The accumulations of "Koha" on this purchase amounted, according to returns, on 30th September, 1873, to £1,027 8s. $1\frac{1}{2}$ d.; the charges against the Natives to £366 17s. In November, 1870, Mr. Kemp paid £430 to the sellers, but did not make any specific deduction for the above charges. Manihera and the other Natives interested objected to the set off of £366 17s. on the following grounds:

1st. That they had never received the money.

2nd. That the accounts should have been furnished to them at the time, or, certainly, at last

payment; and 3rd. That the charges for mills, of which this was one, had been promised to be wiped off in

the account against them.

To the first of these I was able to show that £150 of the money had been asked for, in writing, by Manihera, and that the sum of £366 17s. had remained constantly in the accounts, while other charges had been wiped out.

In reference to the second reason, I was able to offer no sufficient excuse.

In reference to the third, I showed that the original cost of mill had been wiped out of the account, but that the charge of £366 17s. was for repairs after the earthquakes of 1855, and was not affected by the circumstances that caused the remission of the charge for the erection. After a long

discussion, I was enabled to maintain this charge as a set-off.

In the returns of land sold, as received from Commissioner of Crown Lands previous to leaving Wellington, no account had been taken of about 14,000 acres of sold land, supposed to be within this block, and to lie between the Waiohine and the Waingawa Rivers. Before this matter could be settled, it was necessary to establish, on the ground, the exact position of the boundary of the Moroa purchase, which had never been done by survey. On the 9th of December, in company with Mr. T. E. Young, I went over this boundary, tracing it out on the plan according to the Native names in the deed of cession. We obtained the services of Hori Taha—a Native well acquainted with the locality and the old names—to point out the positions, while Matiaha Mokai and Roimata went to check Hori Taha's accuracy. The tracing attached marked A shows, in red, the boundary thus defined. By this it appeared that 14,602 acres had been sold within the limit, and that a further sum of £348 2s. (net 5 per cents.) was due upon it. I obtained this money, and paid it to the Moroa Natives on the 16th instant.

In 1853 the chiefs Manihera te Rangitakaiwaho and Wi Kingi Tutepakehirangi, principal owners of the Moroa district, made a free gift of a block of land to Chief Commissioner McLean, "in consequence of the satisfaction they felt at the manner in which Mr. McLean had conducted land purchases in the vicinity, and the high relative price he had paid to all 'of them' for the adjacent lands." The means of surveying this piece of land were not at the time at command, and for want of an accurate knowledge of its figure and area, the execution of a deed of gift was deferred until the matter was lost sight of. Nearly all the contiguous land became Crown property by purchase, and this piece, being on either side of the main road from Tauherenikau Bridge to Greytown, was included in a sectional survey and granted by the Crown. Although given, the land was yet to yield "5 per cents." Seeing that in taking receipts for the 5 per cents., an opportunity presented itself of obtaining a formal ratification of the free gift, and the Natives being well inclined, I drew up, in conjunction with Mr. E. S. Maunsell, licensed interpreter of Greytown, the attached document (B), by which the two chiefs above mentioned ratify their gift, and fifteen others, principal people of the district, confirm it. The marginal plan attached shows the boundaries as given by Manihera to me. The area comprised is 5,000 acres.

The total accumulation of 5 per cents. on the Moroa and Tauherenikau Blocks was thus £1,375 10s. $1\frac{1}{2}$ d.; the advances made were £796 17s.; leaving a balance of £578 13s. $1\frac{1}{2}$ d. due to the Natives, which I paid them.

Makoura Block.

The last sales in this block took place in 1861, and the 5 per cents. amounted to £54 Ss. 3d. This exhausted the area of the block, and with it the possibility of further accumulation of "Koha." The Natives were, on 4th January, 1863, paid the sum of £54 8s. 3d. In November, 1870, Mr. Kemp paid the sum of £100 on 5 per cents. in this block. The Natives attributed this payment to the high price at which land has been lately sold (privately) in Masterton, and looked to me to make a similar payment to them as Mr. Kemp had made. After a very long and tedious discussion, I caused them to understand the real position of the account and the terms of the contract, and they ceased to ask for payment. I do not show this block in my account current, as I had no payment to make on it; and, by the sale of all its land, it has for some years passed from the list of 5 per cent. blocks.

Whareama Block No. 1.

On this block I paid the sum of £27 1s. 3d. Mr. Kemp, in 1870, had paid the sum of £110, and the Natives looked for a similar amount from me. On going into the accounts, however, I was able to show them that I was paying all that was due.

Whareama Block No. 2.

On this block the total amount of accumulated 5 per cents. was, in 1870, £111 16s. 1d.; Mr. Kemp paid £110, and £9 15s. have accrued since, thus leaving a balance of £11 11s. 1d., which I paid. The Natives could not understand how so small a sum was at their credit, and were a long time examining the accounts before they were satisfied.

Pahaua.

On this block the accumulations to 30th September, 1873, amounted to £484 10s. 10½d., and the payments to £350 only; but I found an item on a letter in Dr. Featherston's handwriting, showing that £60 was lent to the late chief, Wereta, one of the sellers, in 1862, and I required that it should be