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## MADRAS RECORD OFFICE.

Government of Madras.

*Public Works* DEPARTMENT.

|               |                 |
|---------------|-----------------|
| G.O. No. 23/2 | Press           |
| 259-260       | <del>Mis.</del> |
| Dated 10-8-   | 1868            |

Not to be folded or roughly handled

*Proceedings of the Madras Government, Public Works Department,  
10th August 1865.*

No. 259. Read the following letter from Captain J. MULLINS, R. E., Consulting Engineer for Irrigation and Canal Company, to Colonel C. A. ORR, R. E., Secretary to Government, Department of Public Works, dated Madras, 24th July 1865. No. 56:—  
SIR,

- 1 Letter from Agent in original, No. 156, with Statement of Stock, 11th July, General No. 269.
- 1 Do. do. No. 178, 21st July, General No. 305.
- 1 Do. do. No. 155, 11th July, General No. 263.
- 1 Do. do. No. 175, 19th July, General No. 302.

Proceedings Madras Government, No. 885, dated 31st March 1865.

|                           | RS.   | A. | P. |
|---------------------------|-------|----|----|
| * Gross deficiency ... .. | 9,558 | 9  | 1  |
| Excess ... ..             | 1,380 | 6  | 5  |
| Net deficiency ... ..     | 8,178 | 2  | 8  |

1. I have the honor to submit, for the information and orders of Government, a letter, No. 155 of the 11th instant, from the Agent and Manager, Madras Irrigation and Canal Company, together with a List of Stores in Stock at Madras on the 30th April, exhibiting the result of the Stock examination made by Captain Beckley.

2. As prepared by the Agent, the list shows a net deficiency of stores of the value of Rupees 8,178-2-8,\* classified as follows:—

|                                                     | RS.   | A. | P. |
|-----------------------------------------------------|-------|----|----|
| Waste and leakage ... ..                            | 455   | 7  | 6  |
| Net deficiencies deducted at last stock-taking ...  | 123   | 0  | 11 |
| Net deficiencies on stores received from England... | 114   | 0  | 1  |
| Damaged and imperfect articles and obsolete forms   | 728   | 7  | 11 |
| Stores lent by the late Store-keeper ... ..         | 36    | 0  | 4  |
| Loss on measurement of timber ... ..                | 7,311 | 7  | 6  |
|                                                     | 8,768 | 8  | 3  |

3. Of the articles found in excess there are some which Mr. Henslowe explains are merely so with respect to the Ledger Stock, they not having been brought into the Stock Ledgers. The value of these articles is Rupees 518-10-2.

4. There is a small difference between the "deficiencies detected at last stock-taking," Rupees 123-0-11 as now stated, and that, Rupees 90-11-2½, previously reported and reviewed in Proceedings of the Madras Government of the 30th January last, No. 273, but it does not demand more than passing notice, and I may add that, as the total of the deficiencies as classified by the Agent is correct, it has not been thought worth while to notice what would seem to be errors in the items.

5. The third item of deficiency is Rupees 114-0-1 on stores received from England. It is intimated in the remark column of the list that the stores were not properly examined on arrival, and that, therefore, though posted into the Stock Ledgers, the articles represented by this amount were really never received. The sum is small, and as it would be extremely difficult to show whether it be more probable that the absence of examination on the one hand, or subsequent mistakes on the other, caused the discrepancy, the explanation given may be accepted as not unlikely to be correct.

6. The next item Rupees 728-7-11 of deficiencies for damaged and imperfect articles and obsolete forms is not a deficiency, so far as the existence of the articles is concerned. They do not appear to have been counted, but I think it would have been better, as they had not been disposed of prior to the 30th April, had they been

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10th August 1865.*

retained on the Stock List until issued. The proper course now will be to debit profit and loss with their stock value, to sell them, and then credit the proceeds to profit and loss.

