

The Enquiry Conducted by T. Hollis Walker, K.C.

(Continued from page 7.)

Q.—Were they confined to entries in the cash book?

A.—Some of them were entries sent by Sir Richard from his office.

MR. WARREN.—When you say from Sir Richard Squires' office which office?

A.—From the Prime Minister's office.

Q.—From notes sent over by Sir Richard Squires from the Prime Minister's office?

A.—Yes.

MR. HOWLEY.—When were those entries made by you?

A.—In my regular course of time in trying to get everything posted. Probably before the end of 1921.

Q.—Some of these entries have reference to Promissory Notes and discount?

A.—Yes.

Q.—Did you have any other record that the entries in the cash book to verify these for you?

A.—Entries in the cash book and notes on file.

Q.—Would you be good enough to look over these and see if these are the notes on file?

A.—Yes they are.

Q.—That is the one first in order of date?

A.—Yes.

MR. HOWLEY.—I would like to have that put in.

COMMISSIONER.—What is it?

WITNESS.—A Promissory Note dated St. John's, 31st of December, 1919, sixty days after date. On the Bank of Nova Scotia for \$400.00 signed J. T. Meaney. Endorsed by Squires per J. G. Miller.

COMMISSIONER.—Then Mr. Meaney was borrowing money, or acknowledging that he was owing money to Sir Richard Squires in December, 1919?

A.—Yes.

Q.—The next one reads what?

A.—It is a renewal in full. Three months after date. Dated March 2nd, 1920. For \$400.00. Signed J. T. Meaney. Endorsed by Squires per J. G. Miller.

COMMISSIONER.—Is that a renewal of the other?

A.—I do not know but the date corresponds.

MR. HOWLEY.—The next item is a debit note from the Bank of Nova Scotia for the account of Sir Richard Squires for \$400.00. It had been charged to Sir Richard's account.

A.—Yes.

Q.—This is a note dated September 8th, 1920. What is it?

A.—Note dated September 8th, 1920. A renewal for the full \$400.00 to the order of Sir Richard Squires. Signed J. T. Meaney. Endorsed R. A. Squires per J. G. Miller.

Q.—The filling in is in whose handwriting?

A.—Miss Miller's.

COMMISSIONER.—This ought to be put to Mr. Meaney in cross-examination.

MR. WARREN.—I don't know what this witness is proving these notes for.

COMMISSIONER.—We shall have to recall Mr. Meaney to prove these notes. The position is raised as to why it was not put to him in cross-examination, so that he could deal with it. You would expect it, Mr. Howley, wouldn't you, if you were on the other side, that these matters would be put in cross-examination. Probably you were not then aware of it, but this is a matter that must have been in the knowledge of your client.

MR. HOWLEY.—I have no objection to Mr. Meaney being recalled.

COMMISSIONER.—You could not have, because I can call him. But that is not the point. The point is that the Attorney-General is right in saying you ought to have put the questions in the cross-examination in the first instance. You would have expected it.

MR. HOWLEY.—The position is this, this is not a trial in the ordinary sense of the word and the matters we have to deal with are only unfolded as the matter is examined.

COMMISSIONER.—It must have been unfolded immediately. Instead of giving money Mr. Meaney was getting it. It was not put to him and so we shall have to call Mr. Meaney. If it is called for here if it has any real bearing in this case we shall have to call him to deal with it.

MR. HOWLEY.—This I think is more?

WITNESS.—That is a sight draft for November 15th 1920 for \$400.00 to the order of the Bank of Nova Scotia.

COMMISSIONER.—Is this the same old \$400.00 or is it a new one?

A.—I think it is the same one.

COMMISSIONER.—Can't we take this a little shorter Mr. Howley. There was a promissory note for \$400.00 and there were a series of renewals going through the year 1920. Can't we get it more shortly.

MR. HOWLEY.—The last renewal was dated November 15th 1920. There was an intermediate one in October.

COMMISSIONER.—When is the last one?

WITNESS.—November 15th, 1920.

COMMISSIONER.—That is the final renewal?

WITNESS.—Yes, sir, of that one.

MR. HOWLEY.—Q.—Now there was

another note was there not?

A.—Yes. Promissory note dated July 14th, 1920 for \$100.00 signed J. T. Meaney to the order of Sir Richard Squires. Endorsed by Sir Richard Squires himself.

COMMISSIONER.—Does that go through a series of renewals?

A.—Just the one.

COMMISSIONER.—There was a renewal of that?

A.—On October, 1920 for \$100.00. Partially filled out by Miss Miller and endorsed by Miss Miller.

MR. HOWLEY.—Q.—These and the records of your cash when you had it written up. With the information Sir Richard Squires had sent you, are what enabled you to make up the account?

A.—Yes, sir.

Q.—During the course of your examination you discovered these cheque stubs marked "Cash J.T." Did you understand them?

A.—No, sir.

Q.—Did you enquire about them?

A.—I asked Miss Miller and she said I would have to refer the matter to Sir Richard Squires.

Q.—Did you ask Sir Richard?

