-1051.-9.

agreeing in the total, £56 15s. I can find no credit to the borough of the £2 deposit. I produce a contract let to Francis Keenan on 15th August for clearing and draining a portion of the cemetery for £32 10s.; deposit, £2. I remember this deposit being paid. I saw it paid to Mr. Wylde; it accompanied the tender, and Mr. Wylde took possession of it. I do not know of any extras in that contract. I cannot find any credit to the borough of the £2 deposit. I find in the cash-book the following payments: 26th August, 1881, "By cemetery, wages, £5." In the ledger there appears a payment of £5 for cemetery on the 26th August, referring to folio 55 of the cash-book. The credit side of folio 55 in the cash-book is torn out, together with all the leaves up to folio 69. It is on folio 69 that I find the payment of £5 on the 26th August. On 29th September I find a payment of £20, "By cemetery, Keenan." This appears also in the ledger. On 27th October, "Cemetery, by Keenan, £14 10s." In the bank pass-book I find corresponding payments: cheque 279, £5; 290, £20; 316, £14 10s. The item of £20 is on the 24th September, the payment appearing by the cash-book to have been on the 29th. In the cash-book against this date is written in pencil, "23." I produce three vouchers for the above three amounts certified by Mr. Wylde and receipted. One of them is receipted by Chisholm, who had an order from Keenan to receive the money. I produce a contract made with Patrick Whelan on 22nd September, 1881, for repairs to Tui and Third Streets for £49; the deposit was £5. I do not know anything specially about the payment of the deposit. I can find no credit of the amount in the books. I find in cash-book, "By streets, Whelan, £20"; 13th December, "By streets, Whelan, £5"; on 17th, £29: amounting to £54. In bank pass-book I find corresponding items, numbered 328, 339, 338. I amounting to £54. In bank pass-book I find corresponding items, numbered 328, 339, 338. I also produce certified vouchers and receipts for these amounts. They are certified as correct by Mr. Wylde, and passed for payment by A. C. Campbell, Chairman of Finance Committee. I produce a contract entered into with Richard Brady, on 20th October, 1881, for draining sections on north side of Seddon Street. The amount is £6 3s. 9d.; deposit, £1. By the cashbook it appears that Brady received—on 19th November, £2; on 17th December, £5 3s. 9d.; making the total of £7 3s. 9d. The reference is to folio 203 of the ledger, but that page is not in the ledger, five leaves being missing between folios 201 and 206. The bank-book contains these payments, cheques 321 and 341. I produce vouchers certified and receipted for these amounts. I produce a contract made with Henry Gibson, dated the 20th October, 1881, for improving Seddon Street, amounting to £30. I do not know of any extras. Deposit, £5. Vouchers appear for £5 on 27th November, £15 on 15th December, and on 9th February, 1882, balance of contract, £15. This voucher is for £19 16s. 6d., other items being included in it. The total payments shown on that contract are £35. The bank shows, under cheques numbered 329, 340, and 369, payments corresponding to the above. The cashbooks corresponding payments, "By streets, Gibson," the payment of £19 16s. 6d. being divided into two: one, "recreation-ground," £1 10s., and "streets," £18 16s. 6d. The folios of ledger referred to are 204, which is missing, and 207, at which I find entry of £1 10s., "recreation-ground," date, 11th February, the date in the cash-book for the payment of £1 10s. being 18th February. I produce a receipt for the sum of £1 which I paid to Mr. Wylde; the signature to it is his; the date is the 14th October, 1881. It was paid by me as a section-holder as my conto it is his; the date is the 14th October, 1881. It was paid by me as a section-holder as my contribution for draining my section in Seddon Street. I produce a resolution of the Borough Council, shown in the minute-book, authorising tenders to be called for the work. The recommendation was made by the Public Works Committee on 25th July, 1881. The recommendation was adopted by the Council on the 28th July. The work was done and paid for by the Council. The paper now produced, purporting to be a list of contributions on this account, is in Mr. Wylde's writing; my name is on the list. On 19th August, 1878, the Public Works Committee recommended, and the Council adopted, the recommendation on the 22nd—that sections in Seddon Street should be drained on the residents paying a contribution. This referred to the south Street should be drained on the residents paying a contribution. This reterred to the south side of Seddon Street. I have not removed any books or documents from the Town Clerk's office except those which have been brought here for the purposes of this case. I recollect a special audit being made of the borough accounts in September last by Messrs. Spence and Palliser. During the audit Mr. Spence said to Mr. Wylde, "The Mayor informs me that he knows nothing of those reports of the Finance Committee." Mr. Wylde said that was strange. I asked Mr. Wylde why he should suppose I had these documents. He replied that he was informed that I was frequently in the office during his absence. I denied this. I had not removed these documents nor any others. I received from the Government a copy of the special auditors' report. I saw Mr. Wylde on the subject. I asked him to explain the matters that appeared wrong and to saw Mr. Wylde on the subject. I asked him to explain the matters that appeared wrong, and to meet Mr. Spence with me. Mr. Wylde said the matter was now in the hands of his solicitor, and he could have nothing to do with it. He has never accounted to me or to the Council for the discrepancies.

 $\dot{C}ross$ -examined by Mr. Guinness: I first saw the paper which I have produced containing the contributions to the drainage in the Town Clerk's office last Tuesday week, the 21st November. The document produced is the same document. It has not been altered since. I think it was about the 16th November that I went to Mr. Wylde's house, when he said the matter was in the about the 16th November that I went to Mr. Wylde's house, when he said the matter was in the hands of his solicitor. It was after an information had been laid against him by summons. That was not the first time I spoke to him about the auditors' report. The first time was on the 6th November, just before a meeting of the Council. I did not hand him the report. I did not advise him to resign his offices. I told him the report contained most damaging statements against himself, which appeared likely to involve suspension or something else. I did not recommend him to resign temporarily, but I said the report was of such a nature that I could not ask him to read it, nor should I wish him to be present when it was read. I did not on that occasion mention Mr. Perkins's name to Mr. Wylde. Mr. Wylde said the statements in the report were monstrous and untrue, and he added, "Perhaps I had better resign until this matter is cleared up," or something to that effect. I said, "Perhaps it would be as well; whatever you think best; please yourself." I informed him of some of the contents of the report 14—I. 9.