

Since Court rose Mr. Fraser, on behalf of Muaupoko, and I have drawn up an approximate statement of receipts and expenditure since 1873 down to the present date. From 1873 to 1895 Kemp received the moneys in shape of rents, royalties on timber, payment by Government for township, and interest. These moneys he has either paid over to the tribe or disbursed in the interest of the tribe. Since he succeeded in placing registered owners back on No. 11 he has carefully abstained from touching any of the income. The lease that John McDonald held of part of No. 11 expired some time ago, but McDonald has remained in possession as a yearly tenant at a rental of £400, payable in advance. Accordingly, on the 5th October, 1895, a payment became due, but Kemp refused to touch it. On the 5th October last another payment of £400 became due, but Kemp did not take it. There is therefore £800 in hand. I called upon John McDonald to pay me the £800, which should, under ordinary circumstances, have been paid to Kemp. He at once gave me a cheque for £800, which I have paid to my account in Bank of Australasia, as a trust account, to abide the order of this Court. I say the money belongs to Muaupoko, of whom Major Kemp is one. I will put in duplicate slip to show terms in which money has been paid into bank. I have informed Kemp that not one shilling of that money will be paid out except on an order from this Court. Although Kemp has given me all the assistance in his power I could not have drawn up statement of accounts except for assistance rendered by Fraser and Muaupoko. When I hand statement to Court it will see that there can be no doubt as to receipts. The leases were before Commission, and are in evidence. H. McDonald's evidence before Commission shows what he paid Kemp and Muaupoko. The amount of purchase-money for township and interest is beyond doubt. Evidence of Bartholomew shows what he paid as royalties. I have not included in receipts anything in way of rents, royalties, or purchase-money received by Kemp in respect of No. 14, because I say that is Kemp's own property, and he is not accountable to any one; but the amount is in evidence, and can be ascertained by Court from documents before it. As to expenditure of the large sums received by Kemp during the last twenty-three years, wherever possible I have given exact figure in showing a payment. I will show to Court admitted payments to Warena and Wirihana. Hope to bring evidence to satisfy Court of other payments to Muaupoko. True, as stated by Kemp before Commission, that a large portion of the money has gone in payment of lawyers and agents. Kemp will say in witness-box that in making these large payments he believed he was acting in the interests of his people. As to proof of exact amounts paid to lawyers and agents, in some cases I shall be able to give exact amounts. In other cases Kemp can only give his recollections of what the amounts were. In the early days large sums were paid to Mr. Cash, solicitor, who acted for Kemp and the tribe in 1872-3. At a later period Mr. W. S. Baker acted for Kemp and the tribe, and was paid large sums. In order to furnish exact information as to amounts paid to those two solicitors, Fraser wrote asking them to send a memorandum of accounts, stating object for which they were required by Appellate Court. Urgent telegrams also sent to them on Saturday. Mr. Cash's partner replied that it was impossible to furnish the information. Mr. S. Baker has not replied to either letter or telegram. Unless Court considers it necessary to subpoena Cash and Baker we must fall back on memory. Mr. J. McDonald has given all the assistance he can, and is prepared to give evidence if necessary. As to large amount paid or payable by Kemp to me, these costs were incurred by him on behalf of Muaupoko, but he has taken the whole amount on his own shoulders. His personal estate is chargeable with it, and I have no claim for one shilling on any other Muaupoko in respect of my services. It is therefore clearly an amount for which Kemp is justified in claiming credit from the people. Court is aware that chiefs are put to great expense in connection with meetings for Court purposes, and I submit that such payments are made for tribal purposes, and are fairly chargeable in such cases as the present. The difficulty is as to the amount of such expenditure, and it can only be arrived at approximately. In such cases I propose to put in and call evidence, which I trust will satisfy the Court that we are rather under than over the mark. During the last twenty-three years Kemp has travelled about a great deal on the legitimate business of the tribe. He has made large stays in Wellington, and has had to pay the expenses of members of the tribe who accompanied him. There are some sums which it will be shown in evidence were gifts from the tribe to Kemp—for instance, a gift by people of £300, to enable Kemp to build a house at Wanganui. He is clearly entitled to take credit for gifts if Court is satisfied they were *bona fide* gifts. There is evidence before the Commission to substantiate gift of £300. I will satisfy the Court that with the indifferent material at my hand I have endeavoured to draw up a true account of receipts and expenditure. In respect to £800 deposited with me in trust, McDonald is entitled by law to claim from tribe their proportion of land-tax for No. 11. On his satisfying the Court that he is entitled, and the amount, I will pay him. I put in receipt I gave McDonald for the £800; also duplicate slip showing payment to my account. I also hand in statement of receipts and expenditure, and call Mr. J. M. Fraser.

Mr. J. M. FRASER sworn and examined.

*Witness:* When Court asked that account should be handed in to Court to-day, I consulted Kemp and Muaupoko Tribe. We first discussed receipts by Kemp of moneys in connection with block. The first money received by Kemp was under a lease dated the 1st December, 1876, for fifteen years, as from the 5th October, 1876, to Mr. Hector McDonald: First five years, £200 per annum; second five years, £300 per annum; third five years, £400 per annum. That lease expired on the 5th October, 1891. Kemp debits himself with the whole of the rents under that lease. From 1891 to 1896, no lease. McDonald occupied by verbal permission of Kemp, who has debited himself with the £2,000 received as rent for that period. The item as to royalties was obtained from Kemp and from evidence given before Commission. Similarly as to amount received from township. The sum of £210, for interest, was obtained from questions put by the Chairman of the Commission to Kemp. The sum of £100 was forfeited by Warena Hunia. Mr.