

There were two further inaccuracies in the Post-office book. The first—voucher No. 24653, £7 Os. 4d. is shown in the book at £70 4s., evidently an error in entering. This I have since verified, and find that a cheque, No. 6383, in favour of Strange and Co., Christchurch, for £7 Os. 4d., was countersigned by Mr. McBeth, and, further, that the issue requisition shows voucher No. 24653 to be for £7 Os. 4d., and is charged to Railway vote. The second is voucher "3556," for £91 7s., following No. 42826 of 1904-5. The error here is in the number, which should be 43934. This has arisen through the clerk in Christchurch entering the departmental instead of the Treasury number.

Mr. Willis was given every opportunity to scrutinize the vouchers, and my examination was on similar lines to search No. 3—if anything, more particular—and I can affirm positively that Mr. Willis saw every voucher, with the exception of the first and fourth, mentioned above.

*Search No. 5.*

Upon the completion of search No. 4 Mr. Willis was evidently not satisfied, and, under your instructions, he and I made a list from the Post Office books, in a similar manner to the last, of amounts £50 to £70, but the date was from the 1st January, 1904, to the 2nd September, 1904. The examination of the vouchers was on exactly the same lines as the last. The only discrepancy found in this list was that the Post Office had entered a voucher "36873" instead of "36875."

*Search No. 6.*

Under your instructions an abstract from issue requisitions was made (1st April, 1903, 30th June, 1905) by Mr. Bybles, Mr. Ward, and myself of all amounts of £80 to £100 charged to Defence votes, &c. This was supplementary to search No. 1, and was carried out in exactly the same way, Mr. Ward examining all vouchers from 1st April, 1903, to 31st March, 1904, and I those from 1st April, 1904, to 30th June, 1905.

*Search No. 7.*

An abstract of amounts £40 to £70 from 1st December, 1903, and between £40 and £50 from 1st January, 1904, to 2nd September, 1904, made by yourself from the Post Office books. This was checked by Mr. Willis and myself in the same way as list for search No. 4. The vouchers were produced by the Treasury, and the examination was similar to searches Nos. 4 and 5.

*Search No. 8.*

Under your instructions Mr. Bybles, Mr. Ward, and myself made abstracts from the issue requisitions of all amounts of £40 to £70 charged to Defence votes and Deposit Account, South Africa contingents from 1st December, 1903, to 31st August, 1904. This was supplementary to searches Nos. 1 and 6. The vouchers were all seen by me, and examined in the same manner as in previous searches.

*Search No. 9.*

I have also examined the balances outstanding at 31st March, 1905, of imprestees holding money under the Defence Department, and also the Treasury Cashier's balance, and all vouchers comprised in those balances have been exhibited to me, and no payment is disclosed to Captain Seddon.

*Search No. 10.*

In accordance with your instructions, Mr. Ward and myself checked an abstract from the Post-office books, made by yourself, of all amounts of £40 to £70, from 1st April, 1903, to 1st January, 1904, and 1st September, 1904, to 30th June, 1905, thus making in conjunction with searches Nos. 4, 5, and 7 a complete examination of all vouchers of £40 to £100 paid by means of cheques, countersigned by the Postmaster, Christchurch, for the period 1st April, 1903, to 30th June, 1905.

There were found several slight discrepancies in this examination: Voucher 26257 of 1903-4, for £69 8s., should be 36257; voucher 89626 of 1904-5, for £52 18s. 7d., should be 89625; voucher 8746 of 1905-6—the amount in Post-office book is apparently £53 7s. 7d., but should be £53 1s. 7d.

*Search No. 11.*

Under your instructions I have carefully examined the Treasury Abstract Books for the years 1903-4, 1904-5, and June quarter, 1905-6, for any payment to Captain Seddon or any other person for the "reorganization of Defence stores," and paid out of any of the votes as per search No. 1, and can find no trace of any such payment.

*Search No. 12.*

Under your instructions I then examined the Alphabetical Register of Abstracts kept by the Defence Department in terms of Treasury Regulation No. 62, and found no trace of any payment to Captain Seddon.

It will thus be seen that all vouchers for payment out of Public Account anywhere in the colony and charged to the various Defence votes, and Deposit Account, Imperial Government, South Africa contingents, have been scrutinised for the following periods and amounts: £40 to £70, 1st December, 1903, to 31st August, 1904; £70 to £80, 1st April, 1903, to 30th June, 1905; £80 to £100, 1st April, 1903, to 30th June, 1905. I have also seen and carefully examined all vouchers for which cheques were countersigned by the Chief Postmaster, Christchurch, from £40 to £100 during the period from 1st April, 1903, to 30th June, 1905; and, in conclusion, I can say positively that no payment has been made to Captain Seddon for "reorganization of Defence stores" or for any other service of an amount of between £40 and £100 either at Christchurch or anywhere else, within the dates of the various examinations.