

92. Are there any of those cheques paid to Wyld there corresponding with the amount on those vouchers?—No, there is no cheque corresponding with any voucher here. None of these cheques correspond with the vouchers. Then, moreover, I do not think there is any payment that corresponds with anything else.

93. There is nothing corresponding at all: you cannot trace a single payment as assigned for in the voucher corresponding with the payments out of the bank?—No, not one instance.

94. Now, would it not appear strange to you that if they had vouchers to support Schedule C they should have said: "Excess paid according to bank-book and ledger"?—Yes, it seems exceedingly strange to me. I do not see how Schedule C could have been compiled otherwise.

95. You state, then, after carefully going through the cash-book and ledger, that Schedule C does not agree with what appears in the cash-book and ledger. The cash-book and ledger do not support Schedule C?—Most decidedly not.

96. And, then, if they had vouchers which would have supported these payments, the vouchers would not agree with Schedule C?—If they had vouchers, there were no payments, so what is the use of the vouchers?

97. They would be so much waste-paper?—Yes. Anybody can get and forge a voucher; but if you cannot prove payments, what is the use of the voucher?

98. Have you not seen some of these vouchers that are not signed by anybody?—Yes.

99. That has been termed a voucher here?—Well, that has been a misnomer. As I say, some of the vouchers are not signed. The auditors seem to me to have jumped to the conclusion that anything in the shape of a voucher was a payment. I see there are some unsigned vouchers with an auditor's tick upon them, and that is the only conception I have with regard to the compiling of Schedule C.

100. Then, the conclusion you arrive at is that you would consider that is so much waste-paper—in the way of vouchers with figures upon them and ticked by the auditors—that they have taken that as a voucher?—The unsigned vouchers are not in Schedule C, but that is the peculiarity about it. There is no voucher there, ticked or unticked, for a large number of these items in Schedule C. But we have no unsigned voucher corresponding with Schedule C.

101. Then you say, taking Schedule C as a basis, that if there had been vouchers shown to the special auditors, and these vouchers had gone astray, so far as the cash-book and ledger are concerned, there is nothing to substantiate them?—Quite so. Why did they not look up the cash-book and the bank-book to see whether the voucher had been paid? The payment would be what I should look for in a voucher. I do not charge a voucher as a payment. I want a voucher for actual payment.

102. Might it not be that certain amounts—say, cheques—had been issued first, the funds not being available to pay those cheques, and a receipt taken for those cheques, and subsequently a bill given for those cheques and a voucher taken: may not the auditors have taken that?—I should have thought that an auditor would have immediately looked up the reason for giving the bill. If they had cheques given, and signed a voucher for a certain number of cheques, when they came to the bill how is it possible for them to take the bill as a further payment? They had no voucher for £96 in the bill. Why did they not find out what the £96 bill was given for? Then they would not have charged it over again.

103. When Mr. Duthie commenced to ask you questions about that paragraph in which you said there were five payments made, I think—viz., "All the back documents and vouchers were in a very mixed and disordered state, but we commenced our operations by checking all payments from the cash-book with the corresponding vouchers, and after considerable trouble succeeded in obtaining vouchers for nearly all the entries in the cash-book except those enumerated on List A"—that is utterly disregarding the truth?—That is absurd. If they had the voucher and checked it off with the cash-book, where is it? The books cannot have altered from that time to this. If they had a voucher on the 5th February, 1880, for £12, show me the payment by cash- or bank-book and I will believe it. I say that statement is utterly incorrect, and not in accordance with fact.

104. You have said that there were five cheques, making a total of £96, and you were going on to explain in reference to these five cheques?—I said there were five presumed vouchers there for £96, all of which it is false to say were paid through the cash- or bank-books.

105. Will you name the five cheques?—Yes. 5th February, 1880, £12; 12th February, 1880, £36; 28th February, 1880, £24; 11th March, 1880, £12; 25th March, 1880, £12; total, £96—not one penny of which is to be found in the cash-book or bank-book, and therefore unpaid, and the statement of the special auditor to that extent is utterly untrue.

106. Then they say "Salary paid to Nathaniel Seddon": that is utterly untrue?—Yes, utterly untrue. It is only paid out of the imagination of some of them—certainly not out of the funds of the Borough Council. Of course, it is very hard to say these things of special auditors, but I cannot help it. It seems ungenerous, but I cannot understand how they compiled Schedule C. What they stated is utterly untrue.

107. If a special auditor gave evidence before us and said he could not find anything wrong, and had been there some days on duty by himself, and then sent for assistance, I suppose he would be as near right as the man that came to assist him?—I think so.

108. In the whole course of your investigations—and a statement has been made, Mr. Kember, that moneys had been overpaid to Mr. Nathaniel Seddon, and that those moneys had been received by Mr. R. J. Seddon—is there anything after that investigation to assume that that is correct?—Nothing whatever.

109. If such a statement has been made, what would you say of it?—I would say it is utterly false.

110. Is not that further borne out with the cheque shown there and indorsed by Mr. Nathan Seddon? You know my signature—you see the signature there?—Yes.

111. Some of these cheques have been paid through an account. It would not be an unusual thing for a person (a business man, for instance), to receive a cheque from a working-man and pay it into his account in the bank. You would presume that in any case?—Yes.