

- Q.—Tell me first how that was disposed of.
 A.—It was by a voucher.
- Q.—How was the entry in June, 1875, made in the Northern Railway books of this item?
 A.—“Northern Railway Extension, new account, Dr. to Sundries.”
- Q.—One of these sundries, was this item?
 A.—Yes.
- Q.—Thereby closing the account of D. L. Macpherson in the Northern Railway books?
 A.—Yes.
- Q.—Is that the way the matter stands now in the Northern Railway books?
 A.—Yes. Since the amalgamation on the 3rd of June, what is called the Northern Extension Special Account has been just as much the Northern Railway Company's account as the other; the opening of the Northern Extension Railway special account took place at the time of amalgamation, by Deed, on the 3rd of June 1875, and the Extension then became part and parcel of the Northern Company; but in order to keep that purchase as a capital account separate from revenue, the burdens and liabilities that we took over of the Extension Railway at the time of amalgamation, have been continued in the account that we call the Northern Extension Special or New account.
- Q.—Have you since that date had a separate set of books for the Northern Extension Railway?
 A.—Yes.
- Q.—You have a separate set of books, the amalgamation account being in effect the Northern Extension Railway, I suppose?
 A.—Yes, it is the account coming to us by amalgamation.
- Q.—Upon that date you charged this item to the Northern Extension Railway new account, you say?
 A.—That's it.
- Q.—Were there any other Northern Railway items transferred on that day to that account?
 A.—There were two others. One was a note of William Hamilton & Sons, of \$2,616, and one was a note of my own of \$12,593.21.
- Q.—Did those other items stand respectively to the debit of Hamilton & Sons and yourself in these accounts?
 A.—Yes.
- Q.—By whose direction were those entries made?
 A.—By my own.
- Q.—Had these entries been ordered by the Board?
 A.—No.
- Q.—Were they made with the concurrence of the Board?
 A.—No.
- Q.—They knew nothing of them beforehand?
 A.—No, I directed the entries in the exercises of my own authority.
- Q.—Without any communication with the Board whatever?
 A.—Yes.
- Q.—And without the knowledge of the Board?
 A.—That is, without any knowledge that I am aware of.
- Q.—Did any members of the Board know that you were going to make these entries?
 A.—I do not think so; I did not consult any of them.
- Q.—Did the members of the Board know that those three items were standing to the debit of the respective parties, previous to this?
 A.—I do not think they did.
- Q.—You do not think, then, that the Board knew that there was that sum of \$2,500 standing to the debit of D. L. Macpherson?
 A.—Unless they examined the balance sheet.