

A capable and specially qualified staff is available to deal with all problems of administration which may present themselves, and beneficiaries are kept closely advised of the progress made, consulted regarding the realization of assets, and encouraged to confer with and assist the officers of the Department with any advice which by reason of their local knowledge and familiarity with the affairs of the estate they may be able to tender. While promptitude in administration is kept steadily in view, the interests of the beneficiaries are always regarded as of paramount importance, and where conditions for realization of assets are unfavourable precautions are taken to protect the estates against the sacrifice of such assets. I have pointed out elsewhere that, if necessary, the Department itself finances the estate temporarily, or assists beneficiaries in need with advances against their shares, where it is possible to do so.

ADMINISTRATION ACCOUNTS.

41. The accounts of the Public Trust Office are kept on an approved and well-tried system, from which, as has been said, "have been eliminated cumbrous and unreasonably circuitous expedients." The arrangements for carrying out the system are designed to ensure expedition, to lessen labour, and to facilitate the transaction of business. At the same time the system, though simple, is adequate and eminently suited for the peculiar business in which the Department is engaged.

Basically, the principles of accounting are the same, whatever the nature of the business concerned may be, and, of course, in essentials the accounting requirements of a trustee cannot be said to differ from those of any other person or business. However, as a trustee acts on behalf of others, his accounts must be drawn to show the manner in which he has fulfilled his responsibility, and it is here that a difference arises between trustee and other accounting. It has been said of this :—

Fiduciary accounting is different from other accounting because of the fact that the idea of proprietorship is almost, if not entirely, absent, and in its place is substituted responsibility or accountability to another party. It always arises from delegated authority, the matters being placed under the control of some person or representative of the actual owner, and the purpose of accounting is to prove that the fiduciary has faithfully performed its obligation. Therefore the test of proper trust accounting is the ability of the system fully to explain or set out the fact that the one charged with the responsibility has fully executed it.

In the administration of an estate an executor or administrator is responsible to see that the beneficiaries receive what they are entitled to under the will or under the intestacy, as the case may be. He must keep proper accounts and submit them regularly to the beneficiaries. These accounts involve much detail, and, except in the most straightforward and simple cases, require professional skill in their preparation. Where there is a will, its provisions must, of course, govern the distribution of the estate funds. It frequently happens that the will is not clear in some of its provisions. This necessitates, in the first place, a reference to legal advisers as to the proper meaning and effect of the document, and, in the second place, possible application to the Supreme Court to have the ambiguity explained. A class of will which most often requires an interpretation of the Court is the "home-made" document, the will drawn up without reference to a solicitor or other person qualified in this class of work.

Administration accounts must be concise and as easy as possible to follow, but it is necessary that at the same time they furnish an accurate statement of the position of the trust property.

42. In the conduct of its business the Office deals with a wide range of property interests, and has on its books businesses of many kinds and assets of every description. Consequently the accounting problems arising in the administration of estates are not only those peculiar to trustee accounting, which in themselves are varied and complex, but also those which confront business people in the conduct of their affairs. It is necessary that the accounting system of the Department and its personnel be equipped to handle these manifold tasks, and I think the results show that this end has been adequately achieved. The Office includes on its staff numbers of accountants who, in addition to ordinary accounting qualifications, have gained wide and unique experience of executorship, administration, and trustee accounts, as well as death-duty and taxing matters. Statements of