From

The Superintending Engineer
2nd Circle.

To

The Chief Engineer,
and Secretary to Govt.
thro' the Examiner

Dated, 29th March 1882
Received 14 April 82

No. 463. N.2.

Nellore Work Shops —
Sum outstanding against the —
Requesting to authorize
the Examiner to charge off the
— to "Profit and Loss"

B No. 999. W 4/22-4-82.

Entd. in Receipt Regr.
with Order

Endorsement No. 18 dated 1882.
dated 13 April 1882.

Forwarded to the Secretary
to Government Public Works
Department with the remark
that the sum of Rs 603-7-11
that remained at credit of
Workshop accounts has been
taken as a set off against
the total loss of Rs 1120-4-8 &
that the difference only viz
Rs 516-12-9 requires to be
sanctioned as a debit to
"Profit and Loss"

D. C. Gordon

Examiner P.W. accounts
CP.
13/4.

19/4

No. 999. W 4/22 April/82
Sanctioned -

Attt
16/4/82
Sd. 2nd Circle
Exd. P.W. Accts
Dd. 13-4. Cir: 17-4. R Rets: 19-4. R
Corty. 14-4-82 Rets 21/4

Revd 22/4/82
14.4.82
Rs 20/5

Public Work's Departt.
No: 1670 dated 16th July 1881.

Circular Memorandum.

In Circular No. 1287 dated 30th May 1881, the Chief Engineer enquired the opinions of Superintending Engineers as to the necessity for the appointment of separate cashiers to Divisions, having regard to the disirability of freeing the Accountants from the duty of making disbusements.

2. The replies having now been received and considered, the Chief Engineer is of opinion that in cases where the appointment of a special cashier has not been sanctioned, the Head Clerk may be entrusted with the key of the cash chest in the absence of the Executive Engineer, and may make all petty payments; receipts and disbursements being duly entered in a book kept for the purpose. From this book, the Accountant should enter in his Divisional cash book daily the transactions under their proper heads.

3. Where the payments are numerous a separate cashier on proper security should be appointed.

4. These arrangements will be carried into effect for the future.

By order

C.C. Austin Captain R.E.
Ag: Dy: Chief Engineer P.W.D.

To
Supg: Engineers.
Supts of Works.
Consg: Architect to Govt
Examiner P.W. Accounts.

Public Works Department.

No 1830 dated 8th August 1881.

Circular Memo:

Chief Engineers Circular No 1670 dated 16th July 1881.

For the last five lines of para 2 of the above Circular substitute the following words- "May be entrusted with the duties of cashier."

Para 2 will then read as follows-

"The replies having now been received and considered, the Chief Engineer is of opinion that in cases where the appointment of a special cashier has not been sanctioned, the Head Clerk may be entrusted with the duties of cashier."

/ By order /

Major R.E.
Dy: Chief Engineer P.W.D.

To
Supg: Engineers
Supts of Works
Consg: Architect to Govt:
Exr: of P.W. Accounts.

GOVERNMENT OF MADRAS.

PUBLIC WORKS DEPARTMENT.

25th November 1881, No. 2945 W.

General.
Establishment.

Read the following paper:—

No. 114. From D. C. GORDON, Esq., Examiner of Public Works Accounts, to the Secretary to Government, Public Works Department, dated Madras, 16th November 1881, No. 165 W.

I HAVE the honor to submit, for information and orders of Government, Inspection Notes by the Assistant Examiner on the accounts of the Nellore Division.

Paragraph 4.—It is difficult to understand why two clerks are retained in the office, whom the Executive Engineer himself pronounces to be incompetent for arithmetical check and for copying work. It is still more extraordinary that these incompetent men should be told off as "Assistants" to the Accountant. It is absolutely impossible for the Accountant to get through his work unaided, and incompetent aid is mere waste of time, and *increase* of the Accountant's work, for probably he has to revise his Assistants' work and to unravel additional errors. It cannot be too strongly insisted upon that the Assistants given to Accountants must be men who know something of the accounts, their object, and manner of compilation, so that in the event of the accounts of a Sub-Divisional Office getting into confusion, or being systematically in arrears, the Assistants and sub-divisional clerks may temporarily exchange places, the latter being instructed at head-quarters by the Accountant, or even locally by the Assistant himself.

