

18th December, 1886.

Mollison's case : I am strongly impressed with the belief that I paid the sum of £50, credited by Mollison, in cash, but am not sufficiently certain to make a positive statement to that effect. Martin's Bay settlers : These people never paid any rates. Applications were made, but without result, and it was not worth while to send a collector for the amount. Trotter's case : I cashed Trotter's cheque for the purpose of paying other claims on the Council, the cheques for which had not been signed. I adopted the same practice on many other occasions. Mr. Daniel performed no duties as Treasurer except the signing of cheques. He took no steps to ascertain that moneys were paid to the bank as required by law, or to see that in other respects the business of the County Treasury was properly performed. As to collections of revenue : I did not, as a rule, write up the cash-book with any regularity—not oftener than twice or thrice in the half-year, and on one occasion at least not till the end of the half-year. It was the case on two or three occasions that I had collected rates and had neglected to account for them till, on a second application, the ratepayer produced his receipt. I sometimes made use of moneys in my hands representing county revenue to pay sums due to creditors of the county whose claims had been approved by the Council, but whose cheques were not signed at the time of the payment. As to the rate-book : The rate-book was burned in the day-time ; I think it was in the afternoon. Mr. Daniel was not cognizant of the act at the time, nor did he become aware of it till, in common with other members of the Council, he was informed of its loss by the report of the County Auditor. Mr. Daniel never made any formal demand on me for the book. I informed him personally yesterday, for the first time, that I had burned it, as I had already stated to the Council. I had no motive in burning the book but a desire to clear the office of what I looked upon as superfluous and useless paper.

P. B. BOULT.

11th January, 1887.

I have no books or papers the property of the Lake County Council in my possession to my knowledge, or under my control. I am not aware of any books or papers the property of the Lake County Council being under the control or in the possession of any other person not being an officer of the County Council. The lists A and B, forest-tree sales, are, I presume, in the office. The last time I used them I left them in the office. In regard to a sum of £3 12s. paid to Mr. Daniel by Mr. McDonnell, of Arrow, and which, I am informed, Mr. Daniel says he paid to me, I have no recollection of receiving it. It has often happened that sums due to the county for rates have been paid to Mr. Daniel in making a settlement of his private or business accounts. The rates due by Mr. Eichardt I undertook to pay as a mode of adjusting a debt due to Mr. Eichardt by me. I paid a portion of the amount—I do not remember how much. In regard to a sum of £48 15s. 10d. credited in the pass-book on the 9th April, 1884, and entered by me in the cash-book, page 133, as a lodgment against rates to that amount, I can supply no explanation. As regards a sum of £130 credited in the pass-book on the 12th June, 1885, as a remittance from the Paymaster-General, and against which I have credited in the cash-book, page 164, license-fees to a corresponding amount, I can supply no explanation. As regards a sum of £125 credited in the pass-book on the 24th October, 1885, and debited in the cash-book, pages 174, 175, in seven sums as lodgments against rates, I can supply no explanation. I believe the rates credited in page 133 of the cash-book, and amounting to £48 15s. 10d.—I can say certainly that they were paid to me. The several (six) sums credited as license-fees on page 164 were also paid to me (amount, £130, signed "P. B. B.") The several sums credited in pages 174, 175 of the cash-book as rates, amounting in all to £125, were paid to me. As regards a sum of £9 12s. charged in page 114 as a payment to W. Jenkins for travelling-allowance, I assert that I paid the sum in question, but I am unable to explain the insufficiency of the voucher. As regards a sum of £1 15s. entered as paid to Fergusson and Mitchell on page 116 of the cash-book, the amount has been paid to the best of my knowledge, but I am unable to explain the insufficiency of the voucher. As regards a sum of £5 16s. entered in the cash-book, page 165, and a further sum of £12 5s. entered in the cash-book, page 169, both charged as payments to Fergusson and Mitchell, I am unable to offer any explanation or to account for the absence of the vouchers. I may have paid the money by private cheque or by money-order. When I was in Dunedin I called on Messrs. Fergusson and Mitchell, and believe I paid them then. I never obtained money on or issued a cheque in payment of an account without that cheque bore the signature of one member of the Council at least in addition to my own signature. Mr. Daniel used to leave in my charge filled-up cheques signed by himself on occasions when he was leaving the district. I used to have pages of such cheques. I sometimes got cash for these at the bank, and frequently used them in this partially-signed state in payment of accounts which the bank held for collection, leaving it to the bank to obtain the second member's signature. Mr. Daniel never, to the best of my recollection, left a blank (county) cheque in my possession.

P. B. BOULT.

This evidence was given, and the signature thereto made, in my presence after the said evidence had been read over to Mr. Boulton.—CHAS. C. BOYES, Chairman Lake County Council, 11th January, 1887.

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No. 2.—Mr. F. H. DANIEL examined, 10th January, 1887.

I do not remember when I was appointed Treasurer, whether before or after Mr. Boyes's election as Chairman. I think it was after. I held the office till the end of the electoral year (November), 1886. My functions as Treasurer consisted in the signing of licenses, the signing of cheques, and the signing of the half-yearly balance-sheet. I was not responsible for the finance of the County Council. I do not remember when I was first or subsequently appointed to sign cheques. I had signed no cheques previously. I do not know whether under the Act the appointment of Treasurer carried with it the authority to sign cheques. I took up the office and carried