

—that he was stated to have overdrawn his own salary, and overpaid Nathan Seddon, and to have received deposits which he had never carried to account. I told him these things from memory. I might have had the report something less than a couple of days before this. I had no earlier opportunity of seeing Mr. Wylde. I had taken the report to Greymouth and shown it to Mr. Perkins. I did not inform the Borough Council that I had advised Mr. Wylde to resign temporarily. I did not ask Mr. Wylde for any explanation on the occasion I have last referred to beyond what I have stated. On looking over the annual balance-sheets I find no special mention of deposits paid to the borough fund, except in the one for 1881, where I find a payment of £30 to Deposit Account. I cannot say whether that means contractors' deposits or not. I also find the same item on the credit side. On referring to the cash-book I find that amount entered as deposits in connection with the election of Mayor. On the 6th November the Council referred the special auditors' report to a committee. I produce the minute of the resolution. Mr. Wylde was present at the meeting of the committee. The letter now put into my hands, dated 8th November, was sent to Mr. Wylde inviting his attendance; also the letter of same date sending him a copy of resolution referring the report to the committee. The letter dated 10th November was written to Mr. Wylde, forwarding him printed copy of auditors' report. Mr. Wylde was present at the committee meeting of the 8th, and said he was satisfied with the copy as printed in the newspaper. Mr. Wylde, on the 9th, offered to go through the report with the committee and give explanations, and requested that whatever explanations he gave might be taken down in writing. The document now placed in my hands I believe to be in the writing of our present Town Clerk. It purports to be minutes of proceedings of the select committee. At a meeting of the Borough Council on the 9th November, a resolution was proposed at about 11 p.m. that the Council adjourn until the next evening at 8 p.m., and that the committee go on with their inquiry. An amendment was carried, cancelling the appointment of the committee, and recommending that the special auditors' report be referred to the borough solicitor for his opinion. The committee met no more after that. At that time Mr. Wylde had only just started his explanations to the committee. At the committee meeting on the 8th Mr. Wylde was present three or four hours. He did not on that occasion give any explanation, but said he had not yet been furnished with an official copy of the report—that was in answer to my suggestion that he should single out some particular item and give an explanation of it. He was not on that occasion formally called on by resolution for an explanation. He might have said he would give explanations on being furnished with the report. The next evening the committee sat from 9.30 to 11. Mr. Wylde was then giving his explanation. Mr. Wylde was never called upon by the resolution of the Council, or by myself up to the 16th, when I went to his house, for any explanation, since the committee was dissolved. Referring to my denial of Mr. Wylde's statement that I had been frequently in his office when I was not there, I said I had never been in the office on more than two occasions, and then some one was with me. I have never been into his office by myself in his absence. Mr. Valentine, the bailiff, was with me on one occasion.

*Re-examined by Mr. Perkins:* Mr. Wylde excused himself from attending on the 9th as he was going to a picnic. It was therefore fixed for the evening. The report of the auditors was published that evening in the *Kumara Times*. When Mr. Wylde told me the matter was in the hands of his solicitor I had not laid any information.

JOHN O'HAGAN.

And this deponent, *Allan Bishop*, being duly sworn on his oath, saith as follows: I am a clerk in the National Bank of New Zealand, Greymouth. The letter produced, dated the 10th November, 1881, is in my handwriting. It is addressed to James Wylde. I produce a cheque which accompanied the letter. The cheque is for £4 16s. 6d. I sent it in response to the notice to pay rates, dated the 5th November, sent by Mr. Wylde. The rates were on sections owned by the bank at Kumara. I produce Mr. Wylde's receipt for the money, dated the 11th November, 1881. The cheque was afterwards presented and paid. It came through the Bank of New South Wales.

ALLAN BISHOP.

And this deponent, *James Pearson*, being duly sworn on his oath, saith as follows: I am agent for the Bank of New South Wales at Kumara. I know the accused, James Wylde. He kept his private banking account with me. The cheque now produced was placed to James Wylde's private account at my bank. It is for £4 16s. 6d. I produce the slip for the payment of that amount, dated the 11th November, 1881. The cheque now placed in my hands, No. 280, dated 26th August, 1881, for £5, has the borough seal on it. It was paid into the bank to the credit of James Wylde on the 27th August, as shown by the slip produced. The cheque now produced, No. 288, for £15, dated the 23rd September, 1881, is also a borough cheque, and was placed to the credit of James Wylde, as shown by the slip also produced. I also produce cheque and slip for £21 15s., No. 300, dated the 6th October, 1881. That also was paid to James Wylde's private account, as shown by slip dated the 8th October. Cheque No. 302, for £5, was also paid to his private account, dated the 7th October, as shown by slip dated the 10th October. I recollect the rate-payers wishing to make a drain on the south side of Seddon Road. I contributed £1 towards it on behalf of the bank. I paid it to Mr. Wylde, and produce his receipt for it, dated the 8th March, 1879. The drain was made by labour employed by the Corporation.

JAMES PEARSON.

And this deponent, *Thomas Richard Connell*, being duly sworn on his oath, saith as follows: I am manager of the Bank of New Zealand at Kumara. The borough accounts have always been kept at my bank. I produce "pay-in" slips showing money paid in by Mr. Wylde on account of the borough for November and December, 1881. There is no payment purporting to be for rates due from the National Bank. I produce borough cheque 287, £20. It has been paid. The same is the case with 279, £5; 278, £5; 289, £25; 290, £20; 301, £5; 313, £33 15s.; 316, £14 10s.; 328, £20; 321, £2; 329, £5; 338, £29; 339, £5; 340, £15; 341, £5 8s. 9d.; 369, £19 16s. 6d.;