

27. Then, I understand you balance weekly?—Yes.

28. Then, look again at Hatfield's account. Are the entries posted daily in this ledger as well as in the other?—Yes.

29. I presume, if you were making a balance, say a weekly balance, you would take the debtor and creditor balances from this ledger, and they should agree, if cash in office were added to one column?—Yes.

30. When you want new books to transfer accounts and balances, have you any stated periods for opening new books?—No; only when the old ones are full. If we happen to be near the end of a book we should not complete it, but start the new year with the new book.

31. You have got more than one individual ledger?—Yes.

32. How many have you?—Nine or ten.

33. Then, out of that series of ledgers you would not make your transfers into new ledgers at the same time?—No.

34. According to your practice as one ledger was used, you would get a new one, no matter on what day or at what time of the year?—Yes.

35. In what ledger and on what folio is the Bank of New Zealand account with you?—I think that is in No. 1 ledger.

36. But after it is disposed of there?—We do not keep it now; it was dropped at that date.

37. I have nothing to show me that that account is not working still in your ledgers?—It is so; that account is stopped entirely.

38. Why was it stopped? Why considered necessary to stop it?—It was not considered necessary to continue it, because the pass-book, with the Check Ledger, was considered quite sufficient.

39. When was this ledger, No. 2, opened?—About 1877 or 1878.

40. Does this ledger run concurrently with that one?—Yes; and there is a No. 3 ledger, beginning at the same time as this. When that ledger became full, it became necessary to get a fresh one.

41. Do you know when No. 1 ledger was dispensed with?—Only the last few years. That ledger was left open to hold the accounts which were remaining for those years, and the final closing of that ledger would be when the final accounts closed.

42. I find transactions in some accounts running up to 1874, some to 1876, some to 1878, some to 1882, and even up to 1884. Does this ledger go beyond the year 1884?—I think it does.

43. Can you point out to me an account where it does? [A pause.] If you now go back to your office, you surely will be able to find some record that will guide you as to the date at which you dispensed with the use of No. 1 ledger?—There is no special record made of it. Of course, I could find it out.

*The Chairman:* Then you had better do so.

44. *The Chairman.* My object, Mr. Moginie, is solely to find out and satisfy the Commissioners on what system or method you have been keeping your books. With us there is no feeling of antagonism to the office, or anything of that kind, but I have to be precise and particular in the questions I put, in order to get the information I want in the same form?—Just so. Well, I find that the ledger was finally closed on the 31st December, 1886.

THURSDAY, 19TH MARCH, 1891.

Mr. JOHN CHAMBERS MOGINIE further examined.

45. *The Chairman.* I see a number of credits placed to the credit of the Public Trustee's Expenses Account. Is it usual to pass such entries to an Expenses Account?—It is necessitated by the law, which says that commissions and charges of the office shall be placed to the credit of the Public Trustee's Expenses Account.

Mr. R. C. HAMERTON, Public Trustee, examined.

46. *The Chairman.* Mr. Hamerton, in regard to the lending of money on mortgage, I think you mentioned that the office never lends more than half the valuation?—Yes, since the regulations came into force, but in the early days we used to lend two-thirds—up to, I should say, 1884. I could get the date from the papers.

47. *Mr. Macdonald.* Here is G.'s mortgage. The valuation for the property-tax is £15,000, and the loan is £10,000?—The property-tax valuation is nothing. The private valuation is what guides us.

48. Is the regulation absolute as to 50 per cent.?—You have it in the books I prepared for the Commissioners. When it is proposed to lend any money on the security of real estate the regulations say, "The Board shall not agree to such loan until a valuation of the security, made by a valuer or valuers appointed or approved by the Public Trustee, has been obtained. No such security shall be taken except on first mortgage of land held in fee-simple in possession, and no moneys shall be lent which shall exceed one-half of the value of the property to be mortgaged."

49. That is very clear and mandatory in its terms. In G.'s case, what was the amount lent?—We offered £9,000, and in consequence of further correspondence £10,000 was recommended, That was placed before the Board and approved.

50. *The Chairman.* What was the value?—£18,000.

51. Was not the first value something like £15,000?—That is the property-tax valuation.