

moneys were paid to Muaupoko. Eparaima Paki acted as clerk for Kemp in 1886. He received some money. I have forgotten to put it into the account. Hana Tikara did not come here till 1886. I don't think she received any money.

Cross-examined by Hamuera Karaitiana.

Witness: I have not heard that Rhipeti Nireaha received any of the money. She has never lived at Horowhenua. The moneys were paid to the permanent residents. I have always understood that Kemp considered the permanent residents only entitled to the rents of No. 11.

Sir W. Buller: I have been considering the Court's direction that I should go on calling my witnesses, and have come to the conclusion that I have made out a *prima facie* case, and will ask the Court to allow the matter to stand as it is until No. 11 is before the Court, especially as Mr. Stevens has intimated that he will not accept the statement of accounts put in by me. It will place me at a disadvantage if I proceed with my case until I see Mr. Stevens's statement of accounts.

Mr. Stevens: I contend that Sir Walter Buller should call all his witnesses to substantiate his accounts, and that I should then adduce evidence to rebut.

The Court said it did not see how it could try two statements at once. Parties had better meet, and try to reconcile their statements of accounts.

Sir W. Buller and *Mr. Stevens* did not think anything would be gained by their meeting.

Mr. McDonald did not see the use of going into the accounts now.

The Court said it had already decided that, as Kemp had been the sole administrator of the Horowhenua Block, it was necessary that he should account.

Mr. Stevens said he would object to every item in the account put in by Sir Walter Buller until they were substantiated.

Sir W. Buller contended that his statement of accounts must be accepted as correct until it was attacked, and proved to be incorrect.

The Court asked Mr. Stevens if he admitted that the amounts stated to have been received by Kemp were correct.

Mr. Stevens said he admitted that they were correct, with the exception of the omission of the amounts received for the railway, either for its purchase or in dividends, and contended that 5 per cent. interest should be charged on all sums received by Kemp.

The Court said it did not know how the interest could be calculated. Many of the sums did not appear to have been paid to Kemp at all, but to the Muaupoko.

The Court held that Sir Walter Buller must go on with his case, and if Mr. Stevens took exception to any of the items he could call evidence in support of his objection. If necessary, Sir Walter Buller would be allowed to call rebutting evidence. As Mr. Stevens had to go away, it would be more convenient to take the question of accounts at a later date.

Mr. McDonald renewed his application for adjournment until Wednesday.

Sir W. Buller said he had just received an urgent telegram from Mr. Bell saying that he had made all his arrangements for to-morrow, and could not alter them.

Mr. McDonald said he would endeavour to be here by 11 a.m. to-morrow.

The Court decided to hear argument at 11 a.m., to suit Mr. McDonald's convenience.

It was decided that further proceedings respecting Horowhenua No. 14 should be adjourned temporarily, and that the continuation of the inquiry with regard to the accounts should be continued in connection with the investigation and determination of interests in No. 11.

The Court adjourned until the 6th instant.

STATEMENT OF RECEIPTS and EXPENDITURE of Meiha Keepa te Rangihiwini in connection with Horowhenua Block.

<i>Receipts.</i>	£	s.	d.	£	s.	d.
(1.) Rents under lease executed on the 1st December, 1876, as from the 5th October, 1876, for fifteen years, to H. McDonald—						
1876 to 1881—Five years, at £200 per annum	1,000	0	0			
1881 to 1886—Five years, at £300 per annum	1,500	0	0			
1886 to 1891—Five years, at £400 per annum	2,000	0	0			
1891 to 1896—Under arrangement from year to year with H. McDonald, at £400	2,000	0	0			
				6,500	0	0
(2.) Royalties on timber—						
From Mr. Peter Bartholomew	500	0	0			
From Mr. Peter Bartholomew	500	0	0			
				1,000	0	0
(3.) Sale of No. 2 Block—Township: From Crown				6,000	0	0
(4.) Interest—From Crown, on portion of purchase-money				210	0	0
(5.) Miscellaneous—Deposit for costs by Warena Hunia on appeal in Supreme Court action					100	0
				£13,810	0	0