

from other sources; and they are not, therefore, as they ought to be, the original and authentic record of the money received and paid out. In our report presented in June, 1877, we recommended the use of a cash blotter, and such a book has been recently procured, but has not yet been used.

The mode of keeping the cash has led to many irregularities in the accounts. Entries are transposed and out of place; and several instances occur in which moneys which had been received and deposited in the bank account were not entered in the books until they came into our hands, the omissions being discovered after the cash had been written up.

Such of these omissions as were clearly established we have caused to be entered in the cash-book; of others, we have preserved a statement, with the view of charging them in this year's account; but we do not think that all have been, or can be discovered at the present time. We are led to this conclusion, in which the Clerical Secretary agrees with us, by the fact that the accounts, as made up, shew several cash balances, which appear in the appendix, some in the secretary's favor and some against him, the ultimate balance being \$1,672.54 in his favor. The Clerical Secretary does not pretend that he is a creditor of the funds to this amount, and he is unable to explain how these balances exist, except upon the assumption that moneys which he has received and placed in the Bank are not entered in the cash-book, and that he has inadvertently deposited money belonging to one fund to the credit of another. Taking, as an example, the Mission Fund, of which the Clerical Secretary appears by the books to be a creditor in the sum of \$1,354.42, we think that this balance has arisen from deposits of some of the moneys of other funds in the Mission Fund bank account.

During our examination of the accounts, it was brought to our knowledge that, on the Rector of Kingston applying to some of the persons who appeared to be in arrears on the mortgages held by the Synod belonging to his Rectory, they produced receipts for moneys which were not entered in the books, and for which there was no acknowledgement on the counterfoil of the receipt-book. In one case, that of Martin's mortgage, a receipt signed by the Clerical Secretary, for the sum of \$222.19, was produced to us. Of this sum, \$207 was principal, and the balance, \$15.19 interest. The interest was entered on the counterfoil of the receipt-book and the cash-book, but the principal did not appear in either. The Clerical Secretary stated to us his belief that the money had been paid to him at his residence, that he had given a receipt at the time of payment, the regular receipt-book being in his office, that the entry of the principal had been overlooked, but that he believed the money had been duly deposited in the Bank. Judging from the amount of the cash balance in the Secretary's favor, we think this explanation is probably correct.

The payments in connection with the various funds were all duly vouched by cheque, with the exception of some small bank charges for collecting coupons. Many of the cheques were, however, irregularly signed, the signature of the Bishop being wanting. This subject was brought before the Synod at its last session, and was dealt with by the report of the Special Committee then appointed.

Our examination changes in the system, proper authority, to so adjusted as to m

An account should be a mere memorandum to enter into the general

The Mission Fund increasing.

The interest account the overdraft being securities belonging but will probably be

The Rectory Lands a separate cash account causes some confusion credit of each Rectory in August, 1877, which

On the 31st of August, Rectory Lands Fund debentures. This sum entered on the 31st of \$103.51 for interest made in the pass-book in the secretary's book exceeds that in the statement the 2nd July, 1878, the September, 1878, charged (19) was given to the transactions are entered this cheque

We again call attention balance at the debit of \$3,244.65. Every

We have examined which are kept by

These mortgages, in possession. For those The amounts of the which accompanies the The securities transferred treasurer and Clerical The Bank and cash