7. Articles of the value of Rupees 33-0-4 were lent by the late Store-keeper. The only objectionable part of the proceeding was the absence of a regular entry of issue. It will occasionally happen that articles will be required to be taken out of store for a temporary purpose, but their issues should be recorded, and their return noted as a receipt, and in the Agent's books a separate account might be opened for stores lent. Stores so issued whether to Contractors, or for the use of work people employed on the business of the Company, might, if not returned within the period included in the next accounts rendered to this Office, be shown under the head now called "Lost and Sold," and which could be altered to "Lost, Sold, and Lent."

8. The principal item of deficiency is that shown as loss on measurement of timber, Rupees 7,311-7-6. The entry in the list is—

|                                | C. Ft.     | RS.    | A. | P. |                  |
|--------------------------------|------------|--------|----|----|------------------|
| Teak, Pegue, rough in logs ... | 15,953-1-4 | 27,311 | 2  | 4  | by Stock Ledger, |
|                                | 11,682-3-8 | 19,999 | 10 | 10 | by count.        |
| Deficient ...                  | 4,270-9-8  | 7,311  | 7  | 8  |                  |

The remark opposite thereto states that this timber was "purchased by the late Store-keeper at square or calliper measure. The stock has been taken by girth measurement, and the difference, as might have been anticipated, is about 25 per cent." As this remark was insufficient to enable me to feel quite sure what the arrangement exhibited in the list was, I wrote\* to the

\* No. 109, 12th instant. Agent pointing out that if the late Store-keeper purchased the timber by calliper measure, and the count was made by girth measure, and considered, as may be at once admitted, a preferable way of exhibiting the quantity of stock of this material, the value of the quantity by girth measurement should have corresponded with that shown against the calliper quantity in the Ledger, and the difference in quantity only should have been shown as a deficiency due to a change in the mode of measurement.

From Agent, No. 175, 19th instant. Mr. Henslowe does not concur in this opinion, but as regards the stock accounts, this appears to me to be the proper method, because it would never do to alter the value, which simply means the cost, of the items of stock so long as they remain in the Stock List, for were this course followed, alterations would occur whenever it was found that too high a price had been given\*

\* For instance, the rate more than 3 Rupees a cubic foot for sawn timber is almost as excessive as that paid for timber in log, and which is by caliper..... 1 11 4 by girth..... 2 5 5 for any articles. The late Store-keeper would appear to have given about 50 per cent. more for the Teakwood purchased by him than he ought to have paid, and although in the present case it may perhaps be found convenient, in connection with the proposition,† to dispose of a considerable portion of the stock, to re-value that which may be retained, so that the excessive charge to works, which would

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10th August 1865.*

otherwise be occasioned, may not cause the allowances for timber in the estimates of those works to be exceeded, nevertheless this arrangement should be considered admissible only as a special case.

9. From the former of the letters from the Agent just referred to, it will be seen that he has received from the Board of Directors a general authority to dispose of unserviceable stores, and he proposes to sell the whole of the Teak timber in store and, as the loss is likely to be considerable, he wishes that the instructions of Government may be obtained upon the subject.

10. It may be noticed in passing that only a portion of this timber can be considered to come under the head "Unserviceable Stores" to which the Board's instructions refer, and that, moreover, as unserviceable stores can but rarely fetch any thing like their cost price, it is not probable that the sale of such stores will ever be effected with but little loss. I think, however, that the Agent may with advantage proceed to dispose of the few things, which unavoidably become damaged or injured in every store, without a reference, but that when it is proposed to sell stores which are not unserviceable, but perhaps unsuitable or no longer required, it would be better that a list of such articles should be submitted with explanations, in order that the circumstances under which the purchases were made may receive such notice as may be necessary. In the present case no doubt the suspension of navigation works has rendered the stock of timber not immediately useful.

11. The offer of Rupees 72 a load\* for the Teakwood mentioned in the former letter has been succeeded by an offer of

\* 50 cubic feet.

Rupees 75 a load, but the log timber purchased by calliper measurement cost about Rupees 110 a load girth measurement, which latter computation is that at which the offer is made. Again, it would seem that both sawn and log timber are referred to in the offer, and while the former is, as Mr. Henslowe observes, of no greater value to the casual purchaser, it is on the other hand of much greater value to the Company. The plan which appears to me the best is this—

1st.—That all unsound and inferior timber of a description which could not be economically transmitted to the Divisions, and used in the works, be sold.