Paragraph 7.—The Executive Engineer should also initial totals brought and carried forward on each folio of the cash book.

Paragraph 10.—The old stock waste book was approved for stock transactions with the workshops, as the Executive Engineer considered it useful, but it was not intended that it should supplant the ordinary stock returns for works.

Paragraph 16.—The proposed system of accounts to be maintained for sub-divisional workshops is now with Government for approval. The proposals were sent to the Nellore Division for the opinion of the Executive Engineer, and his replies were unfavorable to it, and favorable to his own local procedure. The discussion which took place at the inspection on the comparative merits of the two must have satisfied the Executive Engineer that his procedure was most imperfect, and he has since practically approved of the new proposals. The Executive Engineer has found the ordinary stock forms unworkable, because he has attempted to use them for purposes for which they were not adapted, as explained in paragraphs 12 to 15, but with the errors of his system pointed out and explained, and notes left with the Accountant giving detailed instructions and examples, there should be no difficulty in future.

General.—Except with regard to stock transactions, the accounts sent to my office are in fair order, and the only fault which the Executive Engineer has to find with the Accountant is a tendency to act blindly and so commit errors rather than admit himself to be at a loss.

MEMORANDUM of an Inspection by Mr. R. C. F. VOLKERS, Assistant Examiner, Public Works Accounts, of the Office of the Nellore Division on the 2nd, 3rd, and 4th November 1881.

THE Executive Engineer is Lieutenant C. B. Henderson, R.E., and the Accountant A. Sashachella Moodaliar. The office was last inspected on 28th and 29th July 1881.

2. *Office Arrangements.*—The Executive Engineer keeps the key of the cash-chest and makes all disbursements himself. The Accountant writes up the cash book.

3. The Accountant is assisted by two clerks, who aid him in checking sub-divisional accounts and in copying out the divisional accounts. He is also otherwise aided by the clerks establishment when he requires such help.

4. Under this arrangement there should ordinarily be no excuse for the late or incomplete submission of accounts, provided the assistance rendered is thorough and reliable. This, however, is by no means the case, as the Executive Engineer states that the two special Assistants are neither competent at calculating nor at copying work.

5. The office is divided into two distinct parts, viz., the "accounts" and "executive" work, the Accountant having charge of the former and the Head Clerk of the latter.

6. The records of the office are for the most part kept in boxes, and consequently are next to useless in the matter of facilitating reference. Racks or almirahs are recommended.

7. *Accounts.—Cash book* was posted up only to end of October, though payments had been made in November. It should be written up day by day as the transactions occur. The certificate of the count of cash in chest at end of October had not been given by the Executive Engineer. When Executive Engineer is at head-quarters the count should be made and certificate given on the last working day of the month, or on the first of the succeeding month. The numbering of vouchers was in most cases in pencil, and in others omitted altogether. This was due to sub-divisional acquittance rolls not having been numbered previous to despatch, which is irregular. Certain corrections had not been initialled by Executive Engineer. His initials to corrections should be obtained as soon as possible after they have been carried out.

8. *Adjustment Book.*—The adjustments should be more clearly detailed than they are in many cases.

9. *Register of Works.*—A few works had been omitted to be entered. This was owing to the late submission of certain sub-divisional accounts.

10. *Stock Accounts.*—None of the authorized initial forms are kept up, all transactions being recorded in the stock waste book (a form which is now obsolete), consequently it is impossible to trace out items unless the month's transactions are gone through one by one. At the end of each month rough abstracts of the receipts and issues under the different heads are made out, and the results posted into the stock account current and the half-yearly return.

