

tion of figures, and the whole thing appears to be done in a slovenly, careless fashion. Did you, while in pursuance of your duty, make no memorandum in reference to it and its condition?—No; I would merely speak to Mr. Buckland.

155. Is it not part of the duty of an auditor to really refuse to audit a book with alterations of that kind? For instance, if there is any doubt about the total summations of the outer column, how can you regard the summations of the inner column as being correct?—I have checked all the summations of the inner column.

156. Then, when you come to any amount that has been posted into the general cash-book, do you, before checking that amount to see that it is carried properly into the general cash-book, check the summations?—Yes.

157. The whole of them?—Yes.

158. *Mr. Macdonald.*] Do you check the entries in the ledgers?—Yes; the whole of them. My tick is there.

159. Take the cash-book under the 31st December, 1889. How is it that there is no balance carried forward?—The cash-books, being sections of a whole, do not carry balances forward.

160. *The Chairman.*] At the close of each year is it not usual to bring the balances down?—Yes.

161. *Mr. Macdonald.*] Here is a difference of £41,000 between the two sides. There is not a word of explanation to show where that £41,000 has gone. Will you kindly show whether that £41,000 is carried forward?—In the general cash-book there would be a balance carried forward, because the whole of the money is brought into the ledgers.

162. You tell us that cash-book is not the real cash-book; it is an inferior cash-book?—It is a cash-book of convenience.

163. Does it not necessarily follow that that balance of £41,000, which appears to be the balance existing between debit and credit side, 1889, should have some explanation as to what has become of it?—You must take the fact that that is only one of those cash-books. If that was the cash-book of the office it would be balanced.

164. If it looks that to outsiders, how does it look to an expert?—An expert knows the whole working of it.

165. Do you think it is a proper system of keeping a cash-book, which at the close of the financial period shows a balance of £41,000, but shows no explanation as to what has become of that?—I am not responsible for the system of book-keeping.

166. You have had an experience of two years here. What do you think of the cash-books system, showing the cash business of the office? Would you think it a wise system, a clear system, and one to be commended, &c.?—Well, that I am not quite prepared to say. These books may differ from mercantile books. They do not propose to be a complete system of book-keeping. They are only devised to show the total cash received and the total cash paid away.

167. *The Chairman.*] Do you not think that the same result could be arrived at by a more simple form of book-keeping?—That I could not say. I have never gone into it to say whether it is feasible to have another system.

168. Supposing, then, that you went downstairs to the office to ascertain the exact position of the Cash Account to-day, could you ascertain it and bring the result to me at this moment?—I would have to make it up.

169. Then the office would not have it made up?—No.

170. What first would you do to ascertain the cash balance?—I should take out the total cash receipts. There are these cash-books—I should require to have them—namely, general cash-book, Intestate Estates A to L, ditto M to Z, Estates in the Office A to L, ditto M to Z, one Real and Lunatics Estates, and the other is called the Miscellaneous cash-book. These are all the cash-books necessary.

171. The Cash and Imprest Accounts are already charged in those seven cash-books?—Yes. These would really show the actual cash position, with the exception of that amount you see “unadvised,” which is kept in a small ledger.

172. Now, we will take the 31st December, 1889, as a typical case. Will you show the Commissioners how this incomplete balance system works out into the actual cash result?—These are the daily totals taken out from the daily cash-books, showing total receipts £197,597. The total expenditure was so much, leaving that balance.

173. Will you give us the balance in all these cash-books? Here you have got a balance of £41,000?—Yes.

174. Well, the Commissioners would like you to give us the totals of all these cash-books, and check that with the general result?—I shall do so, and supply the information to the Commission.