2nd.—That all the sound, sawn timber be retained for future use.

3rd.—That as much of the sound log timber as can be accommodated without inconvenience be retained and the rest, if any, disposed of.

4th.—That measures be adopted for protecting the timber retained in stock from the weather. This can be done at a small cost, and the timber will then be not only none the worse, but much the better, for keeping for a moderate time.

5th.—That the stock retained be fairly priced, and the value so found entered in the Stock Ledger, and that the difference between this value, added to the sale proceeds of the timber disposed of and that shown as the value of the stock in the Ledger on the 30th April, be written off to profit and loss.

12. The following is an abstract of the measures recommended for the adjustment of the differences in the Presidency Stores Stock on the 30th April last, and as

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10th August 1865.*

the Ledger for 1865-66 will be opened with the stock as found, the adjustment will enable a fair start to be made:—

*To be debited to Profit and Loss.*

|                                                    | RS. | A. | P. |
|----------------------------------------------------|-----|----|----|
| Waste and leakage ... ..                           | 455 | 7  | 6  |
| Deficiencies at previous stock-taking ... ..       | 123 | 0  | 11 |
| Deficiencies on stores received from England... .. | 114 | 0  | 1  |
| Damaged and imperfect articles and obsolete form   | 728 | 7  | 11 |
| Stores lent by late Store-keeper ... ..            | 36  | 0  | 4  |

Whole deficiency exclusive of that connected with Teakwood ... ..

1,457 0 9

The last two items will probably not form an ultimate charge in full. If the stores lent be recovered, profit and loss will be credited and stores debited, and they will appear in the latter as an ordinary receipt, and the damaged and obsolete articles will fetch something. The value of the items in excess is Rupees 1,380-6-5, and all these items will be included as part of the stock of 1865-66, and the amount must be debited in the General Accounts to Stores, but of this sum Rupees 1,093-1-4 only can be credited to profit and loss, as the remainder, Rupees 287-5-1, represents the value of stores already charged to other heads of account, but either not issued or returned, and therefore the heads originally debited must be credited therewith.

13. In conclusion I may, with reference to the offers for the purchase of the Company's timber noticed by the Agent, remark that it would seem, with a view to secure the best price for surplus or damaged stores, to be advisable to give public notice of their intended sale. Had it appeared proper to recommend that the whole of the wood should be disposed of, I should have suggested an arrangement which I observe has been adopted in many parts of the country, where property of considerable value was to be sold, viz., that tenders should be invited; that these should be opened on a given date and at a specified hour, and that then the highest tender should be taken as the up-set price, and the highest bid, if any, above that accepted, the original tender being accepted in the absence of any better offer. The course to be followed in any particular case will depend a good deal upon the nature and value of the stores to be sold, and upon the place where they are to be disposed of, but in all cases the utmost publicity and sufficient notice of the time and place of sale should be afforded.

No. 260.

ORDER THEREON, 10th August 1865, No. 2,312.

ACCOUNT, No. 42.

1. With this letter the Consulting Engineer for the Irrigation and Canal Company submits a list of the Company's Stores in stock at Madras on the 30th April last, exhibiting the result of an examination made by Captain Beckley under the orders noted in the margin. Captain Mullins also furnishes letters from the Manager, explaining the causes of certain deficiencies discovered in the stores.

No. 885, dated 31st March 1865.

*Proceedings of the Madras Government, Public Works Department,  
10th August 1865.*

2. The net value of these deficiencies appears to be as follows:—

|                                                                                  | RS.   | A. | P. |
|----------------------------------------------------------------------------------|-------|----|----|
| Deficiencies ... ..                                                              | 9,558 | 9  | 1  |
| Excesses ... ..                                                                  | 1,380 | 6  | 5  |
| Deduct for articles not brought into the Stock Ledgers ... ..                    | 518   | 10 | 2  |
|                                                                                  | 861   | 12 | 3  |
|                                                                                  | 8,696 | 12 | 10 |
| Add balance noted in paragraph 3 of Manager's letter, dated 11th July 1865... .. | 71    | 11 | 5  |

