

1883.
VICTORIA.

MR. EATON'S REPORTS ON THE ACCOUNTS
OF THE LAND OFFICE.

RETURN to an Order of the *Legislative Assembly*,
Dated 11th July, 1883, for—

A COPY of Mr. Eaton's Reports with reference to the Accounts of the Land Office.

(*Mr. W. Madden.*)

Ordered by the Legislative Assembly to be printed, 23rd August, 1883.

82 R./2566.

(Copy.)

SIR,

The Treasury, Melbourne, 27th March, 1882.

Pursuant to the tenor of your letter, dated the 16th instant, I have inspected the accounts of the No. D. 82/116. Accountant's branch of the Lands Department, and have the honour to report, for the information of the Honorable the Minister of Lands, as follows :—

The deficiency of £306 17s. 7d. upon the Advance Account has been reduced to £85 0s. 10d., Per my Report, dated 14th January. by a lodgment in the Treasury, on the 16th February, of £21 16s. 9d., salary which was due to the late Accountant—August 1st to 13th, 1881—and £200 portion of £1000 recovered on guarantee policy, £800 of which was at same time lodged in the Treasury Trust Fund to the credit of the authorized surveyors whose deposits had been embezzled.

The new form of cash book which I drew out has been obtained and, I am informed, will be opened next month ; meanwhile since the 1st February an essential feature, the entry of each voucher, has been adopted in the present cash book, thus rendering the process of checking easier.

I tested the bank's balance, £575 0s. 4d., and found the balance of the advances, £7,200, duly accounted for by vouchers, all of which I tallied excepting eight, amounting to £283 11s. 8d., which had not yet been returned from the country ; they will be produced to me when received.

I inspected the other account books kept in the branch, viz. :—

EXPENDITURE.

The Register.
Particulars of Expenditure.
Salary Register.
Petty Cash Account.

RECEIPTS.

Collections.
Trust Account.

The simple character of the business of this branch does not seem to need a more complex system of book-keeping. It has nothing to do with the *incurring* of expenditure ; it merely deals with the accounts which have been incurred. These include, besides the Survey Department, the botanical gardens, metropolitan parks, and miscellaneous services connected with the administration of Lands.

The function of the Accountant's branch is only to record the amounts against the respective votes and, in the case of salaries and wages, to pay the individuals.

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The Accountant or his assistant attends monthly at the botanical gardens, and pays, in the presence of the curator, Mr. Guilfoyle, or his clerk, who identifies the payees. The labourers of the metropolitan parks are paid at the head office, in the presence of the curator, Mr. Bickford.

All salaries and fixed allowances and wages, even temporary labourers, are registered very completely in the salary register. The register of accounts, which is opened alphabetically, contains in detail, only such as are forwarded to the Treasury for payment, those paid by the department being summarised as they appear upon the reimbursement or adjustment abstract, which is entered under the Secretary's name. I think every account should be entered in the register so soon as rendered. When a new register is required in place of the columns headed "To whom forwarded and date," I would have "Date when forwarded to the Treasury for payment and name of pay office where made payable," and "Date of departmental cheque for payment." The column headed "To what vote chargeable" I would amplify by "Division, subdivision, and folio." If this be done I do not think it will be found necessary to continue to copy the reimbursement and adjustment accounts in the register, but merely the numbers of the vouchers comprised and the total amount.

The title of the book "Particulars of Expenditure" is somewhat misleading, as no particulars are given except the number of the account, name of claimant, and amount entered under the item of vote—the credit being an arbitrary proportion of the "Estimate K" authorized against the amount voted. There is a column for balance which is carried out on every entry. In place of this book I would recommend a ledger, in principle similar to those used in the Treasury, having columns headed with item of vote as well as a total column, which would represent total charge against the subdivision of Appropriation Act, a column also for the "Estimate K," so long as this description of authority is required by the regulations. The "particulars" should generally be a copy of those contained in the voucher, but as regards vouchers relating to botanical gardens, where, I understand, full particulars are recorded, a brief epitome only would be necessary. This ledger should be the principal and permanent record of the department's expenditure, and a reference to the folio in which here posted should be given in the register and in the cash book.

Petty Cash Account.—In place of reimbursing this account through the Advance Account, as was formerly the practice, the reimbursements are replaced here, so that it is always debtor to the Advance Account, the amount originally drawn—£10 for petty cash, represented by vouchers or cash in the box.

COLLECTIONS.

This office, having nothing to do with revenue, collects no money except for sale of plans, inspection of plans, and fees for Treasurer's receipts. The amount is small, £216 4s. 3d., since commencement of the year. The money is lodged once or twice a week, according to amount, in the Union Bank, in the Accountant's name, and is paid weekly into the Treasury by him as collector of imposts.

The inspector of plans, Mr. Bedford, maintains a check upon all receipts in connexion with plans. Treasurer's receipts are prepared only of evidence of fee being received, which is further checked from the "Red-faced return," by the officer who prepares the instrument.

TRUST ACCOUNT.

When money is transmitted in error to the department instead of to the Treasury, the Accountant is charged with the duty of handing it over to the Treasury, which is done so soon as he ascertains from the correspondence which is delivered to him with the money its proper destination, *i.e.*, how it should be credited in the rent roll, &c., usually within twenty-four hours; and it is only in the event of its being readily traceable that the money is paid into the Accountant's Trust Account, kept in the Union Bank. The course of procedure is: The delivery of the money with the correspondence is noted in a memorandum book kept by the Correspondence branch, which is initialled by the Accountant, who, when he has disposed of the money, returns the correspondence with a note thereof. There have been only five receipts of money in the Trust Account this year, and there is now only one amount remaining, *viz.*, Eleven pounds, received on 15th February, on a tender for grazing, which is still under consideration.

It may be a question whether all such moneys should not, immediately on reaching the department, be lodged in the Treasury Trust Fund.

Going over the vouchers in connexion with the Advance Account I noticed three, dated respectively 8th, 20th, and 27th February, each for two phosphorizing machines at 56s. or £16 16s. in all. The purchases were made by a Crown Lands bailiff, of course under some authority, but tenders were not called for, and three accounts were rendered instead of one, to avoid the appearance of infraction of the regulation which limits to £10 the purchase of supplies without approved requisitions, &c.

