

4 REPORT OF THE AUDIT COMMITTEE

brought forward from the last printed statement of the Surplus Revenue account, but from the accounts since rendered to the Provincial Governments, including a general settlement on account of the whole period since 1853. Nor is the present account sufficiently explained by the detailed statement No. 7 (not printed). Your Committee has therefore obtained and appended hereto (marked B) the particulars of the accounts rendered to the Provinces, and a statement (C) prepared by the Assistant-Treasurer, reconciling these with the abstract printed account under consideration.

The general observations which occur to your Committee with reference to the Balance Sheet, Civil List, and Debt Apportionment Accounts of 1857-8, can be more conveniently made upon the corresponding accounts of 1858-9.

YEAR 1858-9.

Pages 3, 4. *Bank of Issue*—Transactions £389. Balance Dr. £848 12s. It appears desirable to shew the position of this account more fully. The Colony had transferred to it in 1856 the Stock of the Bank of Issue, £25,000, in the English Consolidated Funds, undertaking on its part to take up for the Bank all its notes in circulation, amounting nominally to the equivalent sum of £25,000. On the one side there has been a loss of £289 8s. in realizing the stock, and on the other, there will probably be a profit through the non-presentation for payment of notes lost or destroyed. The whole amount of notes outstanding on the 30th September, 1859, was £1,138. If of this amount less than £848 12s. has ultimately to be taken up, the transaction can be closed with a nett profit; if otherwise, with a loss.

Page 4. *Balance Sheet*.—Deposits, Miscellaneous, £5,783 3s. 11d.—There is an error of 20s. in this item, arising in payments on Commissariat account at Dunedin. The balance should be shewn as £5,784 3s. 11d.

Page 11. *Abstract of Expenditure*.—Permanent Charges; Interest £7,770 10s.—Of this sum £557 is charged against the Provinces other than Auckland. The amount, the interest on which Auckland is to be relieved from contributing to, is fixed by the existing Debt Apportionment Act at £11,151 10s. 1½d. This amount should properly be reduced by the sum of £1,460 18s. 11d., balance of New Zealand Company's fourths retained in the Colony, as well as, for the present year, by the sum of £26 10s. 11d. shewn in the Loan account, page 33. The apportionment of interest will then be arrived at by the following calculation:—

	£	s.	d.	£	s.	d.
Interest and Sinking fund at 6 per cent. on	11,151	10	1½	669	1	10
Deduct ditto on	1,460	18	11			
And on		26	10 11			
In all, 6 per cent. on	1,487	9	10	89	5	9
Auckland to be relieved, 1858-9, of				579	16	1
Total Interest payable	7,770	10	0			
Charged on the Colony in printed Statement	7,212	18	6			
Auckland relieved of				557	11	6
Further sum to be charged against Provinces other than Auckland				22	4	7

Pages 12 to 27.—Details of Receipts and Expenditure. The Provinces of Wellington and Hawke's Bay were separated on the 1st of November, 1858. In the detailed statement the Receipts and Expenditure at Wellington and Hawke's Bay are separately shewn for the whole twelve months. In the abstract statement (pp. 10, 11,) the Province of Wellington is properly debited and credited with the whole up to 31st October, 1858, and the Province of Hawke's Bay with its own share after that date. A statement shewing the adjustment in detail is appended hereto, for the sake of information, and marked D.

Page 15. *Executive Contingencies* £300.—The actual expenditure under this head was £369 9s. 7d, the greater portion of which was rent for offices, amounting to £212. The balance over provision, £69 9s. 7d., is carried to "general contingencies," folio 29.

Page 17. *Legislative*.—Printing, Stationery, and contingencies £2,167 2s. 8d. This item is made up as follows:—

	£	s.	d.
Printing and Stationery	1,914	3	4
Firewood and Sundries		14	0
W. T. L. Travers, drafting Bills		138	5 4
	2,167	2	8

—Your Committee does not consider the last item to be properly chargeable under this head. Without expressing any doubt as to the propriety of the disbursement in itself, and without attempting to draw an exact line between Legislative and other classes of expenditure, it is assured that such an item, had it been contemplated by the House while the Estimates were under consideration, would not have been included, unspecified, in the vote for contingencies. Your Committee therefore considers that this expenditure ought not to be referred to the vote under which it appears, and recommends that it be shewn separately in the Supplementary Account.