Total as shown in classified list, paragraph 2 of Captain Mullins' letter above recorded ... .. 8,768 8 3

|                                                              | RS.   | A. | P. |
|--------------------------------------------------------------|-------|----|----|
| 1st.—Waste and leakage... ..                                 | 455   | 7  | 6  |
| 2nd.—Deficiencies at previous stock-taking ... ..            | 123   | 0  | 11 |
| 3rd.—Deficiencies on stores received from England ... ..     | 114   | 0  | 1  |
| 4th.—Damaged and imperfect articles and obsolete forms... .. | 728   | 7  | 11 |
| 5th.—Stores lent by late Store-keeper ... ..                 | 36    | 0  | 4  |
|                                                              | 1,457 | 0  | 9  |

3. Of this amount the Government authorize Rupees 1,457-0-9\* being adjusted in the manner recommended in paragraph 12. The balance, Rupees 7,311-7-6 represents the amount which, in the opinion of the Manager, should be deducted from the value of the timber in Store on account of a difference in quantity as shown in the Stock Ledgers and that entered in the Store List.

This difference, however, does not appear to represent any actual loss or misappropriation of the timber brought into stock, but is caused by a difference in the mode of measurement adopted in the purchase of the timber and that by which it is now brought into the books. The Consulting Engineer objects to the proposed reduction, as well as to the classification of the whole of the timber in question under the head "Unserviceable Stores," as recommended by the Manager, and under the circumstances explained by Captain Mullins, the Government direct that the original cost of the timber shall continue to be shown in the Stock Ledger, and that the difference in quantity only shall be noted therein as due to the change in the mode of measurement, until all the unserviceable logs have been disposed of, when, the quantity retained in store may be re-valued as proposed in paragraph 11. The other measures recommended in this and in paragraphs 10 and 13 are approved.

4. The Manager's attention will be drawn to the remarks contained in paragraphs 6 and 7, regarding the omission to retain certain damaged and other articles in the Stock List until issued, and the course which should be followed in accounting for articles taken out of Store for a temporary purpose.

(True Extract.)

(Signed) CHARLES A. ORR, Colonel, R. E.,  
Secretary to Government.

To the Consulting Engineer for Irrigation and Canal Company.  
" Manager for do. do.

Ed. S. T. Augustin.

unlikely to be correct.

6. The next item Rupees 728-7-11 of deficiencies for damaged and imperfect articles and obsolete forms is not a deficiency, so far as the destruction of the articles is concerned. They do not appear to have been counted, but I think it would have been better, as they had not been disposed of prior to the 30<sup>th</sup> April, had they been retained on the Stock List until issued. The proper course now will be to debit Profit and Loss with their Stock value, to sell them and then credit the proceeds to Profit and Loss.

7. Articles of the value of Rupees 36-4- were lent by the late Storekeeper. The only objectionable part of the proceeding was the absence of a regular entry of issue. It will occasionally happen that articles will be required to be taken out of store for a temporary purpose, but their issue should be recorded and their return noted as a receipt, and in the Agent's books a separate account might be opened for stores lent. Stores so issued whether to contractors, or for the use of work people employed on the business of the Company, might, if not returned within the period included in the next accounts rendered to this office, be shown under the head now called "Lost and Sold" and which could be altered

to "Lost, Sold, and Lent."

8. The principal item of deficiency is that shown as Loss on measurement of timber Ropes 7311-7-6. The entry in the List is,

Teato Pegue rough in bags C. of 15953-1-4-27311-2-4 by Stock Ledger.  
 Deficient Cut: 11682-3-8-19999-10-10 by Count.  
7311-7-8.

