

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

(Continued from page 5.)

Q.—What were you doing in the interval between April and June?

A.—Straightening out certain accounts for Sir Richard Squires. Sir Richard wanted this done hurriedly and I devoted all my time to the work.

Q.—So that you never had anything to do with the books until June 1st?

A.—No.

Q.—Had you any knowledge of the bank account then?

A.—None whatever.

Q.—You did not know anything about the bank account whatever until after June 1st, or you did not know that the firm was in debt or credit or that there were any notes outstanding?

A.—No.

Q.—All you knew came from June 1st?

A.—Yes.

Q.—After the 1st of June did Mr. Curtis draw any cheques on his private account to make any payments due by the firm in connection with Fire Insurance or anything else?

A.—I have no present recollection of any.

Q.—The reason I ask that question is because on May 17th, a fortnight before you officially took charge, Mr. Curtis drew a cheque on his own private account, because there was no money to the credit of the firm in the bank.

COMMISSIONER.—Did you hear anything about that?

A.—Nothing.

ATTORNEY GENERAL.—Do you know anything about the \$536.31 that was refunded?

A.—No.

COMMISSIONER.—You could not tell that by the books?

A.—According to the cash book it was paid in cash by the office, not as a reimbursement but as a straight payment under the Fire Insurance policy.

COMMISSIONER.—According to this the money went straight out of the office to Brown and Curtis's reimbursement was completely ignored.

ATTORNEY GENERAL.—So that is wrong when he said that according to the cash book he paid straight to the beneficiary.

COMMISSIONER.—Evidently when the entry was made Mr. Curtis's name was mistaken for that of Mr. Brown.

ATTORNEY GENERAL.—Since you have been in the office have you had to do any of what Mrs. Harasent call financing?

MR. HOWLEY.—If that question has reference to the Controller's Department, I am not at all; but if it has not, I object.

ATTORNEY GENERAL.—I will confine it to the Controller's Department.

COMMISSIONER.—I think it is very material to know whether money had to be obtained because that is the whole of Miss Miller's evidence in chief, namely, that she was employed to get money from outside sources for this business. Here is a man who worked part of the time in conjunction with her. Miss Miller's evidence is that she was asked to get money to finance that business, consequently, I think that the matter of finance is very material just now.

ATTORNEY GENERAL.—Did you ever have to do any financing or did you ever have anything to do with the raising of money?

A.—No.

Q.—Did you know that Miss Miller had?

A.—I did not know that Miss Miller was financing the business; she told me she had financed it.

Q.—I ask you do you know?

A.—No.

Q.—Did she ever tell you?

A.—She told me she had done it.

Q.—Now you told Sir Richard Squires that there was a lot of outstanding accounts that you wanted explained and he said he would come and explain them. Did he come?

A.—No.

Q.—Did you speak to him the second time about them?

A.—No.

COMMISSIONER.—If Mr. Fraser is here let him take his place.

MR. HOWLEY Re-examines.

Q.—In the course of your cross-examination this morning, transpired that there were several Bank Accounts referred to. There was the bank account of Sir Richard Squires in the Bank of Nova Scotia on which Miss Miller had authority to draw cheques; then there is another?

MR. WARREN.—Is that so. The authority was revoked on the 21st of March.

COMMISSIONER.—I think if you say "on which Miss Miller had had" I think you won't be far wrong.

MR. HOWLEY Q.—There had been such an account prior to your coming into the office?

A.—Yes.

Q.—There was another?

A.—The bank account in the Bank of Nova Scotia on which Sir Richard Squire's account?

A.—None. Except those that would be on record.

Q.—But there was a Daily Star account in the Ledger?

A.—Yes.

Q.—And those sheets were taken out to be submitted to Sir Richard Squires?

A.—Yes.

Q.—When were they taken out?

A.—A few days ago, the same time as Miss Miller's sheet was taken out.

Q.—Since this enquiry opened?

A.—Yes.

Q.—Not before?

A.—No.

Q.—Do you know whether the Daily Star had a bank account?

A.—I do not know.

Q.—Have you seen any cheques from the Daily Star Publishing Company Limited in your capacity as bookkeeper?

A.—No.

Q.—Now you had the Squires' account, that was Sir Richard Squires' private account and you had your firm account. That was Squires' and Curtis's Account. Did you at any time make any deposit into L. R. Curtis's account direct in the Bank of Montreal?

A.—No.

Q.—And since you have been there you have not had to call on Mr. Curtis to give you any cheques for firm account?

A.—There have been cheques received from Mr. Curtis since I have been there to finance the firm account.

Q.—Why?

A.—On account of a separate transaction which Mr. Curtis was looking after, it was in slings for a time but is now straightened up.

COMMISSIONER.—The firm was out of money in connection with this transaction; it was purely a separate transaction?

A.—Yes.

ATTORNEY GENERAL.—And that is the only reason why the payments were made by Mr. Curtis?

A.—Yes.

