

Mr. R. C. HAMERTON, Public Trustee, further examined.

4402. *The Chairman.*] Did you have regular audits made of the Christchurch office agency?—No; Acland and Barns's accounts were audited up here.

4403. Have you not an auditor named King?—There is an inspecting auditor named King, but he is not under me.

4404. Did he never audit Public Trust accounts kept with and by Acland and Barns?—He was supposed to audit all the accounts within his district once a year.

4405. Have you satisfied yourself whether he did or did not do that?—I have not satisfied myself.

4406. Is it not part of your duties to know that it is done? Was it not your duty to know whether that work was being done?—Possibly I should have done it. I do not know that it has not been done.

4407. Then, do you know that it has been done?—No.

4408. Did you have the accounts audited when you took over the business from Acland and Co.?—No.

4409. Did you not think it necessary?—No; excepting that the incoming agent would take over everything he found.

4410. But if there ever was a time when audit was necessary, would it not be when taking over an important part of the business from your agent and handing it to a new officer?—In our case, all moneys are paid into the bank daily.

4411. Of all other times, was it not the most important time that an audit should be made, when you were making the change there?—Yes.

4412. You did not have any audit?—No special audit.

4413. Had you never fault to find with the accounts kept by Acland and Barns?—As far as the accounts are concerned, No.

4414. Nor in their mode of conducting business?—There was a little dilatoriness now and then.

4415. Did you ever write to them pointing out dilatoriness?—I did.

The Rev. CHARLES DANIEL DE CASTRO further examined.

4416. *The Chairman.*] Can you call to mind the change of the Christchurch agency, making it a branch of the Trust Office, and relieving Messrs. Acland and Barns?—That was done while I was ill.

4417. You remember that before you got leave of absence you were in the office in November?—Yes.

4418. Do you remember Mr. Hamerton receiving a letter from the Crown Solicitor, Mr. J. C. Martin, in reference to Messrs. Acland and Barns?—Yes.

4419. I dare say you remember the contents of that letter?—I know the purport of it.

4420. What was it?—That Mr. Acland was not just the man to be agent for the Public Trustee—not the man to command sufficient confidence.

4421. Did you read the letter?—I believe I did.

4422. And then you put it away in a separate envelope?—I think Mr. Hamerton sealed it up himself, and he told me to put it on the records in an envelope.

4423. Is that the envelope?—The writing on it in red ink is mine.

4424. Who addressed that letter?—I think it is the writing of Mr. J. C. Martin, of Christchurch.

4425. Do you remember this letter? [Letter from J. C. Martin to R. C. Hamerton, Public Trustee, previously sealed up and marked "Confidential," produced.]—Yes, I remember that letter.

4426. Did you read that letter?—Yes.

4427. And then, by Mr. Hamerton's instructions, you put it on record?—Yes.

4428. *Mr. Loughrey.*] Did you put it in this envelope?—Probably I did. I do not recognise the writing on the envelope. I have no doubt that is the letter I read.

4429. *The Chairman.*] You indorsed it in red ink, as it is?—Yes.

4430. Did you and Mr. Hamerton consult together about the contents of that letter when you put it away, or at any other time?—I do not think we consulted about it.

4431. A letter was written to Mr. Barns, was there not, about that time?—I think there was a letter written to him.

4432. Have you not a special book where these letters are copied?—We have no private letter-book. If there was anything written to Barns it must have been a private note. There is no private letter-book, but I think you will find on the file that Mr. Hamerton says he has not written any private letter to Mr. Barns.

4433. When you are realising estates for the Public Trust Office, have you any stamp duty to pay, or have you to make schedules for the property-tax?—We have to do that in all estates, personalty and realty.

4434. How often are these schedules made?—Once a year in regular form from this office.

4435. Do you make them exactly in the same way as private estates do?—Yes; on the yellow sheet furnished by the Property-tax Office.

4436. Supposing an estate gets into your hands after you have made up your property-tax returns, would the property-tax return be sent in for that estate?—We would ask for a form, and fill it up.

4437. Do you keep copies of returns?—Only on the records.

4438. But no register?—I do not think so.