

1729. Look at this large account. Is that not in the same state as the rest, without summations?—Yes.

1730. Here is an account, at folio 363, where 10 per cent. commission has been charged. Was it in this case because the amount was a small amount?—No; because it was rents. There would be 5 per cent. for the agent collecting the rents, and 5 per cent. for this office.

1731. Then you would give to the agent who collected that rent 5 per cent., and take 5 per cent. to your office. Is not that a very high charge?—Yes. It has been reduced. We do not charge 10 per cent. now.

1732. What do you charge?—Seven and a half in some cases, and 5 per cent. in others. In case of $7\frac{1}{2}$ per cent., we allow agents 5, and take $2\frac{1}{2}$ for the office. Where 5 per cent. is charged, we divide with the agents. The old 10-per-cent. rate was reduced to $7\frac{1}{2}$, and that affected all the old agents who had 5 per cent. They still have 5 per cent., and the office takes $2\frac{1}{2}$; but in the appointment of new agents the office takes $2\frac{1}{2}$, and the agents $2\frac{1}{2}$. The agent really has the trouble.

1733. Turn to folio 369 in that ledger. That is a large account?—Yes.

1734. Do you think that account is kept as it ought to have been?—It is in a similar condition to the others.

1735. Is it not worse with respect to the ruling-out of balances?—Yes.

1736. Will you go on to the next folio, where you will see the same sort of thing?—Yes.

1737. Would you have objected to that state of things if you had seen it before?—When mistakes are made the best way to show it is to rule the mistakes right out.

1738. Would you, if you had seen it, have allowed the account to be in that unfinished condition?—It is on all-fours with the others. It is the custom of the office.

1739. Let us now look at this cash-book. I notice that all your cash-books, like your ledgers, have canvas covers, and the corners of them are bound with heavy brass. Did it not occur to you that the brass corners and canvas covers would never agree?—I have thought that, certainly.

1740. Have they shown this?—The brass has a tendency to break through the covers in a very short time.

1741. Are these canvas covers necessary beyond the mere fad of making your books look uniform?—I do not think they are necessary.

1742. They cost some money?—They would probably cost 3s. or 4s. at least.

1743. And for the large ledgers?—About 12s. each.

1744. Nearly as much as a cover for a horse?—Yes.

1745. Have you any idea what those brass corners cost?—No.

1746. They are not necessary for books. Would you be surprised if they added about £1 to the cost of some of your cash-books and ledgers?—I have no idea of the price.

1747. Here is cash-book No. 1. It seems to have sprung out of your other system of cash-books when you got to No. 10 and were getting sick of No. 10?—Yes.

1748. Then you went off into another series of cash-books?—Yes.

1749. You see the grand totals of this cash-book are never carried forward?—No; it is not necessary to carry the grand totals of the cash-books forward.

1750. It has not been the custom of your office to do so?—No. The general cash-book has the totals carried forward.

1751. I think we agreed the other day that if one set of cash-books were kept, it would simplify the matter of cash-book keeping?—Yes.

1752. Now, look at M. to Z. ledger, which was first opened in January, 1887. Look at folio 3. How has that account been kept?—It is similar to all the others—all without the summations.

1753. The next and the next are all in the same form?—Yes.

1754. All through the ledger?—Yes; all in the same form.

1755. All without summations?—Yes.

1756. There is an account in folio 70. How many annual balances are there in that account without being ruled off?—Two annual balances—the end of 1888 and the end of 1889.

1757. And they are not ruled off?—There are no total transactions.

1758. But one of them has never been ruled off?—That ruling-off at the end of 1889 stands good until there is another transaction.

1759. It is in the same form as the others?—Yes.

1760. Then, do not the accounts in all of your ledgers, by a want of summations of transactions in all accounts, show deficient and careless ledger-keeping?—Well, I suppose they do, strictly speaking.

1761. You are at liberty, Mr. Moginie, to look, if you have not looked before, and point to any account that has been correctly brought down and ruled off. This is a sample of the whole of your accounts in the same unfinished state?—Yes.

1762. I do not really think it is necessary to trouble you to go with me through the whole of the other ledgers to point out to you their state, unless you would like me to do so, to prove to you that they are in an unfinished and unsatisfactory condition with regard to the want of the totals and the generally careless way in which they are kept?—I know the state they are in.

1763. Then you agree with me in that respect?—I agree with you that there is very great room for improvement and completeness.

1764. I notice in the ledgers that a great many small balances are from time to time wiped out by your Expenses Account—that is, by a credit to expenses. Your charge for expenses seems to me to fit in on many occasions sufficiently well to mop up the exact balance?—That is so. That is more frequently than not the closing entry of an estate. Our charge is generally the last.

1765. Are there no instances where you have some small balance remaining in an estate, and, whether because you thought it looked lonely, but you have mopped it up by placing it in charge of