This evasion of a regulation is objectionable from every point of view. If the regulation is cumbrous or inconvenient it would be better that it should be altered. The question of incurring exceptional expenditure is a wide one; it has, however, an important bearing upon the honest administration of the public money.

I have the honour to be, Sir,

Your most obedient servant,

(Signed) H. F. EATON.

A. Morrah, Esq., Secretary for Lands.

82 R./3735.

(Copy.)

SIR,

The Treasury, Melbourne, 3rd May, 1882.

Having completed my second inspection of the accounts of the Lands Department, I have the honour to report for the information of the Honorable the Minister as follows:—

It appears that since the date of my investigation into the defalcations of the late Accountant of the Lands Department evidence has been received of the embezzlement of two further deposits of authorized

surveyors—£50 each—who neglected to prefer their claims in response to the Assistant Surveyor-General's circular, sent out as related in my report, there being no trace whatever in the office of the transactions.

The new cash book has been brought into use, but the object of the columns headed respectively "Adjustments," Reimbursements, and "Total," on the debtor side, namely, to show the total of vouchers on hand and indebtedness to the Treasury, is lost by periodical balancing. I would, therefore, recommend that the account be kept open in future (*i.e.*, next financial year) until the advance or advances of which it is composed are adjusted.

I was furnished by the Accountant with a similar satisfactory balance-sheet as before of the Advance Account, which I tested in the same manner; I remarked, however, that three of the vouchers outstanding on the last occasion are still not returned to the office.

I went through the record by the Correspondence branch of cash received in letters from 25th February to 26th April, and traced the amounts to their proper destination, these sums adding up to £1,592 8s. 1d., the days on which the moneys came to hand being 38.

The balance of the Trust Account kept at the Union Bank in the Accountant's name was £30 17s., represented by six lodgments, which I verified.

The collections from 27th March to 24th April, checked from the butt receipts into the collector's cash book, amount to £80 9s. 9d.

McAdam and
ors., £6 13s. 4d.;
Rumble and
ors., £36;
Davey and ors.,
£56.

J. W. Skene,
Collector of
Imposts.

BOTANICAL GARDENS.

The director has no cash account, as at present he receives no advance. Some inconvenience is no doubt thus occasioned, Mr. Guilfoyle having frequently to advance small sums for the incidental expenses of his department.

The books kept in the office are—register of accounts in the usual alphabetical form, the accounts are here copied in full, every item; the column headed "Remarks" contains the number and item of the vote to which chargeable. When a new book is required, a column with applicable heading should, I think, be included.

Appropriation Book.

This is precisely similar to the book called in the Accountant's office, "Particulars of Expenditure," and, like it, gives no particulars of the expenditure, excepting the name of claimant and the briefest epitome of the nature of supply or service. The credit is the amount of vote, not any estimated portion thereof as in the "Particulars of Expenditure," and the balance unexpended of the vote is carried out on each entry.

If a change be made in the Accountant's office by the substitute of a ledger, as recommended in my last report, it would be advisable to make a similar change for the sake of uniformity in this office, and then, instead of a full copy of accounts being made in the register, they would only need briefly registering therein, being entered in detail in the ledger.

Register of Salaries and Wages.

In this book the accounts are entered *seriatim* each month, the amounts being put in the first column instead of, as is usual, the names once written, and amounts carried into the column ruled and headed for the month. I would recommend the usual system of salary and wages registration be adopted, say in the ensuing financial year. The book is not of the best form, but will answer the purpose (it will last a number of years), and economy of clerical labour as well as a more compendious record will be attained.

Time Book.

From this book the wages accounts are prepared, the names of the employes are written monthly, and columns ruled for every day in the month; presence is signified by a stroke "I," and absence by the letter "A," absence for part of a day is recorded in a diary, and this is posted into a rough ledger, where each individual is debited with his time of absence, and credited with overtime to make it good either in work or watching.

Altogether a very strict and effective system is apparently maintained.

Besides the account books which I have particularized, there are two important books constituting the record of the plants distributed from the gardens, and plants contributed to the gardens. These books are written up from a daily note book, and are elaborately indexed.

I think it right to add that all the books are very neatly kept by the clerk, Mr. Neate, and his assistant, Mr. Pitcher.

Stores.

The director explained that stores are only obtained as required, and that consequently scarcely any stock is kept on hand other than what is in actual use.

What there is is in charge of the carpenter, Mr. Cottrell, and kept in his workshop. A more commodious building would be a convenience.

However, the best appears to be made of such accommodation as there is, and Mr. Cottrell produced a tabulated list of tools in use, showing what each man possesses.

The tools are branded with the letters "M.B.G." and the initials of the man responsible for them.

A day book is kept by the carpenter of all stores issued. It no doubt answers the purpose, and the checks appear all that can be desired; but in the case of a large public establishment like this, more formal records would be preferable.

I have the honour to be, Sir,

Your most obedient servant,

(Signed) H. F. EATON.

A. Morrah, Esq., Secretary for Lands.

82 R./4816.

(Copy.)

SIR,

The Treasury, Melbourne, 3rd June, 1882.

I have the honour to report for the information of the Honorable the Minister of Lands, my third inspection of the accounts of the Lands Department.

The Advances, £8,670, are duly represented by—

Cash in the bank	...	...	...	...	...	£1,459	0	4
Vouchers for reimbursement in the Treasury	...	...	...	...	...	5,469	5	1
Vouchers tallied in the office paid by cheques	...	...	...	...	...	1,173	1	5
Ditto, by petty cash	...	...	...	£7	15	8		
Balance of petty cash	...	...	...	2	4	4		
							10	0
							0	0
Cheques drawn as per cash book for payment of accounts at district offices not yet returned	...	...	...	...	...	558	13	2
Total	...	...	...	...	...	£8,670	0	0

as per balance-sheet furnished by the Accountant, compared with the cash book and with the documents in the Treasury.