The remarks opposite thereto states that this timber was "purchased by the late Store keeper at square or calliper measure. The Stock has been taken by girth measurement and the difference, as might have been anticipated, is about 25 per cent. As this remark was insufficient to enable me to feel quite sure what the arrangement exhibited in the List was, I wrote to the Agent pointing out that if the late No. 109-12 inst. Store keeper purchased the timber by calliper measure, and the count was made by girth measure, and considered, as may be at once admitted, a preferable way of exhibiting the quantity of Stock of this material, the value of the quantity by girth measurement should have corresponded with that shown against the calliper quantity in the ledger, and the difference in quantity only should have been shown as a deficiency due to change in the mode of measurement. Mr. Denstone does not concur in this from Agent 11/17/5-19/5. As regards the Stock accounts, this appears

Enclosures

Letter from Agent in reply 12/15/6 with L. of Stock 11 July 1875  
 1- do do to do from 178.21 July 1875  
 1- do do do 12/155 11 July 1875  
 1- do do do 13/175-19 Jan 1875

Consulting Engineer's Office,  
 Irrigation Canal Company,  
 Madras, 24<sup>th</sup> July 1875.

N<sup>o</sup> 56

Captain, J. A. Gillies, R.E.  
 Civil Engineer & Co.

The Secretary to Government,  
 Department of Pub. Works.

I have the honor to submit for the information and orders of Government a letter, N<sup>o</sup> 155 of the 11<sup>th</sup> instant, from the Agent and Manager Madras Irrigation and Canal Company, together with a List of Stores in Stock at Madras on the 30<sup>th</sup> April, exhibiting the result of the Stock examination made by Captain

R.M. & N<sup>o</sup> 885 of 31 March/75 Berkeley.

Enclosure 2.  
 Deficiency 9558-9-1  
 Excess 1380-6-5  
 Deficiency 8178-2-8

As prepared by the Agent, the List shows a net deficiency of Stores of the value of Rupees 8178-2-8, classified as follows:-

|                                                      |          |
|------------------------------------------------------|----------|
| Waste and leakage                                    | 455-7-6  |
| Deficiencies deducted at last Stock taking           | 123-0-11 |
| Deficiencies on Stores received from England         | 114-0-1  |
| Damaged and imperfect articles and obsolescent forms | 728-7-11 |
| Stores lent by the late Storekeeper                  | 36-0-4   |
| Loss on measurement of timber                        | 7311-7-6 |
|                                                      | 8768-8-3 |

3. Of the articles found in excess there are some which Mr. Penelame explains are merely in respect to the Ledger Stock, they not having been brought into the Stock Ledgers. The value of these articles is Rupees 518-10-2 1/2.

4. There is a small difference between the deficiencies detected at last "Stock taking", Rupees 123-0-11 as now stated, and that, Rupees 90-11-2 1/2, previously reported and reviewed in Proceedings of the Madras Government of the 30<sup>th</sup> January last N<sup>o</sup> 273. But it does not demand more than passing notice, and I may add that, as the total of the deficiencies as classified by the Agent is correct, it has not been thought worth while to notice what would seem to be errors in the items.

5. The third item of deficiency is Rupees 114-0-1 on stores received from England. This is estimated in the remarks column of the Sixth that the Stores were not properly examined on arrival, and that therefore, though posted into the Stock ledgers, the articles represented by this amount were really never received. The sum is small and as it would be extremely difficult to show whether it be more probable that the absence of examination on the one hand, or subsequent mistakes on the other, caused the discrepancy. The explanation given may be accepted as not unlikely.

appears to me to be the proper method, because it would never do to alter the value, which simply means the cost of the items of Stock so long as they remain in the Stock List, for were this course followed alterations would occur whenever it was found that too high a price had been given for any articles. The late Storekeeper would appear to have given about 150 per cent more for the teakwood purchased by him than he ought to have paid, and although in the present case it may perhaps be found convenient, in connection with the proposition to dispose of a considerable portion of the Stock, to revalue that which may be retained, so that the excessive charge for works, which would otherwise be occasioned, may not cause the allowances for timber in the estimates of those works to be exceeded, (nevertheless this arrangement should be considered admissible only as a special case.)

\* For instance the rate more than 3 Rs. a cubic foot for teak timber is almost as excessive as that paid for timber in by which is by Call. per Rs. 150 per cent more for the teakwood purchased by him than he ought to have paid, and although in the present case it may perhaps be found convenient, in connection with the proposition to dispose of a considerable portion of the Stock, to revalue that which may be retained, so that the excessive charge for works, which would otherwise be occasioned, may not cause the allowances for timber in the estimates of those works to be exceeded, (nevertheless this arrangement should be considered admissible only as a special case.)

