

Land Fund, Province of Canterbury—Interest and Sinking Fund on Half-Million Loan, £2,200.

The Colonial Treasurer has charged the Province of Canterbury (including the County of Westland) the sum of £4,440, being the annual contribution of the Province on account of Interest and Sinking Fund on the Half-Million Loan. This charge has been made by monthly deductions of one-twelfth of the annual sum out of moneys payable to the Province on account of the Consolidated Fund. But, in addition to these twelfths, there was paid out of the Land Fund by the Receiver of Land Fund of the Province of Canterbury the sum of £2,220 on account of the half-year ending 31st December, 1867, thus making a double recovery out of moneys payable into the Provincial chest.

Land Fund, Province of Otago—Interest and Sinking Fund, £1,890.

An overcharge of £1,890 has been made on the Land Fund of the Province of Otago. The twelfths for the whole year have been deducted out of the Consolidated Fund, in addition to the sum of £1,890 recovered from the Receiver of Land Revenue.

Trust Fund Investment Account—Amount invested, £130,000.

The Colonial Treasurer has discharged from the Trust Fund the sum of £130,000 as being invested—£100,000 in Treasury Bills, and £30,000 placed to the credit of the Trustee in London. There is no reference to the Order in Council under which the investment was made, nor any statement on the voucher to show that the Comptroller is cognizant of the transactions; nor can the Auditor gather from the accounts whether the Treasury Bills are in the hands of the Comptroller or of the Colonial Treasurer. If in the charge of the Comptroller, there is no receipt or other acknowledgment to prove his liability. Thus Trust Fund moneys to a large amount are written off the Public Accounts as being no longer a liability of the Colonial Treasurer, while no statement or voucher is rendered to show what has become of the Treasury Bills which represent the moneys taken from the Trust Fund in aid of the Public Revenue. The Colony is thus under a double liability. It is responsible to the parties whose moneys are in trust, and it runs the risk of the misadventure of the Treasury Bills. In respect of the remaining £30,000, it has been transferred to the credit of "The Public Debts Act, 1867," and forms part of the sum of £190,000 (page 100, printed Statement).

31st August, 1869.

CHARLES KNIGHT,
Auditor.
