

been indicated, you could then dispense with the books that are now necessary to keep that Imprest Account?—Yes, certainly.

1291. Will you tell me about the practice in connection with the Returned-cheque Deposit Account? You have a subsidiary ledger for that?—Yes. The returned cheques go into an account in the individual ledger, and then are analysed in the subsidiary ledger—that is, those belonging to the same person go to his account, with separate accounts for sundries. When a cheque is issued, and is either returned through the Dead-letter Office unclaimed, or is lost, we place it in the Returned-cheque Deposit Account. We do not recredit the account out of which it was issued. We keep these cheques in Returned-cheque Deposit Account in case they are claimed in future by the owner. In the case of Natives there are several Natives who refuse to take their moneys in the Native Reserves Branch, and the cheques issued to them or on their account we place straight into that account until they are claimed.

1292. Will you tell me first the object of opening that account originally?—It was to keep those moneys out of the account in the individual ledgers, so as not to complicate them.

1293. What moneys?—The moneys issued to those people—to any one who is entitled to receive money and who does not claim it—that is, a cheque issued to a person who does not receive it. It remains unclaimed at the post-office, and is returned through the Dead-letter Office. It goes into the Returned-cheque Deposit Account, instead of being credited to the account it was issued from.

1294. Let me understand you clearly. Do you draw cheques really before they are applied for or wanted?—No. A man may send in his claim; then he applies for the money. That claim may remain a varying period before it is paid.

1295. Then, when a claim comes in, while it is under consideration do you draw a cheque for that claim?—No. The claim comes in, and it is examined in the office, passed on to Audit, where it is examined again, is returned to the Public Trust Office, and remains there until it is ripe for payment. Then, when the estate is ripe for distribution, the claim is paid. A cheque is drawn after the claim has been approved by the Audit. It is then put into requisition and passed by the Audit again for payment.

1296. But of course it must be first approved by your own office?—Yes; it is first approved by our office, then put into requisition and passed on to Audit, and passed for payment. After the Audit have passed it for payment, then a cheque is issued for the claim, and that cheque may remain unclaimed by the payee, and may come back through the Dead-letter Office. In that case we place it to the Returned-cheque Deposit Account. On the other hand, we may have certain Natives who refuse to receive money, and in their case we draw cheques for their amounts when ready, and place these at once into Returned-cheque Deposit Account until they are claimed.

1297. Well, now, as you have so aptly described the system of proving claims and passing claims, perhaps you will tell me how long does it take before a claim passes through its various stages—that is, the requirements of your own office and the severe and particular requirements of the Audit Office—before it is ripe for drawing a cheque to satisfy it?—In ordinary cases, without any special circumstances, it would take three or four days.

1298. Would it take three or four days if the claim was a simple ordinary claim which, in your opinion, there could be no dispute about?—Yes, it would. There would be the receipt of the claim through the office. It would then go to the officer in charge, and be entered in his Assets and Claims. It would be then examined as to computation by the cadet, and scrutinised by the Ledger-keeper as to its being a proper claim, passed on to the Accountant preparatory to going to Audit, sent to Audit, re-examined by an Audit officer, and passed by him, and would then come back to the officer in charge of the estate, who would then consider whether it should be paid or not. If it was a claim that should be paid, he would pass it on to the Accountant, recommending that it should be paid. If the Accountant approved, he would initial it. It would then be put in requisition and passed on to the Audit for payment. That process, if not hurried, would probably take three days in working through. Of course, it frequently happens that we pay claims at once in an urgent case. For instance, if there is an undertaking to lend money on mortgage, and the advice comes down that the mortgage is executed and the title all ready, and they are wanting the money, if there is a mail going the same day we should make a special requisition of it, and put the whole thing through in one hour.

1299. But in the ordinary course of business, from what you have just stated, the smallest claim, whether indisputable or not, would take from three to four days under the requirements of the Audit Department and of your own office under your present system?—Yes, it would.

1300. When the claim is ripe for drawing a cheque—that is, when the great Audit Department has approved of it, and your own office has approved of it also, is a cheque drawn?—Yes.

1301. Your system, then, is immediately to draw a cheque?—No; we have to place these claims in requisition.

1302. Will that consume further time than three or four days of which you have already spoken?—Yes; you can add that to it in the ordinary way. That would be additional time. There is the arranging of the claims in order, numbering them, placing them on requisition—that is, entering them in the form provided—and then making out the cheques, making bank schedules of those cheques; all the cheques drawn on one branch of the bank are scheduled and returned, and those different returns are attached to the bank-order, which has the effect of transferring the total amount of money from the Public Trustee's Account to an account called the Public Trustee's Disbursement Account, on which these cheques are drawn. Only one cheque is taken for the whole from the Public Trustee's Account, and out of that the individual cheques are drawn.

1303. How long, then, does the requisition-time take?—After the requisition a bank-order is prepared. It goes to the Public Trustee for his signature. After he has signed it it goes to the Audit officer, and then to the Controller or Assistant-Controller, who signs the requisition and bank-order and returns to this office,