Q.—Have you kept Mr. Curtis's account?

A.—Yes.

Q.—Where?

A.—I opened a ledger account for it.

Q.—I thought, according to his own words, that he kept it in a vault and would not let anybody see it; but now I see that his account was in this ledger which was kept in the vault. Is that it?

A.—Yes. He took the back sheets.

Q.—When?

A.—I think seven or eight months ago.

Q.—Are they in the books?

A.—All except the old ones.

Q.—Was there any other account kept for Mr. Curtis except in the Bank of Montreal as far as you know?

A.—No.

Q.—Did R. A. Squires private account go through your books?

A.—I kept a record of all deposits I made.

Q.—But was that Bank account kept in the firm's books or Sir Richard Squires' account?

A.—I kept Sir Richard Squires' pass book for him.

Q.—Was that bank account of Sir Richard Squires an interim part of your accounting in the office?

A.—I only used it to carry on the old notes.

Q.—You knew of everything you deposited to that account?

A.—Yes.

Q.—Did you ever check it?

A.—Always.

Q.—What bank?

A.—Bank of Nova Scotia.

Q.—Then what about his account in the Canadian Bank of Commerce?

A.—I know nothing of it.

Q.—It is only his account in the Bank of Nova Scotia that you know of?

A.—Yes.

Q.—Now you told Sir Richard Squires that there was a lot of outstanding accounts that you wanted explained and he said he would come and explain them. Did he come?

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A.—I only used it to carry on the old notes.

Miss Miller to draw cheques on and opened a new one on which Sir Richard alone could draw.

MR. WARREN.—You know that as a fact?

WITNESS.—Yes, sir, I know that as a fact.

COMMISSIONER.—Then there was his private account with the Canadian Bank and the Trust account?

A.—Yes.

MR. HOWLEY.—There was some reference to Mr. Curtis' private account?

A.—Yes.

COMMISSIONER.—You have that.

MR. HOWLEY.—Sir, in a letter put in March rescinding her authority he states that he closed the account.

MR. HOWLEY Q.—Of these four Bank accounts. The Bank account of Sir Richard Squires in the Bank of Nova Scotia. The Bank account in the Canadian Bank of Commerce. The Bank account of Mr. Curtis in the Bank of Montreal and the Trust account.

Q.—In so far as your dealing with the account in the name of Sir Richard in the Bank of Nova Scotia did your care or custody with that account cover any particular series of transactions or general?

A.—Particular.

Q.—Of which I think you told us accommodation notes were coming through?

A.—Yes.

Q.—Other than that did you have anything to do with that account?

A.—Yes.

Q.—You entered fully upon the duties of cashier and accountant on the 1st of July?

A.—1st of June, I think.

Q.—You took entire charge?

A.—Yes, sir.

Q.—And the books from that date have been kept by you?

A.—Yes.

Q.—Which entries you have made in the ledger?

A.—Yes.

Q.—The other books. Prior to that are entries that you had no direct knowledge of yourself. You had to get it from such records as were available in the office and such information?

A.—Yes.

Q.—Was there at any time during the course of your investigation into the items of account, prior to your taking charge, any mention or suggestion of Mr. Meaney's association with any of those businesses?

A.—None.

Q.—When you asked Miss Miller about these transactions did you ask her the meaning of the letters J.T. or anything of that sort?

A.—I cannot remember a definite question.

COMMISSIONER.—But that was the matter that you had to ask her about?

A.—I don't remember the exact words.

COMMISSIONER.—But do you remember if you asked her?

A.—I asked her the meaning of all outstanding matters.

COMMISSIONER.—Didn't you call her attention to the fact of the stubs of the cheque marked "J.T."?

A.—I would be sure to have done so.

MR. HOWLEY.—You don't remember what you asked her but you would be sure to have made specific reference to the cheques?

A.—Yes.

Q.—Do you remember at all what answer she gave you?

A.—My whole recollection of the outstanding entries is that she referred me to Sir Richard Squires.

COMMISSIONER.—That is what you told us this morning.

MR. HOWLEY Q.—Did you ever go to Sir Richard Squires in his public office or did you wait until you saw him at his law office?

A.—I never saw him at the law office, except once, I think.

Q.—You were in daily attendance at the law office during this period?

A.—Yes.

Q.—You never saw him?

A.—I never had seen him until a few mornings after I had arrived and then only once.

Q.—And was that once during the period that he was at his law office?

A.—That is all I can remember.

COMMISSIONER.—Had you a telephone between the two offices?

A.—Yes, sir.

Q.—You could always ring him up?

A.—Yes.

if you wanted to know anything urgently?

A.—Yes.

Q.—Did you ever communicate with him by telephone on the subject of those matters?

A.—No.

Q.—How many times have you any idea, when you visited him, was it for the purpose of seeking information on any of those matters?

A.—Yes.

Q.—Sir Richard frequently rang up the office to ask me to come to see him and it was on those occasions that I mentioned it to him. It must have been four or five times.