11. This system, together with the irregular manner in which the workshop's operations have been accounted for (see paragraph 16), have led to complications which it will take some time to unravel.

12. The Executive Engineer states that the authorized forms were tried at the commencement of the year, but owing to the numerous jobs executed by the workshops, the issues to each of which were separately detailed, it was found impossible to maintain the forms. The matter was therefore represented at the last inspection of the office, and sanction to the course adopted by him subsequently obtained on the report of that inspection.

13. In arriving at the foregoing conclusion the Executive Engineer was laboring under a misunderstanding, for there is no more need to detail in the stock accounts the issues to individual jobs executed by the workshops, than in the case of a work to detail in the stock accounts the stock issues to the different sub-heads of that work; for, just as the stock issues to works are distributed among the sub-heads in the work abstracts or accounts of the works *only*, so also ought the distribution by individual jobs of stock issues to the workshops to appear only in the accounts of the workshops, lump sum issues alone appearing in the stock accounts against the head "Workshop Operation" under manufacture.

14. On my representations the Executive Engineer has opened out the new forms for the current month, but the previous months' transactions (from April upwards) will have to be carefully gone through, so that the correct balance may be arrived at.

15. *Schedule of Stock Purchases and Sales.*—This account has heretofore been compiled by the Storekeeper, a man who appears to be but indifferently acquainted with the significance of the terms *debit* and *credit*. The consequence is that the account has been thrown into utter confusion. In some cases balances affected by transactions during the month have been increased or decreased, as the case may be, in the column "Balance brought forward from last month," or omitted altogether from it, instead of being debited or credited in proper course. In the office copy of the account all items are fully detailed, whereas in the copy submitted to this office they have in some cases been lumped together without sufficient explanation. It follows, therefore that when corrections in the lump sum balances are advised it is difficult, and frequently quite

impossible, to correct the divisional copy, which is thus permitted to bring forward month after month balances previously modified by this office. Both the accounts should be identical.

All stock accounts but those referred to in Code 1593 (which alone should be kept up by the Storekeeper) should be compiled in the divisional office from the *data* furnished in the Storekeeper's accounts.

16. *Workshop Accounts.*—These have been framed by the Executive Engineer, and seem to meet all requirements so far as the exhibition of assets and liabilities is concerned. The adjustment of cash receipts and payments of stock issues and the value of outturn is effected in the divisional books, but that in a manner which is both complicated and irregular. For instance, the commission charged on finished jobs, instead of being debited as a stock issue to the heads on account of which the jobs were executed, has been adjusted through the cash abstract book. Again, stock issued for jobs required for specific works has been debited to those works *direct*, instead of to manufacture in the first instance.

17. From the assets and liabilities as shown by the workshop accounts, and with the aid of the Executive Engineer, I worked out the balance at *credit* of workshop operations to be Rs. 589-6-7 at end of September, that shown in the Executive Engineer's accounts being a credit of only Rs. 489.

18. Much is required to be done in the matter of investigation of back accounts to detect the errors which exist and to adjust them finally; meantime I have given full instructions as to how current results are to be treated in account.

19. *General.*—With the exception of the above, the office is in fair condition. The system of sub-divisional accounts seems to be understood, and the accounts themselves are carefully checked and completed.

20. Most of the work in the division is executed by job or task work. I therefore recommend the adoption of the task work form (No. 8), which will tend much to lessen clerical labor.

21. The irregularities pointed in the last Inspection Report appear to have received prompt attention, as no recurrences were detected.

22. The Executive Engineer states that, far from being able to reduce his present stock balance as he had previously anticipated, he will be obliged to apply for sanction to a larger reserve limit, owing to the large amount of work which is being carried out by the workshops in connection with the Sangam Project.

No. 115. ORDER THEREON, 25th November 1881, No. 2945 W.