The balance of the Trust Account (J. W. Skene, Union Bank) is £3 14s., representing three receipts on 17th and 27th April and 15th May respectively.

Collector of Imposts' Account.—J. W. Skene.—Amount since last inspection (25th April), £103 0s. 9d., verified from butts of receipts by Mr. Fleming and myself—

Balance in bank	...	...	...	...	...	£15	4	0
Payments into Treasury	...	...	...	...	...	87	16	9
						£103	0	9

The record by the Correspondence branch of cash received in letters since my last inspection contained one hundred and twenty (120) entries, the aggregate amount being £762 4s. 3d. With Mr. Fleming's assistance each was traced to its proper destination.

Two deposit receipts, viz., £50, E. Owens, on 19th May; and £50, T. J. Murphy, on 30th May, are still in the hands of the department, the custom now being to transmit such securities monthly to the Treasury.

The "Tender Book" recording the tenders opened by the Board, generally accompanied by cash, was inspected. The practice is for the money, together with the book, to be handed to the Accountant, who makes an extract of particulars of the accepted tenders for the information of the Receiver of Revenue, to whom the money is forthwith paid. The accepted tenders go to the "desk," where the transactions relating to its district are recorded, for the license, &c., to be prepared, but action is not completed until receipt of the money is advised from the Treasury upon red-faced return.

The Accountant returns to the unsuccessful tenderers their money, the record being the press copy of the letter by which it is transmitted and the registration of the letter through the post. The check upon its due return is perhaps the best possible, namely, that prompt complaint would be made if it were not.

The rejected tenders are forwarded from the Accountant's office to the Correspondence branch for registration, after which they are filed by the Accountant.

With your concurrence, I included in my inspection on this occasion the Store branch of the department, and found everything under charge of the superintendent of stores, Mr. Gill, in good order.

A supply of stores for ordinary use is kept in stock.

Issues are made upon a printed form of requisition from heads of branches, or rooms, and receipts for delivery taken thereon.

The store ledger shows stores received and each issue thereupon; balance on hand can at any time be ascertained. Stock, however, is posted under general, not specific heads, *e.g.*:—Envelopes, not each kind; Pens, boxes, not each sort; Colours, cakes, not description.

Stock, as a rule, is replenished upon requisition made out by the superintendent, countersigned by the Secretary, and approved by the Minister. Orders are drawn upon the contractors. The goods are supplied to the store accompanied by the order which, on being checked with the supplies, is returned receipted to the contractor, to accompany the account when rendered.

Exceptions to this rule occur when any articles are wanted on emergency, in which case the superintendent issues his order at the instance of the Secretary or authorized officer and afterwards includes upon a requisition, approval thus following, instead of preceding the supply.

When stores are not* required which are not in contract, they are purchased generally from the dealer who is a contractor for articles of a similar character, and the price is bargained for by Mr. Gill. Purchases in this category are usually passed under the 75th clause of the Store and Transport Regulations, which authorizes purchases up to £10 without approved requisition or tender.

The store ledger is posted from the account which, as above stated, is rendered by the contractor with the receipted order attached. The account is checked and certified by the superintendent and entered in one line, in an alphabetical register, giving number of order, date or period of supply, name of contractor, articles (brief epitome), amount, date when forwarded to the Accountant for course.

It appears to me that entries in the store ledger should be made from the order upon receipt of the goods instead of waiting until the account is rendered, which in some cases is not till a month afterwards, as in the meantime the ledger does not truly represent the stock.

* *Sic.*

Stores for country offices, if not brittle or too bulky, are sent by post; otherwise transport is provided by the Secretary to the Tender Board, upon Mr. Gill's requisition.

All the printed forms of the department are supplied through the store, Mr. Gill obtaining from the printer and distributing them as required. A register is kept, each form bearing a number corresponding with the page allotted to it, thus affording a convenient method of reference and identification, important, considering the large number of forms in use, upwards of two hundred and seventy (270) at present.

The various printed books of established pattern required by the occupation and other branches are kept in store; the stock account of these is not however yet completed, and only the issues since March 1st have been recorded.

The superintendant of stores is also charged with the duty, besides distributing them, of stamping envelopes and postal cards with the frank stamp of the department, a laborious and tedious operation.

Mr. Gill has just now no assistant, but I presume it is intended that he should again be provided with one, as besides the fact that the work appears heavy, it seems desirable that there should be a youth in training, the business of the branch requiring technical skill and experience for its effectual and economical transaction.

I have the honour to be, Sir,

Your most obedient Servant,

(Signed.) H. F. EATON.

A. Morrah, Esq., Secretary for Lands.

82 R./8014.

(Copy.)

SIR,

The Treasury, Melbourne, 27 September, 1882.

After an interval of four months, during three of which I have been absent from duty through illness, I have the honour to report for the information of the Honorable the Minister of Lands, an inspection of the Accountant's branch of the Lands Department.

The Advance from the Treasury, £7,710, is duly represented by—

Cash in the Bank of New South Wales	...	...	...	£1,371	7	2
Vouchers for reimbursement in the Treasury	...	...	...	5,795	19	8
Vouchers tallied in the office paid by cheques	...	...	...	196	3	2
Ditto petty cash	...	...	£3	12	9	
Balance of petty cash	...	...	6	7	3	
					10	0
Cheques drawn as per cash book for payment of accounts at district offices	...	...	...	336	10	0
				£7,710	0	0

as per balance-sheet furnished by the Accountant compared with the cash book and with the documents in the Treasury.

A special advance of £85 0s. 10d. is represented by a voucher returned from the Treasury pending a vote of Parliament.

The balance of the Trust Account (J. W. Skene, Union Bank) is £1 5s.

The balance of Mr. J. W. Skene's account in the Union Bank as collector of imposts is £9, the amounts collected since the date of your own inspection, 25th August, being £103 5s. 11d., as tallied by the butts of receipt books.

The money received since same date through the Correspondence branch is traced to its proper destination; the amount totals £568 10s. 9d.