MR. HOWLEY.—How many times to Miss Miller?

A.—I cannot remember.

Q.—If Miss Miller had kept her books and records properly and up-to-date would there have been any necessity to look for information about these things at all?

COMMISSIONER.—If books had been properly kept we would not be looking for information. The reason may not have been given to you although I think it has been hinted at.

MR. HOWLEY.—You were not able to satisfy yourself as to the nature of these outstanding transactions because they were not properly kept?

COMMISSIONER.—Because he could not get any answers to his enquiries. There seems to have been such mystery about it. No information was forthcoming. Mystery is sometimes an accident and sometimes intentional.

Q.—You did not find the books able to explain these transactions. You sought information first from Miss Miller and then from Sir Richard Squires, having been referred by Miss Miller to Sir Richard?

A.—Yes.

Q.—And Sir Richard told you you would have to see Miss Miller who had full charge of these things?

A.—Yes.

MR. HOWLEY Q.—Do you know any occasion while you were in the office on which Miss Miller furnished funds, moneys, apart from the office moneys, for the liquidation of any amounts?

A.—Yes.

Q.—When? case do you know of?

A.—There were four or five fire losses which had occurred some time back in 1920 and the papers had not been sent to head office.

Q.—Who had care of the fire losses?

A.—Miss Miller.

Q.—There were over five cases in which losses had been adjusted and the adjustment papers had not been forwarded?

A.—Yes.

Q.—The system, I think, in cases of loss is that the adjustment of losses it made and sent to head office, before the head office gives payment. There were four or five cases in which the papers had not been forwarded?

A.—Yes.

COMMISSIONER.—After the adjustment has been made and the amount agreed upon for compensation; is there any difficulty in getting the money from the company?

A.—None whatever. It takes less than about two weeks in the summer and three weeks in the winter. In the ordinary course of things.

MR. WARREN.—I just want to draw your attention, Mr. Commissioner, to the fact that all this is new.

COMMISSIONER.—As to the particular claim of Brown I don't think that is particularly new. I was a little tired of Brown.

MR. WARREN.—I just want to draw your attention to the fact that I may want to have a little cross-examination over this new stuff.

COMMISSIONER.—You shall have it. Now, Mr. Fraser what were you about to say?

A.—I found these in the course of events. I think sometime in June the records will show.

Q.—Did Miss Miller claim that she had paid advances on account of the insurance?

A.—Yes, when the cheques arrived from head office, she told me.

Q.—What amounts did she advance?

A.—Not in the books of the office.

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NOTICE!

Owing to alterations and changes to new management, The English - American Clothing Company's Stores

Will Be Closed

Monday, January 14th, 1924,

Until Further Notice

Particulars of re-opening will be advertised later

The English-American Clothing Co.,

312-314 Water Street

Jan 11, 1924

Witness—These two cheques. In one case Miss Miller asked me not to get in touch with the person who had suffered fire; she said paid him; if I gave her the cheque she would give me the release.

COMMISSIONER.—That is not the Brown case?

A.—No.

COMMISSIONER.—Then I think we can let that be.

MR. HOWLEY.—There were cases where adjustment had not been turned in.

A.—Yes.

Q.—Miss Miller already informed you that she had already paid money?

A.—Yes.

COMMISSIONER.—Did she tell you where she got these moneys from?

A.—No.

Q.—Did you ever ask her?

A.—No.

MR. HOWLEY.—Did she tell you she got them from outside?

A.—I never acquired.

Q.—Did she say they came out of office funds or personally?

COMMISSIONER.—That is just what he told me. She didn't. She didn't tell you anything about where they came from?

A.—No, sir.

MR. HOWLEY.—What here any entry in the books to show whether these payments had been paid out of the office cash?

A.—No.

COMMISSIONER.—When she furnished moneys for fire loss; was there any entry made in the books as to where they came from or if they were paid over to the insured?

A.—There was no entries.

MR. HOWLEY.—Were their any payments made by Insurance Companies on account of the outstanding adjustments which you received?

A.—I don't quite understand your question.

COMMISSIONER.—Did the moneys

ever pass through your hands in respect of the payments for insurance?

A.—I would receive the cheque and Miss Miller would endorse it.

Q.—I mean the promissory payments for adjustments. Did the moneys for those ever pass through your hands?

A.—No.

MR. HOWLEY.—But the cheques for settlement from the companies came into your hands?

A.—Yes.

Q.—Can you tell me from memory, what insurance cheques of this nature came into your hands?

A.—Yes, one for the loss of Thos. Godden for \$1,135.00 and one for Mr. _____ of Springdale, for \$3,000.00.

Q.—Is that all?

A.—Yes. These two.

Q.—Had advances been made on these losses before insurance was paid?

A.—Not in the books of the office.

Q.—Did Miss Miller claim that she had paid advances on account of the insurance?

A.—Yes, when the cheques arrived from head office, she told me.

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