COMMUNICATED to the Superintending Engineer, Second Circle, in view to the prompt attention of the Executive Engineer being called to the several points noticed by the Examiner of Public Works Accounts.

2. The introduction of the new form of accounts sanctioned in G.O., No. 2836 W., dated 15th November 1881, will doubtless obviate the irregularities now stated to exist.

(True Extract.)

(Signed) R. H. SANKEY, Colonel, R.E.,
Secretary to Govt., P.W.D.

To the Superintending Engineer, Second Circle.
" Examiner of Public Works Accounts.

Exd. A. F. Goodall.
Spare Copies

GENERAL.
ESTABLISHMENT.

Govt. of {1881} Madras.

PUBLIC WORKS.

To

THE SUPERINTENDING ENGINEER,
SECOND CIRCLE,

&c., &c., &c.

Dated November, 25th.

Issued

Recd. *Encl.*

G.O., 25th November 1881, No. 2945 W.

NOVEMBER.
Nos. 114-115.

Inspection Notes by the Assistant Examiner, Public Works Accounts, of the Nellore Division Office, communicated, with remarks, to the Superintending Engineer, Second Circle.

SECRETARIAT
RECEIVED
1882
APL 82
ACCOUNTS

No. 453 KL. SUPERINTENDING ENGINEER'S OFFICE 2nd CIRCLE
~~STATION~~ Camp Jagerlamudi, 29th March 1882.

FROM,

THE SUPERINTENDING ENGINEER
2nd Circle.

TO,

THE Chief Engineer and Secretary
to Government P.W. Department,
Through the Examiner P.W. Accounts.

SIR,

Enclosures.

I have the honor to request that the Examiner may be authorised to Charge off to "Profit and Loss" the sum of Rs 516-12-9 outstanding in the Nellore Division.

2. It appears from the report of the Executive Engineer, that the Superintending Engineer, late 1st Circle authorised the sale of certain stock articles, the Book value of which was Rs 1,308-9-10. These were sold in September 1880, and realised Rs 188-5-2, the resulting loss being Rs 1,120-4-8. There was however standing in the Nellore Workshop accounts a sum of Rs 603-7-11, being the

total of amounts advanced at various times to the Workshops, and which had been credited to the shops, because the "Ranges" from which the advances had been given had been abolished or merged in new Divisions, and there was nothing in the accounts to show for what particular works the advances were made.

3. Lieutenant Henderson proposes therefore, to treat these sums as a set off against the loss on stock articles. If this Course be adopted, the net sum to be written off, and for which sanction is required, is Rs: 516-12-9.

I have the honor to be,

Sir,

Your most Obdt. Servant.

S. W. Rundall

Superintending Engineer,

2nd Circle.

Compr Hd

From

The Superintending Engineer
2nd Circle.

To

The Chief Engineer
and Secretary to Govt.
thro' the Examiner

Dated, 29th March 1882
Received 14th April 82

No. 463. N.2.

Nellore Work Shops —
Sum outstanding against the —
Requesting to authorize
the Examiner to charge off the
— to "Profit and Loss"

B. No. 999. Wa/22-4-82.

Entd. in Receipt Regr.
with Order

Endorsement No. 18 dated 13 April 1882.

Forwarded to the Secretary to Government Public works Department with the remark that the sum of Rs 603-7-11 that remained at credit of Workshop accounts has been taken as a set off against the total loss of Rs 1120-4-8 & that the difference only viz Rs 516-12-9 requires to be sanctioned as a debit to "Profit and Loss"

D. C. Gordon

Examiner P.W. accounts
C.P.
13/4

No. 999. Wa/22 April/82
Sanctioned.

16/4/82 Regd 21/4/82
Ex. 2nd circle 14.4.82
Ex. P.W. Accts
Ch. 13-4 Cir. 17.4 Rets. 19.4 Rets
Cy. 14-4-82 Rets 21/4