

# BREWERS' ACCOUNTS.

104954

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## CHAPTER X.

## GUINNESS'S CASK SYSTEM.

Occasional reference has been made to the cask system in use at Messrs. Arthur Guinness, Son & Co.'s, but, perhaps, a few paragraphs specially dealing with their method may be of interest. To deal exhaustively with it and all its details and ramifications would be out of the question in a small work like the present; about 150 clerks (men and boys) are engaged in the cask department of this mammoth concern.

A system framed to cope with business conducted on such a gigantic scale would necessarily be inapplicable in some respects to ordinary-sized breweries, and it may be sufficient therefore to simply glance at its general lines.

Certain broad features are the same in nearly all cask systems, but the numberless small but useful devices and inflections which Guinness's system possesses, and which render it well nigh perfect, are of native origin, and have been devised and by gradations improved, not so much by studying models and precedents as by a succession of able men.

Nearly everything in Guinness's cask department is worked by cyphers or cypher letters. Thus the name of every customer on their books is entered up in a register, and the customer is then given an index number by which, in the cask department, he is thereafter known. The months of the year never appear in the way we should write them. For January the letter A is substituted; for February B, and so on until December, which is denoted by N. Instead of recording in their registers that a cask has had a new stave, a new head, &c., they have shortened labour and simplified their records by a set of alphabetical symbols, thus:—

|   |                            |
|---|----------------------------|
| A | may represent a new stave, |
| B | „ new head,                |
| C | „ enlarging a cask,        |

and so on. An entry in the cask or cooperage index such as “B — 11 — B—10” would mean that on February 11th (1898,

if in black ink, 1899 if in red); the cask opposite which the entry is made had a new head put in by Cooper No. 10.

The chief books or documents in use are:—

1. Cask out slips.
2. Transposition sheets.
3. Cask index.
4. Cask in slips.

The "Cask out slips" are made out in triplicate (by the black leaf method) by the cask clerks who watch the departure of all drink and note the numbers of the casks and the destination of the drink, if known. Two of these slips are practically the same in form as the cask out slip already given, and it is therefore needless to reproduce them. The third copy is in a slightly different form and serves an important purpose, and a specimen is accordingly given. (Form No. 38.)

The second of the three copies made is the advice note sent to the customer.

The first copy goes in the first instance to the index number office, where the customer's index number is written on the slip. It then goes to the transposition room. The number of casks carried by the firm is so large that to commence to write up the cask indexes from each cask out slip would be out of the question. To index twenty casks, all probably odd numbers, might involve a walk of two or three miles to the indexing clerk in going from one room to another to turn up the different indexes for the respective casks. The work of the transposition room is to avoid this. The transposition sheets, of which Form No. 39 is a specimen, are ruled in such a way that (to take the specimen submitted) all casks belonging to series 560,000 to 569,999, which are contained in two indices, are brought together in something like serial order.

The transposition sheets are checked, not only with slip No. 1, from which they are compiled, but with slip No. 3, which forms the customer's cask account. Slips No. 1 are then bound together and kept for future reference. Slip No. 2, as we have already seen, goes to the customer.

The transposition sheets then go to the cask index or cask register office. Form No. 40 is a copy of the index used by the firm and a specimen account. It is somewhat similar to the index already given, but contains some additional columns on the left-hand side.

To follow for a moment the entries given on this form, the page is ruled to take 25 casks, the 25 recorded on the specimen being numbers 501,075 to 501,099, both inclusive. The figures "50" only are printed at the top of the page, the four following figures being added according to requirements. From the initial figure (5) it is known that the casks are kilderkins. No. 501,075 was supplied on the 7th January, 1898, to Mr. James Bailey of Navan.

This gentleman's name is known, or can be ascertained from the customer's index, the number he bears being B102. On 10th February the cask was received back into the brewery. It went out again on the 15th of the same month to another customer, whose index number is F1; was returned on March 4; went out the next day, and did not come back until 12th June.

In the week ended 21st June it was repaired (a new bung stave perhaps, indicated by W. E.) by a cooper known as "R." The left-hand column shows that the cask went into trade (or into use) in November (M), 1892.

The entries relating to cask No. 501,077 are somewhat similar.

The customer B251, to whom it was last supplied, kept it so long that he was charged with its value, the letter "S" notifying this. Some time after being charged to and paid for by the customer, it was returned. The amount charged was refunded to the customer. The cask was then repaired and went out. When it came back it was condemned, having been found to be impregnated with oil and was broken down.

