

*Canterbury.*

The account now annexed does not seem to require explanation. The first item it will be seen is the amount of bonds of the Consolidated Loan issued for the unissued portion of the Provincial Loan, and the other three items are the amounts of bonds issued in exchange for bonds of the Province, at the dates of the first, second, and third "conversions." The difference between the result and that arrived at by the Audit Office is as follows:—

Dr. as per Treasury Statement annexed	...	...	£10,396	10	4
Dr. as per Audit Office Account, Interest	...	£10,893	14	2	
"	"	Capital Account	2,223	12	6
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Due by Province	...	...	8,670	1	8
Difference	...	...	£1,726	8	8

*Dr. Canterbury and Westland—*

To Cash paid for or to Province	...	...	£252,111	6	2
To Interest &c.,—					
On £266,600 from 15th April, 1868, to 30th June, 1869, $1\frac{3}{4}$ year at 6 per cent.	...	£19,328	10	0	
On £348,350 from 15th April, 1868, to 30th June, 1869, $1\frac{3}{4}$ year, at 6 per cent.	...	25,255	7	6	
On £29,800 from 15th July, 1868, to 30th June, 1869, $\frac{3}{4}$ year, 6 per cent.	...	1,713	10	0	
On £37,600 from 15th January to 30th June, 1869, $\frac{1}{2}$ year, at 6 per cent.	...	1,309	0	0	
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			47,606	7	6
To proportion of Charges on Temporary Loan	...	...	3,212	18	6
"	"	General Charges	2,959	3	7
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			£305,889	15	9

*Cr.*

Proceeds of Bonds	...	...	£258,602	0	0
Interest charged	...	...	36,891	5	5
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			295,493	5	5
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Due by Canterbury and Westland	...	...	£10,396	10	4

The Auditor has omitted in his rescript of the Treasury Account a charge for Interest and Sinking Fund, at 6 per cent. on £266,600, for the period from 1st August, 1868, to 30th June, 1869,—£14,663.

*Otago.*

The amended account annexed will, it is believed, be sufficiently explanatory as to the mode in which it has been made up. The differences between it and the Audit Office Statement are, that the latter charges the Province with bonds amounting to £444,637 15s. and the Treasury charges £443,409 only. The Audit Office also makes the Province to owe £6,148 16s. 3d. on Interest Account, while the Treasury makes the debit balance of the whole account to be £5,646 17s. 7d. This balance is arrived at thus:—

Otago Dr. to Balance of Interest Account	...	...	£5,683	7	9
Otago Cr. by Balance of Capital Account	...	...	36	10	2
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			£5,646	17	7

The difference in the mode of ascertaining the amount of bonds chargeable to any Province has been already explained (page 12, *ante*); but it may be added here that Otago has paid £1,617 15s. for "Fractions of £100 paid to Convertors" (*vide* printed Account, page 97), which must operate as a reduction of its former debt.

The sum of £25,140 8s. 10d. was paid for Otago, under the provisions of "The Surplus Revenues Adjustment Act, 1867," in four equal portions, on the 30th of September and 31st December, 1867, and the 31st of March and 30th of June, 1868.

Considering this as repaid when the full amount of the bonds sold to raise it was realized, viz., the 15th of July, 1868, the state of this part of the account will be as follows:—

Amount paid in four quarterly instalments (as above)	...	£25,140	8	10
Interest on £6,285 2s. 3d., from 30th September, 1867, to 15th July, 1868—288 days, at 6 per cent.	...	297	11	0
Interest on £6,285 2s. 3d., from 31st December, 1867, to 15th July, 1868—196 days, at 6 per cent.	...	202	9	10
Interest on £6,285 2s. 2d., from 31st March to 15th July, 1868—106 days, at 6 per cent.	...	109	10	3
Interest on £6,285 2s. 2d., from 30th June to 15th July, 1868—15 days, at 6 per cent.	...	15	9	11
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Total amount required on 15th July, 1868	...	£25,765	9	10

The nearest sum in bonds to this is £26,600, the net proceeds of which, at 97 per cent., is £25,802.