The recommendation contained in my report of 3rd May as to the new cash book has not been carried into effect. The object of the column headed "Reimbursements" being to show, by the difference between its total column and the Total column, the indebtedness to the Treasury, is defeated by the system of striking a monthly balance, ruling off, and commencing afresh. Thus it is impossible to tell, without going through the debtor side of the cash book and picking out the advances, what their amount is.

Neither has the recommendation contained in my report of 27th March been adopted, to substitute a ledger on the principle of those in use at the Treasury for the unsatisfactory book misnamed "Particulars of Expenditure;" nor has the system, which I believe obtains in every other department, and is, in fact, prescribed by the 60th clause of the General Regulations respecting Public Accounts, been adopted as suggested in my last mentioned report, namely to enter each account in its alphabetical place in the register of accounts.

The usual reference in a cash book to the folio in ledger or other book where the paid account is entered, and for which a column is provided, is not used. It certainly ought to be. The column provided for voucher number is similarly ignored.

I have the honour to be, Sir,

Your most obedient servant,

(Signed) H. F. EATON.

A. Morrah, Esq., Secretary for Lands.

82 R./8746.

(Copy.)

SIR,

The Treasury, Melbourne, 27th October, 1882.

I have the honour to transmit, for the information of the Honorable the Minister for Lands, report of inspection of the Accountant's branch of the Lands Department.

The Advances from the Treasury, £8,936, are represented by—

Cash in the Bank of New South Wales	£2,410	4	0
Vouchers for reimbursement in the Treasury	5,961	2	10
Vouchers tallied in the office paid by cheques	333	4	4
Ditto, petty cash	£3	18	7
Balance of petty cash	6	1	5
		10	0
Cheques drawn, as per cash book, for payment of accounts at district offices	221	8	10
		£8,936	0

as per balance-sheet furnished by the Accountant, compared with the cash book and with the documents in the Treasury.

A special advance of £85 0s. 10d. is represented by a voucher returned from the Treasury pending a vote of Parliament.

27th September

Trust Account.—J. W. Skene, Union Bank.—No balance; only one receipt since last inspection.

Collections.—J. W. Skene, Union Bank.—Balance, £4 8s. 6d., compared with bank book; amount since last inspection, £86 16s. 9d., as tallied by butts of receipt books. I attach, however, very little importance to this check; the only effectual check upon money received for sale of plans is that maintained by the inspector (Mr. Bedford), who goes over the butt receipts with the receipts themselves, which remain in his own possession, and which show not merely the amount, but also the description of plan sold, so that the amount which ought to be obtained for it is proved to be that which was actually received and accounted for.

The moneys received through the Correspondence branch were traced to their proper destination. The amount totals £413 19s. 1d.

In looking over the paid vouchers the following appeared to me to call for remark—

3rd May.

1. Six small accounts, amounting together to £2 10s. 8d. (each properly particularized), appear in the cash book as paid to Mr. Guilfoyle, under date 2nd October—the inference being that Mr. Guilfoyle had, out of his own pocket, paid the accounts, and then received from the hands of the Accountant the Secretary's cheque to reimburse him for the outlay. Upon referring, however, to the vouchers themselves in the Treasury, it appears that only one had been actually paid by Mr. Guilfoyle, the other five having the payments witnessed by Mr. Shea, a clerk in the Accountant's office, who went round (so I was informed) and paid the respective claimants in cash. However, I am aware that Mr. Guilfoyle frequently does disburse petty expenditure for his department out of his own pocket (see my report upon the accounts of the botanical gardens), and I certainly think, for many reasons, it would be preferable that he should have an advance for the purpose. Whilst on this subject I would also express my clear opinion that Mr. Guilfoyle should receive an advance for the payment of the salaries and wages of his department, instead of, as at present, a clerk from the Accountant's branch going to the gardens to pay them.

2. The necessity for the accounts of the botanical gardens being passed through the office of the Secretary for Lands at all is not apparent. They are very fully and satisfactorily recorded in the director's office, and it seems to me a mere duplication of the work to pass them through the books of the Accountant's office. The accounts of the botanical gardens were formerly passed upon the sole certificate of the director, the authorization only of the expenditure being conducted through the Ministerial office, as is the case with sub-departments in other Ministerial divisions of the service.

John Yeoman,
26th Sept., 1882;
taking possession
of Koo-wee-rup
Swamps.
Mr. J. A. Levey.

A voucher for a bailiff's travelling expenses does not bear the certificate of the officer who receives the bailiff's weekly reports, and who is recognised therefore as the proper officer to guarantee to the Secretary the correctness of all accounts for bailiffs' travelling expenses.

Several accounts for labourers' wages in connexion with public parks and gardens, not certified by the curator, but only by the Accountant (in addition, of course, to the Secretary's signature). Upon inquiry I was informed that this arrangement is made during the absence of the curator on leave, the wages-sheet being prepared in the Accountant's office from lists furnished by the overseer. The latter appears to me to be the proper person to certify in the absence of the curator, and not the Accountant, because any system must be defective where the validity of an account is guaranteed only by the paying officer.

A. Morrah,
surveyor of tele-
graph line from
Daylesford to
Smeaton—Mr.
Yurton, £47 2s.
7d.—T. V. 17197
23rd Oct. 1882.

3. Being aware that an account for services performed by an assistant surveyor for the Electric Telegraph Department had been rendered by the Lands Department, and paid at the Treasury, I inquired as to the nature of the entries thereof in the Accountant's branch, and learnt that it had been sent to the Deputy Postmaster-General and thence to the Treasury, without passing through the Accountant's branch; and that although the money was received by the Accountant, and duly paid into the revenue, yet there was actually no entry of the transaction in the Accountant's books, the only record in his office being in a memorandum book specially for amounts received through the Correspondence branch and paid by the Accountant into the Treasury, each payment being initialled at the time by a Treasury clerk. I am informed that it is not settled whether this particular money is to be taken as a credit to the expenditure or to revenue. In the former case, it should, of course, appear as a repayment to the vote in the Accountant's books; but, in either case, I think the transaction should have been recorded, even if only in the Trust Account, as money received by the Accountant and paid into the Treasury.

