

**MINE ACCOUNTS
AND MINING
BOOK-KEEPING**

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Mine Accounts and Mining Book-Keeping by James Gunson Lawn

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AND
MINING BOOK-KEEPING:

*A MANUAL FOR THE USE OF STUDENTS,
MANAGERS OF METALIFEROUS MINES AND COLLIERIES,
AND OTHERS INTERESTED IN MINING.*

BY

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P R E F A C E.

THIS book is the outcome of a short course of Lectures on MINE ACCOUNTS delivered at the Royal College of Science, London.

Both the lectures and the book were suggested by Dr. Le Neve Foster, who, in spite of numerous and urgent duties, has given me most valuable aid in preparing the present treatise.

In getting together materials I have been generously assisted by many friends. In addition to the acknowledgments made in footnotes, I would especially thank Mr. Bedford McNeill, A.R.S.M., and Mr. T. H. Everett for kindly criticism and help.

Chapter X. has been carefully revised by Mr. Alfred Smart, of the firm of Messrs. W. F. Smart & Son, Chartered Accountants; and Mr. L. H. Cooke, A.R.S.M., has rendered important service in reading the proofs.

I would impress upon the student that the book-keeping forms employed must always be thoroughly adapted to the circumstances of each individual mine. Although the illustrative examples are numerous, and have been taken, almost invariably, from actual practice, yet they must only be looked upon as suggestive, and must not be rigidly copied without considering whether some modification should not be introduced to meet the requirements of the particular case in point.

JAMES G. LAWN.

KIMBERLEY, 1897.

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PREFACE TO THE FIFTH EDITION.

"It seems impossible to suggest how Prof. Lawn's book could be made more complete or more valuable, careful, and exhaustive."

The Accountants' Magazine thus pronounced upon the First Edition, and the Publishers have pleasure in meeting the steady demand by the issue of the present edition.

July, 1907.

INTRODUCTION.

For the purposes of this book we shall interpret the term "Mine Accounts" widely, and shall include all the books and forms used about a mine, or in connection with Mining Companies, whether they deal with quantities or not, and also Mining Statistics, as being mine accounts in a larger sense; as, however, we are writing primarily for mining students, those books and forms which belong more peculiarly to the province of the secretary of a company will be treated with greater brevity than those which more directly concern the mine manager.

Certain accounts are required by law, and compliance with statutory obligations is not a matter of choice; attention will be drawn, as we proceed, to various clauses in British Acts of Parliament which bear on Mine Accounts.

The importance of a good system of book-keeping to a mine owner can scarcely be over-estimated. This will at once be apparent if we consider briefly some of the reasons for keeping mine accounts. They may be arranged under four heads—viz., those connected with—

1. The actual working of a mine.
2. The owner.*
3. The safety of workmen.
4. The country at large.

1. Reasons Connected with the Actual Working of a Mine.—It is necessary to keep accounts in order that the relations of the employer and employed may be correctly regulated. Certain monies are due periodically to the workmen for their labour, reckoned by the number of days worked or amount of mineral got, or, generally, for services rendered in some way; while certain amounts are owed by the men for materials supplied, rent of cottages, sick club, and so on. The net amount due to the men must be calculated before each pay-day, and set out in proper form, so that every explanation of the exact state of their account can be given to them on the pay-day, or preferably a day or two before.

Again, for working a mine various kinds of stores and materials are required; these have to be bought from various merchants; and, further, the product of the mine has to be sold, possibly in comparatively small quantities regularly disposed of to the same buyer, as in the case of gold, or perhaps in large quantities sold to a hundred different people, as in the case of coal. All these transactions should be recorded, not only that their influence on the profit or loss of working may be ascertained, but that payments may be made regularly, monies due collected, and the general relations of the mine with these buyers and sellers kept straight.

As the stores and materials used at a mine often constitute a very

*By "owner" is meant the individual or partnership financially responsible for the working of a mine.