

1446. Has it never occurred to you that that takes up considerably the time of your Ledger-keeper in working his ledger?—Of course it is done every time an entry is made.

1447. But supposing the balance changed from time to time during the same day—one part of the day in debit, another in credit?—Well, in posting, as we have done, from the cash-book, the whole of the entries for one estate would be gathered together in that cash-book, and there would be one total for all the entries then; and, those entries being recorded in the ledger, it would only be necessary for the Ledger-keeper to deduct the total from the previous balance.

1448. It does not matter whether the total is composed of many other smaller totals or a very small total; but what I want your attention to is that under your present system your Ledger-keeper must be ready to change his pens and ink continually during each day?—Of course debit balances are rare, except in those accounts that are always in debit.

1449. I think I can show you a good many operations of debit balances where the ink has to be changed?—In proportion to the number of estates opened in the books it is not often.

1450. Would it not be more simple to have a small column for D. and C. between the credit transactions and the balance, in which the Ledger-keeper could make the initial D. or C. as the case might require for a debit or credit balance?—He would still have to work out that balance.

1451. True; but he would not have to change inks and pens?—It is a question which would be more prominent, red ink or D. and C. The red ink catches the eye at once.

1452. In correct book-keeping you do not want anything to catch the eye more readily than correctness. Have you seen how large ledgers in mercantile houses are kept?—Yes.

1453. They do not use coloured inks?—No.

1454. Have you seen the way in which bank ledgers are kept?—No, I never saw a bank ledger.

1455. Lucky fellow! Do you think you could get a blank form of a bank ledger?—I might, from the Bank of New Zealand.

1456. They might give you a leaf out of one, and you would be taking “a leaf out of their book”?—Perhaps I might.

1457. Will you please try and get a blank leaf out of some bank or mercantile ledger?—I will.

TUESDAY, 21ST APRIL, 1891.

Mr. MOGINIE further examined.

1459. *The Chairman.*] Well, Mr. Moginie, when we met on the last occasion you were to try and get a copy of the form of bank or commercial ledgers generally used. Do you now produce one?—I do.

1460. Have you had the use of the several spaces and columns explained to you?—The Accountant rapidly explained them to me, as he was called away by telephone at the time, and did not therefore go into the matter to any extent. He told me that the first money-column was the debit-transactions column; the second money-column, the credit-transactions column—that is, the lodgments into the bank; the third column was for D. or C., to show whether the balance was a debit or a credit balance; and the other money-column is the balance column.

1461. Then you have another smaller column?—Yes; that is for the number of days on which a balance is either in credit or in debit. Then there are two other columns for figures: one is for the decimals, to calculate the interest on the overdraft or to allow interest on the balance; and the last column is also for charging interest.

1462. Looking at this form of ledger, would it not be a more easy form of ledger to use in the Public Trust Office?—Yes; I think it would be easy if we abolished the system of investing the balance in deficiency bills. At the present time the system is that any balances remaining in Estate Account, and awaiting investment on mortgages, shall be temporarily invested in deficiency bills; so that in those cases we purchase an interest in a deficiency bill held by the office, and this removes the money from the Estate Account to the Estate Investment Account.

1463. It removes such money in order that you may purchase deficiency bills?—Yes.

1464. Then, in that case, would you not charge that amount to the estate, and would that not alter the balance of the account?—Yes; but if we cease to invest those moneys in deficiency bills they could remain on credit account and get interest in those decimal columns, and that would save the trouble of investing.

1465. Do you understand the meaning of decimal columns?—Yes: to calculate the amount of interest chargeable or allowable on balances.

1466. That is to say, that under that system, where you can calculate by decimals, you arrive at your interest any time of any day?—Yes. Of course, we do not allow interest on the whole balance. We allow it on the balance during any current quarter, where the balance does not go under £50.

1467. Where you have decimal columns you have the advantage of being able to calculate the interest on any day, but that does not necessitate your doing so?—That is so.

1468. Then, would not that form of ledger be more convenient than the form now in use in the Public Trust Office?—I think it would.

1469. It would avoid the necessity of using different-coloured inks to show whether a balance was in debit or in credit?—Yes. What I should like would be to increase the number of columns so as to separate estate money from income money.

1470. Can you not do that, by having a separate account?—Yes.

1471. And therefore it would be more simple than your present system?—Yes.

1472. The only improvement that I can see desirable for your purposes would be, if you agree with me, to give you double the space for the entering of particulars of transactions?—We should want much more space than is allowed in the bank-ledgers for that purpose.