

ORDINARY, MS.

Public DEPARTMENT.
G.O., DATED 1 Oct-92
No. 605

INDEXED.

When given for copying.

[Despatch Abstract.]

Stating that the
officer in charge of the
audit of the first half
accounts cannot dis-
claim responsibility in
not having detected
the first defalcation.

Fort Vancouver
Account. General Office
12 September 1892

e 10 2731

From
J. W. Hawkins
Accountant General

To
The Chief Secretary
to Government
Public Department

1

With reference to para 3 of G.O. No: 548
dated 9th August, 92 I have the honor to submit the fol-
lowing remarks.

2. The following statement shows the number and amount of the recent defalcations in the Government Press that were covered by credits taken for fictitious remittances to the Bank of alladras, and the date upon which each occurred.

[illegible]

It will be seen from the above that in the A/c for 1889/90 and 1890/91 credit was taken for 8 pounds, ^{the} same aggregating Rs 10078.8.3 which had, ^{also} been made at all, and in the A/c for 1891/92 for one pound ^{also} of Rs 1782.11.3 which was, ^{also} fictitious.

practically,

although the fig

and Mr. Ranganatha Mudaliar were respectively
engaged in auditing the account of the Press.

1889/90		1890/91	
Officer	Clock	Officer	Clock
October ——— 1	1/2	-	7
November ——— 1	17	-	21
December ——— 2	10	1/2	3
January ——— 4	-	2	3
February ——— 1/2	1	3 1/2	9
March ——— -	-	4 1/2	1
Days	8 1/2	28 1/2	10 1/2
			44

5. The first step in the process of audit was laid down in the rules already quoted, was to check the entries in the Receipt-side of the Cash Book with Counterfoils of receipts ~~recd~~ and those on the Expenditure side with the original Vouchers. The Vouchers at the Government Press are contained in 5 or 6 large Registers or File Books, and partly to avoid the inconvenience of having continually to turn from one of these books to another, and partly no doubt because a similar course is followed (under totally different circumstances in the Treasury Account Department) it has been the practice of the Outside Audit Branch to take the Vouchers of each book at a time and check them with the entries of the Cash book which they support, instead of checking the consecutive entries in the Cash book with their appropriate vouchers.

An obvious consequence of this method is that if the vouchers are in different books the entries in the Cash book are not consecutively ticked off. And the appearance of an additional tick mark clandestinely attached to an entry to cover the want of a Voucher would have nothing in it to attract the Clerk's attention. but there is practically no

although the ^{with} alteration in the number not been tampered have been apparent on any but and date showing Examination. I propose to deal the most. Anson with Rangamathson later on. departmentally, however, respectfully, to depre-
7. I venture and censure of Mr. Pinto's port- cate the second which is expressed in para 3 of the in the matter is. As I have already pointed out Government Order charge, who has other duties to perform the Officer in Charge of Accountant General or Chief Superin- as Assistant he had to carry out his duties in- stand, and at the first of these Audits out of connection withing to the shorthanded state of my Office hours, owed by the rules to check only a Office, is required of the entries at each Audit, certain proportion of the items at each Audit. On neither occs. have been included in this pro- tances appear though they are value the items, the portion. but the and prominence of the transac- very simplicity present make them appear unlike which they represent of a dishonest employee's objects for the may be judged from its duration. The Audit as a Cash book only, but of the more is not one of the Government Press, taneous account Mr. Pinto appears to have Law Reports. a likelihood of fraud was great- thought that the with Cash receipts for Articles sold in connection noted special attention ^{to} following and to have deductions, and seeing that they were up such trans- to account. The Superintendent properly brought para 9 of his Office note dated of the Press assumes that in the course of 25th July 1892 of the remittances shown in Audit the total should have been compared his Cash book.

Public (1892) DEPARTMENT.

From

THE ACCOUNTANT-GENERAL,

MADRAS,

To

THE *Chief Secretary to Govt.*
Public Department

No. 2 731

Dated 12 } 5th September 1892.
Received 14 SEP 92

No.

Subject.

*Submitting remarks on the
recent defalcations in the
Government Press in Madras*

In Order.

*The blame is shifted on to
Mr. Fisher's Clerk.*

Order, 1st Oct 92. No. 685.

Mr. Pinto is, the Govt. really believes, an intelligent, zealous & valuable officer, and [they are] quite aware that it was through him that the defalcations were eventually discovered. But whatever be the rule for the conduct of the audit & officer in charge if it cannot discipline responsibility if it turns out, as in this case, that the audit was so conducted that frauds were found detection.

Att. 30/9/92 16.15. 18.15. 1 from order.

Act General. 30/9/92

WITH ORDER

*C. 17.9 C. 19.9
R. 19.9 R. 30.9*

BACK PAPER, No.

of 18

FURTHER PAPER, No.

of 18

READ AGAIN ORDER OF GOVERNMENT, DATED
18, No. , MISCELLANEOUS.

ENCLOSURES.

CURRENT No.

STATEMENT WITH DUTTO.

ORDER OF GOVERNMENT.

LETTER OF GOVERNMENT.

STATEMENT WITH DUTTO

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