

There and then the disposal prices are fixed and forwarded to the Accounts Department for action.

Interim Accounts: These are accounts and statements prepared at regular intervals during a given financial year. This enables comparisons to be made with similar past statement and trends could thereby be identified. Corrective actions would be taken where considered necessary. This should provide a valuable information to management.

Accounting Ratios: This provides the identification of significant financial relationship between given items in a set of accounts, with opportunity to compare with similar past ratios and interpreting the significance of variations. Remedial actions could be taken where considered necessary.

Funds Flow Analysis: This analysis relates to the examination of the sources and uses of funds during a given period. It enables the identification of the causes of short falls to be made including the timing of the cash flows.

## 2. COSTING TECHNIQUES:

Another important area of financial control which is worthy of mention for library organizations is the creation of cost-consciousness in all members of staff of the organization. Little things which do not attract immediate attention when given a final and detailed analysis assumes an astonishing proportion. For example, petty pilferage of pencils and biro pens, ruled and unruled foolscap sheets, omission to switch off the air-conditioners at the end of the working hours, and others may consume an alarming proportion of the relevant votes of charge at the close of each fiscal year. Thus, creating an awareness for costs incurred through abnormal wastage like failure to switch off office lights when not in use, fans when not required; abnormal idle time like unpunctuality, chitchats, failure to do jobs on time is a very important financial control which management cannot afford to overlook. Other wastage are abnormal losses, e.g. through theft or neglect; opportunity cost, i.e. the value of something else forgone, e.g. the value in terms of monetary cost to the organization or working hours lost through delays and absenteeism. In some organizations, one would find some senior or junior executives indulging in regular chit-chats on telephone or invit-

ting junior staff to their offices for unofficial discussions and jokes during official time, thereby creating loss in executive time and not creating the desired cost-consciousness in the minds of the junior staff. Management should always endeavour to educate all staff both junior and senior properly on the use of official time and resources which mean money to the organization. A lot of money may go down the drain in this manner which would not necessarily aid an efficient library service.

Furthermore, with the steady growth in the library organizations and its attendant day-to-day library operations and services, masses of data would be endlessly churned out. This mass of data need to be carefully sorted, analysed and stored for use as required, e.g. for backing up request for funds and government support. Information required for any particular purpose constitutes not the whole of this data but that part of it which is relevant and meaningful for the purpose concerned. This operation is a data handling technique and is only being mentioned in passing. Other control devices which may be considered relevant to Library organizations as agencies of the government are:

- (1) Forms Design: This involves the preparation of a list of essential information desired, arranging items in their logical sequence and removing ambiguity in wording, deciding on the layout including the use of colour, size, print, etc.
- (2) Forms Control: This control entails the tabulation of all forms in existence in the organization, investigating the need for each, eliminating non-essentials and sequential numbering of the rest.

### Internal Auditing:

The more complex an organization becomes in size and operations, the more remote the controls become from top management hence the use of internal auditing techniques as a control to review other control devices. On the financial management cycle, audit and review function form the final phase of the financial management cycle. It would therefore be of immense value to appreciate the role of an internal auditor as part of the management in an organization. The Institute of Internal Auditors has defined internal auditing as "an independent appraisal activity

within an organization for the review of operations service to management". Thus, it would be seen that internal auditing is a managerial control which functions by measuring and evaluating the effectiveness of other controls. As indicated above, internal auditing evolved because the growth and expansion of both public and private organizations made it difficult if not impossible for middle and executive management to have personal knowledge of current operations and of the effectiveness with which objectives are being met, policies being followed, and control systems are functioning. The need for this brand of information in operations throughout the organization gave the impetus which developed modern Internal Auditing.

The fundamental objective of internal auditing is to give assistance to all members of management to discharge their responsibilities effectively. It therefore meets its objectives by furnishing management with analysis, appraisals, and recommendations concerning the activities reviewed.

Furthermore, an internal auditor's scope of operation encompasses every phase and sector of the organization. This goes to dispel the general misconception that internal audit function is limited or restricted to the routine checking of vouchers and the verification of accounts prepared in the Accounts Department of the organization. In order to be able to discharge his duties very efficiently and effectively, the internal auditor should have full and unrestricted access to all of the organization's records, properties, and personnel subject of course to security restrictions. This fact should be declared by executive management in any terms of reference to be established for the Internal Audit Section.