6. Now the former of the letters from the Agent just referred to, it will be seen that he has received from the Board of Directors a general authority to dispose of unserviceable Stores, and he proposes to sell the whole of the teak timber in store and, as the loss is likely to be considerable, he wishes that the instruction of Government may be obtained upon the subject.

7. It may be noticed in passing that only a portion

10. It may be noticed in passing that only a portion

portion of this timber can be considered to come under the head "unservicable stores" to which the Board's instructions refer, and that moreover as unservicable stores can but rarely fetch any thing like their cost price, it is not probable that the sale of such stores will ever be effected with but little loss. - I think however that the Agent may with advantage proceed to dispose of the few things, which unavoidably become damaged or injured in every Store, without a reference, but that when it is proposed to sell stores which are not unservicable, but perhaps <sup>or no longer required</sup> unserviceable, it would be better that a List of such articles should be submitted with explanations, in order that the circumstances under which the purchases were made may receive such notice as may be necessary.

In the present case notwithstanding the exigencies of navigation <sup>of timber not immediately available</sup> has rendered the stock <sup>of lumber</sup> + 50 cubic feet.

11. The offer of Rupees 72 a load for the <sup>lighter wood</sup> mentioned in the former letter has been succeeded by an offer of Rupees 75 a load, but the log timber purchased by calliper measurement cost about Rupees 110 a load at the measurement which latter computation is that at which the offer is made.

I again it would seem that both sawn and log timber are referred to in the offer, and while the former is, as Mr. Strickland observes, of greater value to the casual purchaser, it is on the other hand more liable to decay.

credited therein. -

I have the honor to be,  
Sir,  
Your most obedient servant,  
Voluntarius Captain, &c.  
One Hundred & C. Company

the other hand of much greater value to the Company.  
The plan which appears to me the best is this:-

- 1<sup>st</sup>. That all unsound and inferior timber of a description which could not be economically transmitted to the divisions, and used in the works be sold.
- 2<sup>nd</sup>. That all the sound sawn timber be retained for future use.
- 3<sup>rd</sup>. That as much of the sound log timber as can be accommodated without inconvenience be retained and the rest if any, disposed of.
- 4<sup>th</sup>. That measures be adopted for protecting the timber retained in Stock from the weather. - This can be done at a small cost and the timber will then be not only none the worse, but much the better, for keeping for a moderate time.
- 5<sup>th</sup>. That the Stock retained be fairly priced and the value so found entered in the Stock Ledger, and that the difference between this value, added to the sale proceeds of the timber disposed of, and that shown as the value of the Stock in the Ledger on the 30<sup>th</sup> April be written off to Profit and Loss.

12. The following is an abstract of the measures recommended for the adjustment of the differences in the Presidency Stores Stock on the

28 June 1865 - 179,845  
31 March - 179,845  
30 May - 179,845

Wm. Robert (Jr) Esq  
of the London & Lancashire  
Co. of the London & Lancashire  
Co. of the London & Lancashire

Wm. Robert (Jr) Esq  
of the London & Lancashire  
Co. of the London & Lancashire

Wm. Robert (Jr) Esq  
of the London & Lancashire  
Co. of the London & Lancashire

Wm. Robert (Jr) Esq  
of the London & Lancashire  
Co. of the London & Lancashire  
Co. of the London & Lancashire

No 30<sup>th</sup> April last, and as the Ledger for 1865/66 will be opened with the Stock as found, the adjustment will enable a fair start to be made.

To be debited to Profit and Loss.

Waste and leakage ----- Rs. 455-7-6

Deficiencies at previous Stock taking ----- 123-1-11

Deficiencies on Stores received from England ----- 114-1-1

Damaged and imperfect articles and obsolete forms ----- 728-7-11

Stores lent by late Store keepers ----- 36-1-4

Whole deficiency exclusive of that connected with the tin ----- 11,57-1-9

The last two items will probably not form an ultimate charge in full. If the Stores lent be recovered, Profit and Loss will be credited and Stores debited and they will appear in the latter as an ordinary receipt, and the damaged and obsolete articles will fetch something.