I have the honour to be, Sir,

Your most obedient servant,

(Signed) H. F. EATON.

A. Morrah, Esq., Secretary for Lands.

82 R./9551

(Copy.)

SIR,

The Treasury, Melbourne, 1st December, 1882.

I have the honour to transmit, for the information of the Honorable the Minister of Lands, report of inspection of the following accounts of the Lands Department.

Advance Account.—Amount received from the Treasury, £9,141 Os. 10d., represented by—					
Vouchers sent to the Treasury for reimbursement, tallied ...	...	...	...	...	£5,329 7 3
Voucher retained pending special vote	...	...	...	...	85 0 10
Other vouchers in the office, tallied	...	...	...	...	897 1 8
Petty cash vouchers	...	...	...	£6 5 7	
Balance of petty cash	...	...	...	3 14 5	
					10 0 0
Cash in the bank	...	...	...	...	2,819 11 1
					<u>£9,141 0 10</u>

the usual satisfactory balance-sheet, giving this result being prepared by the Accountant.

Trust Account.—J. W. Skene, Union Bank.—Balance £42, of which £40 was lodged on the 29th ultimo, being for grazing licenses not yet determined.

Collector of Imposts' Account.—J. W. Skene, Union Bank.—Amount since last inspection (27th October), £86 3s. 9d. verified from butts of receipt—

Balance in bank	...	...	...	...	...	£9 19 10
Payments into Treasury	...	...	...	...	...	76 3 11
						<u>£86 3 9</u>

The moneys received through the Correspondence branch, totalling £907 8s. 5d. (since last inspection) traced to their proper destination.

Deposits on tenders for grazing.—£394 14s. 2d. traced into Treasury. I do not, however propose continuing the inspection of deposits thus received, because as the license is not issued until advice of the requisite payment into the Public Account has been received from the Treasury upon "Red-faced returns," no further check appears to be required.

See also Report dated 3rd June, 1882.

Similarly I propose to discontinue checking the butts of receipts of payment for plans and inspection fees, provided it be made a regulation of the office, which I beg to recommend; that the collector's red-faced returns be referred to the inspector of plans, who, as I stated in my last report checks the butts with the receipts on which delivery is made, and who keeps a very suitable register in which the cash payments are duly recorded, so that if he checks the amounts with those in the "Red-faced returns" a perfectly conclusive check will be maintained in the office.

Mr. Bedford, 27th October.

Security deposited by authorized surveyors.—Having obtained a list, through the courtesy of the Assistant Surveyor-General, of the names of authorized surveyors whose deposits, £50 each, are held by the department, I traced each into the Treasury. There are 35 bank deposit receipts and 11 cash lodgments, representing together £2,300, exclusive of two which I am informed have been sanctioned for withdrawal.

Mr. A. Black.

W. G. Field, deposit receipt, £50; F. Strong, cash, £50.

The transmission of these securities to the Treasury was urged by me, as stated in my report dated 14th January last, but I remark that the record thereof which was recommended at the same time should be kept in the Accountant's office is not kept there.

I have the honour to be, Sir,

Your most obedient servant,

(Signed) H. F. EATON.

The Secretary for Lands.

83 R./840.

(Copy.)

SIR,

The Treasury, Melbourne, 30th January, 1883.

I have the honour to transmit, for the information of the Honorable the Minister of Lands, report of inspection of the following accounts of the Lands Department.

Advance Account.—Amount received from the Treasury £9,141 Os. 10d., represented by—					
Vouchers sent to the Treasury for reimbursement tallied	...	...	...	...	£5,333 3 3
Voucher retained pending special vote	...	...	...	...	85 0 10
Vouchers in the office, tallied	...	...	...	...	1,551 8 1
Vouchers not returned from country offices	...	...	...	...	26 6 0
Petty cash vouchers tallied	...	...	...	£5 17 9	
Balance of petty cash	...	...	...	4 2 3	
					10 0 0
Cash in bank	...	...	...	...	2,135 2 8
					<u>£9,141 0 10</u>

the usual balance-sheet producing this result being prepared by the Accountant.

Trust Account.—J. W. Skene, Union Bank.—Entries tested	...	Dr.	£122 13 6
		Cr.	103 13 6
			<u>£19 0 0</u>

consisting of—£10, 3rd January, J. Williamson, tender for grazing license; £9, 4th January, E. Heard, ditto.

Collector of Imposts' Account.—J. W. Skene, Union Bank.—Amount since last inspection (27th November), £102 13s. 6d., all paid into the Treasury.

Mr. Bedford. 2. As intimated in my last report, I have not thought it necessary to call over the butts of the receipt books by way of checking the money received for sale of plans, and for inspection fees. But I examined the plan register, kept by the inspector of plans, and found that, in accordance with my recommendation, he now compares the red-faced returns with the amount of his deliveries, &c., and thus a perfect check is established such as could never be attained by any comparison of butts, because it is certain that if the cash is not accounted for it will not be found on the butts.

27th November. 3. The money received in letters addressed to the Secretary since the date of last inspection, totalling £1,189 14s. 10d. in 168 letters, traced to its proper destination. These moneys have not (except the small fraction which may relate to plans and occasional sums placed in Trust Account), strictly speaking, anything to do with the Accountant's office, which is used in fact for them merely as a conduit to the Treasury, no record whatever being made of the transactions excepting in a small memorandum book, in which a Treasury clerk's initials indicate the receipt of the money in the revenue office.

4. Having carefully thought over the subject of these money letters, I beg to offer the following recommendation:—

1st. The sending of money, except deposits on tenders (and of course for plans) to the Lands Department should be discouraged, and where selectors or others are in the habit of sending such moneys, a circular should be addressed to them drawing attention to the *Gazette* notice which indicates the Treasury revenue office at which they are required to make payment.

2nd. Letters containing money (other than the exceptions named) to be forthwith minuted by the Secretary for Lands to the Receiver of Revenue, Melbourne, who would minute back the correspondence, accompanied, in case of money the final destination of which is not then known, with his official receipt for the credit in Trust Fund; and in the cases where the final destination is known with an intimation that the proper receipt has been sent to the payor.

