

making settlements of his private or business accounts" (Mr. Daniel, I may remark, is an auctioneer); and the County Chairman, in continuance of his evidence above quoted (Appendix B.-6), stated, "I can confirm the statement made to you by Boulton, that Mr. Daniel has on occasions settled his private accounts with his clients by deducting therefrom moneys due to the county for rates." Mr. Boyes further stated that "it was the case that, in some instances, on a second demand being made for rates, the ratepayers produced their receipts showing that the rates had been paid. These receipts were sometimes signed by Boulton and sometimes by Mr. Daniel. I learned these facts through their being reported to the Council by the County Solicitor."

30. I found in the accounts two instances only in which rates paid had been refunded. One was the case of the Wakatipu Hospital, to which a refund of £5 had been made in 1881-82. In this case the refund was practically a grant-in-aid, and should properly have been made in that form. The other case was a refund of £1 17s., made in the year 1882-83, but on what grounds I was unable to ascertain.

31. I had lists of the uncollected rates of the years 1884-85 and 1885-86 compiled from the rate-book, and found that they coincided with the balances as shown in the ledger, with the exception, in the case of the year 1884-85, of a few shillings, due apparently to fractions of a penny not taken into account.

32. The next principal item of revenue collected by the county is that of *Licensing-fees*. They consist of fees on publicans', accommodation or bush licenses, conditional and night licenses, wholesale licenses, extensions and transfers, slaughterhouse and hawkers' licenses. Taking the several license-books I checked the sums stated on the butts of each into the cash-book, and found them all brought to account with the exceptions hereafter noted. I noticed on the butt of each publican's and accommodation license issued since June, 1883 (with two exceptions), the contraction "Cert." in the handwriting of the County Auditor, showing that he had compared the butt with the certificate of the Licensing Committee. In one case he had noted that the certificate was "irregular," and in another that the fee had not been paid within the time (fourteen days from date of certificate) required by law.

33. The exceptions to which I have referred in the preceding paragraph are as follow. In respect of the fee of £20 payable in respect of the following licenses, a part of the fee has been remitted, namely,—

License No. 50: T. Goodwin, £10.

License No. 52: Llafranchi, £10.

License No. 53: P. Bell, £15.

License No. 54: W. Soper, £15.

Fee on transfer of license: Mrs. Goodwin, £2.

The remissions in question were each sanctioned by special resolution of the Council—in the cases of Goodwin and Bell on the 4th July, 1881; in the case of Soper on the 1st August, 1881; and in the cases of Llafranchi, £10, and transfer-fee, Mrs. Goodwin, £2, on the 5th September, 1881.

34. I observe in the minutes of the 23rd November, 1881, in reference to an application for a similar remission in another case, that "The Chairman [Mr. Daniel] stated that the Auditor had strongly condemned the practice, hitherto allowed by this Council, of refunding license-fees, and that if it were continued he must report such illegality to the Government." I may remark that no such observation occurs in any of the Auditor's reports which have come into my hands. The illegal payment was probably referred to in the Auditor's report on the accounts of the half-year to the 30th September, 1881, which report, with others, appears to have been destroyed.

35. Refunds were made in the year 1880-81 in respect of slaughterhouse licenses to the amount of £27 10s. The County Auditor, in his report of the 31st May, 1881, on the accounts of the year 1880-81 (Appendix A), pointed out that the Counties Act gave no authority for making such refunds, and that by section 199 a reduction of fees could only be effected in the manner prescribed in section 177. The Council appears to have acted on this suggestion, for at the meeting of the 6th February, 1882, it reduced the fee payable from £5 to £2 10s. The whole of the fees illegally refunded will be surcharged to the Council.

36. The fees received for the *Registration of Dogs*, described in the county accounts as the "Dog-tax," were collected by the police up to December 1880. After that date, and up to the end of the calendar year 1881, the tax was collected by persons appointed for the purpose in each riding. For the calendar years 1882, 1883, 1884, and 1886, the right to collect these fees was sold by public tender, for the sums of £128, £165, £180, and £60 respectively—the county providing collars and labels. For the intermediate year 1885 the tax was collected by the County Collector, the total sum received for that year being represented by the sale of 297 tickets at 5s., equal to £74 5s. A reference to the reports of the County Auditor (Appendix A) will show how constantly he found reason to complain of the delay in payment of the sums due in respect of this tax for the years 1883, 1884, and 1885, the remarks made in his reports being supplemented by minutes made at the end of each half-year in the cash-book. That these remarks were not uncalled-for, the following table, showing the dates on which the several sums are credited in the cash-book, will sufficiently attest:—