The entries relating to these casks extend over a period of two years, and in the register the entries for the current year would be written in black, for the previous year in red.

Slip No. 3 goes to another room which we may call the archives. In the archives every customer has two paste-board covers, the size of the slips, bearing his index number, and joined at the top by a canvas strip or hinge. Into these covers the slips No. 3 are placed, the slip being fastened by a little gum at the top, one slip being gummed on top of the other, but so that they may be readily turned over. These covers form the cask accounts of the customers.

The cask in slips follow a very similar course. They go to the transposing room where the transposition sheets are made out with the numbers arranged to facilitate reference to the index. Having been written off in the index, the cask index clerk fills in the index number of the customer, which of course he gets from his Cask Index. The slips then go to the archives, where each customer's cover is got out, and the casks which have come in written off.

It will be seen that the Cask Out slips thus serve the purpose of the customer's Cask Accounts, saving the labour which would be involved in writing up a ledger, and also reducing the risk of error. Guinness's have tried the system of ledger accounts but found it unworkable, except for the accounts of a few private customers. The country stores are worked from and in the brewery, the agents sending up the original Cask Out slips which are put through the ordinary routine.

For cask purposes, the kingdom is divided into several divisions, each division being known by a cypher letter, and the casks sent to, and returned from, each are separately summarized so as to show the outstanding casks in any district.

Each year's casks are also separately balanced, the loss through irrecoverable casks on each year's trading being thus separately shown. To effect this there are always, as already mentioned, inks of two colours in use, black for the current year, red for the year previous.

Statistics to exactly ascertain the average life of casks are frequently compiled. The following is a copy of some of

the results which, being taken at different periods over a large number of casks in each case, may be regarded as reliable :—

|         | Years. |
|---------|--------|
| 1.      | 10·18  |
| 2.      | 10·28  |
| 3.      | 10·14  |
| 4.      | 10·02  |
| 5.      | 10·29  |
| 6.      | 11·00  |
| 7.      | 10·23  |
| Total   | 72·14  |
| Average | 10·31  |

The frequency with which a cask goes out does not seem to affect its life. The experience of Messrs. Guinness, taken over a series of years, and on lots so large that the average may be relied upon is, accordingly, that the average life of a cask is 10.31 years.

The cooperage is indexed in a separate book; and they have a very good system of check in regard to the breaking down of condemned casks.

The “runs” they obtain out of each cask, are shown by the following figures, for three years :—

|              |          |      |      | Total. | Average for<br>the 3 years. |
|--------------|----------|------|------|--------|-----------------------------|
| Hogsheads    | ... 8·7  | 8·8  | 8·8  | 26·3   | 8·8                         |
| Barrels      | ... 13·3 | 12·7 | 14·1 | 40·1   | 13·4                        |
| Half Barrels | ... 7·6  | 7·8  | 7·6  | 23·0   | 7·7                         |
| Quarters...  | ... 3·3  | 3·1  | 3·26 | 9·66   | 3·22                        |

Butts, which are a special trade, go out eight times a year.

All round, the casks go out nearly nine times in the year. This is not taking an average of averages, but taking the total output divided by the total cask stock.

As already stated the losses on casks are separately ascertained for each year. The extent of Guinness’s losses in this way—that is, for casks neither recovered nor paid for—is astonishingly small and is the most effective testimony to the excellence of their cask arrangements. It averages about £50 per annum, and in some years has been under £20.

As nearly as possible, one-half of their casks are repaired each year—that is every cask in the place, on the average, goes into the cooperage once every two years. The average cost per cask repaired for wages alone is about 11·66d. The average yearly cost of repairs on the entire stock is about 5·74d. per cask.

The views of certain brewers have been given as to whether the advantages of numbering the casks and keeping numerical registers and cooperage indexes are equal to the cost they involve. Guinness's cask department costs a very large sum, but by that expenditure they save :—

(a) An immense sum every year by being able to work their trade on a much smaller stock of casks than formerly, as casks are got in much more quickly than they could be if the numbers were not known. The interest upon the additional sum which would be required, and the sinking fund which it would involve (for it would have to be extinguished in ten years) would be far in excess of the entire cost of the department.

(b) About 50 per cent. in the cooperage repairs. These figures and percentages may seem incredible, but they are accurate.

(c) Many other advantages, such as being better able to sustain claims against railway and other carrying companies for lost casks.