be derived are already in existence, and the figures may be accurately ascertained as matters stand at present, without much difficulty.

The debit to "Cash" is the total of the Dr Column in the Cash Book;

the credit to "Cash" is the total of the Cr Column in the Cash Book;

the debit to "Bank of Ireland" is the total acknowledged by the Bank as per Pass Book;

the credit to "Bank of Ireland" is the total of Cheques issued as per Counterfoils of Cheque Book, which total should also agree with the total of the Cr Column in the Cash Book;

the debit to "Stock" is partly the price paid for Stock purchased during the month, as well as money spent on Stock during the month otherwise than in payment of Bills previously due (which must be ascertained by an inspection of the Vouchers) and partly the amount of Bills outstanding against the farm at the end of the month (this cannot be exactly ascertained as will presently be explained);

the credit to "Stock" is the value of Farm produce sold during the month for Cash (as per entries on the Dr. side of the Cash Book) or for credit (as per the Bailiff's books) or issued free of charge to the Principal (as acknowledged by him);

the debit to "Personal Ledger Account" is the total of credit sales during the month (as per the Bailiff's books);

and the credit to "Personal Ledger Account" is the total of bills paid during the month (as per Counterfoils of Bill Book and entries on the Dr. side of Cash Book;)

26. The one exception referred to above is in the case of transactions under "Bills Payable". The credit entries to this head are simply the amount of bills paid in arrears during the month whether for "Establishment" or otherwise, and these figures must agree with the total of

similar

similar items on the Cr side of the Cash Book, so that they may be ascertained without difficulty. The difficulty arises in the case of debit entries. As already explained, all bills outstanding at the end of the month are debited to this head, but it is not possible to be sure at present of the amount of such outstandings. No complete record is kept of orders issued to tradesmen or others during the months for articles which are not paid for at the time, and I am told that in many cases the prices of the articles are not known till the bills come in. Of course such orders as a rule are not large and the amount outstanding against the Farm at any time is therefore not great. Still it is clear that if a complete set of Accounts were kept the Day Book would carefully record such items, and they would certainly be taken into consideration in estimating the profit or loss. To secure financial correctness, therefore, and render the accounts of the Farm complete, I would strongly suggest that a memorandum Book should be kept shewing particulars of articles purchased from time

to time but not paid for, and that steps might be taken to ascertain the prices of the articles when ordering them, if this could be done without great difficulty or inconvenience. In the absence of positive information of this nature to guide me, I was obliged, in filling up the specimen set of Accounts for the year, to take the outstandings at the end of the month as represented by the bills which were paid in the following month, and accordingly on referring to the "Bills Payable" Account in the Ledger it will be noticed that the debit entries in almost every case exactly correspond with the Credit entries opposite to them. I find that generally bills due at the end of one month are paid promptly in the following month, so that this rough way of arriving at outstandings may on the present occasion be accepted as furnishing fairly accurate results.

27. The advantages of a Ledger such as that now proposed for adoption will be obvious on inspecting the abstract which I have given above (para 22). It not only brings together the entire financial transactions of the Farm in one view and renders it easy to work out the profit or loss, but each Account acts as a check

on

on the correctness of one or more of the others, and information on several matters of importance might at any time be derived with no more trouble than that of striking the balance between the two sides of an account. The balance of the Account "Cash" for instance will shew the amount of Cash in hand, the balance of the Account "Bank of Madras" the amount of Cash in the Bank, the balance of "Bills Payable" the amount of debts due by the Farm, the balance of "Personal Ledger Account" the amount of debts due to the Farm, the balance of "Advances Recoverable" the amount of advances outstanding in favor of the Farm, and the balance of "Advances Repayable" Account the amount of advances outstanding against the Farm.

28. The entries under "Balance" it will be noticed shew that the Farm commenced the year with a nett credit balance of Rs. 20,882-7-1 and that by the end of the year this balance had been reduced to Rupees 20,470-10-2 implying a loss of

× This is not strictly accurate, as it is proposed to credit the Bank with all Cheques issued whether paid or not, but it is sufficiently accurate for the purpose in view.

6882

of Rs. 411-12-11 × on the operations of the year.

The Assets and Liabilities of the Institution at the beginning and end of the year are particularized in the Journal and were as follows:-

1631/6141

Assets	On 1st April 1880 Rs. A P.	On 31st March 1881 Rs. A P.
Stock		
Live Stock —	8057. 8. "	7437. " "
Dead Stock —	13913. 9. 3	13424. " "
	21.971. 1. 3	20861. " "
Cash —	" " "	" 12. "
Bank of Madras —	3049. 8. 8	1645. 13. 5
Advances Recoverable	100. " "	100. " "
Advances Repayable	1736. 12. 3	1165. 6. 8
Total Rs.	26357. 6. 2	Total Rs. 23773. " 1

Liabilities	On 1st April 1880	On 31st March 1881.
Bills Payable		
Establishment —	430. 15. "	442. 1. 10
Miscellaneous —	644. " 1	460. 4. 1
	1074. 15. 1	902. 5. 11
Advances Repayable	4400. " "	2400. " "
Total Rs.	5474. 15. 1	Total Rs. 3302. 5. 11

Thus

× In para 16 above, the loss worked out was Rs. 249. 15. 9 or Rs. 161-13-2 less than the loss arrived at here. The latter however is the correct result and illustrates the greater exactness secured by the Ledger. The difference is owing to the fact that in the statement in para 16 the second column (Cash expended) includes Rs. 1074-15-1 paid on account of the previous year, and the fifth column (Cash received) includes Rs. 1236-12-3 received on account of the previous year, that is, the amount was really due at the end of the previous year. Both these amounts should clearly be excluded in estimating the fluctuations in Stock during the year itself. If this is done, the statement in para 16 will shew a loss of Rs. 411-12-11, and thus the two results will agree.-

Thus the Assets at the end of the year were less by Rs. 2,584-6-1, while the Liabilities had been reduced by only Rs. 2172-9-2.

29. The opening balance of Rs. 4,400 under "Advances Repayable" represents the amount advanced to the Farm by the Male Branch as working Capital when the separation between these two branches of the Asylum was effected on 1st April 1878. The balance it will be observed was reduced to Rs. 2,400 by the end of the year owing to the repayment of Rs. 2,000 to the Male Branch already referred to (para 4).

30. I beg however to state that in my opinion the Farm is fairly chargeable not only with this Cash Advance lately received, but with the nett amount spent upon it from the date operations were first commenced, (viz. 1st December 1874) to the date above mentioned on which the separation from the Male Branch was effected. It is at least not clear why the small sum in the one case should be considered as an Advance repayable, while the far larger sum in the other is treated as a gift. It might be replied that it is within the bounds of possibility for the Farm to repay the smaller sum, but it would be unreasonable to expect it ever to repay the large amount sunk on it since it first started. As to this I can say nothing, and if the Asylum proper wished to cancel the debt previously incurred

incurred, it would of course be perfectly free to do so, but as a matter of principle the earlier debt is just as much an Advance recoverable as the later one, and an attempt might therefore be made to repay at least a portion of it, if the repayment of the whole should be found impossible.

31. If my view be accepted, "Advances Repayable" will have to be credited with an additional sum of Rs. 29,265-4-10 or Rs. 26,436-0-9, according as interest is or is not to be taken into consideration. It will be necessary however to shew how I have arrived at these amounts. My calculation has been based upon the figures given in Mr. Donald's carefully framed memorandum on the financial working of the Farm, the conclusions in which have I believe been accepted by Government and by the Asylum Authorities as the most accurate to be expected from the data now procurable. Referring therefore to this memorandum, it will be noticed that

	Rs.	a.	p.
On 1st December 1874, the Farm took over from the Male Branch Stock valued at	4,353	6	-
the expenditure on the Farm from 1st December 1874 to 31st March 1878 amounted to	74,816	9	8
giving a total of Rs.	79,169	15	8
and the value of the Returns during the same period amounted approximately to	52,733	14	11
leaving a balance of Rs.	26,436	0	9

as the nett amount due to the Male Branch without interest

interest on 1st April 1878.

32. The amount due with interest on the same date will be ascertained by referring to Annexure E. appended to the Memorandum. The final balance there worked out is Rs. 27927-10-11 but to this should be added the nett Assets on 1st April 1878, amounting to Rs. 1337-9-11, which were rightly deducted in ascertaining the nett cost of the Farm considered as a part of the Asylum. Thus the amount due with interest on 1st April 1878 was Rs. 29265-4-10. Of course if interest is to be taken into consideration this amount will now have to be increased by the interest which has accrued since 1st April 1878, and interest calculated at 4½ per cent will have to be charged annually on the balance remaining unpaid at the end of each year.-

33. It will be noticed that I have debited to "Profit and Loss" the value of Farm produce supplied free of charge to the Principal month by month. The practice of making such supplies, which had been in abeyance for some time, was resumed in November last on an order of the Finance Committee which allowed the privilege to the extent of Rupees 40 every month. Some of the bills thus admitted I noticed contained items of rail charge presumably for the conveyance of Farm produce. I am not sure whether it was the intention of the Committee that such charges also should be borne by the Farm and I therefore bring the fact to notice.- 1631/83

34. Mr. Dene wishes to take credit for the value of these supplies as an asset of the Farm, but this would clearly be wrong, as Stock is parted with without a return in any shape whatever. If such supplies were charged against the Male Branch and value recovered from it, the case would be different, but as matters stand, the issue of supplies in this way clearly denotes a loss to the Farm and nothing else. I confess I do not see however why the Male Branch should not pay for such supplies, considering that the salary of the Principal is wholly charged against it and not against the Farm. Had this been done in the year under review, the sum of Rs. 611-12-11 mentioned above as the loss on the operations of the year would have been reduced to Rs. 236-6-11.

