

A.—Well, the thing dropped.

Q.—Was there any reason for concealing it from the other Directors, or any of them ?

A.—None.

Q.—You had no intention of concealing it from them ?

A.—No.

Q.—You did not conceal it, then ? You thought if they were not actual parties to it beforehand they were quite willing to sanction it ?

A.—I have no doubt they would have sanctioned it.

Q.—In January 1871, I think you said the transaction took place ? The Board of directors met frequently, I suppose every week ?

A.—No, our board meetings at that time were very infrequent.

Q.—How often did they meet ?

A.—They met on call.

Q.—How often, taking one month with another, or one quarter with another ?

A.—Perhaps once in three weeks or a month.

Q.—When does your annual meeting take place ?

A.—The semi-annual meeting generally takes place early in August.

Q.—Did the meeting of 1871 take place in August ?

A.—I think so.

Q.—Where does the meeting take place ?

A.—In Toronto.

Q.—Were the Directors all aware of it before that semi-annual meeting at all events ?

A.—I am not sure, I do not know.

Q.—You do not know that they were aware of it, up to the semi-annual meeting ?

A.—I could not say.

Q.—Any belief as to that ?

A.—I should be better able to speak if I refreshed my memory with a knowledge of the gentlemen who were then members of the Board.

Q.—You cannot therefore say, whether they all were aware, then, at the time of the next semi-annual meeting, whether this transaction had taken place ?

A.—I could not say.

Q.—How was it entered in the books originally ?

A.—It was simply entered against the Hon. D. L. Macpherson as a payment to him.

Q.—It was not entered, then, to the suspense account ?

A.—It was not entered or classified to any service.

Q.—Have you got a suspense account in the ledger ?

A.—We have various suspense accounts—but no general suspense account.

Q.—Why was it charged to D. L. Macpherson ?

A.—Because he was treasurer of the fund and received the money.

Q.—But he was not a debtor of the Company ?

A.—It was kept in the suspense account until it could be charged to some specific service.

Q.—How long did it remain at the debit of D. L. Macpherson ?

A.—Until the 30th June 1875. It remains there still.

Q.—Why did you name the 30th June 1875, if it remains to his debit still ?

A.—Because on the 30th June 1875, it was carried to the account which was made in connection with the amalgamation of the Northern Extension Railway, which had the effect of giving us for the first time a capital account.

Q.—What was done with it then ?

A.—It was then entered on the 30th June 1875, to municipal bonuses, government subsidies, expenses of the Northern Railway Company, new account.

Q.—Are you giving me now the entry in regard to this item in the Northern Railway books ?

A.—No.