A.—I remember seeing Sir Richard Squires at his office, that is the Prime Minister's office and telling him that there were numerous entries that I did not understand. The entries for J.T. did not take my notice any more than any others.

Q.—You at no time asked him what those stubs referred to?

A.—I rarely saw Sir Richard.

COMMISSIONER.—You asked Miss Miller and she referred you to Sir Richard Squires? Did you never ask Sir Richard himself?

A.—I never had an opportunity. He was never in the office of Squires and Curtis.

COMMISSIONER.—You found them before the end of 1921. You were anxious to find it and without finding it you would not complete your work. But still you never asked him what was the meaning of these stubs?

A.—I told him there was a great number of entries I could not understand.

COMMISSIONER.—That is not answering my question. I am putting to you how it came about that you never asked Sir Richard what was the meaning of the stubs with J.T. and the word cash marked on them?

A.—I never asked him the question specifically.

Q.—Why didn't you?

A.—If Sir Richard Squires had come into the office to go into the work he would have seen the list.

Q.—But you never showed him the list?

A.—I never carried the list to him.

COMMISSIONER.—You got the list and you left it at that?

A.—I could do nothing.

Q.—You could have submitted the list to him; but you never did tell him the details?

A.—No, sir.

Q.—I profess I don't quite understand it.

MR. HOWLEY.—Would you be good enough to explain to the Commissioner what your attitude towards

these cheque stubs was and why you did not distinguish them from the other more or less ordinary entries?

A.—The cheque stubs showed that the money had been paid to somebody; to whom I did not know, but Sir Richard knew.

Q.—Did you try to place them in the entries?

A.—They had never been entered in the cash book.

COMMISSIONER.—Wasn't that unusual?

A.—Yes, decidedly.

COMMISSIONER.—They were more attractive than the bulk of the entries on the list. It was more than ordinary to find a stub marked "J.T. Cash" and nothing to determine it by. Was that an unusual thing?

A.—Very.

Q.—All the more reason why you should be anxious to settle it.

A.—I told him there were a number of cheques without particulars at all.

Q.—Did you tell him you could not trace the amounts in the books?

A.—Yes, I told him that.

Q.—What did he say then?

A.—He said he would be coming over some time to look into them.

MR. HOWLEY.—Do you mean the stubs would indicate that a thousand dollars had been received for the firm and not accounted for?

A.—The only thing that would mean would be that the money had gone from the firm.

COMMISSIONER.—He said he would come over and look over that; did he ever do it?

A.—No, he has never done it.

COMMISSIONER.—Did you compare the stubs with the pass book?

A.—There was no pass book.

Q.—Of this account?

A.—No.

Q.—Couldn't you get it?

A.—I had a statement made from the Bank.

COMMISSIONER.—I don't know what the custom here is but ordinarily banks provide their clients with pass books.

A.—There was a book sometime but I could not find it. As soon as I found the books were in such a bad state my first step was to get the cheques from the Bank. The cheques had already been given out.

COMMISSIONER.—Did you get such cheques as were in existence?

A.—They had already been passed out.

Q.—What do you mean by "passed out"?

A.—They had been given by the Bank to their customer.

Q.—And Sir Richard Squires had not got them?

A.—Yes, Sir Richard Squires had them and she said Sir Richard Squires had them and he said Miss Miller had them.

Q.—That was a deadlock as to the cheques?

A.—Yes.

Q.—What about the pass book?

A.—Exactly the same as the other.

Q.—Each said the other had it?

A.—Yes.

Q.—You could not tell whether any single cheque had ever been presented?

A.—No. Later I got a statement from the Bank.

Q.—When did you get it?

A.—Early in January or February of 1923.

Q.—Which I suppose was a copy of the account?

A.—Yes.

Q.—Did you compare that with the cheque book and stubs?

A.—I endeavored to get after a lot of accounts.

Q.—Did you notice that the stubs which had "J.T." and the blank one did not appear to have ever been cashed.

A.—I noticed a number of them were outstanding.

Q.—Who did you ask about it?

A.—I don't think I referred the matter to anybody. I had my list of outstanding entries.

Q.—Was it not unusual that cheques purporting to be cash J.T.; you found that on the counterfoils, which were marked "Cash J.T." corresponded with cheques that had never been presented?

A.—I had never gone into the matter in detail with anybody.

Q.—Was your list to be put away?

A.—I had been working at it all the time.

Q.—You first of all had got on your list a number of cheques which you did not understand?

A.—Yes, sir.