35 Mr. Dene further wishes to take credit for the value of root and forage crops supplied to cattle on the Farm. During the year this amounted to Rs. 639-5-0. It seems self-evident to me however

however that this would not be correct, for if such fodder were not supplied, it is true that it might be sold at a profit to the Farm, but it should at the same time be borne in mind that an equivalent amount would in that case have to be separately purchased for the use of the Cattle, and the expenditure on the one side would act as a set off against the receipt on the other. Considering a particular department of the Farm, such as "Garden" or "Crops" by itself, it is true that the value of such supplies should in fairness be credited, but considering the Farm as a whole divided into several departments mutually dependent on each other, it is clear, as above shewn, that in this case there is no gain to the Farm at all. The gain if any is simply the difference between the cost value of fodder raised on the Farm, and its selling price, if it had to be purchased, and this difference, it it could be ascertained might very fairly be credited to "Profit and Loss" and debited to "Stock", but nothing more. If my view be overruled, as I scarcely anticipate, the loss of Rupees 411-12-11 on the year's operations will be changed into a gain of Rupees 227-8-1-

J

1880

36. I have now said all I think necessary regarding the Farm and will proceed next to the Male Branch. 1631 544 44

Male Branch

37 The Receipts and Payments recorded in the Cash Book were checked in the way mentioned above in connection with the Farm and found to be correct. The classified Statement is shewn below:-

			R a p.
Balance on 1st April 1880			9395 6 7
Receipts			
I. Allotments by Government			
Grant-in-aid	31680 " "	31680 " "	
II. Asylum Property			
Interest & Donation on Govt Securities	38779.1.4		
Donation from Lawrence Asylum Press	10000 " "	48779 1 4	
III. Special Funds			
Orphan allowances	11613 13 5		
Pensions from various Funds	334.11 "		
School Fees	572 " "	12520.8.5	
IV Industries			
Carpentry	1864 4 4		
Tailoring and Stocking knitting	588.15 "	2453.3.4	
V. Miscellaneous			
Sale of Fuel	232 " "		
Sale of Stores	481 " 8		
Other Items	203 3 6	916.4.2	
Refunds		2658.15.9	
		99008.1 "	
Total Rs.			108403.7.7

Total Rs. 105403.7.7

Expenditure

1. Education		
(a) Scholastic	10451.3.9	
(b) Artistic	1684.5.10	
(c) Industrial	900.-.-	13035.9.7
2. Clothing & Victualling		
Clothing	2026211.3	
Victualling	35178.13.8	5441.8.11
3 Household		
Household	6755.8.6	
Domestic Supervision	2518.12.8	
Sanitation	1377.1.8	
Hospitals	2074.13.1	2726.6.11
4 Buildings		
White washing & repairs		546.2.4
5. General		9433.7.7
6. Industrial		
Workshops		3466.11.5
7. Miscellaneous		
(a) Carrying Charges	2636.9.3	
(b) Postage, Advertisement & Telegrams	201.11.2	
(c) Founders	735.15.4	
(d) Contingencies	351.13.5	
(e) Pensions	360.-.-	
(f) Plantations	104.3.3	
(g) Auditor's Fee	100.-.-	
(h) Refunds	177.-.-	4507.13.5 99116.12.2

Balance on 31st March 1881 ——— Rs. 9256.11.5

38. Thus the year opened with a balance of Rs. 9395.6.7 and closed with a balance of Rs. 9256.11.5. The closing balance was verified by reference to the Bank Pass Book. The Receipts exceeded those of the previous year by Rs. 3893.5.7, more than half of which was due to the refund made by the Farm already referred to (para 29). And similarly the Expenditure exceeded that of the previous year by Rs. 4524.2.5, mostly under "General".

39. Vouchers were produced in support of all items of Expenditure except one or two, in which cases I was told they were not procurable.

There

1631 / 8200 88

There should be more Vouchers for sums charged in the Permanent Advance Book.

40. The monthly audit of the accounts by the Finance Committee which had for some time been discontinued has now been resumed. I have no doubt that this audit is at present merely nominal, but it might be rendered of real service to the Auditor deputed from Madras, if instead of examining the Books, the Committee were carefully to scrutinize and pass or reject all Vouchers brought before them. I felt doubtful in several Cases, not whether Expenditure had been incurred but whether Expenditure actually incurred was properly chargeable against the Asylum, and in this matter the Committee alone would be competent to decide. I would suggest, therefore, that their periodical Audit of the Accounts should in future be confined to inspecting the Vouchers, and countersigning those which are to be admitted against the Asylum. The Auditor deputed from Madras would then know at once whether the expenditure noted on a particular Voucher was authorized or not, and he would accept only such Vouchers as had been countersigned by one or more Members of the Committee.

41. With regard to the Ledger already prescribed and adopted for this branch of the Asylum, I have already remarked that in my opinion it is too simple to answer the real purposes of a Ledger. It may be

that

that the original intention has not been
carried out, but that it is defective as now
kept; I think there can be no question.
I could find only two Accounts, one shewing
Receipts and Payments, the other shewing
Advances made and recovered. As the
system of making Advances to the Home
Agent for supplies has been discontinued,
the latter Account is now closed and ac-
cordingly the present Ledger may be said
to consist of only one Account, the object
of which is just as much served by the
Cash Book. Mr Donald seems to have con-
-templated only Cash transactions in framing
his Ledger, whereas credit transactions and
Stock transactions should also I think be
taken into account if the Ledger is to be
complete. By "Stock" I do not mean stock
in the mercantile sense, as the word was
used in connection with the Farm, for
the Asylum is not a money-making insti-
-tution and it would be out of place therefore
to work out its profit or loss each year as
has rightly been done in the case of the
Farm. But the Asylum has always on
hand a large quantity of valuable Stores
intended chiefly for the use of its inmates
but sometimes sold to outsiders, and
it would seem advisable to keep a check
on

on the issue of these Stores, by arranging
that their value should fluctuate in regular
correspondence with the Cash and other Assets
of the Institution. This could only be done
by having an Account headed "Stores" in the
Ledger and arranging the other Accounts in
such a way that every debit or credit to this
Account should shew a corresponding credit
or debit in some other Account or Accounts.
To secure this object credit transactions as
well as Cash transactions would have to
appear in the Ledger, and Accounts therefore
would have to be opened corresponding to what
I have termed "Bills Payable" and "Personal
Ledger Account" in the Ledger drawn up
for the Farm.

42. I have not had time on this occa-
-sion to draw up a Specimen Ledger for the
Male Branch, as I have for the Farm, but
if the form proposed for the latter be adopted,
it will probably be easy for the Accountant
at the Asylum to open a similar Ledger
for the Male and Female Branches, as
the principles to be observed in making
the Journal entries are the same in both
Cases.

43. I would confine myself here
to stating what in my opinion should be
the heads of Account opened for the

Male

Male Branch. They are the following:-

1. Balance
2. Profit and Loss
3. Miscellaneous Receipts
   (a) Allotment by Govt
   (b) Profits on Asylum property
   (c) Special Funds
   (d) Miscellaneous.
4. Stores
5. Cash
6. Bank of Madras
7. Education
   (a) Scholastic
   (b) Artistic
   (c) Industrial
8. Clothing and Victualling
   (a) Clothing
   (b) Victualling
9. Household
   (a) Household
   (b) Domestic Supervision
   (c) Sanitation
   (d) Hospital
10. Buildings
11. General
12. Industrial
13. Miscellaneous Expenditure
14. Bills Payable
15. Advances Recoverable
16. Personal Ledger Account

44. The "Stores" Account would shew on the Dr. side the value of Stores in hand at the beginning of the year, and the cost of any additional Stores purchased during the year, and on the Cr. side the value of Stores issued for the use of the Institution (in which case the corresponding debit would be under "Education", "Clothing" or some similar head of charge according to the object for which the Stores were issued) as well as the value of Stores sold (in which case the corresponding debit would appear either under "Cash"

or

or under "Personal Ledger Account according as they were paid for at the time or not). The balance of this account at the end of the year should thus agree with the value of the Stores actually found in hand, allowing for any slight depreciation through keeping or otherwise, which might be written off to "Profit and Loss".

45. It will be noticed that under this system, the several heads "Education" "Clothing" &c will not be debited with the full value of Stores received, at the time of receipt, but only with the value used from time to time. The charge apportioned for each year will therefore more exactly represent the requirements of the year than is the case at present.

46. If Stores are received but not immediately paid for, the Debit under "Stores" account will have a corresponding credit under "Bills Payable" which will be cleared by Credit to "Cash" or "Bank of Madras" as soon as payment is made.

47. The only item that would appear at present under "Advances Recoverable" would be the permanent Advance of Rs. 50 held by the Principal on account of this Branch.

Female

Female Branch

48. The Receipts and Expenditure of the Female Branch for the year, as recorded in the Cash Book, were as follows:-

		Rs As P
Balance on 1st April 1880		6295.3.1
Receipts		
I. Allotments by Government		
Grant in aid	16320..	
II. Special Funds		
Orphan Allowances	1330.4.4	
Apothecaries Fund	127.9.2	
Fees	252..	1709.13.6
III. Miscellaneous		
Sale of Stores	187.11.4	
Fines and Deductions	3..	
Other items	4018.7.1	4209.2.5
Deposits	70.4.4	22312.4.3
	Total Rs	28607.7.4
Expenditure		
1. Education		
Scholastic	1975.3..	
2. Clothing and Victualling		
(a) Clothing	2783.2.2	
(b) Victualling	6741.9.8	9524.11.10
3. Household and Sanitation		
(a) Household	2179.13.8	
(b) Sanitation	316.15.7	2496.13.3
4. Buildings &c		
Whitewashing and Repairs	275.6..	
5. Miscellaneous	352.11.7	14521.15.8
Balance on 31st March 1881		Rs 14085.7.8

49. The year opened, as will be observed, with a balance of Rs 6295-3-1 and closed with a balance of Rs 14,085-7-8. The Receipts exceeded those of the previous year by Rs 4,060-2-7, the excess being almost entirely due to the recovery through the Male Branch of the advance belonging to this branch, outstanding with Mr Mowbray, the Home Agent, when

when the system of making Advances to him was discontinued. This explains the large sum of Rs 4018-7-1 which appears against "Other Items". The Expenditure was less than that of the previous year by Rs 4,596-6-5, the difference being chiefly under Advances Recoverable, no remittances to the Home Agent having been made in the course of the year.

50. I need not say more about these Accounts as the remarks I have made under Male Branch are equally applicable here. The Ledger heads would be very similar in the two cases, the difference being only in one or two heads of charge.

51. In conclusion I would again testify to the neat and methodical way in which the Accounts, in their present state, are kept, and to the care with which Vouchers are preserved and arranged, reflecting as it does great Credit on the Accountant Mr Burrows, who has to cope single handed with work which would ordinarily require and receive the

attention

attention of 3 or 4 men. I have also to thank Mr Dene for the kindness with which he received my many enquiries into the affairs of the Asylum, and the readiness with which he satisfied them by supplying me with all the information within his reach.—

I have the honor to be,

Sir,

Your most Obedient Servt

W. S. Sprent

A/g.r Accountt General
in charge of Outside Audits

1631/37
27

No. 1089 W.P.

Referred to the
Laurence Asylum
Committee for remarks.
(By order)
Chas. Colter
Asst. Chief
Secretary

23/6/81

NOTE.—This paper should be returned with reply, and should not be minuted in any way by the receiving office.

23 JUN 81

Financial (1881 Department
(Lawrence Asylum)

From

The Accountant General
Montreal

To

The Chief Secretary to Government
Financial Department

No. 2213

Dated 15th June 1881
Received 17th June 1881

Submitting the report of the Auditor of the Accounts of the Lawrence Asylum and of the [illegible]

Lawrence Asylum
15th July 1881

Japan

The Revd. D. Derbishire
Principal Secretary
Lawrence Asylum

1089

The Chief Secretary
to Government
Financial Department
Montreal.

Sir,

I have the honor to transmit herewith the Accountant General's letter of the 15th June 1881, with Quebec Auditor's report and other documents, referred with your letter of the 23rd instant, and to request that you will favor me with your remarks thereon for the information of the Lieutenant Governor.

