

A good deal of evidence was taken to explain why this £1,100 was paid into a separate account at Messrs. Williams and Kettle's (Limited) and not into the Bank of Australasia Distribution Account, but the bank-books make this quite clear; the latter account at that date was overdrawn to the extent of £1,062 19s. 2d.

Mr. Jackson, under cross-examination, stated that his intention was that the advance from Waihirere should be repaid out of an advance on the wool-clip. On the 16th January, 1917, £1,500 was so advanced by Messrs. Williams and Kettle (Limited), but £1,082 7s. 4d. of that was paid into the Bank of Australasia Distribution Account, and the balance of £417 12s. 8d. to the Wi Pere Trust Estate, which was a creditor at that time.

On the 20th March, 1917, a sum of £10,000 was advanced by the Bank of Australasia on the security of the Waitangirua Station, and it was out of this that the promissory note for £1,100 and interest was paid.

With regard to this loan for £10,000, correspondence took place with Mr. Marsh, who at first refused to sign the cheque until accounts had been audited. He eventually did so on the urgent request of Mr. Pavitt, writing on the 7th March, 1917, for Mr. Jackson, who was then ill. This letter is attached to Exhibit H3, and sets out that the indebtedness of Mangatu No. 1 to the Waihirere Block and Wi Pere Trust Estate of £4,889 8s. 2d. has to be met. In his reply, dated 16th March, the Commissioner complained that all financing with the Wi Pere Trust Estate and Waihirere Block was quite irregular, and the amount owing larger than he had been led to believe, without including interest. One reason for this increase was, of course, the distribution of £1,100 above referred to.

It may be noted here that on the order-books of the station becoming exhausted Public Trust order forms were altered and used. This should never have been allowed. It is open to serious objection as being likely to mislead.

8. *The Number of Beneficiaries entitled to an Interest in each of the said Blocks.*

The Registrar of the Native Land Court explained that it was impossible to give the numbers exactly, as it was certain that the same persons would be included in several succession orders under different names; some in title were deceased, and no succession orders were yet made for their interests. Also, it must be pointed out that section 6 of the Native Land Amendment and Native Land Claims Adjustment Act, 1917, makes provision for an inquiry by the Native Land Court as to claims for inclusion in Nos. 1 and 4 by persons not at present named in the titles to these blocks.

After inspecting the files the Registrar estimated the number of beneficiaries as under:—

Mangatu No. 1	...	...	about 400
Mangatu No. 3	...	...	about 90
Mangatu No. 4	...	...	about 200

9. *Whether any Moneys have been paid to Persons other than Beneficiaries (excluding Moneys expended in the Ordinary Course of Management), and the Circumstances under and in respect of which such Moneys (if any) were so paid.*

Amongst other items coming under this heading are certain payments to the late Mr. W. L. Rees, who acted for some years as solicitor to the trustees. These commence on the 16th May, 1904, with an entry of £100, repaid on the 1st July following. On the 19th December, 1907, a cash advance of £250 was made to Mr. Rees, and further advances (less £80 repaid) make a total of £1,624 1s. 1d. due on this account. The last item in these advances was £115, on the 18th August, 1909.

Mr. Jackson stated these advances were made after Mr. Rees had produced to him a bill of costs against Mangatu No. 1 for over £2,300 and asked for payment. Mr. Jackson refused until costs had been taxed. Wi Pere, another