The value of the items in excess is Rupees 1300-6-5 and all these items will be included as part of the Stock of 1865/66, and the amount must be debited in the General Accounts to Stores, but of this sum Rupees 1093-1-4 only can be credited to Profit and Loss, as the remainder, Rupees 207-5-1, represents the value of Stores already charged to other heads of account but either not issued or returned, and therefore the heads originally debited must be credited.

Public Works Dept

No 23212 9

Proceedings of the Madras Government

Under date the 10<sup>th</sup> August 1865

Recd the following

From the Cons Engineer J. C. B.  
Submits for the information and orders of Government a letter No 155 of the 11<sup>th</sup> instant from the Agent together with a list of Stores in Stock at Madras on the 30<sup>th</sup> April exhibiting the result of the Stock examination made by Captain Beekley.

(There under 24<sup>th</sup> July 1865 No 56)

J. C. B.

No 885 dated 31<sup>st</sup> March/65

W. N.

With this letter the Consulting Engineer for the Irrigation and Canal Company submits a list of the Company's Stores in Stock at Madras on the 30<sup>th</sup> April last, exhibiting the result of an examination made by Captain Beekley under the orders noted in the margin. Captain Muthiah also furnishes letters from the Manager explaining the causes of certain deficiencies discovered in the Stores.

The net value of these deficiencies appears to be as follows

Deficiencies ——— # 9558-9-1

Excesses ——— # 1380-6-5-

Deduct for Articles not brought into the Stock Ledger

578-10-2

861-12-3

8696-12-10

Add balance noted in para 3 of Manager's letter dated 11<sup>th</sup> July 1865

71-11-5

Total as shown in duplicate list of Capt. Mullens's letter above recorded

8768-8-3

Of this amount the Government authorize #

1457-0-9 being adjusted

in the manner recommended

in para 12 - The balance, #

# 7311-7-6 represents the amount which, in the

opinion of the Manager,

should be deducted from

the value of the timber in

store on account of a dif-

ference in quantity as shown

in the Stock Ledgers and

that entered in the Store List. This difference, however, does not represent any

1<sup>st</sup> back Ledger # 655-7-6

2<sup>nd</sup> Deficiencies at premium 123-0-11

Stock taking

3<sup>rd</sup> Deficiencies on stores received from England 114-0-1

4<sup>th</sup> Damaged and imperfect articles and obsolete plan 728-7-11

5<sup>th</sup> Stores lent by Capt. 36-0-4

Stockkeeper

# 1457-0-9

actual loss or misappropriation of the timber brought into stock but is caused by a difference in the mode of measurement adopted in the purchase of the timber and that by which it is now brought into the books. The presenting Engineer objects to the proposed reduction, as well as to the classification of the whole of the timber in question under the head "Inserviceable Stores" as recommended by the Manager, and under the circumstances explained by Captain Mullens, the Government direct that the original cost of the timber shall continue to be shown in the Stock Ledger and that the difference in quantity only shall be noted therein as due to the change in the mode of measurement, until all the serviceable logs have been disposed of, when the quantity retained in store may be revolved as proposed in para 11 - The other measures recom-

Inserted in this and in  
pages 10 and 13 are  
approved -

The Manager's attention  
shall be drawn to the  
remarks contained in pages  
6 and 7 regarding the  
decision to retain certain  
damaged and other articles  
in the Stock List until  
disposed, and the course  
which should be followed  
in accounting for articles  
taken out of store for a  
temporary purpose.

CAB

By The Consulting Engineer - J. H. L.  
- Manager - J. H. L.

18

Sept 11<sup>th</sup> August.

W. H. Baker's statement

To Mr. D. J. D. D.  
No. of Goutford

No. 2012  
No. of Gout,  
of 10 Aug 1865

Taping orders on  
letter from the Consulting  
Engineer & Co. submitting  
certain correspondence & a  
list of the Co's stores in  
stock at Madras on the  
30th April 1865.

No. 259 & 260  
No. 261