I have the honor to be
Sir
Your most obedient servant
D. Derbishire
Principal

Para 11 of the Auditor's letter has been submitted to the Inspector of Lunatic Asylums.

2. The Memorandum Book for the year of articles purchased is closely kept. The particulars of the articles received are entered in the Book and copied into the Counterfoil as the goods, when received are checked thereby. It is suggested in para 20 of the Auditor's report, that steps should be taken to record the prices of articles at the time they are ordered. The object of this suggestion is not understood by the Committee. The prices of all articles of ordinary consumption are

sufficiently well known, and, I have
examined some records, of the way
before the Committee is made up
is done. This leaves as the
matter of accommodation, and
of account
The Clerk
para 33 of the Report
mistaken, and
The Secretary
Committee
to Vouchers
Books, and
materials
superior
Teacher
tion of the
cost than
others. He
be future
6 In para
recommend
separate
the Farm
Farm Book kept
Book was
ment, through
Council, who
on the 19th
that it appeared
suitable form
suggested that
Book should be kept for the

Rec'd
30th March 1879
Parly
Papers 82-11

of Receipts and Expenditure in connection with the Dairy and Creamery. It would appear that the Accountant General, in making this remark, had omitted to observe that the work had been already provided for in the Farm Book. A copy of each week's record is produced for inspection.

The Auditor states that the work performed by the Accountant at the Dairies is such as would ordinarily require the services of three or four clerks. It follows that the additional clerical work which would be entailed by the proposed adoption of the new Journal and Ledger, would require more than a proportionate increase in the expenses of the Committee in the opening of the Vouchers and the funds of that Institution are unable to meet such an outlay.

I have the honor to be
Sir
Your most obedient Servt

[illegible]
Secretary to Commissioners
Lagoon Harbours

280

Outside Audit Department.

No. 2082

No. 3129

Fort Saint George,
Accountant-General's Office,
8th August, 1881.

From

W. F. Hogstone Esqre
Offg. ACCOUNTANT-GENERAL
TO THE GOVERNMENT OF MADRAS,

631
451

To

THE Chief Secretary
to Government
Financial Department
Octacamund.

SIR,

With reference to your Endorsement dt. 1800 dated the 27th July calling for my remarks on para 6 of the letter to Government of the Principal and Secretary of the Lawrence Asylum dated 15th July 1881, I have the honor to state that the present Farm Book, though complete in many respects as a record of the financial transactions of the Farm, and valuable so far as it goes, does not serve the purposes of the Journal & Ledger recommended by Mr Grimes in his report, and as it is most important that those purposes, particularly the framing of an accurate Balance Sheet should be secured, for the reasons already assigned, I think it very advisable, that a Journal and Ledger in the form proposed should be opened and kept up in future.-

2. With regard to the further question, whether it would be possible for the Asylum with its present limited Staff, to undertake the keeping of such books, I would add that the preparation

of the Journal and Ledger will not very
materially increase the work of the Accountant.
The Ledger may be written up at intervals
during the year as leisure is afforded, and
with but little difficulty from the Journal,
and though the latter account should be written
up monthly the preparation involves the making
of some seven entries only in each month.—

I have the honor to be,
Sir,
Your most Obedient Servt
J. T. Mayhew
Offg Accountant General

1631
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Vol 15–11–1–81 Educ
326–26–8–80 School
467–20–12–78 Jail
364–21–2–76 Jail

Jail
(1881 Department)
(Lawrence
Asylum)

From
The Accountant General
R.D. Madras
13 AUG 81

To
The Chief Secretary to Govt
Financial Department

No: 2082
No: 3129.

Dated 8
Received 9 August 1881

Re:

Making the advisability of opening a ledger & Journal in the form proposed for the Lawrence Asylum Accounts.

Financial Department.

1631
B 5329

PROCEEDINGS of the MADRAS GOVERNMENT.

READ the following letter &c:—

From the Accountant General, Madras, dated 15th June 1881, No 2213.

From the Principal and Secretary, Lawrence Asylum, dated 15th July 1881, No —

From the Accountant General, dated 8th August 1881, No 3129.

3rd Sept 1881 No 1631.

Order thereon,

ORDERED that the several suggestions and objections made by the Auditor, the Government observe that those referred to in paras 11, 26, 33 and 40 of his Report have been either accepted or met by the Principal of the Asylum.

2. With reference to the suggestion in para 14 as to the valuation

L/E

I think the Accountants arguments are much disposed of in reply to the details of the Principal's letter. It is not necessary that the Govt Dept. but of the Committee of Women should be represented. The Institution is not a purely State affair. But largely

valuation of the stock by a professional man. the Government approve the Accountant Genl's remarks, and consider that such a valuation in present circumstances is unnecessary.

supported by private persons. and the Com: upon the Labourers. Salary entitled to the principal. Visit or refunded by agent.

3. The chief point for disposal is the questions regarding the introduction of a separate journal and ledger for the Farm in the forms proposed by the Auditor. The Accountant General supports the W. Auditor's recommendation as to the advisability of keeping these important Books, but the Committee object to the proposal on the score of the extra work and expense that would thereby be involved. The Accountant General in his second letter remarking on the objection raised, shews the necessity for these accounts, while he points out that their preparation and maintenance will not very materially increase the work of the Accountant. The Government must therefore direct that a journal and Ledger in the form proposed be opened and kept up in future.

and the forbearance that the Farm accounts now kept are in the most approved form for large properties in England. rooms adopted nothing about the suggestion of H.R.H. the Duke of Buckingham. The Secretary of State is first that any additional is necessary. or entailed entering on that considerable addl. labour on the already burthened Accountant.

This record is based on the Auditor's report that the Accountant now gets through the work of 2 or 3 clerks and the Committee state that the responsibility of the institution will not admit of the employment of further clerical aid. Cases are not direct a trial being made to keep up these books leaving it to the Committee to state at the end of a year whether it can be managed with the present staff

4. Whether the Farm should or should not be debited with the

1631
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the amount expended upon it from the date when operations were first commenced up to the 31st of March 1878, is a matter that need not now be determined for the reason given in parn 4 of the Accountant Generals first letter.

5. The Government agree with the Auditors remarks in parns 34 & 35 on matter for deferring the Committee of this letter. They are glad to notice the very favorable mention made of Mr Burrows, the Accountant of the Asylum.

Audit 20/8/78

To,

The Accountant Gen
Depd " - Committee for
Management
30/9 " - Commissioner of
" - Director of Pub

Report on the audit of the Lawrence Asylum Accounts

Govt. of {188 } Madras.

Dated
Read. } 188 , No.

Nos.

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GOVERNMENT OF MADRAS.

FINANCIAL DEPARTMENT.

3rd September 1881, No. 1631.

Lawrence Asylum Accounts.

Read the following papers :—

From H. F. CLOGSTOUN, Esq., Officiating Accountant-General, to the Officiating Chief Secretary to Government, dated Fort St. George, 15th June 1881, *No.* 2213 [*Current No.* 232].

Outside Audit Department.

I have the honor to submit the report, in original, of my Assistant, Mr. H.S. Groves, on the audit of the accounts of the Lawrence Asylum and of the Lovedale Farm.

2. Mr. Groves testifies to the neat and methodical way in which the accounts in their present state are kept and to the care with which vouchers are preserved and arranged, a work reflecting great credit on the Accountant, Mr. Burrows. He considers, however, that the existing system of accounts is defective, particularly as regards the farm, insomuch as it is at present impossible with its aid only to ascertain readily and accurately at any time the amounts due *by* and *to* the farm, and whether the farm is working at a profit or at a loss. He is of opinion that a journal and ledger are absolutely essential in view to these objects, and he has been at the pains to prepare these statements himself for the past year in order to show exactly the result of the working of the year, and as a guide to the Accountant in preparing future similar returns. Mr. Groves explains that he went through the greater part of the year's accounts with the Accountant, Mr. Burrows, and showed him the meaning of the entries, so that with a little practice he could keep a journal and ledger with ease and accuracy. It is very desirable I think that these accounts should, if possible, be maintained for the farm at any rate.

The advantages of a ledger in the form proposed are clearly stated by Mr. Groves in paragraph 27.

3. Mr. Groves found that a careful inventory and valuation of all stock at the beginning and end of the year had been made under the personal supervision of the Principal. He urges the importance of this valuation being performed by a professional man, but I see no reason to question the fairness of the valuations hitherto made, and would not urge the adoption of Mr. Groves' proposal should its acceptance involve any difficulty. It is not improbable that the experience already acquired by Mr. Dene renders him better qualified for the duty than the Superintendent of the Government Farms, the officer whom Mr. Groves suggests as being most fitted for the duty.

4. In paragraphs 30—32 Mr. Groves raises the question whether the farm should not be debited with a sum of Rs. 29,265-4-10, the net amount expended on

it between the 1st December 1874, the date on which operations were first commenced, and the 31st March 1878, the date on which the separation of the farm from the male branch was effected. The question is only of moment in determining whether the farm has up to the present date paid its way; in this view I notice that articles to the value of Rs. 40 per month are supplied by the farm to the male branch free of cost, and if one item is to be debited to the farm the other should in fairness be credited.

5. In paragraph 40 Mr. Groves alludes to the difficulty experienced by him when auditing the vouchers in determining "not whether expenditure had been incurred, but whether expenditure actually incurred was properly chargeable against the Asylum," and he recommends that the Finance Committee, instead of examining the books, should carefully scrutinize and pass or reject all vouchers brought before them, each voucher admitted being countersigned by a Member of the Committee. I concur in this recommendation.

6. The present financial position of the institution and the mode in which it has been affected by the operations of the year are fully and clearly detailed in the audit report.

ENCLOSURE No. 1.

From H. S. GROVES, Esq., Assistant Accountant-General, in charge of Outside Audits, to the Officiating Accountant-General, dated Fort St. George, 16th May 1881.

I have the honor to submit the following report on the audit of the accounts of the Lawrence Asylum, Ootacamund, for the year ended 31st March last.

2. As mentioned in previous audit reports the Asylum is divided into three distinct branches or departments, viz., Male Branch, Female Branch, and Farm, which are financially quite independent of each other, and consequently a separate set of accounts is maintained for each branch. I propose to review the accounts of the three branches in order, commencing on the present occasion with the farm, not only because it is in some respects the most important of the three, but because my attention was chiefly directed to these accounts as a *system*, and if my proposals regarding them be adopted, they may readily be extended to the accounts of the other branches.

Farm.

3. The cash transactions of the farm during the year may be classified as follows:—

				RS. A. P.	
Balance in the Bank on the 31st March 1880				3,049 8 8	
Received for					
Live Stock—	RS.	A.	P.		
Dairy	4,959	8	0		
Garden*	8,019	4	3		
Pigs	1,036	9	0		
Sheep	517	11	0		
Goats	6	0	0		
Rabbits and Poultry ..	216	8	0		
				14,755 8 3	
Dead Stock—					
Tea	67	0	0		
Plantations	31	1	0		
Fuel	572	4	9		
Miscellaneous ..	180	0	2		
				850 5 11	
				15,605 14 2	
Total ..				18,655 6 10	

* I have used this term as the most convenient one to denote not only the crops on the farm, but the horses and cattle employed on it, and hence it has been entered under "Live Stock."

