

292. Folios 85 to 90?—The same fault.

293. Look at folio 141. How is that kept?—The same fault.

294. Folio 195?—The same fault.

295. Now, turn to folio 309. Is that a large account?—It is.

296. Do you notice many pencil figures standing through the whole of that account, and memoranda?—There are pencil figures and pencil memoranda.

297. Would you have allowed those had you known it? The memorandum is rather important, "No further distribution of these rents," &c.—[No answer.]

298. Should that memorandum not be in ink, being important?—Yes.

299. Would you have allowed that account to be kept in that incomplete state had you known it?—No.

300. Turn to folio 372. At folio 373 there are what is termed "grant accounts," and they seem to be designated or known by numbers?—Instead of putting in the beneficiaries, we put in the name of the grant. The grant, as it is issued from the Crown Lands Department, is numbered, and we call the account by the name of the grant.

301. Would each account refer to more than one Native?—Yes; to many Natives. There would be a hapu.

302. Look at 372 and 373. How are these accounts kept?—The same fault.

303. No. 391—is that the same?—Yes.

304. Can you not discover several errors and pencillings there?—Yes; they are scored out.

305. Would you have allowed that had you known it?—It appears to me this is in strict accordance with bank rules—that is, where you make a mistake show it.

306. Now look at folio 395. Would "slovenly" be too severe a term to apply to that account?—Well, I should say it is not neat.

307. Turn to folio 446. Look at the red-ink rulings and pencillings in that account. Would you call that approaching to decent book-keeping?—No.

308. Would you have tolerated that?—No, I should not.

309. There are a great many more ledgers in the office, but I do not think I shall take up your time unless it is your wish that we should go through them together. I think I have shown you in the several ledgers I have brought under your notice the general style in which they have been kept in the office since the business came under your control; but if you are not satisfied that that is so I am now ready to go through the other ledgers with you?—I am satisfied. I see exactly where they have done wrong.

310. Then, in short, if you had had any knowledge that your ledgers were being kept in the incomplete style they were, would you have allowed it?—I should have had them brought in to me periodically, and examined for myself, and I should not have allowed the keeping of the ledgers in this way.

311. Who has the ordering of the books in your office? Are all the books for the office first sanctioned by you?—Yes. The method is this: The Accountant, who is at the head of this branch, tells me he wants certain books, and he suggests any alteration in the books that is necessary. I inquire into it, and sanction it. But the ordering of the books is by my direction.

312. I notice that a great number of your cash-books and many of your ledgers are expensively got up. The corners are bound with brass, and all have canvas covers. Do you find that necessary?—That was merely for uniformity's sake. I found that system when I came into the office.

313. Do you know what the extra cost is per ledger and cash-book through having these additional brass-bound corners and canvas covers?—I have not ascertained.

314. Has it occurred to you that the brass corners and canvas covers are rather in opposition to each other from the time they first come in contact?—I found the system, and I carried it on for uniformity's sake.

315. If I were to suggest that the difference in cost for this extra work in your ledgers would come to something like £1 per ledger would you think it extravagant?—I do think it extravagant.

316. Looking at the rapidity with which you may get through a cash-book, with the increase of work in your office, do you not think any ordinary cash-book, without brass corners or canvas covers, is all that is necessary for your purpose?—It appears to me that our books require very strong binding, because they have a great amount of use.

317. But the strength, I apprehend, is necessary at the back?—Yes; and therefore not at the corners.

318. And, if you notice, you will find the brass corners have objected to confinement and have knocked daylight through the canvas in a short time?—Yes.

319. And therefore for the sake of economy the canvas covers might well be dispensed with?—The canvas still protects the back of the book. I think it might be dispensed with, however.

320. You said there were six ledgers in use?—Yes, in current use.

321. And seven cash-books?—Yes.

322. Will you be surprised if I tell you that I have been through many more ledgers than six which are in current use in the office?—The only way I can account for it is that some of the old accounts have been brought forward.

323. I call a ledger in use if it contains any accounts that are not actually closed?—Yes; that is my meaning.

324. If that is your meaning, do you still think there are only six ledgers in use?—I take it the Accountant has required that, as to old ledgers containing old accounts, these accounts shall go on as long as there is room in the old ledgers—that is to say, he has economically gone to work.

325. I mean, every class of ledger you have?—So far as I know, there are two Intestacies,