5. The amounts to continue to be entered as usual in the memorandum or "pass book," and initialled by the receiver.

6. Such, I may mention, is the course adopted by the Under Treasurer in respect of all money received in letters.

7. If further argument were required in support thereof, it might be urged that the Accountant of the Lands Department being a collector of imposts has no right to receive any money on account of the revenue without including it in his returns.

Cheque 470 paid 19th December, 1882. T. Mason, Contract 1810, £85 8s. 4d.
Report dated 14th January, 1882.

8. In tallying the paid vouchers I noticed one for fencing a quarry at Richmond. This service does not come within the category to which I recommended payments in the Lands Department be restricted, viz.:—salaries, wages, allowances, travelling expenses, and what is known as incidental expenses of the department. It should, I think, have been forwarded to the Treasury for payment.

9. I observe also that a recommendation which I made at the same time, viz.:—"That the practice of paying all salaries and wages of the department other than what are termed staff salaries by cash should be discontinued, and that each person should be paid by a cheque," has not been adopted. There is no reason that I am aware of why a distinction (somewhat invidious perhaps) should be made between the mode of paying staff and other salaries.

Mr. Johnston. 10. I investigated the course of receipt of a fee, £2 2s., for deed of appointment of trustees, and found that the document is not prepared until the officer at the head of the Deed branch has evidence of the payment of the fee into the Treasury, either from the red-faced return or the specific receipt of the Receiver of Revenue. I was anxious to trace a fee of this kind, because such fees have hitherto been collected by the Crown Solicitor, and the change has only recently been made.

11. The amounts—they are very few—will in future appear under the head of "Fees, Lands," instead of, as formerly, "All other Fees."

I have the honour to be, Sir,
Your most obedient servant,
(Signed) H. F. EATON.

The Secretary for Lands.

83 R./1840.

(Copy.)

The Treasury, Melbourne, 28th February, 1883.

I have the honour to transmit, for the information of the Honorable the Minister for Lands, report of inspection of the following accounts of the Lands Department.

Advance Account.—Amount received from the Treasury, £9,141 0s. 10d., represented by—

Vouchers sent to the Treasury for reimbursement, tallied	...	...	...	£5,166	7	3
Voucher retained pending special vote	...	...	...	85	0	10
Vouchers in the office, tallied	...	...	...	2,570	8	10
Voucher not returned from country office	...	...	...	22	10	0
Petty cash vouchers, tallied	...	...	£1	6	6	
Balance of petty cash	...	...	8	13	6	
					10	0
Cash in bank	...	...	...	1,286	13	11
				£9,141	0	10

according to the cash book and the usual balance-sheet prepared by the Accountant.

Trust Account.—J. W. Skene, Union Bank.—Balance, £57 16s.; per bank book, £68 6s., a cheque of £10 10s. being unrepresented.

Collector of Imposts' Account.—J. W. Skene, Union Bank.—Amount since last inspection (25th January), £88 14s. 5d. Date of the last payment into the Treasury, 23rd instant.

I visited the office of the inspector of plans to ascertain that the sales corresponded with the red-faced returns. In the absence of Mr. Bedford (on duty in the country), I was shown the register, which, as usual, appeared unexceptionable. The comparison with the red-faced returns, I understand, is made by Mr. Bedford himself.

I traced the amounts received by correspondence, and handed into the revenue office into the memorandum book bearing the initials of the Treasury clerk receiving the money, the total exclusive of plans, since my last inspection being £383 17s. 5d. in sixty-eight amounts. Besides which, it appears that fifty-two sums, totalling £587 5s. 3d., have been received under the 47th section in correspondence recorded in the Correspondence branch, and ten applications—£1 each—for certificate of registration under sections 19 and 49, not registered in the Correspondence branch but ultimately in the Occupation branch, and as pointed out in my report of the 29th ultimo all these moneys merely passing through, without being recorded in the Accountant's branch.

I propose discontinuing the checking of these transactions, because it appears to me that all such amounts as reach the Treasury are put in red-faced return, no other check is necessary; whilst as to moneys which in some cases are returned to the sender, it may be taken for granted that the latter, if he do not get that for which he sent his money, will take care that he gets his money back; and I am informed its return is rarely acknowledged.

I have the honour to be, Sir,

Your most obedient servant,

The Secretary for Lands.

(Signed)

H. F. EATON.

83 R./3141.

(Copy.)

SIR,

Treasury, 7th April, 1883.

I have the honour to transmit, for the information of the Honorable the Minister for Lands, report of inspection of the following accounts of the Lands Department.

Advance Account.—Amount received from the Treasury, £9,141 0s. 10d., represented by—

Vouchers in the Treasury for reimbursement, tallied	...	...	£6,140	11	7
Voucher detained, pending a special vote	...	...	85	0	10
			6,225	12	5
Vouchers in the office, tallied	...	...	2,352	9	4
Vouchers not returned from country offices	...	...	20	0	0
Petty cash vouchers tallied	...	£9 18 9			
Balance of petty cash	...	0 1 3			
			10	0	0
Balance in the bank—bank book produced and reconciled	...		532	19	1
			£9,141	0	10

according to the cash book and usual balance-sheet prepared by the Accountant.

Trust Account.—Balance in cash book, and as per bank book, £9 10s., being a receipt on 5th February from a Mr. Lempriere.

Collector of Imposts.—No balance in bank book.

Amount received up to the end of March, since last inspection paid into the Treasury	...	...	£90	11	11
Amount received in April on hand	...	...	£6	19	9

For the reason stated in my last report, I have not thought it necessary to trace the disposal of the moneys received in letters. I observed that there have been a hundred such letters since that date.

I visited the office of the inspector of plans, and looked over the register. As an illustration of the thoroughness of the preliminary check, *i.e.*, of the cash book with the register of sales—the latter being posted from the receipts themselves, endorsed with the description of the plan sold—a short entry of a shilling was pointed out occurring in January, and discovered upon tallying the receipts (delivery notes) with the butts, and rectified in March. No checking of the latter with the cash book could have detected this or any similar discrepancy, because the cash book is written up from the butts. Hence I have always considered the comparing of the two time wasted; but by the process described the collection of the money for the plans is effectually checked, and by the red-faced returns its lodgment in the Treasury is proved. Mr. Bedford.