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Expended on—

				RS. A. P.	RS. A. P.
Farm Supervision				620 11 0	
Live Stock—	RS.	A.	P.		
Dairy	3,888	6	7		
Garden	8,586	11	10		
Pigs	859	2	3		
Sheep	372	3	6		
Goats	65	0	0		
Rabbits and Poultry ..	247	7	6		
				14,018 15 8	
Dead Stock—					
Tea	8	0	3		
Fuel	85	12	0		
Miscellaneous	275	6	6		
				369 2 9	
					15,008 13 5
Balance					3,646 9 5
Deduct Refund to Male Branch..					2,000 0 0
Balance on 31st March 1881.. { In the Bank ..				1,645 13 5	1,646 9 5
{ In hand ..				0 12 0	

4. The refund of Rs. 2,000 above shown was a transfer to the male branch in part repayment of the loan of Rs. 4,400 originally granted to the farm when it started as a distinct department of the Asylum. Of the final balance of Rs. 1,646-9-5, Rs. 1,645-13-5 was found on a reference to the Bank Pass Book to have been in the Bank on the 31st March last, and it is presumed that the small difference of 12 annas was *in hand* on the same date, as it was not possible for the Auditor himself to verify the balance, the audit being commenced subsequently. Ordinarily all money received is forwarded regularly once a week to the Bank, and the month's remittances generally represent the month's receipts, but sometimes there is a small difference as in the case now noted.

5. I have reason to believe that the classification of receipts and expenditure above given is correct, but I cannot *vouch* for it, as at present the classification is not adopted in the accounts themselves, and it would have taken more time than I could command to have inspected every voucher closely in order to classify the items. But though I cannot vouch for the classification, I have of course satisfied myself, as far as evidence was procurable, that the total amounts shown as received and spent during the year were actually so received and spent.

6. The difficulty of exercising any adequate check over *receipts* is well known, and in the case of an institution like a farm it is peculiarly difficult, as the value of stock is liable to increase or diminish daily from so many causes, and it is impossible, therefore, to be certain that all money received has been brought to account. As far as the Asylum itself is concerned an admirable system is in force by which the Farm Bailiff acts as a check on the Accountant (Mr. Burrows), and the Accountant in his turn acts as a check over the Farm Bailiff. The rule is that though the Bailiff issues farm produce, he himself neither makes out nor sends out bills, but this work is entirely done by the Accountant, who receives from the Bailiff from time to time a memorandum showing the total issues with prices and the names of the persons against whom the bills are to be made out. The Bailiff also keeps a personal ledger in which the amount due against every customer is entered daily. It is clear that if this system were strictly adhered to, a perfect check over receipts might be exercised, at least as far as *credit* transactions are concerned. For the Bailiff, by an inspection of his own books, knows how much is due to the Asylum from the public, and the Accountant should be able to satisfy him either that the whole amount has been realized or that bills for the difference are still unpaid. This applies, however, only to *credit* transactions. As far as *cash* transactions are concerned there is absolutely no check, and it would scarcely be possible indeed to invent one. The Bailiff is free to sell any of the farm produce to any one who applies for it, and if cash is paid at the time, as is sometimes done, it depends entirely upon his honesty whether the money is ever credited to the Asylum or not.

7. I stated above that this system of check over receipts answered admirably "as far as the Asylum itself was concerned, by which I meant that the fact of its existence would scarcely be of much service to an Auditor. He cannot satisfy himself that the check is *ever* or *constantly* applied as it should be, and in case of a collusion between the Bailiff and the Accountant, it would cease to operate altogether. The most satisfactory course open to me, though one, I believe, not adopted by previous Auditors, would certainly have been to do the Bailiff's work for him by comparing the daily memoranda of sales in his books with the counterfoils of bills sent out, and these again with the amounts credited in the cash-book. But it was quite impossible to attempt this in the limited time at my disposal. All I could do therefore was, as before, to compare the

counterfoils of bills noted as *paid* with the entries in the cash-book. This was done thoroughly, though the labor involved was considerable as there were nearly 1,000 counterfoils to be thus examined. As the result of my examination I found that all counterfoils marked *paid* were correctly represented by entries in the cash-book, and those not so marked were found to represent bills outstanding in the personal ledger kept by the Bailiff. As regards cash sales, I compared the memorandums submitted by the Bailiff when forwarding the cash to the Accountant with the entries in the cash-book and found that the two corresponded in every case but one. In this case there was a memorandum showing that 8 annas had been forwarded, but there was no corresponding entry in the cash-book, evidently through an oversight. As soon as I pointed it out to Mr. Burrows he at once made good the amount and credited it in the cash-book for the current year.

8. Mr. Chapman in his report drew attention to the want of covering letters in all cases from persons who remitted money in payment of bills. Such evidence would be valuable if it were always forthcoming, but, as explained by Mr. Dene, many remittances are received without any covering letter. Several letters were, however, submitted for my inspection, and these I made full use of in my audit.

9. I trust I have succeeded in showing that in checking the farm receipts I carefully availed myself of all evidence within my reach, and that the receipts as recorded may therefore be accepted as correct. The great difficulty, however, remains, and that is, to be sure that all money received has been brought to account. Unfortunately no such certainty, I believe, is possible—that is, of course, from an Auditor's point of view. The fact that Mr. Dene himself is Treasurer of the institution must be sufficient to satisfy the Committee and the general public.

10. There was not the same difficulty in checking the *expenditure* of the farm, as for all except very petty items satisfactory vouchers would be required and were forthcoming, and no more expenditure could be admitted than was vouched for. I can certify therefore to the absolute correctness of the expenditure recorded above. It will be noticed that I have set down the sum of Rs. 620-11-0 on account of "Supervision" separately, as it was not possible to distribute the charge fairly over the several heads "Dairy, Garden, &c."

11. While referring to the expenditure of the farm, I would observe that a large portion of this is incurred by the Farm Agent at Mettupálaiyam out of the permanent advance of Rs. 50 which is allowed to him for the purpose, and that he does not furnish a satisfactory receipt at present for the amount of his bills remitted to him from time to time by cheque. The bills themselves were submitted to me as vouchers for the expenditure he incurred, but there was nothing on the face of the bills to show that they had been paid, and I could only satisfy myself on this point by referring to the cheques cashed by the Bank. I have suggested to Mr. Dene, as the best plan to be adopted under the circumstances, that a pass book should be used for recording all money transactions between himself and his Agent, that the practice of submitting separate bills or rather memorandums of expenditure (as they should more properly be called) should be discontinued, and that all expenditure should be recorded by the Agent in this book, which should be duly receipted after each remittance has reached him.

12. It appears that the Agent declines to furnish *stamped* receipts at his own expense. But I see no reason why his position as Agent should exempt him from the charge. In any case it is clear that stamped receipts, by whomsoever the cost may be met, *are* necessary when the sum acknowledged exceeds Rs. 20. It is further contended that when payment is made by cheque, a stamped receipt is not required, as in that case there would be two stamps used for each transaction. But the Board have, I believe, already decided against this view.

13. Having disposed of the cash transactions of the farm I have now to refer to the changes in stock. The value of farm stock at the commencement and the close of the year with the gain or loss in each case is shown below :—

Head of Stock.	Value of Stock on 1st April 1880.	Value of Stock on 31st March 1881.	Difference showing Gain or Loss.
	RS. A. P.	RS. A. P.	RS. A. P.
Live Stock.			
Dairy	1,280 0 0	1,070 0 0	— 210 0 0
Garden	3,751 8 0	4,121 8 0	+ 370 0 0
Pigs	1,160 0 0	836 0 0	— 324 0 0
Sheep	1,535 0 0	1,195 0 0	— 340 0 0
Goats	136 0 0	161 8 0	+ 25 8 0
Rabbits and Poultry.	195 0 0	53 0 0	— 142 0 0

Head of Stock.	Value of Stock on 1st April 1880.	Value of Stock on 31st March 1881.	Difference showing Gain or Loss.
	RS. A. P.	RS. A. P.	RS. A. P.
Dead Stock.			
Land	8,400 0 0	8,400 0 0	..
Buildings	1,220 0 0	930 0 0	— 290 0 0
Tea	1,950 0 0	1,800 0 0	— 150 0 0
Plantations ..	..	..	..
Fuel	..	..	..
Seed	153 9 3	300 0 0	+ 146 6 9
Tools and Plant ..	2,190 0 0	1,906 0 0	— 284 0 0
Medicines	..	31 0 0	+ 31 0 0
Miscellaneous ..	..	57 0 0	+ 57 0 0
Total ..	21,971 1 3	20,861 0 0	—1,110 1 3

14. I cannot of course vouch for the valuation here given, as the figures are simply taken as they stand from the inventory in the farm book. But I believe the valuation has been carefully and impartially made by Mr. Dene himself, and may therefore be accepted in the absence of an estimate from an independent professional man. The correctness of the valuation, however, is of so much importance in showing whether the farm is working at a profit or at a loss, that I would strongly urge the importance of employing an independent professional man on the task once a year if the services of one could be readily secured. Probably the best person to undertake the work would be the Superintendent of the Government Farm, but it might be inconvenient or expensive to employ him considering his distance from the Hills.

15. Accepting the valuation as it stands, it is clear that the stock as a whole depreciated during the year to the extent of Rs. 1,110-1-3. The loss under Live Stock amounted to Rs. 620-8-0 and under Dead Stock to Rs. 489-9-3. It will be remembered, however, that live stock is entirely *stock in trade*, whereas dead stock for the most part is not, and therefore a deficiency does not necessarily imply a *loss* in both cases.