In brief, the Internal Audit Section has the following responsibilities when installed in a library organization: the review and appraisal of the operations of the library, i.e. whether financial or otherwise; the examination of the systems of internal control and internal check operative in the library's system, ensuring safe custody and security of all library assets; checking of accounts, records and vouchers; investigating losses, shortages and frauds; reporting to the management on measures for improving all forms of managerial control. In the circumstance the-

efore, the reporting status should be at a level which would provide the auditor with a reasonable degree of independence which is an essential requisite for aiding his ability to discharge his duties without fear or favour. In the course of the discharge of the auditor duties however, he has a wealth of techniques relevant to his professional discipline at his disposal. Amongst them are the following:

1. The Internal Control Questionnaires: Which involves the device of comprehensive series of questions intended to ascertain points of weaknesses or inadequacy in internal control; detailed checking of weak points; and recommending measures for eliminating weak spots.
2. Flow Charting: This process involves charting of procedure and the flow of related document so as to reveal more readily weaknesses and gaps in systems of internal control; and recommending measures for tightening controls.
3. Statistical Sampling: Statistics is the science that deals with data; their collection, analysis and interpretation, while on the other-hand, sampling is the process of selecting samples and of observing and recording the information obtained. Any collection from a population is called a sample, the number of observations in the collection is called the size of the sample. Statistical sampling therefore can be taken as the process of learning about a lot by looking at a little, determination of

sample size, level of confidence, degree of precision, determining particular items to be included in the sample random sampling, interval sampling, etc.

4. Ratio Analysis: This is the expression in the form of ratios of the financial relationship between significant pairs of items in a set of accounts; comparison of such ratios with similar ratios of past periods of other similar branches of the same library and other similar organizations; and the investigation of significant variations.

### CONCLUSION:

In this paper, attempt has been made to provoke some thought on the importance of an effective financial control system as an indispensable tool for achieving amongst many things, satisfactory accountability. For this purpose, a vast range of techniques has been highlighted and a few of these treated in greater detail. These are the techniques that I consider to be of relevance and of appreciable significance to the efficient and effective discharge of the wide spectrum of activities that is deemed to fall within the umbrella of financial operations in the business of government. Much as the whole range has been surveyed in order to identify and categorize the numerous techniques into appropriate groups, it has necessarily been impracticable as indicated earlier in the paper, to outline the significant features and characteristics of every single technique. Furthermore, I have attempted

an emphasis on the significance of cost consciousness and the attendant possibility of cost reduction in an organization, or a government agency like the Library. This no doubt would lead to improvement in staff productivity and efficiency in all areas of library business activity as it is, in all stages in the life of any business enterprise. In achieving these however, there should be no need for any sudden burst of enthusiasm leading to wanton punishment of staff for unpunctuality, idleness and other causes of wasteful cost. Rather, cost consciousness should be a continuing and sustained process.

Management should attempt to induce a general awareness of costs throughout all the stages of operations and to instill into the employees at all levels the significance of costs which they should be made responsible for, without their probably being aware of them, and to seek their whole-hearted co-operation in promoting efficiency and reducing costs all round. This would in a large measure give effect to a more realistic control of funds entrusted to management for the running of library services and for providing the necessary reliable financial data required for measuring and costing the level of achievements of library objectives and goals to which the entire institution is committed.

Finally, all measures need be taken to guide the internal operation of the library business in such a manner as to produce the most satisfactory result or services at the lowest possible cost to the community.

## Page Explains His Role In Europe

.....*Being the substance of a talk given by Mr. Ivan Page during a reception arranged in his honour by the National Library of Nigeria at the Lagos Island Central Library on 15th February, 1978.*

It is possible to consider a national library chiefly as a national collection of library materials, or chiefly as the source of bibliographic services to the nation. The second view is a more modern one and has come to be the principal aim of the National Library of Australia. Before examining the NLA's services, however, I should like to survey briefly the growth of its collection.

The library traces its origin back to 1907 when a committee of the Parliament of the still new Commonwealth of Australia resolved to establish a library. Very shortly afterwards it agreed to purchase a major collection of books concerned with the history of Australasia and the Pacific.

This collection had been formed by Edward Augustus Petherick collector, bibliographer librarian.

We were fortunate to secure Mr. Petherick's service for the last years of his life. The library remained essentially the library of Parliament and grew only slowly until the 1950s. By that time the National Librarian was Mr. H. L. (now Sir Harold) White who had long entertained a vision of the library as a major national research collection.

This vision was to become a reality with the passage in 1960 of the National Library Act which formally separated the National from the Parliamentary Library.