

127. How long is it since the Audit requirements to have the cash-book sent up to the Audit offices, three-quarters of a mile from your office, daily, ceased?—I believe it was in 1886, but I am not sure without reference to the date.

128. I understood you to say that one of your reasons for keeping the general cash-book was the necessity of having to send up the cash-book daily to the Auditor-General?—The reason was the necessity of sending it up daily to the Audit Department.

129. When did you commence the system of keeping a general cash-book?—It must have been when there was more than one cash-book, because the only use of the general cash-book was to record the totals of the other cash-books.

130. You passed your entries into the ledger from the ordinary cash-books?—Yes.

131. Then, are the cash-books always added up and balanced daily?—There is no necessity to add up the ordinary cash-books at all, because the totals go into the general cash-book, and that is the book which tells us the balance.

132. But, surely, in order to get the totals it must be necessary to add up the cash-books?—It must be necessary to add them up daily, but not to carry on the totals.

133. Is it not always necessary in any well-regulated office to balance the cash-book daily?—Yes; but our general cash-book answers to the cash-book of an ordinary office.

134. Supposing your ordinary cash-books were balanced daily, would there be any necessity for the general cash-book?—Yes; because we must focus into one general cash-book, which records the balance of the whole office. One cash-book deals with a particular branch only.

135. But supposing your whole day's work—debit and credit entries—goes through one set of cash-books, why cannot they record everything in the shape of cash that passes through the office?—They do.

136. Then, I ask again, why the necessity of a general cash-book if the ordinary daily cash-books are balanced?—Because we must have the whole cash of the office focussed. The Intestate cash-book, for instance, shows the amount of cash received for that particular branch.

137. What objection is there to put in all transactions of the various estates and trusts through one set of cash-books?—None; that is done at present.

138. Supposing, then, that this series of cash-books is balanced every day, you would get the balance of the day's work, and why cannot your posting be done from those cash-books to the ledger?—It is done.

139. Why, then, the necessity of the general cash-book?—To focus all into one. We have six branches. The total only of the cash received each day is entered into the general cash-book: Intestates No. 1, Intestates No. 2, Wills and Trusts 1 and 2, Real, and Lunatic, Miscellaneous. The total of all the cash received is then known at a glance, and we can arrive at the bank balance and our true position from that general cash-book, but cannot from any of the others.

140. Have you not the ordinary daily cash-book in your ledger?—Yes.

141. Should not the totals from that daily cash-book go into the ledger daily?—Yes.

142. Where do the cash-book entries go from?—From the cash-books.

143. Does not that, then, focus the cash-books into the ledger account?—It ought to.

144. If your Accountant chooses to keep his books in any fanciful way peculiar to himself, and tells you it is the right course, are you in a position to say it is not?—I am not sufficient of an accountant to dictate to a man who has had a life of accountant's work, whether his method is a better one than mine. That is to say, I trust the Accountant implicitly, and he knows better than I do.

145. But, supposing the Accountant of your office, whom you trust implicitly, had a very fanciful yet slovenly mode of keeping books—I do not say he has—but supposing he had, and an unnecessarily laborious and various mode of keeping books, would you be able to direct him that he was doing wrong?—I think I should be able to direct him.

146. In Mr. Woodward's time the work was very light. I learnt from you there was a cadet and Chief Clerk assisting him?—Yes.

147. Have you looked carefully through his books?—Yes.

148. Have you observed that the balances were always brought down and ruled off?—Always.

149. They seemed to have been fairly well kept?—Very well kept indeed.

150. How long is it since your Accountant joined your office?—He joined in October, 1880, three months after myself.

151. Then, I presume that he is responsible to you for the mode of keeping the books as they appear at present?—That is so.

152. Have you been in the habit of looking through the books?—Very seldom.

153. Did you ever find any account-books in your predecessor's time that had not been properly ruled off?—No.

154. Have you noticed that many of the ledgers now in the office, and for some years past, have not had the summations made in the transactions—that is, the summations necessary to check the balances?—No, I have not noticed that.

155. You know the object of double-entry book-keeping?—I do.

156. You know the object of having a debtor-and-creditor column for entering in the transactions?—I do.

157. I notice, in your system of book-keeping—whether it obtained before you came or afterwards you will be able to say—that the ordinary plan of debtor-and-creditor column of transactions has been reversed. That is to say, you have in your ledgers, in some cases, four columns. What the first column is for I do not know, but the other three columns are supposed to be for the debtor transactions, creditor transactions, and the balance. In your books they have been purposely reversed. First comes the creditor transaction, then the debit, then the balance. Can you explain why that system was adopted?—I think I am right in saying that it was adopted