16. In strictness, therefore, the cash received and spent during the year as well as outstandings due at the end of the year should be taken into account, and this is done in the following statement :—

Heads of Stock.	Value of Stock on 1st April 1880.	Cash expended during the Year.	Cash received during the Year.	Bills receivable at the end of the Year.	Value of Stock on 31st March 1881.	Total.	Bills payable at the end of the Year.	Total.	Difference between the Total Columns showing Profit or Loss.
	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.
Live Stock—									
Dairy	1,280 0 0	3,888 6 7	4,959 3 0	*447 0 0	1,070 0 0	6,476 8 0	*300 0 0	5,468 6 7	+1,008 1 5
Garden	3,751 8 0	8,686 11 10	8,019 4 3	*718 6 8	4,121 8 0	12,859 2 11	*602 5 11	12,040 9 9	81 6 10
Pigs	1,160 0 0	859 2 3	1,036 9 0	..	836 0 0	1,872 9 0	..	2,019 2 3	146 9 3
Sheep	1,535 0 0	272 3 6	517 11 0	..	1,195 0 0	1,712 11 0	..	1,907 3 6	194 8 6
Goats	136 0 0	65 0 0	6 0 0	..	161 8 0	167 8 0	..	201 0 0	33 8 0
Rabbits and Poultry ..	196 0 0	247 7 6	216 8 0	..	53 0 0	269 8 0	..	442 7 6	172 15 6
Dead Stock—									
Land	8,400 0 0	..	..	..	8,400 0 0	8,400 0 0	..	8,400 0 0	..
Buildings	1,220 0 0	..	..	..	930 0 0	930 0 0	..	1,220 0 0	290 0 0
Tea	1,950 0 0	8 0 3	67 0 0	..	1,800 0 0	1,867 0 0	..	1,958 0 3	91 0 3
Plantations	..	..	31 1 0	..	..	31 1 0	..	..	31 1 0
Fuel	..	85 12 0	572 4 9	..	..	572 4 9	..	85 12 0	486 8 9
Seed	153 9 3	..	..	..	300 0 0	300 0 0	..	153 9 3	146 6 9
Tools, &c.	2,190 0 0	..	..	..	1,906 0 0	1,906 0 0	..	2,190 0 0	284 0 0
Medicines	..	..	..	..	31 0 0	31 0 0	..	..	31 0 0
Miscellaneous	..	896 1 6	..	..	57 0 0	57 0 0	..	896 1 6	57 0 0
Miscellaneous	..	..	180 0 2	..	..	180 0 2	..	..	716 1 4
Total ..	21,971 1 3	15,008 13 5	15,605 14 2	1,165 6 8	20,861 0 0	37,632 4 10	902 5 11	37,882 4 7	249 15 9

* These figures only show the *probable* distribution of the total charge and receipt at foot, as the *actual* distribution could not be ascertained.

The result shows a nett loss of Rs. 249-15-9. Even this, however, is not perfectly correct as will be proved and explained further on when I proceed to work out the profit or loss of the farm in the new set of accounts I have drawn up.

17. I must now proceed to the important question of the accounts themselves considered as a system. Of system at present there is really none, and I have long felt that for the farm, at any rate, some systematic way of exhibiting cash and credit transactions in their relation to each other was absolutely necessary. It is impossible otherwise to ascertain readily and accurately at any time the amounts due *by* and *to* the farm, and whether the farm is working at a profit or at a loss. In the case of the other branches of the Asylum the question may scarcely arise, though even here I believe it to be of some moment, but with the farm which is expected at least to pay its own way, if not to prove remunerative to the rest of the institution, the question of profit or loss is all important. And as the profit or loss of any mercantile concern cannot be readily and accurately ascertained without a proper set of accounts, I need not say more to prove that the farm at any rate should have such a set of accounts, which it certainly has not at present.

18. The only books in the way of account now maintained are—(1) a cash-book, recording simply receipts and expenditure of cash, with brief memoranda at the head of each page of credit sales of farm produce; and (2) a personal ledger containing accounts-current between the farm and its many customers. This ledger is very useful and indeed indispensable as it stands, but it is not a ledger in the proper sense of the word as it does not bring together the *entire* financial transactions of the farm and balance them against each other. A ledger in this, the proper, sense is, I consider, absolutely necessary, and I would now propose one for adoption without wishing to abolish or even alter the existing ledger, which should be kept as an appendix to the main ledger.

19. I am aware that Mr. Donald proposed a form of ledger for the Asylum, and that this has been adopted, but with due deference I would state it as my opinion that such a ledger is too simple to be of much use, and I am satisfied at any rate that it would be perfectly useless if adopted for the farm, to which, I may remark, its use has not yet been extended.

20. I have therefore taken considerable pains to draw up a proper ledger for the farm, and as the best means of opening it and proving whether it would answer or not, I have worked out in it the transactions of the year under review. The ledger and accompanying journal thus drawn up are appended to this report, and it will be easy for any one to judge by inspection whether it would be worth while keeping up such books or not, and whether the labor involved would be excessive or otherwise. For my own part I do not think, when once the system is understood, that it would take more than a few hours to make a month's entries, while the advantage of keeping up such books is obvious on the face of them.

21. Mr. Dene expresses himself perfectly willing to keep up these books if Government direct it, but he would rather not undertake it otherwise, owing to the amount of work already imposed on his one Accountant. Mr. Burrows does not profess much knowledge of Book-keeping in its scientific sense, and might therefore at first find some difficulty in making the necessary entries, but I went through the greater part of the year's accounts with him and showed him the meaning of the entries, and this, with a little practice, will, I think, enable him to keep the journal and ledger easily and accurately.

22. To exhibit briefly the system of account proposed, I have made an abstract of the journal and ledger for the year, and herewith submit them for inspection:—

Dr. *Journal of the Lawrence Asylum Farm for the Year* 1880-81. *Cr.*

Total.	Amount.	Particulars.	Amount.	Total.
Rs. A. P.	Rs. A. P.		Rs. A. P.	Rs. A. P.
5,474 15 1	..	OPENING BALANCES.		
		Balance Dr. to Sundries. (for Liabilities on 1st April 1880).		
		Advances Recoverable	4,400 0 0	
		Bills Payable—		
		Establishment 430 15 0		
		Miscellaneous 644 0 1	1,074 15 1	
				5,474 15 1
		Sundries Dr. to Balance	..	26,357 6 2
	21,971 1 3	(for Assets on 1st April 1880).		
		Stock—		
		Live Stock 8,057 8 0		
	3,049 8 8	Dead Stock 13,913 9 3		
	100 0 0	*Bank of Madras.*		
26,357 6 2	1,236 12 3	*Advances Recoverable.*		
		Personal Ledger Account.		

Dr. *Journal of the Lawrence Asylum Farm, &c.*—cont. *Cr.*

Total.	Amount.	Particulars.	Amount.	Total.
RS. A. P. 15,605 14 2	RS. A. P. ..	INTERMEDIATE TRANSACTIONS. *Cash Dr. to Sundries.* (for cash received during the year as per Cash-book).	RS. A. P.	RS. A. P.
		Stock— Live Stock .. .. 344 5 6 Dead Stock 13 6 0	357 11 6	
		Personal Ledger Account	15,248 2 8	15,605 14 2
15,605 2 2	..	*Bank of Madras Dr. to Cash* .. .. (for cash remitted to the Bank during the year as per Bank Pass Book).	..	15,605 2 2
		Sundries Dr. to Bank of Madras .. .. (for cash paid during the year as per Cash-book and Bank Pass Book).	..	17,008 13 5
	3,391 0 10	*Stock*— Live Stock .. .. .. 3,391 0 10 Dead Stock		
	11,617 12 7	*Bills Payable*— Establishment .. .. .. 4,651 4 6 Miscellaneous 6,966 8 1		
17,008 13 5	2,000 0 0	*Advances Repayable.*		
15,176 13 1	..	*Personal Ledger Account Dr. to Stock* .. .. .. (for credit sales of Farm produce during the year as per Bailiff's books). Live Stock .. .. .. 15,176 13 1 Dead Stock	..	15,176 13 1
			15,176 13 1	
175 1 6	..	*Profit and Loss Account Dr. to Stock* .. .. .. (for free supplies of Farm produce to the Principal during the year). Live Stock .. .. .. 175 1 6 Dead Stock	..	175 1 6
			175 1 6	
11,445 3 5	..	*Stock Dr. to Bills Payable* .. .. (for debts due by Farm at the end of the several months in the year).	..	11,445 3 5

Stock.	RS. A. P.	*Bills Payable.*	RS. A. P.
Live Stock.	11,445 3 5	Establishment ..	4,662 7 4
Dead Stock.	..	Miscellaneous ..	6,782 12 0
Total ..	11,445 3 5	Total ..	11,445 3 5

		CLOSING BALANCES.		
23,773 0 1	..	*Balance Dr. to Sundries* (for assets on 31st March 1881). *Stock*— Live Stock .. .. 7,437 Dead Stock 13,424	20,861 0 0	
		Cash	0 12 0	
		Bank of Madras	1,645 13 5	
		Advances Recoverable	100 0 0	
		Personal Ledger Account	1,165 6 8	23,773 0 1
236 11 5	..	*Profit and Loss Account Dr. to Stock* .. .. .. (for loss on Farm transactions during the year). Live Stock .. .. .. — 239 7 10 * Dead Stock .. .. .. + 476 3 3 *	..	236 11 5
			236 11 5	
411 12 11	..	*Balance Dr. to Profit and Loss* .. .. (for nett loss of the Farm at the end of the year).	..	411 12 11
1,31,270 13 5	..	Total ..	..	1,31,270 13 5

* Properly speaking there should be two distinct entries here, viz. :—

RS. A. P.		RS. A. P.
239 7 10	Stock Dr. to Profit and Loss Account	239 7 10
476 3 3	Profit and Loss Account Dr. to Stock	476 3 3

but for simplicity and convenience I have combined the two entries, placing a *minus* sign before the former to show its true place.

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Ledger of the Lawrence Asylum Farm for the Year 1880-81.

Dr. BALANCE. *Cr.*

Date.	Particulars.	Amount.	Date.	Particulars.	Amount.
1880. 1st April. 1881. 31st March. Do.	To Sundries .. To Sundries .. To Profit and Loss.	RS. A. P. 5,474 15 1 23,773 0 1 411 12 11	1880. 1st April. 1881. 31st Mar.	By Sundries .. By Sundries ..	RS. A. P. 26,357 6 2 3,302 5 11
	Total ..	29,659 12 1		Total ..	29,659 12 1

Dr. PROFIT AND LOSS. *Cr.*

Date.	Particulars.	Amount.	Date.	Particulars.	Amount.
1881. 31st Mar. Do.	To Stock .. To Stock ..	RS. A. P. 175 1 6 236 11 5	1881. 31st Mar.	By Balance ..	RS. A. P. 411 12 11
	Total ..	411 12 11		Total ..	411 12 11

STOCK.

Dr.

Date.	Particulars.	Live Stock.	Dead Stock.	Total.
1	2	3	4	5
1880. 1st April. 1881. 31st March. Do.	To Balance .. .. .. To Bank of Madras .. .. To Bills Payable	RS. A. P. 8,057 8 0 3,391 0 10 11,445 3 5	RS. A. P. 13,913 9 3	RS. A. P. 21,971 1 3 3,391 0 10 11,445 3 5
	Total ..	22,893 12 3	13,913 9 3	36,807 5 6

Cr.

Date.	Particulars.	Live Stock.	Dead Stock.	Total.
6	7	8	9	10
		RS. A. P.	RS. A. P.	RS. A. P.
1881. 31st Mar.	By Cash	344 5 6	13 6 0	357 11 6
Do.	By Personal Ledger Account ..	15,176 13 1	..	15,176 13 1
Do.	By Profit and Loss Account ..	175 1 6	..	175 1 6
		15,696 4 1	13 6 0	15,709 10 1
Do.	By Balance	7,437 0 0	13,424 0 0	20,861 0 0
Do.	By Profit and Loss Account ..	— 239 7 10*	476 3 3*	236 11 5
	Total ..	22,893 12 3	13,913 9 3	36,807 5 6

* See explanatory note under the corresponding Journal entry.

