65. Their statement is, upon page 28 [Exhibit E], that these payments are according to cash-book and ledger?—I say distinctly, they are not.

66. Will you admit that they are payments debited to Streets Account for a corresponding sum of money?—They are corresponding amounts charged to Streets Account in the cash-book and bank-book.

67. Mr. Scott, will you confirm Mr. Kember's opinion, and hold that to be the position?—Yes.

68. *Hon. W. Rolleston.*] I understand from you, Mr. Kember, that these cheques do not show that the money was paid to Nathaniel Seddon?—Only in some cases.

69. Then you went on to say they were not necessarily paid to Mr. Wylde?—I cannot tell to whom.

70. You cannot say to whom they were paid?—I cannot say.

71. Then the question still remains an open one as to whom these cheques were paid?—Yes; it has been stated on the back they are paid to Wylde in a great number of cases, and in other cases paid through the bank.

72. It does not state paid to Wylde?—That is the bank's own indorsement, you see, and shows how each was paid, "three-fives and one-one, silver to Wylde, and so on," that is the bank indorsement.

73. In that case?—There are numbers of these cheques, "thirty-six ones to Wylde." These are cheques paid over the counter and marked that way. The other cheques bear the Union Bank of Australia mark. They are through some account. I do not think to Nathaniel Seddon, because Nathaniel Seddon has always indorsed his own cheques when getting money over the counter. According to the payments here, there is so much paid into Nathaniel Seddon's deposit account. The other cheques have gone through somebody else's bank account.

74. And that is entirely unrevealed—what has occurred?—I cannot tell whose bank account they went through, and I say they did not go through Nathaniel Seddon's, because he did not have an account at the Union Bank of Australia, but that can be found out through the bank itself.

75. *Mr. Graham.*] Since making your report with reference to this business, you have been asked to make a supplementary statement, or report, in consequence of other cheques or vouchers having come into notice which might alter the position. Has your examination confirmed or discounted your first report?—I say that the payment of the £36 cheque on a certain date goes to prove the whole of our statement, that the bill was given for a certain date and the £36 cheque confirms that by the following date. It is a further payment past the bill, which goes to prove what we tried to show.

76. So your further examination has confirmed you and your fellow-auditor in the correctness of your original report?—Yes.

77. *Rt. Hon. R. J. Seddon.*] Turn to page 28 [Exhibit E], and you will find these words: "Nathaniel Seddon, day-labourer: We find, on most careful examination, that this man was paid in full up to the 25th December, 1879." Is that correct or otherwise?—We say it is incorrect.

78. And you say, then, this cheque that has come to hand now proves the date which you fixed to be the correct date up to which the wages had been paid to Mr. Nathan Seddon?—Yes, we say we further prove, by these cheques, we were right in placing the bill as we did.

79. Is there anything to show that anything was paid to Nathaniel Seddon to the 5th November, 1881? They say: "This man received weekly wages up to the 5th November, 1881, when his weekly engagement terminated by order of the Council," and taking the two dates as from the 25th December, 1879, to the 5th November, 1881, as being the dates on which payments were made, amounting to £291, they fix an arbitrary date as to when wages were paid in full and the last time he received payments?—I think they are right in fixing it the 5th November, because the vouchers we have really prove that. His wages ceased on the 5th November, and the several payments previous to that prove that that is correct.

80. They are incorrect as to the date of commencement?—It is utterly incorrect as far as Nathaniel Seddon is concerned.

81. They say, "Amount actually paid, *vide* Schedule C attached, £510." Do you find such an amount as that paid to Mr. Nathaniel Seddon?—That is utterly incorrect.

82. It says, "Amount actually paid"?—That is utterly incorrect.

83. Now, will you take and reckon up the total amount shown on these cheques?—Yes.

84. What is the total amount shown on those cheques?—Do you mean to Nathaniel Seddon or the whole of them?

85. The whole of the cheques put together?—£299 5s.

86. The total amount shown on these cheques and debited to the borough fund by the Bank of New Zealand is £299 5s.?—Yes.

87. Does not that go further to disprove this statement that there was £510 paid,—that they were incorrect?—This only covers a certain period.

88. What period does it cover?—These cheques go from the 3rd May, 1880. These only cover a certain period—from the 3rd May, 1880, to the 24th December.

89. The total amount paid to Mr. Nathaniel Seddon under the head of "Wages and Streets Account" shown by these cheques is £299 5s.?—Yes.

90. Now, Mr. Wylde, Town Clerk, has said that he was in the habit of putting two or three names on one voucher, and issuing a single cheque for three persons, and cashing it himself in paying three separately. That would agree with the assumption that the cheques had been cashed by him over the counter, and that he had given the money to the different persons named on the voucher?—Possibly.

91. We have seen the evidence. You have seen some of the vouchers, have you not, showing the names?—Yes.