

114. *Mr. Duthie.*] You had been auditor some years before that?—Yes.

115. So you were auditor at the time?—I think there was a fresh election of auditors just at the end of the year, but I do not remember whether I stood for auditor or not.

116. Mr. Ward tells me you gave an answer you were auditor from 1878 to 1882?—Yes.

117. You have already said so?—Yes, I thought after that—you said at the time of the trial—that was in 1883.

118. I first asked you whether you were auditor at the time this report was made by the special auditors, and you were so according to your evidence?—After the report was made in 1882 I of course would be.

119. Did you not in self-justification compare the books, and see whether these payments which are said to have been made were proved by the books and vouchers, and did you not turn to the books to satisfy yourself you were right and they were wrong?—I had not the chance—the books were sent to Hokitika.

120. That was in April—they were not sent there until 1883. This audit report was laid before the Council on the 6th November, 1882?—Yes.

121. You were then borough auditor. Did you not, seeing that the publication of the auditors' report reflected so gravely upon you, compare the books, and verify your audit as against this statement by the special auditors?—I do not remember.

122. Would not that examination have enabled you to deny any of these payments they reported to have been made as shown in Schedule C, Exhibit E—for instance, they reported that £12 was paid in November?—Yes.

123. Can you say if that is correct or not?—That would be correct, I should say.

124. That payment was made?—Yes.

125. Then this payment of the 1st April—£24: was that paid?—Yes, it might be that was paid.

126. You do not dispute that any of these amounts were shown as being paid, do you?—No, I do not dispute it.

127. As auditor of the borough you believe that £510 10s. was paid to Mr. Nathaniel Seddon, as shown by the books?—I do not know whether these payments are taken from the books or the special auditors' report.

128. You were borough auditor, and should know?—But it is impossible to remember back to that time, and say definitely whether it is correct or not.

129. And did you not think it of sufficient importance to examine it carefully at the time?—There is no doubt I did.

130. Did you dispute it at the time?—Yes.

131. Any items?—No; I had no chance of disputing any items.

132. Why did you not?—I never was asked.

133. Was it not your official duty as auditor to justify your previous certificates of the accuracy of the accounts?—It might be; but it is impossible for me to carry my mind so far back and say anything definite about it.

134. I am not asking you a question as to memory, but I want an opinion whether, as official auditor, it would not be your duty to substantiate your own certificates, having regard for your own credit?—Yes.

135. And if you fail to do so a fair inference is that you could not do so?—Yes.

136. Well now, as auditor, does your memory serve you to tell the Committee who was in custody of those vouchers that have gone missing: is it within your knowledge in whose custody they were after the special auditors had done with them, and up to the 6th November, when they were found to be missing?—Whoever was appointed in Mr. Wylde's place would have the custody of them.

137. But Mr. Wylde did not resign until the 6th November?—They would be in his own custody.

138. Do you know that to be the case?—No.

139. But you infer it?—Yes.

140. You know nothing of their having been taken out of his custody?—No.

141. Do you know whether the vouchers for these payments were there when the special auditors made their audit?—I did not say the vouchers. I am not talking about them, because Toms took the vouchers and I took the books.

142. You say Mr. Toms handled the vouchers and you did not?—Yes.

143. Do you remember whether the corresponding amounts were called over by Mr. Toms?—I cannot say particular items; as he gave them I ticked them off.

144. You can give the Committee no guidance as to the existence of these vouchers?—No.

145. I presume you do not dispute that you signed vouchers in 1882?—I do not dispute that any longer.

146. In connection with these items of overpayment that were not shown in the bank-book: in your experience as auditor, were payments made without passing through the bank—were they made, and not by cheque?—Either cheque or bill. I think these cheques and bills led to a great deal of confusion. For instance, a voucher might have been taken for a bill and then for a cheque for the same amount.

147. Then, the payments were made in cash?—Only deposits paid on contracts.

148. Were there no accounts paid in cash?—There might have been; I cannot say.

149. Do you remember?—I do not remember.

150. Do you remember whether any cheques were actually paid in cash by the treasurer?—No.

151. Your memory is not good, in fact?—Well, I am not a young man now; my memory is not so good as it used to be.