Dr. *Cr.*

CASH.

Date.	Particulars.	Amount.	Date.	Particulars.	Amount.
1881. 31st Mar.	To Sundries ..	RS. A. P. 15,605 14 2	1881. 31st Mar.	By Bank of Madras.	RS. A. P. 15,605 2 2
			Do.	By Balance ..	0 12 0
	Total ..	15,605 14 2		Total ..	15,605 14 2

Dr. *Cr.*

BANK OF MADRAS.

Date.	Particulars.	Amount.	Date.	Particulars.	Amount.
1880. 1st April.	To Balance ..	RS. A. P. 3,049 8 8	1881. 31st Mar.	By Sundries ..	RS. A. P. 17,008 13 5
1881. 31st March.	To Cash ..	15,605 2 2	Do.	By Balance ..	1,645 13 5
	Total ..	18,654 10 10		Total ..	18,654 10 10

BILLS PAYABLE.

Dr.

Date.	Particulars.	Establishment.	Miscellaneous.	Total.
1	2	3	4	5
		RS. A. P.	RS. A. P.	RS. A. P.
1881. 31st Mar.	To Bank of Madras	4,651 4 6	6,966 8 1	11,617 12 7
Do.	To Balance	442 1 10	460 4 1	902 5 11
	Total ..	5,093 6 4	7,426 12 2	12,520 2 6

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Cr.

Date.	Particulars.	Establishment.	Miscellaneous.	Total.
6	7	8	9	10
		RS. A. P.	RS. A. P.	RS. A. P.
1880. 1st Apr.	By Balance	430 15 0	644 0 1	1,074 15 1
1881. 31st Mar.	By Stock	4,662 7 4	6,782 12 1	11,445 3 5
	Total ..	5,093 6 4	7,426 12 2	12,520 2 6

Dr. *Cr.*

ADVANCES RECOVERABLE.

Date.	Particulars.	Amount.	Date.	Particulars.	Amount.
1880. 1st April.	To Balance ..	RS. A. P. 100 0 0	1881. 31st Mar.	By Balance ..	RS. A. P. 100 0 0
	Total ..	100 0 0		Total ..	100 0 0

Dr. *Cr.*

ADVANCES PAYABLE.

Date.	Particulars.	Amount.	Date.	Particulars.	Amount.
1881. 31st Mar.	To Bank of Madras.	RS. A. P. 2,000 0 0	1880. 1st Apr.	By Balance ..	RS. A. P. 4,400 0 0
Do.	„ Balance ..	2,400 0 0			
	Total ..	4,400 0 0		Total ..	4,400 0 0

Dr. *Cr.*

PERSONAL LEDGER ACCOUNT.

Date.	Particulars.	Amount.	Date.	Particulars.	Amount.
1880. 1st Apr.	To Balance ..	RS. A. P. 1,236 12 3	1881. 31st Mar.	By Cash ..	RS. A. P. 15,248 2 8
1881. 31st Mar.	„ Stock ..	15,176 13 1	Do.	By Balance ..	1,165 6 8
	Total ..	16,413 9 4		Total ..	16,413 9 4

23. Most of the headings explain themselves, but in one or two cases some explanation may be necessary—

(*a*) "*Advances Repayable.*"—This heading I have taken to express the opposite of "Advances Recoverable," the latter representing advances *paid* and to be *recovered*, the former representing advances *received* and to be *repaid*. In the case of the farm there are advances of both kinds, which should clearly be treated differently and not be entered in the same account.

(*b*) "*Bills Payable.*"—I have used this term as the briefest and most expressive, to denote all sums due by the farm at the end of the month, whether on account of establishment or on account of articles purchased but not paid for. There is no means at present of ascertaining exactly the amount of the latter (see below paragraph 26).

(*c*) "*Personal Ledger Account.*"—This is really an abstract of the entire set of accounts included in the Personal Ledger above referred to (paragraph 6). The Bailiff debits and credits each particular account concerned, but the sum of the debits in the month or the year must agree with the single debit in this account for the same period, and similarly with regard to the credits. Consequently if the entries have been correctly made the nett debit or credit under Personal Ledger Account must correspond with the nett balance of all the accounts in the Personal Ledger taken together. The accounts in the Personal Ledger should be balanced at the end of every year, and the result compared with the balance under "Personal Ledger Account."

24. It is clear from the Journal that—

(*a*) for all cash received, the cash account is *debited* with the full amount, and other accounts *credited* in the proportion in which it comes from them, "Stock" if it is for cash sales of farm produce, "Personal Ledger Account," if it is in payment of bills;

(*b*) for all cash remitted to the Bank (which is generally the whole amount received), "Cash" is credited, and "Bank of Madras" debited;

(*c*) for all cash *paid* (as payment is invariably by cheque on the Bank), "Bank of Madras" is credited with the full amount, and other accounts are debited in the proportion in which it is paid to or on account of them, "Stock" if it is direct expenditure on stock, "Bills Payable" if it is payment of bills due at the end of the previous month;

(*d*) for all credit sales of farm produce, "Stock" is credited and "Personal Ledger Account" is debited;

(*e*) for farm produce issued or lost without any equivalent return, as in the case of free supplies to the Principal or in the case of the death or destruction of any article of stock, "Stock" is credited with the amount and "Profit and Loss" debited;

(*f*) similarly if any article of stock were presented to the farm free of cost, "Stock" would be debited and "Profit and Loss" credited;

(*g*) for debts due by the farm at the end of the month, "Stock" is debited and "Bills Payable" credited;

The above seven entries are almost the only ones that are ever likely to be necessary for recording the monthly transactions of the farm, and the labor involved in writing up the Journal would therefore not be considerable. As soon as the Journal entries are made, any one, without a special knowledge of accounts, might be employed in posting the ledger.

25. In every case but one the sources from which the figures required for the Journal entries are to be derived are already in existence, and the figures may be accurately ascertained even as matters stand at present without much difficulty.

For instance—

the *debit* to "Cash" is the total of the Dr. column in the Cash-book;
the *credit* to "Cash" is the total of the Cr. column in the Cash-book;
the *debit* to "Bank of Madras" is the total acknowledged by the Bank as per Pass-book;
the *credit* to "Bank of Madras" is the total of cheques issued as per counterfoils of Cheque-book, which total should also agree with the total of the Cr. column in the Cash-book;
the *debit* to "Stock" is partly the price paid for stock purchased during the month, as well as money spent on stock during the month otherwise than in payment of bills previously due (which must be ascertained by an inspection of the vouchers), and partly the amount of bills outstanding against the farm at the end of the month (this cannot be exactly ascertained as will presently be explained);
the *credit* to "Stock" is the value of farm produce sold during the month for cash (as per entries on the Dr. side of the Cash-book) or for credit (as per the Bailiff's books) or issued free of charge to the Principal (as acknowledged by him);
the *debit* to "Personal Ledger Account" is the total of credit sales during the month (as per the Bailiff's books); and
the *credit* to "Personal Ledger Account" is the total of bills paid during the month (as per counterfoils of Bill-book and entries on the Dr. side of Cash-book).

26. The one exception referred to above is in the case of transactions under "Bills Payable." The credit entries to this head are simply the amount of bills paid in arrears during he month whether for "establishment" or otherwise, and these figures must agree with the total of similar items on the Cr. side of the Cash-book, so that they may be ascertained without difficulty. The difficulty arises in the case of debit entries. As already explained, all bills outstanding at the end of the month are debited to this head, but is not possible to be sure at present of the amount of such outstandings. No complete record is kept of orders issued to tradesmen or others during the month for articles which are not paid for at the time, and I am told that in many cases the prices of the articles are not known till the bills come in. Of course such orders as a rule are not large, and the amount outstanding against the farm at any time is therefore not great. Still it is clear that if a complete set of accounts were kept the Day-book would carefully record such items, and they would certainly be taken into consideration in estimating the nett profit or loss. To secure financial exactness, therefore, and render the accounts of the farm complete, I would strongly suggest that a Memorandum Book should be kept showing particulars of articles purchased from time to time but not paid for, and that steps might be taken to ascertain the prices of the articles when ordering them, if this could be done without great difficulty or inconvenience. In the absence of positive information of this nature to guide me, I was obliged, in filling up the specimen set of accounts for the year, to take the outstandings at the end of the month as represented by the bills which were paid in the following month, and accordingly on referring to the "Bills Payable" account in the Ledger it will be noticed that the debit entries in almost every case exactly correspond with the credit entries opposite to them. I find that generally bills due at the end of one month are paid promptly in the following month, so that this rough way of arriving at outstandings may on the present occasion be accepted as furnishing fairly accurate results.

27. The advantages of a Ledger such as that now proposed for adoption will be obvious on inspecting the abstract which I have given above (paragraph 22). It not only brings together the entire financial transactions of the farm in one view and renders it easy to work out the profit or loss, but each account acts as a check on the correctness of one or more of the others, and information on several matters of importance might at any time be derived with no more trouble than that of striking the balance between the two sides of an account. The balance of the account "Cash" for instance will show the amount of cash in hand, the balance of the account "Bank of Madras" the amount of cash in the Bank,* the balance of "Bills Payable," the amount of debts due *by* the farm, the balance of "Personal Ledger Account" the amount of debts due *to* the farm, the balance of "Advances Recoverable," the amount of advances outstanding *in favor of* the farm, and the balance of "Advances Repayable" account the amount of advances outstanding *against* the farm.

28. The entries under "Balance" it will be noticed show that the farm commenced the year with a nett credit balance of Rs. 20,882-7-1, and that by the end of the year this balance had been reduced to Rs. 20,470-10-2 implying a loss of Rs. 411-12-11† on the operations of the year. The assets and liabilities of the institution at the beginning and end of the year are particularized in the Journal and were as follow:—

Assets.

	On 1st April 1880.			On 31st March 1881.		
Stock—	RS.	A.	P.	RS.	A.	P.
Live Stock	8,057	8	0	7,437	0	0
Dead Stock	13,913	9	3	13,424	0	0
	21,971	1	3	20,861	0	0
Cash	..			0	12	0
Bank of Madras	3,049	8	8	1,645	13	5
Advances Recoverable	100	0	0	100	0	0
Advances Repayable	1,236	12	3	1,165	6	8
Total ..	26,357	6	2	23,773	0	1

* This is not strictly accurate, as it is proposed to credit the Bank with all cheques *issued* whether paid or not, but it is sufficiently accurate for the purpose in view.

