And for the better enabling the Commission to carry these presents into effect, I hereby direct as follows:—

(a.) That the Commission is empowered to make and conduct the inquiry under these presents at such times and places and in such manner as it thinks expedient, and if deemed advisable by you, such inquiry is to be open to the public.

(b.) That the Commission shall have power to cite parties interested in the inquiry, to summon witnesses, administer oaths, hear evidence, and to order the production of departmental books and vouchers relating to the subject-matter of the inquiry.

(c.) That the Commission may permit any person whom it considers is sufficiently concerned in or affected by the inquiry to appear as party thereto, and every such party may appear in person or shall be entitled to be represented by counsel.

(d.) That the Commission may make such recommendation as it thinks fit respecting the costs of the parties and witnesses in the inquiry.

(e.) That these presents shall continue in full force and effect, although the inquiry may not be regularly continued from time to time or from place to place by adjournment

(f.) That these presents shall be deemed to be issued under "The Commissioners Act, 1903," the provisions of which and the amending Act, 1905, shall accordingly

apply.

And using all diligence the Commission is requested to transmit to me, under the hands of its members, its report on the several questions inquired into by it under these presents not later than the thirtieth day of October, one thousand nine hundred and five, or such extended date as may be hereafter named by me in that behalf.

Given under the hand of His Excellency the Right Honourable William Lee, Baron Plunket, Knight Commander of the Most Distinguished Order of Saint Michael and Saint George, Knight Commander of the Royal Victorian Order, Governor and Commander-

[Seal.] in-Chief in and over His Majesty's Colony of New Zealand and its Dependencies; and issued under the Seal of the said Colony, at the Government House, at Wellington, this sixteenth day of October, in the year of Our Lord one thousand nine hundred and five.

Approved in Council,

R. J. SEDDON.

J. F. Andrews, Acting Clerk of the Executive Council.

REPORT.

My Lord,— Judge's Chambers, Wellington, 10th November, 1905.

I have the honour to forward to you the report of the Commissioners acting under the Commission dated the 16th October, 1905, issued to the Judges of the Supreme Court of New Zealand.

I have, &c.,

J. E. Denniston, J.,

· His Excellency the Governor, Auckland.

Chairman of the Commission.

Judge's Chambers, Wellington, 10th November, 1905.

To His Excellency the Governor of New Zealand.

MAY IT PLEASE YOUR EXCELLENCY:-

It having been alleged that in the year 1904 a voucher for the payment of public moneys amounting to between £70 and £80 was issued in favour of Captain R. J. S. Seddon for the reorganization of Defence Stores, and that the money was paid to him at the Chief Post-office, Christchurch, and that the Audit system and records in connection with the issue of public money is inefficient and defective, and that vouchers may be issued and public moneys may be paid thereon out of the Public Account, and that the departmental books and records may fail to show any trace thereof, Your Excellency, by and with the advice of the Executive Council, was pleased to issue a Commission to their Honours the Judges of the Supreme Court of New Zealand, or to such of them, not being less than three, as should undertake the burden of the said Commission, to inquire into and report upon the questions stated in the said Commission, to which we shall presently refer in detail.

We have therefore the honour to inform Your Excellency that, under the terms of the said Commission, we have undertaken the burden thereof, and we now beg to report as follows:—

We were authorised and empowered under the said Commission to inquire into and report upon the following questions:—