

Subsidiary Books.

The Appropriation Ledger is kept in single-entry form, and is useful in showing the daily balance on any particular vote, as well as for comparison with the Treasurer's books, which are kept in this form.

The Capital Account Ledger is kept for the purpose of showing at a glance the cost of, or expenditure on, any single line or section of the railways, and also the gross sum expended on the whole of the line, together with the amounts voted for construction, and balance unexpended at close of any year. This book includes the whole of the expenditure on account of construction, whether out of loan or revenue votes.

The Personal Account Ledger shows the amount or value of the work done for, or stores sold to, any person or department outside the railways.

The Schedule Ledger shows the working expenses in their detail, under locomotive, permanent way, traffic, and general, but does not include anything outside of such yearly expenditure for working and maintenance.

The above are the most important of the books in the Account Branch. There are, of course, many other minor and comparatively unimportant books which are not mentioned in a rough statement such as is wanted here.

Accounts.

In dealing with the accounts for expenditure, the Treasurer is looked upon as the railway banker, and a heading is opened in the Main Ledger, called "Colonial Treasurer." To the debit of this account is posted the total amount of the loan votes and yearly appropriations authorized by the Legislature, and credits are opened, under the heading for each vote, of the particular amounts authorized for those special works or expenditures.

When claims come in they are entered in the cash-book to the debit of the particular work on which they are incurred, and also to the credit of the Treasurer's account as above.

Should the claims be for materials which go into store, and cannot be charged directly to any particular work or line, they are entered in the cash-book to debit of Stores Account, and credited to the Treasurer as above; and when the materials are issued from store to any work the Stores Account is credited by entry in the journal, and the particular vote for that work debited. In connection with this it should be mentioned that a monthly statement of the values of stores issued is furnished by the Storekeeper, in which the values of materials are properly classified for entry in the journal.

In dealing with the receipts on account of revenue, three headings are opened in the ledger—namely, Revenue Account, Stations Account, and Earnings Account.

The Revenue Account is debited with the total receipts on account of revenue, whether from traffic, sales of old materials, fines, or any other source, and the amount so debited is credited to the Miscellaneous Earnings Account and the Stations Account in their proper proportions.

On the receipt of the monthly return of station earnings from the Traffic Auditor, the Stations Account is debited with the total amount, and the Earnings Account credited with the same. At the close of the year the Stations Account thus shows the balance outstanding, being the difference between the amounts earned at the stations and their receipts, and this amount should, of course, be shown by the accounts unpaid by customers.

At the end of each year the Earnings Account is written off to the Revenue Account *in toto*, and the balance to credit of the latter shows the total amount outstanding, whether from Stations Account or any other source of revenue.

In dealing with receipts other than revenue, such as adjustments, refunds, &c., the receipts are credited directly to the vote or account on which the refunds, &c., are made, and the Treasurer debited with the same, as being available for re-issue.

I have thus endeavoured, as far as the time at my command will allow, to give a scanty outline of our principal books and method of dealing with the accounts, and I trust that it may be found sufficient to give an idea of the system pursued in our railway accounts.

JOHN VERNON,
Principal Bookkeeper.

21st September, 1880.

APPENDIX D.

SCHEME OF THE LEDGER IN THE RAILWAY ACCOUNTANT'S OFFICE AT ADELAIDE.

Accounts.	Dr. to	Cr. by
Accounts of Stations ..	Total Earnings of each	Cash Remitted.
Passenger Traffic ..	Profit and Loss ...	Earnings of Line.
Goods Traffic	Profit and Loss	Earnings of Line.
Accounts of Miscellaneous Revenue ..	Profit and Loss	Earnings of Line.
Bank	Cash Banked	Cash Paid into Treasury.
Treasury	Cheques on Bank ..	Issues for Expenditure.
Profit and Loss * ..	Cost of Working Line ..	Total Earnings.
Stores † ..	Purchases of Stores	Issues of Stores.
Accounts of General Charges ..	Charges Paid	Profit and Loss.
Accounts of Traffic Charges ...	Payments in Cash ..	Profit and Loss.
	Stores Issued	

* In this account the whole receipts and expenditure from the commencement are brought forward. The balance shows the amount carried to interest.

† The balance of this account is the value of stock in stores.

In this sheet several subordinate accounts and transfer accounts, not affecting the general scheme, are omitted.