† In paragraph 16 above, the loss worked out was Rs. 249-15-9, or Rs. 161-13-2 *less* than the loss arrived at here. The latter, however, is the correct result and illustrates the greater exactness secured by the Ledger. The difference is owing to the fact that in the statement in paragraph 16 the second column (Cash expended) includes Rs. 1,074-15-1, *paid on account* of the *previous* year, and the fifth column (Cash received) includes Rs. 1,236-12-3, *received* on *account* on the *previous* year, that is, the amount was really due at the end of the previous year. Both these amounts should clearly be excluded in estimating the fluctuations in stock during the year itself. If this is done, the statement in paragraph 16 will show a loss of Rs. 411-12-11, and thus the two results will agree.

Liabilities.

	On 1st April 1880.			On 31st March 1881.		
	RS.	A.	P.	RS.	A.	P.
Bills Payable—						
Establishment	430	15	0	442	1	10
Miscellaneous	644	0	1	460	4	1
	1,074	15	1	902	5	11
Advances Repayable	4,400	0	0	2,400	0	0
Total ..	5,474	15	1	3,302	5	11

Thus the assets at the end of the year were *less* by Rs. 2,584-6-1, while the liabilities had been reduced by only Rs. 2,172-9-2.

29. The opening balance of Rs. 4,400 under "Advances Repayable" represents the amount advanced to the farm by the Male Branch as working capital when the separation between these two branches of the Asylum was effected on 1st April 1878. The balance it will be observed was reduced to Rs. 2,400 by the end of the year owing to the repayment of Rs. 2,000 to the Male Branch already referred to (paragraph 4).

30. I beg, however, to state that, in my opinion, the farm is fairly chargeable not only with this cash advance lately received, but with the nett amount spent upon it from the date operations were first commenced (viz., 1st December 1874) to the date above mentioned on which the separation from the Male Branch was effected. It is at least not clear why the small sum in the one case should be considered as an advance repayable, while the far larger sum in the other is treated as a gift. It might be replied that it is within the bounds of possibility for the farm to repay the smaller sum, but it would be unreasonable to expect it ever to repay the large amount sunk on it since it first started. As to this I can say nothing, and if the Asylum proper wished to cancel the debt previously incurred, it would of course be perfectly free to do so, but as a matter of principle the earlier debt is just as much an advance recoverable as the later one, and an attempt might, therefore, be made to repay at least a portion of it, if the repayment of the whole should be found impossible.

31. If my view be accepted, "Advances Repayable" will have to be credited with an additional sum of Rs. 29,265-4-10 or Rs. 26,436-0-9, according as interest *is* or *is not* to be taken into consideration. It will be necessary, however, to show how I have arrived at these amounts. My calculation has been based upon the figures given in Mr. Donald's carefully framed Memorandum on the financial working of the farm, the conclusions in which have, I believe, been accepted by Government and by the Asylum authorities as the most accurate to be expected from the data now procurable. Referring, therefore, to this Memorandum, it will be noticed that—

	RS.	A.	P.
On 1st December 1874 the farm took over from the Male Branch stock valued at	4,353	6	0
The expenditure on the farm from 1st December 1874 to 31st March 1878 amounted to	74,816	9	8
Giving a total of ..	79,169	15	8
And the value of the returns during the same period amounted approximately to	52,733	14	11
Leaving a balance of ..	26,436	0	9

as the nett amount due to the Male Branch without interest on 1st April 1878.

32. The amount due *with interest* on the same date will be ascertained by referring to Annexure E appended to the Memorandum. The final balance there worked out is Rupees 27,927-10-11, but to this should be added the net assets on 1st April 1878, amounting to Rs. 1,337-9-11, which were rightly deducted in ascertaining the nett cost of the farm considered *as a part of the Asylum.* Thus the amount due *with interest* on 1st April 1878 was Rupees 29,265-4-10. Of course if interest is to be taken into consideration this amount will now have to be increased by the interest which has accrued since 1st April 1878, and interest calculated at 4½ per cent. will have to be charged annually on the balance remaining unpaid at the end of each year.

33. It will be noticed that I have debited to "Profit and Loss" the value of farm produce supplied free of charge to the Principal month by month. The practice of making such supplies, which had been in abeyance for some time, was resumed in November last on an order of the Finance Committee which allowed the privilege to the extent of Rs. 40 every month. Some of

the bills thus admitted I noticed contained items of rail charge presumably for the conveyance of farm produce. I am not sure whether it was the intention of the Committee that such charges also should be borne by the farm, and I therefore bring the fact to notice.

34. Mr. Dene wishes to take credit for the value of these supplies as an asset of the farm, but this would clearly be wrong, as stock is parted with without a return in any shape whatever. If such supplies were charged against the Male Branch and value recovered from it the case would be different, but as matters stand, the issue of supplies in this way clearly denotes a loss to the farm and nothing else. I confess I do not see, however, why the Male Branch should not pay for such supplies, considering that the salary of the Principal is wholly charged against it and not against the farm. Had this been done in the year under review, the sum of Rupees 411-12-11, mentioned above as the loss on the operations of the year, would have been reduced to Rs. 236-6-11.

35. Mr. Dene further wishes to take credit for the value of root and forage crops supplied to cattle on the farm. During the year this amounted to Rs. 639-5-0. It seems self-evident to me, however, that this would not be correct, for if such fodder were not supplied, it is true that it might be sold at a profit to the farm, but it should at the same time be borne in mind that an equivalent amount would in that case have to be separately *purchased* for the use of the cattle, and the expenditure on the one side would act as a setoff against the receipt on the other. Considering a particular department of the farm, such as "Garden" or "Crops" *by itself*, it is true that the value of such supplies should in fairness be credited, but considering the farm *as a whole* divided into several departments mutually dependent on each other, it is clear, as above shown, that in this case there is no gain to the farm at all. The gain, if any, is simply the difference between the cost value of fodder raised on the farm, and its selling price, if it had to be purchased, and this difference it could be ascertained might very fairly be credited to "Profit and Loss" and debited to "Stock," but nothing more. If my view be overruled, as I scarcely anticipate, the loss of Rs. 411-12-11 on the year's operations will be changed into a gain of Rs. 227-8-1.

36. I have now said all I think necessary regarding the farm and will proceed next to the Male Branch.

Male Branch.

37. The receipts and payments recorded in the Cash-book were checked in the way mentioned above in connection with the farm and found to be correct. The classified statement is shown below :—

	RS.	A.	P.
Balance on 1st April 1880	9,395	6	7

RECEIPTS.

	RS.	A.	P.	RS.	A.	P.
I. Allotments by Government—						
Grant-in-aid	31,680	0	0	31,680	1	0
II. Asylum Property—						
Interest and donation on Government-securities ..	38,779	1	4			
Donation from Lawrence Asylum Press	10,000	0	0			
				48,779	1	4
III. Special Funds—						
Orphan Allowances ..	11,613	13	5			
Pensions from various funds .	334	11	0			
School fees	572	0	0			
				12,520	8	5
IV. Industries—						
Carpentry	1,864	4	4			
Tailoring and Stocking Knitting	588	15	0			
				2,453	3	4
V. Miscellaneous—						
Sale of fuel ..						
Sale of stores	232	0	0			
Other items	481	0	8			
Refunds	203	3	6			
				916	4	2
.. ..				2,658	15	9
						99,008	1	0
Total ..						1,08,403	7	7

EXPENDITURE.

	RS.	A.	P.	RS.	A.	P.	RS.	A.	P.
1. *Education*—									
(*a*) Scholastic	10,451	3	9						
(*b*) Artistic	1,684	5	10						
(*c*) Industrial	900	0	0						
				13,035	9	7			
2. *Clothing and Victualling*—									
Clothing	20,262	11	3						
Victualling	35,178	13	8						
				55,441	8	11			
4. *Household*—									
Household	6,755	8	6						
Domestic supervision ..	2,518	12	8						
Sanitation	1,377	4	8						
Hospital	2,074	13	1						
				12,726	6	11			
4. *Buildings*—									
Whitewashing and repairs ..				546	2	4			
5. *General*				9,433	7	7			
6. *Industrial*—									
Workshops				3,455	11	5			
Miscellaneous—									
(*a*) Carrying Charges ..	2,636	9	3						
(*b*) Postage, Advertisement and telegrams	201	11	2						
(*c*) Founder's	735	15	4						
(*d*) Contingencies	351	13	5						
(*e*) Pensions	360	0	0						
(*f*) Plantations	104	3	3						
(*g*) Auditors' Fee	100	0	0						
(*h*) Refunds	17	9	0						
				4,507	13	5			
							99,146	12	2
Balance on 31st March 1881 ..							9,256	11	5

38. Thus the year opened with a balance of Rs. 9,395-6-7 and closed with a balance of Rs. 9,256-11-5. The closing balance was verified by reference to the Bank Pass-book. The receipts exceeded those of the previous year by Rs. 3,893-5-7, more than half of which was due to the refund made by the farm already referred to (paragraph 29), and similarly the expenditure exceeded that of the previous year by Rs. 4,524-2-5, mostly under "General."

39. Vouchers were produced in support of all items of expenditure except one or two, in which cases I was told they were not procurable. There should be more vouchers for sums charged in the Permanent Advance Book.

40. The monthly audit of the accounts by the Finance Committee which had for some time been discontinued has now been resumed. I have no doubt that this audit is at present merely nominal, but it might be rendered of real service to the Auditor deputed from Madras, if instead of examining the *Books*, the Committee were carefully to scrutinize and pass or reject all *vouchers* brought before them. I felt doubtful in several cases, not whether expenditure had been incurred, but whether expenditure actually incurred was properly chargeable against the Asylum, and in this matter the Committee alone would be competent to decide. I would suggest, therefore, that their periodical audit of the accounts should in future be confined to inspecting the vouchers, and countersigning those which are to be admitted against the Asylum. The Auditor deputed from Madras would then know at once whether the expenditure noted on a particular voucher was authorized or not, and he would accept only such vouchers as had been countersigned by one or more members of the Committee.

41. With regard to the Ledger, already prescribed and adopted for this branch of the Asylum, I have already remarked that, in my opinion, it is too simple to answer the real purposes of a Ledger. It may be that the original intention has not been carried out, but that it is defective as now kept, I think there can be no question. I could find only two accounts—one showing receipts and payments, the other showing advances made and recovered. As the system of making advances to the Home Agent for supplies has been discontinued, the latter account is now closed, and accordingly the present Ledger may be said to consist of only one account, the object of which is just as much served by the Cash-book. Mr. Donald seems to have contemplated only *cash* transactions in framing his Ledger, whereas credit transactions and stock transactions

should also, I think be taken, into account if the Ledger is to be complete. By "stock" I do not mean stock in the mercantile sense, as the word was used in connection with the farm, for the Asylum is not a money-making institution, and it would be out of place, therefore, to work out its profit or loss each year as has rightly been done in the case of the farm. But the Asylum has always on hand a large quantity of valuable *stores* intended chiefly for the use of its inmates, but sometimes sold to outsiders, and it would seem advisable to keep a check on the issue of these stores by arranging that their value should fluctuate in regular correspondence with the cash and other assets of the institution. This could only be done by having an account headed "Stores" in the Ledger and arranging the other accounts in such a way that every debit or credit to this account should show a corresponding credit or debit in some other account or accounts. To secure this object credit transactions as well as cash transactions would have to appear in the Ledger, and accounts, therefore, would have to be opened corresponding to what I have termed "Bills Payable" and "Personal Ledger Account" in the Ledger drawn up for the farm.