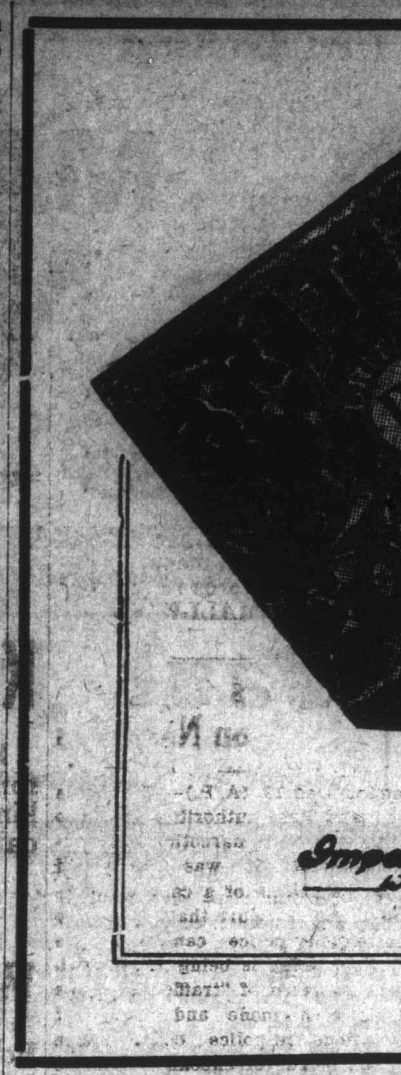
Q.—And didn't it seem remarkable that some of these cheques had never been presented?

A.—In the meantime I had the current work of the office to do which was all day.

Q.—The books of this office had a poor chance of ever being put right. I mean, if you say that you could not do it because you had to do this I am at a loss to see how they can be of much advantage to me.

MR. HOWLEY.—Did you in the course of going through the Bank statement did you find in it any cheque marked "Cash J.T." which had been presented for payment?

A.—I don't remember.



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that presently. That is where the trouble comes in.

COMMISSIONER.—Does she say that there was a sheet which was headed "J. T. Meaney"?

MR. HOWLEY.—I am coming to that. In the evidence here of Mrs. Harasant, she is asked, "For instance if \$200.00 had been paid to the Daily Star, would that be entered in the ledger?" and she answered "Yes." (Reads evidence).

COMMISSIONER.—Now then she says that there ought to have been a sheet there. Then do you know if this sheet appears in the ledger to-day?

WITNESS.—No, but a blank sheet marked "J. T. Meaney" was in the ledger.

COMMISSIONER.—Mr. Fraser, before you are cross-examined I want to put a few questions to you. In fact, I want to ask the one important question. Mr. Meaney has told us that he was handing money to Miss Miller from December of 1920 to July of 1922. Were you aware that any money was coming from Mr. Meaney during that time?

A.—I had absolutely no knowledge whatever.

Q.—Were you aware that during that time Miss Miller was procuring money for the business?

A.—No.

Q.—Had you anything to do with the question of where the money came from that was being utilized for the business?

A.—I do not quite understand.

Q.—Take for instance this question of wages in connection with the Daily Star. Did you know that money was being paid out in wages for the Daily Star?

A.—There was no Daily Star entries after I came in.

Q.—Look up the Daily Star account.

A.—It was taken out at the beginning of the enquiry.

Q.—Taken out by whom?

A.—Sir Richard Squires asked for it.

Q.—Who has it now?

MR. HOWLEY.—I understand that it is at the office. I can get it for you.

COMMISSIONER.—It is a great pity that it should have been dealt with in that way. I can quite understand that for the purposes of communication between you and your client it would be more convenient to take out the sheet than to carry this big book around. But it is a regrettable incident that the Daily Star sheet should be out now.

MR. HOWLEY.—We shall produce it.

MR. Winter Cross-examines Witness.

Q.—Mr. Fraser, how long were you in the Bank of Nova Scotia, before

you went into the office of Squires & Curtis?

A.—In August, 1912 I went there.

Q.—For that eight or nine years which you were there can you tell us what posts you occupied?

A.—I passed up through most of the posts in the St. John's Branch, until I became Assistant Accountant.

Q.—Did you keep a ledger during that time?

A.—I kept the regular Bank Books.

Q.—So that you are thoroughly familiar with the keeping of books?

A.—Yes.

Q.—And you went to the office of Sir Richard Squires solely to act as Business Manager?

A.—I became a student-at-law also.

Q.—You had full control of all the books, that is of financial books?

A.—Yes.

Q.—Did you have anything in the form of a Journal? Was there any Journal in the office when you went there?

A.—There was a cash book and a ledger.

Q.—Was there any Journal, is the question.

A.—There was nothing but the cash book and the ledger.

Q.—There was no Journal then?

A.—No.

Q.—Did the cash book fill the office of the Journal?

A.—Yes.

Q.—If an amount was paid in by a client or some other person, that would be entered in the cash book?

A.—Yes.

Q.—And credited to the proper account in the ledger?

A.—Yes.

Q.—But how would it appear in the cash book? Would it be entered as a Journal entry?

A.—The person paying the money would be given a receipt and a carbon copy was kept of the receipt.

Q.—Then there was no book corresponding to the ordinary Journal from which the ledger would be posted?

A.—No.

Q.—Supposing there was a transaction in which there was no cash, suppose, to take a common occurrence in a lawyer's office, that you wanted to debit a client with a charge for fees, that is to debit his account, what book was that done through?

A.—The cash book is divided into columns.

COMMISSIONER.—I should like to see an ordinary page of the cash book.

MR. HOWLEY passes commission.

WITNESS.—A transaction of the sort mentioned would be entered in the cash book, but not under the cash column. It would be under the