

—so that for any details of the service or date of performance it becomes necessary to refer to the voucher. Until the 1st April, 1881, the rates brought to account in the cash-book are not specified in detail, but are simply stated as “Rates—Collector, £    ,” the sum credited representing an aggregation of sums paid into the bank at various dates by the then Collector. I endeavoured to reconcile for one half-year the sums paid into the bank by the Collector with those brought to charge by the Clerk. The sums paid in were, however, classified by the Collector under the heads of the seven ridings comprised in the county, and the lodgments, being for small sums, were correspondingly numerous. After seeking in vain for some occasion of agreement as a starting-point, I came to the conclusion that the task would occupy more time than the object would justify, and I accordingly abandoned it.

The dates of entries in the cash-book, both of receipts and payments, I proved, as a rule, to be utterly unreliable. The fact will occasion no surprise when I state that the late Clerk, in his evidence before me, admitted that it was written up “not oftener than twice or thrice in the half-year, and on one occasion at least not till the end of the half-year” (Appendix B.-1). The circumstances detailed in paragraph 75 of this report, under the head of “Defalcations of the Late Clerk,” warrant the assumption that the receipt side of the book was written up to fit the payments into the bank. That the credit side was mainly written up from the bank pass-book is proved by the regularity with which the entries as a rule follow the order of that book. It is not uncommon to find the name of the month on the first line of the page, and, though the page is filled with entries of payments made, the day of the month is not inserted opposite to any one of them.

22. *The Journal* is used simply for the purpose of making transfers and adjustments essential to the balancing of the accounts at the end of each half-year. The entries in this book are made during the visit of the County Auditor; and having seen them made, and the balance-sheet constructed accordingly, he has left it to the Clerk to carry the entries properly into the ledger. In certain instances this has not been done, and the ledger totals differ from the balance-sheet to the extent of such omissions. The journal folios in many instances are not entered in the ledger, nor the ledger folios, except in a few instances, in the journal. The visit of the Auditor is necessarily a hurried one, and, though, as a rule, he appears to have devoted far more time to the accounts of this county than their dimensions would justify, he has on some occasions been unable, after seeing the journal entries made, to wait and see that they were carried into the ledger, and it is apparent that, as soon as the Auditor had left, the Clerk took no further trouble in the matter.

23. The last book to which I have to refer is *the Ledger*. It has been the practice of the Clerk to open an entirely new series of accounts in the ledger under each head of receipt and expenditure at the commencement of each financial year; and without any justification, either of necessity or convenience, the practice has been persisted in year after year, notwithstanding the repeated protestations of the County Auditor, who has taken the trouble in some cases to write in the heading of some of the accounts, in pencil, for several successive pages, in order to indicate that those accounts should be continued on those pages, and not removed at the beginning of the year to an entirely new section of the ledger. The Clerk, however, continued the old practice. As one of the results, the index to the ledger is filled with a multitude of folios—under the head of “Rates” there are nineteen folios—written sometimes in black ink and sometimes in red; while, owing to a want of prevision in making the earlier entries, the later folios are “squeezed in” in small figures written between the lines. Several of these folios were erroneous, and in some cases accounts were omitted altogether. The accounts of the county are made up in half-yearly periods, as required by the Act, the ledger being ruled off and each period balanced separately. The figures given in the annual balance-sheet are not therefore to be found in the ledger. The several points adverted to above are individually trifling, but in the aggregate they add appreciably to the labour of audit.

24. The system under which payments on account of roads are posted in the ledger is very involved, and renders all reference extremely difficult. The practice is as follows: An account is kept under the heading “Roads,” and to this account all expenditure for roads and works not performed under contract is posted from the cash-book direct. For works performed under contract a ledger account with the contractor is opened in most cases. This account is first credited with the amount of the contract, and all payments made under that contract are posted from the cash-book thereto. At the end of each half-year the total sum debited to each of these ledger accounts during the period is transferred in one sum in each case to the general “Roads Account,” the contractor’s account being balanced by carrying forward the unpaid balance of the contract. I need hardly point out how laborious the process of reference from the ledger to the voucher becomes under this system.

25. No separate ledger accounts have been kept showing the expenditure made in respect of sums granted out of votes of Parliament for special works, of grants under the Roads and Bridges Construction Act, or of the sums paid over to the county for expenditure on designated roads in or leading to the deferred-payment lands. The whole of the expenditure made under these heads has been posted or transferred to the general account for roads.

26. Having thus described the system of accounts and the general aspect of the books in use by the county, I will now report on the several heads of receipt and expenditure, treating first of the receipts, and beginning with the item

27. *Rates*, including rates on Crown lands,—the receipts under the last-named head having averaged for the four years during which the Crown and Native Lands Rating Act has been in force a sum equal to about one-fifth of the sum collectable from ratepayers within the county. A statement accompanying this report (Appendix C.) shows the amount of the rate struck for each of the past six years, the total sum collectable, the sums collected year by year in respect of each year’s rates, the uncollected balances, and the sums written off; and I supply hereunder a general statement of the sums collectable, collected, and written off in respect of each year’s rates since the date of constitution of the county. In this statement, in order to secure a just comparison, all rates under the Crown and Native Lands Rating Act have been omitted.