The time for requisitioning for the books for the ensuing financial year approaching, I would repeat the recommendation contained in my report dated the 27th March, 1882, that in place of the book termed "Particulars of Expenditure" a ledger should be substituted, based on the principle of those in use in the Treasury.

I have the honour to be, Sir,

Your most obedient servant,

The Secretary for Lands.

(Signed)

H. F. EATON.

83 R./4101.

(Copy.)

The Treasury, Melbourne, 7th May, 1883.

SIR,

I have the honour to transmit, for the information of the Honorable the Minister of Lands, a report of inspection of certain accounts of the Lands Department.

Advance Account.—Amount received from the Treasury £9,056, represented by—

Vouchers in the Treasury for reimbursement, tallied	...	...	...	£6,486	9	6
Vouchers in the office, tallied	...	...	...	509	1	6
Vouchers not returned from country offices	...	...	...	67	13	10
Vouchers in adjustment (examined)	...	...	...	1,346	0	0
Petty cash vouchers, tallied	...	...	...	£1	18	8
Balance of petty cash	...	...	...	8	1	4
					10	0
Balance in the bank—bank book produced and reconciled	...	...	...	636	15	2
					£9,056	0
					0	0

according to the cash book and the usual balance-sheet prepared by the Accountant.

Trust Account.—Balance in cash book, and as per pass book, Union Bank, £34 10s.—

Being receipts from C. Lempriere, 5th February	...	...	...	£19	10	0
J. Palmer, 17th April	...	...	...	10	0	0
J. Thorpe, 24th April	...	...	...	5	0	0
				£34	10	0

The first mentioned having now been in the collector's control for three months will be paid into the Treasury, pursuant to the 20th section of the Audit Act.

Had the transactions in the Trust Account ever been numerous, the necessity for a column showing on the Dr. side the date of repayment, and on the Cr. side one showing date of lodgment, would have presented itself; even now, few as are the amounts, I would recommend the introduction of such columns; so that the particulars of the amount of the balance may be readily ascertained without the process at present required of "ticking off" every amount repaid, whenever it is desired to ascertain of what the balance is composed.

Collector of Imposts.—No balance in bank (Union Bank). Amount received and paid into the Treasury since 30th March, £95 14s. 5d.

I looked over the list of sums received in correspondence since my last inspection, numbering 89 entries, and totalling to £508 16s. 7d., the whole of which, excepting the amounts for plans, which are included in the collector's account last mentioned, is extraneous to the Accountant's office, forms no part of its records, nor is looked upon as portion of his collections. In fact, as I have before pointed out when suggesting a change, in such an anomalous procedure the Accountant is merely an informal conduit for these sums to the Treasury.

Rabbit Extirpation.—The accounts connected with this service are numerous, the operations being very extensive. Upwards of 790 separate regulation accounts (irrespective of sub-vouchers) have been dealt with this financial year by the officer in charge of the office administration. And it is here that the real check and accounting portion of the work is carried out.

Mr. Brook.

There are at present sixty (60) depôts and eighty (80) men employed upon the destruction of rabbits, and each man makes out a "Progress Journal," a monthly sheet showing what he has been doing, and where, on every working day of the month.

This document is initialled by the person in charge, himself a working man, but receiving extra wages, generally 20s. a week for superintendence, which amount, however, also includes payment for his own cart and horse. It is forwarded to the inspecting officer, Mr. S. J. Black, who is in charge of the whole business. This gentleman informs me that he makes a point of taking the "Progress Journals" with him on his tours of inspection, and checking the entries as often as opportunity offers by personal inquiry of squatters, selectors, or other, so as to verify the record of work done. The Progress Journals are also used for checking the wages accounts in districts where there are local bailiffs, the journals and accounts are forwarded through them to the inspecting officer, and they (the local bailiffs) exercise a general superintendence over all the operations in connexion with the work in their districts.

The account book kept by Mr. Brook contains columns headed:—Date account passed; Date expense incurred; Name of claimant and address; District or depôt; Nature of claim; Quantity or period; Rate per item, day, &c.; Amount; Total amount of claim; By whom certified; Journal page; Remarks.

The amounts are entered in order of their presentation, and are fully indexed.

A suitable record is also kept of correspondence relating to this business, which Mr. Brook also conducts.

The system of account, the office management, and the work itself, so far as I could judge from the explanations personally afforded me by the officer in charge (Mr. S. J. Black), appear to be carried out with a strictness of superintendence and carefulness in management so as to attain efficiency, prevent imposition, and secure economy in the administration of an undertaking which may be termed national in its importance.

Office of the inspector of plans, the register and the checks kept and carried out by Mr. Bedford, now aided by the red-faced returns, leave, I think, nothing to be desired.

Accounts of travelling expenses of land officers and others.—These accounts, in the absence of Mr. Levey, are now dealt with by Mr. Bedford.

The record comprises in columns:—Date of account, *i.e.*, period of service; Passed; Nature of duty; Transit amount; Allowance (personal), amount; Total.

Each account is subject to an exhaustive check, the *Gazette* is referred to for the appointment of local land boards, forming the chief occasions of the travelling; and in the cases of bailiffs, their journals are examined, and all correspondence relating to their duties passing through this officer's hands, a thorough scrutiny is secured before the accounts are passed.

I have the honour to be, Sir,

Your most obedient servant,

The Secretary for Lands.

(Signed) H. F. EATON.

88 R./4880.

(Copy.)

SIR,

The Treasury, Melbourne, 1st June, 1883.

I have the honour to transmit, for the information of the Honorable the Minister of Lands, a report of inspection of certain accounts of the Lands Department.