42. I have not had time on this occasion to draw up a specimen Ledger for the Male Branch as I have for the farm, but, if the form proposed for the latter be adopted, it will probably be easy for the Accountant at the Asylum to open a similar Ledger for the Male and Female Branches, as the principles to be observed in making the Journal entries are the same in both cases.

43. I would confine myself here to stating what, in my opinion, should be the heads of account opened for the Male Branch. They are the following:—

1. Balance.
2. Profit and Loss.
3. Miscellaneous Receipts—
   (*a*) Allotments by Government.
   (*b*) Profits on Asylum property.
   (*c*) Special Funds.
   (*d*) Miscellaneous.
4. Stores.
5. Cash.
6. Bank of Madras.
7. Education—
   (*a*) Scholastic.
   (*b*) Artistic.
   (*c*) Industrial.
8. Clothing and Victualling—
   (*a*) Clothing.
   (*b*) Victualling.
9. Household—
   (*a*) Household.
   (*b*) Domestic supervision.
   (*c*) Sanitation.
   (*d*) Hospital.
10. Buildings.
11. General.
12. Industrial.
13. Miscellaneous Expenditure.
14. Bills Payable.
15. Advances Recoverable.
16. Personal Ledger Account.

44. The "Stores" account would show on the Dr. side the value of stores in hand at the beginning of the year, and the cost of any additional stores purchased during the year, and on the Cr. side the value of stores issued for the use of the institution (in which case the corresponding debit would be under "Education," "Clothing," or some similar head of charge according to the object for which the stores were issued) as well as the value of stores sold (in which case the corresponding debit would appear either under "Cash" or under "Personal Ledger Account" according as they were paid for at the time or not). The balance of this account at the end of the year should thus agree with the value of the stores actually found in hand, allowing for any slight depreciation through keeping or otherwise, which might be written off to "Profit and Loss."

45. It will be noticed that under this system the several heads "Education," "Clothing," &c., will not be debited with the *full* value of stores *received at the time of receipt*, but only with the *value used from time to time*. The charge apportioned for each year will, therefore, more exactly represent the requirements of the year than is the case at present.

46. If stores are received but not immediately paid for, the debit under "Stores" account will have a corresponding credit under "Bills Payable" which will be cleared by credit to "Cash" or "Bank of Madras" as soon as payment is made.

47. The only item that would appear at present under "Advances Recoverable" would be the permanent advance of Rs. 50 held by the Principal on account of this branch.

Female Branch.

48. The receipts and expenditure of the Female Branch for the year, as recorded in the Cash-book, were as follow:—

	RS.	A.	P.
Balance on 1st April 1880 ..	6,295	3	1
RECEIPTS.			
I. Allotments by Government—			
Grant-in-aid	16,320	0	0

				RS.	A.	P.
II. Special Funds—						
Orphan Allowances	1,330	4	4			
Apothecaries' Fund	127	9	2			
Fees	252	0	0			
			1,709	13	6	
III. Miscellaneous—						
Sale of stores	187	11	4			
Fines and deductions	3	0	0			
Other items	4,018	7	1			
			4,209	2	5	
Deposits			73	4	4	
					22,312	4	3
Total ..					28,607	7	4

EXPENDITURE.

1. *Education—*						
Scholastic			1,872	5	0	
2. *Clothing and Victualling—*						
(*a*) Clothing	2,783	2	2			
(*b*) Victualling	6,741	9	8			
			9,524	11	10	
3. *Household and Sanitation—*						
(*a*) Household	2,179	13	8			
(*b*) Sanitation	316	15	7			
			2,496	13	3	
4. *Buildings, &c.—*						
Whitewashing and repairs ..			275	6	0	
5. *Miscellaneous*			352	11	7	
					14,521	15	8
Balance on 31st March 1881 ..					14,085	7	8

49. The year opened, as will be observed, with a balance of Rs. 6,295-3-1 and closed with a balance of Rs. 14,085-7-8. The receipts exceeded those of the previous year by Rs. 4,060-2-9, the excess being almost entirely due to the recovery, through the Male Branch, of the advance belonging to this branch outstanding with Mr. Stavely, the Home Agent, when the system of making advances to him was discontinued. This explains the large sum of Rs. 4,018-7-1 which appears against "Other items." The expenditure was *less* than that of the previous year by Rs. 4,596-6-5, the difference being chiefly under "Advances Recoverable," no remittances to the Home Agent having been made in the course of the year.

50. I need not say more about these accounts, as the remarks I have made under Male Branch are equally applicable here. The Ledger heads would be very similar in the two cases, the difference being only in one or two heads of charge.

51. In conclusion I would again testify to the neat and methodical way in which the accounts, in their present state, are kept, and to the care with which vouchers are preserved and arranged, reflecting as it does great credit on the Accountant, Mr. Burrows, who has to cope single-handed with work which would ordinarily require and receive the attention of three or four men. I have also to thank Mr. Dene for the kindness with which he received my many inquiries into the affairs of the Asylum and the readiness with which he satisfied them by supplying me with all the information within his reach.

No. 1089.

Referred to the Lawrence Asylum Committee for remarks.

(By Order.)

22*nd June* 1881. (Signed) C. G. MASTER,
Offg. Chief Secretary.

1631 / 75 65

From the Rev. O. DENE, B.A., Principal and Secret
Officiating Chief Secretary to Government, dated 15th J

I have the honor to return the Accountant-General's with enclosure, received with your endorsement, No. submit the following remarks, by the direction of the

2. The Pass-book recommended in paragra furnished to the Agent at Mettupálaiyam.

3. A Memorandum Book for the entry o The particulars of the articles ordered are ent counterfoil, so that the goods, when received, a in paragraph 26 of the Auditor's report that ste prices of articles at the time they are ordered. understood by the Committee. The prices of all sufficiently well known, and, when circumstance to make enquiries before the purchase is made to be a matter of administration rather than of

4. The rail charges alluded to in parag mistake and have been adjusted.

5. The members of the Finance Commi with the entries in the books, and they do not after the comparison has been made. The prac the vouchers themselves has not been uniform and not by others. This shall be attended to i

6. In paragraphs 17, 18, and 41 the Au separate Journal and Ledger for the Farm, i ke G.O., 30th December 1879, No. 467, paragraphs, by 8 and 11. G 19th February 1880, remarked that it app record," but suggested "that a subsidiary receipts and expenditure in connection wit appear that the Accountant-General, in maki that this want had been already provided f week's record is enclosed for reference.

7. The Auditor states that the work Asylum is such as would ordinarily require th follows that the additional clerical work whi the new Journal and Ledger would require r expenditure, which, in the opinion of the Co unable to meet.

Referred to the Accountant-General for his rema paragraph 6 of the Principal and Secretary's letter.

(By Order.)

27*th July* 1881. Signed) A. DAVIES,
Actin Under Secy. to Govt.

From H. F. CLOGSTOUN, *Esq., Officiating Accountant-General, to the Chief Secretary to Government, dated Fort St. George, 8th August 1881, No. 3129 [Current No. 2082].*

Outside Audit Department.

With reference to your endorsement, No. 1800, dated the 27th July, calling for my remarks on paragraph 6 of the letter to Government from the Principal and Secretary

1631 / 75 65

awrence Asylum, to the
1 [Current No. 1800].

of the 15th June 1881,
lated 22nd idem, and to
ttee of Management.
e Auditor's letter has been

purchased is already kept.
book and copied into the
thereby. It is suggested
be taken to ascertain the
f this suggestion is not
rdinary consumption are
may render it expedient
This, however, seems

report were entered by

compare the vouchers
tials to the latter until
the countersignature of
done by some members

ds the introduction of a
he elaborate Farm Book
This book was furnished
hrough the Accountant-
forwarding it on the
a very suitable form of
e kept for the record of
n garden." It would
had omitted to observe
Book. A copy of one

the Accountant at the
three or four clerks. It
ailed by the adoption of
necessitate an increased
ds of the institution are

ith especial reference to

of the Lawrence Asylu
present Farm Book, tho
transactions of the farm
the Journal and Ledger
important that those pur
should be secured for th
Journal and Ledger in t

2. With regard t
Asylum, with its presen
add that the preparation
the work of the Account
year as leisure is afforde
the latter account shoul
of some seven entries or

15th July 1881, I have the honor to state that the
mplete in many respects as a record of the financial
luable so far as it goes, does not serve the purposes of
ended by Mr. Groves in his report, and as it is most
rticularly the framing of an accurate balance sheet,
eady assigned, I think it very advisable that a
ed should be opened and kept up in future.

uestion whether it would be possible for the
o undertake the keeping of such books, I would
and Ledger will not very materially increase
ger may be written up at intervals during the
little difficulty from the Journal, and, though
monthly, its preparation involves the making
th.

ORDER

eptember 1881, No. 1631.

Of the several sugg
observe that those referr
either accepted or met b

2. With reference
stock by a professional m
and consider that such a

3. The chief point
separate Journal and Le
Accountant-General supp
keeping these books, but
work and expense that w
the Farm accounts now
England, and were adopt
Buckingham. The Gover
and it would certainly e
Accountant.

4. Whether the farm
upon it from the date wh
1878 is a matter that nee
of the Accountant-G

5. The Governm
34 and 35 of his lette
notice the very favora

tions made by the Auditor, the Government
phs 11, 26, 33, and 40 of his report have been
f the Asylum.

n in paragraph 14 as to the valuation of the
nt approve the Accountant-General's remarks,
ent circumstances is unnecessary.

he question regarding the introduction of a
n in the forms proposed by the Auditor. The
s' recommendation as to the advisability of
bject to the proposal on the score of the extra
involved, and the Government observe that
most approved form for large properties in
at the suggestion of His Grace the Duke of
atisfied that any addition to them is necessary,
le additional labor on the heavily-burdened

ld not be debited with the amount expended
re first commenced up to the 31st of March
rmined, for the reason given in paragraph 4

e points raised by the Auditor in paragraphs
ecision by the Committee. They are glad to
of Mr. Burrows, the Accountant of the Asylum,

e Extract.)

R. DAVIDSON,
Chief Secretary.

To the Accountant-Genera
" Committee for the Management of the Lawrence Asylum.
" Commissioner of the Nilgiris.
" Director of Public Instructi

Exd. J Wright.

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Original.

Govt. of (1881) Madras.

FINANCIAL.

To

THE ACCOUNTANT-GENERAL,

&c., &c., &c.

(865)

Dated September, 3rd.

Issued

Recd.

G.O., 3rd September 1881, No. 1631.

SEPTEMBER.

Laurence Asylum Accounts.—Report on the audit of the accounts of the Lawrence Asylum during the year ending March 1881, reviewed.