

177. Then, was it likely that three persons would be included in one voucher?—Yes.

178. Mr. Duthie asked you whether you would take a cheque corresponding with three items?—I think it would be an extraordinary circumstance for three or four accounts to be in the same voucher. It would not occur very often during my time.

179. Would it be usual for three different vouchers to be given for three different people and a receipt to be given in one document for the whole?—It appears that it was done at that time, but it is not done now.

180. Would it be possible for three independent cheques to be drawn for them and the three different men's receipts to be taken in one voucher?—It is quite possible that could have been done.

181. Then it does not follow because a man's name appeared in one that there were three cheques?—It may have been three different cheques or it may have been included in one.

182. Then your former evidence upon the point that if a receipt were given on one voucher it does not follow that three separate cheques were given is wrong?—They may have received different cheques or one cheque.

183. Were you present at the time that this took place on the West Coast?—I was.

184. If there had been any doubt in the minds of the Council which carried on the business after the special auditors' report had been received as to the integrity of Nathaniel Seddon do you think the Council would have continued to employ him?—Certainly not. There was never the slightest reflection upon his character by the inhabitants of the place, and everyone was perfectly clear that he had nothing to do with it.

185. If the idea had existed among the individual members of the Council as to the fact, and if Nathaniel Seddon had been accused of the offence alleged, could it have escaped your memory?—No.

186. Did you do anything further?—Nothing whatever.

187. Was Simmonds a member of the Council subsequent to the proceedings?—No, certainly not.

188. Was O'Hagan in the Council afterwards?—No, he was not.

189. The Borough of Kumara was in financial difficulties?—Yes.

190. Do you know of your own knowledge that bills were given to creditors of the Council?—Yes.

191. When this bill became due, as a matter of procedure, would the cheque or cash require to be provided to lift it?—No, I think not; it would be presented to the bank, and if the cash was not available another bill would be issued for the same amount. I think the financial position was this: The Finance Committee met every month and passed the accounts, and the borough treasurer drew cheques for them, and they were held over; then, after perhaps three or four months, an acceptance was given for the same amount for which cheques had already been issued. These cheques were not destroyed, and this gave Mr. Wylde opportunity of working under the system as Town Clerk, having that position to issue cheques against bills which he did not hand to the creditors in the first instance.

192. And under that system there would be a duplicate voucher?—Yes.

193. Which would represent one payment only made to the creditor, as far as the Town Clerk was concerned?—Yes.

194. Which you would hold a double voucher for?—Yes.

195. For the overpayment to the extent of £219, which had been made as shown by payments provided by the bank, would it not be the duty of the Council upon the discovery to proceed to recover against those who received the funds?—The matter was discussed at the time on a motion to produce certain vouchers which were missing.

196. Had not that been going on for some time?—That matter was discussed at the time, but the matter of certain vouchers being missing had not gone on. If there had been sufficient moneys referring to accounts from the parties they would probably receive it.

197. What were the vouchers for the amount? Some of Mr. Wylde's and some of Nathaniel Seddon's?—I do not know of my own knowledge. That was reported at the time.

198. *Mr. Duncan.* How long were you in the Council?—About the time the prosecution took place—about two years.

199. You were in the Council during the time the case was going on?—I became a Councillor about three months before the suit was commenced.

200. And for the remainder of the year from the commencement?—Yes.

201. During that time, or some time after, these discrepancies were discovered, and the auditors reported overpayment to Nathaniel Seddon, did they not?—Yes.

202. Did the Council take any steps to investigate that report?—No, they did not.

203. Did it not look somewhat strange that they did not go further into the inquiry?—There was a resolution that it should be referred to a committee. I believe Mr. Seddon moved that resolution; but nothing ever came of it.

204. Why was not something done to clear the matter up? Did you have a Council auditor whose duty it was to look after that?—Yes.

205. And it was between the two audits that trouble arose?—The committee was appointed for the purpose of making a thorough inquiry into the report.

206. Who were on the committee appointed to investigate the question?—It occurred at the meeting of the Council held on the 3rd May, 1883.

207. Who moved it?—Councillor Seddon moved, and Councillor O'Hagan seconded, "That the question of the moneys said to have been paid to Nathaniel Seddon over and above that due to him, and mentioned in the special auditors' report, be referred to the borough auditors and the Finance Committee; such auditors and Finance Committee to report to the Council." But they never brought up any report.