Advance Accounts.—Amount received from the Treasury, £7,710, represented by—

Vouchers in the Treasury for reimbursement, tallied	...	...	...	£5,652	10	7
Vouchers in the office, tallied	...	...	...	503	3	9
Vouchers not returned from country offices	...	...	...	208	19	6
Petty cash vouchers, tallied	...	...	...	£3	15	8
Balance of petty cash...	...	...	...	6	4	4
					10	0
					0	0
Balance in the bank—bank book produced and reconciled	...	...	...	1,335	6	2
				£7,710	0	0

according to the cash book and the usual balance-sheet prepared by the Accountant.

Trust Account.—Balance in cash book and as per pass book, Union Bank £15, being receipts from—

J. Palmer, 17th April	...	...	...	...	...	£10	0	0
J. Thorpe, 24th April	...	...	...	...	...	5	0	0

Collector of Imposts.—Received up to 28th May	...	...	...	...	...	£72	9	5
Paid into the Treasury up to 22nd May	53	2	11

Balance as per bank pass book	£19	6	6
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Amongst the vouchers in the Treasury, I notice several for wages to persons employed in the metropolitan parks and gardens (particularized in the margin) which are not certified by any person except the Secretary for Lands. They should be certified by some one responsible for the actual service of the individuals. I counted fifty-five names, and it is not reasonable to suppose that the Secretary could be personally aware that each man was at his work the whole period; at any rate, the fact ought to be vouched by the signature of an overseer or by a curator. The accounts were made out in the Accountant's office, and payment is in each case witnessed by the officer who made out the accounts. Thus, it appears to me, that beyond his confidence in the integrity of the officer, the Secretary has no adequate check upon the accuracy of the accounts or upon the payment.

These men are paid in cash, and if the overseer or curator attended to identify the men and witness the payment, it would be only a reasonable precaution.

With regard to the salaries of the so-called supernumerary staff, as I have before stated, they should be paid by cheques, which should be carried to each gentleman as is done with the staff salaries, a saving of time in payment would, I think, result, and it would certainly be performed with more decorum than at present, when the Accountant's outer office is besieged by a bevy of gentlemen, each anxious to receive his cash and get back to his duties.

An account for labour in a survey party, I observed, is not certified by the Assistant Surveyor-General. All accounts of this character should, I believe, be certified by or for that officer. £11 11s. 6d.,
cheque 870.

Whilst on the subject of payment of accounts for salaries and wages, I would again urge that the director of the botanical gardens should receive an advance for this purpose, and pay by means of cheque instead of as at present, an officer of the Accountant's branch having to attend at the gardens and pay each individual in cash. See my reports
of 3rd May, 1882,
and 27th October,
1882.—Mr.
Guilfoyle.

Mr. Guilfoyle should also receive a small advance for the payment of petty expenses of his department, instead of having to pay continually, as he does, out of his own pocket.

The advance in each case should be made direct from the Treasury upon the usual form, having, of course, the approval of the Minister for Lands and the accounts relating to the botanical gardens should be passed on the certificate of the director, as was formerly the case. Thus much unnecessary duplication of the work by its being done, as at present, in the Accountant's office, as well as where it is indispensable to be done, namely, in the office of the botanical gardens, would be avoided. For this duplication of work there is not, I believe, the slightest necessity. And with equal propriety—or, I would say, impropriety—might the Under Secretary certify to and keep the accounts of all the sub-departments of which he is the permanent head.

I have the honour to be, Sir,

Your most obedient servant,

The Secretary for Lands.

(Signed) H. F. EATON.

83 R./5805.

(Copy.)

SIR,

The Treasury, 30th June, 1883.

I have the honour to submit, for the information of the Honorable the Minister for Lands, the following report of my inspection of certain accounts of the Lands Department:—

Advance Account.—Amount received from the Treasury, 7,805 12s. 5d., represented by—			
Vouchers in the Treasury for reimbursement (seen)	...	...	£5,181 16 0
Vouchers in the office, tallied	...	...	1,322 13 8
Vouchers not yet returned from country offices	...	...	71 0 4
Petty cash vouchers, tallied	...	...	£1 19 6
Balance of petty cash	...	...	8 0 6
			10 0 0
Cash in banks (bank book produced and reconciled)	...	...	1,220 2 5
			<u>£7,805 12 5</u>

as per usual balance-sheet prepared by the Accountant.

Trust Account.—No amount on hand or in the bank, all received having been duly paid away.

Collector of Imposts.—Amount received since last inspection, £75 10s. 6d.—all paid into Treasury except £17 9s. 6d., which is in the Union Bank, as per bank book.

Cheque 976, £17
15s.

Again, in looking over the reimbursement accounts in the Treasury I found one chargeable to the vote for Labour and Survey Parties, which is not certified by the Assistant Surveyor-General.

Having particularized two cases of this kind in my last report, I inquired of Mr. Black whether the omission was due to any change of system, because he had previously informed that all such accounts ought to be certified to or initialled by him. Mr. Black, however, knows no reason why the account in question did not pass through his office, and considers that in regular course it ought to have been so passed—the non-passing of such accounts by him rendering his records and statistics defective.

Directions will probably be given to prevent similar omissions in future.

Now that a new financial year is commencing I cannot but express the hope that some improvement in the books of the Accountant's office may be made in the direction set forth in my previous reports. I cannot pass silently over what I consider an absurd waste of time in casting out the available balance whenever an account is entered in the book termed "Particulars of Expenditure." There are considerably over a thousand of such superfluous subtractions and entries, and although spread over a year the labour may be hardly felt, yet the fact remains that it is unnecessary. The expenditure in connexion with the extermination of rabbits gives occasion to upwards of five hundred of the entries, and the inutility is particularly evident here because, as I have previously pointed out, a complete check as to the nature of the expenditure and amount is maintained in the account kept by the officer who deals with the office portion of that important work.

Report dated 7th
May, 1883.

See Report dated
1st June 1883.

The duplication of work in connexion with the accounts of the botanic gardens I have already sufficiently commented upon. The system will, I trust, be altered in the ensuing financial year.

I have the honour to be, Sir,

Your most obedient servant,

The Secretary for Lands.

(Signed)

H. F. EATON.