

still in use. Do you think that account is ruled off as it ought to be?—Well, the ruling-off is always done at the end of the financial year.

1662. You have passed your financial year by several months, and this runs down to 1891. Take back any financial year during the last six years, and tell me where an account has been ruled off properly, and the balance brought down?—It would be detrimental to the working of the office to bring the balance down, because in taking out transactions it would require them to separate the balance from the credit transactions.

1663. How would that be so? Say you had debtor and creditor columns, and that they were correctly added up, would not that give the total transactions?—Yes.

1664. Then, supposing that it was the end of your financial year, and that you had brought down the creditor balance, then that entry would make the totals agree?—Yes.

1665. Then you have ruled the account off?—Yes.

1666. Then you commence the new year with the last balance brought down. Would not that be the proper form? Perhaps you never saw any ledgers in that form?—I never did.

1667. Do you not think it would be a better form?—Yes.

1668. If I tell you, then, that would be the proper form, would you dispute it?—No.

1669. We will now travel on half-a-dozen folios. Here is in an account on folio 6 a heavy item of expenses. What is that 7 per cent.?—Seven per cent. on £250 17s. 10d.; that is commission.

1670. Then you charge 5 per cent. on £122 17s.?—That is also commission on the same estate, but on different money.

1671. Are these charges of commission reasonable?—It depends on the class of money whether they are reasonable or not. These charges have been reduced. A charge of 7 per cent. on realising property should be a fair charge.

1672. How?—Of course there is work in connection with the realisation of property, but 7 per cent. on a fixed deposit at a bank would be excessive.

1673. Take the realisation of a property: the Public Trust Office, as has been its custom, would sell it privately or would sell it by auction?—Yes.

1674. Then, if it is sent to auction, what trouble has the Public Trust Office?—There may be very little trouble in that, or there may be considerable trouble. There may be the trouble of gathering the effects together.

1675. If you sell an estate privately, what particular trouble have you?—There is the trouble of finding a customer. Of course it may involve a lot of correspondence. You may know of a person who is prepared to buy, and you open up a correspondence. That may extend over some time before you effect the sale.

1676. But that is all the trouble?—That is all the trouble.

1677. Look at folio 7. There is a continuation of an account at that folio, and a good many entries for your expenses charges in that. Are they only quarterly?—Those are charges which are not recurring charges. There is a legal opinion amongst the charges.

1678. But you have a solicitor in the office. Supposing you get an opinion from him, would you charge an estate for it?—When he first came into the office we made a small charge for his advice, but that has now ceased.

1679. Then you looked upon him as a going concern—took something out of him?—It was about £20 a year, and we dropped it.

1680. Was it because his opinions were not worth that sum?—No; it was thought that perhaps it was inadvisable to charge them.

1681. Turn to folio 106. How has that account been kept? How has it been finished up and kept? You see there are no totals, and yet the four columns have been in use. Are those accounts kept as they ought to have been?—It would be better to take up the transactions and carry them forward.

1682. Now, seriously, do you not think that that fourth blue-line column is unnecessary?—It could be done without, by carrying the transactions into the other two columns.

1683. Here you have got a total of twenty-four entries in the blue column. Are these entries intended for the debit-transactions column or for the credit-transactions column?—For the debit-transactions column.

1684. Then, supposing you had first entered them in the debit-transactions column and had taken a slip of paper and made the total, could you not have worked the total out without this blue-line column?—Certainly.

1685. And therefore there is no necessity for that column?—There is really no necessity for it.

1686. Now, look at folio 97. Is there any indication on that account where the balance has been transferred to?—Each account appears to be closed on this page.

1687. Closed how? You say "Balance transferred"?—It is transferred to the Wills and Trusts branch, in another ledger.

1688. Ought not an indication of that to have been there? How can I tell where that balance has gone? Is it not usual when a balance is transferred from one ledger to another to say, "Balance transferred to ledger so-and-so, folio so-and-so"?—It is when you carry the account on.

1689. If you transfer the balance of any account from one ledger to another ledger, is it not usual to make an entry, "Balance transferred to ledger so-and-so, folio so-and-so"?—Yes, it is.

1690. Why is it necessary to have two accounts in the same estate, at folios 106 and 107?—The No. 2 account is the account of the policy-money, which is protected from creditors. The other is divisible amongst the creditors.

1691. There is nothing on the face of the ledger to show what either account represents?—It shows it is policy-money.

1692. Would it not be well to put a notification on the face of the account that it is protected?—We could do that.