

individual ledgers in which you first opened them?—Well, by allowing the accounts to work themselves out in the same ledgers we should close a great many of them in the same ledger.

958. Would you close half?—I think more. Two thousand, probably.

959. Not more than two thousand?—I do not think so.

960. Then, it is to be presumed that you have a thousand accounts that are very operative and have of necessity to be transferred from ledger to ledger?—Yes, at a rough estimate.

961. So that you must, in the ordinary course and progress of business of your office, expect to have the work entailed upon you from day to day of having to wade through and refer to twelve or thirteen ledgers? Under your system you cannot avoid it?—We cannot avoid it.

962. How often do you open new ledgers?—There are no stated periods. When the old ledger is full—when an account has been opened on the last page of the ledger—a new one will be started. In that ledger there may be pages left for large accounts, in order that they may still go on.

963. Are you aware that at least in two of your individual ledgers, containing five hundred folios, that have been opened for five or six years, only some hundred or hundred and fifteen folios have been used? Are you aware of that?—I cannot call to mind.

964. I shall be able to show two in that state before we finish. Under your present system you are opening ledgers haphazardly, and before there is any necessity for them. If I point to two ledgers that have only a hundred or a hundred and fifteen folios used, should it not have occurred to you that room might have been found for those accounts in some of your other individual ledgers?—You have to keep up the classification. It only amounts to this: that these ledgers will last longer.

965. Will you admit this: that the more ledgers and the more books you open in your office, the more work is entailed upon the office?—Yes, it is so.

966. Either in reference to accounts or in the copying of accounts?—Yes; the fewer books you have the less work is entailed.

967. Have you any regular ledger-keepers in your office?—No.

968. Have you officers in your office who really understand the keeping of a ledger, and how a ledger should be opened and kept?—We ought to have.

969. Is it not the duty of a ledger-keeper, when his ledger is becoming pretty well used, and the necessity arises for opening a new ledger, to look through the accounts he will have to transfer, in order to take the average number of folios that each account has used, and so arrive at an estimate in setting off the folios necessary in opening the new ledger, and by that means to get an idea of the space required for each account?—Yes.

970. Have your ledger-keepers, or the officers who keep your ledgers, ever made those estimates, and made such representations to you at the time of requiring new ledgers?—No; it has not been the practice. I know some of them have planned off their new ledgers.

971. In preparing to open a new ledger have you ever indicated to them that they ought to do something of that kind—that they ought to prepare the estimate of space necessary for the accounts I have indicated?—I may have said something to some of them, but not to all, because it is not our system to make a general transfer of accounts from one ledger to another.

972. How often is your general balance?—Once a year.

973. Do you take out any trial-balances in the interim?—A weekly trial-balance from the Check Ledger, and, in addition, a balance from the two sets of ledgers, and compare them once a quarter.

974. You mean the individual and Check Ledgers?—Yes.

975. Would it not be a more convenient method if you had stated periods for opening new books—that is, books of that importance that ledgers are—for transferring all accounts?—Well, there is one objection, and that is that you would year by year be transferring balances of estates—the same balances, in fact, with perhaps a little interest added—and would be very largely filling up a book with old balances that will not be touched.

976. From your long experience I presume you could put your finger on the most of those dormant balances?—We can turn them up quite readily.

977. Supposing you had a ledger specially reserved for those sort of balances—balances that are not active, without transactions from day to day, or from week to week, but remain in the same inactive state from half-year to half-year, or yearly?—Those over £50 will have interest accruing on them.

978. Could you not put your finger, going through all your balances, on the most of that class of sleeping balances?—Yes; our sheets would show them.

979. To get over the difficulty you have shown about the trouble in making periodical changes in your ledgers, could they not be confined to one, or, if not to one, to even two ledgers, or to separate ledgers? I presume these balances would form a great number of those three thousand accounts you refer to?—Yes; a considerable number. Where they are still remaining there may be still a portion of the ledger which will be sufficient to carry those accounts right through their office existence.

980. I want to hear your opinion upon a system I suggested to you just now, of the principle that when it becomes necessary to transfer your balances from an old ledger to a new one: would it not be better to only do so at stated periods—say, where necessary, at the end of a financial year or the end of a half-year or quarter?—Then there would be occasionally portions of ledgers unused, and at other times the ledger might not be large enough to carry us through the period, because with the business fluctuating as it does sometimes you do not fill up the same space every year.

981. Would it not be well to so regulate and classify your accounts that you would have the inactive accounts in certain ledgers, and the active accounts in other ledgers?—There is an