

7. I find that your Clerk has omitted to pay in the sum of £5 received on issue of a bush-license. This imperfection in your accounts should be rectified at once, if it has not already been done.

There are one or two suggestions which I have before verbally made to previous Chairmen of your Council, and which I would now respectfully ask you to take into consideration, as has been done by a number of County Councils. First, as regards the receipt of revenue from licenses—for instance, publicans'. It would afford, I am certain, great satisfaction to your Clerk and Treasurer, as well as facilities for a satisfactory audit, if some means could be devised of showing that all receipts from such sources had been duly accounted for. While leaving to you the selection of a plan for accomplishing this end, I would suggest, as the result of my experience, that all license-forms and their duplicates should be signed across the face by the Chairman at any time before issue, as well as by the issuer at the time of issue and in the proper place; and that the Inspector should be directed to report the circumstance of any license being exhibited to him without such Chairman's signature. From the forms to be so treated there might, however, be excepted dog-licenses, which are accounted for to the Auditor. But even in these it is advisable that some supervision should be exercised—for instance, by the Chairman taking a note of all books received from the printer before handing them to the Clerk, to be accounted for by him as documents having a money value. As an example, I find that of the books superseded by the passing of the recent Act there is one which cannot be found.

In regard to another considerable source of income—viz., rates—a fairly complete check on the correctness of the receipts would be afforded by the simple expedient of laying before the Council at each statutory meeting a list of rates uncollected on the 31st March previous, the total of which should accurately agree with the sum shown in the list of assets which has been previously examined and certified to by the Auditor.

A very desirable improvement in the conduct of your business—at least, from my point of view—would be the opening of an Accounts Book, as used by many local bodies. In this book are entered in the order of receipt all accounts against the Council up to the date on which the Finance Committee meets. It is laid before the Council with the corresponding vouchers already made out; and the Chairman's signature entered at the end of the list for that meeting, with such sums struck out as the Council may refuse to pass, constitutes the Council's warrant to the Treasurer to pay. It is for you to consider how far such a plan is necessary; but, for myself, I must mention that in many cases it is impossible at present for me to discover whether or not expenditure has been made by the Council's directions.

I have, &c.,

H. LIVINGSTON,  
Provincial District Auditor.

The Chairman, Lake County Council, Queenstown.

(Memorandum.)

22nd November, 1881.

I HAVE to call your attention to the largeness of the amount of rates uncollected on the 30th September last. In my last report I recommended that a detailed statement of rates in arrear should be laid before the Council at the annual meeting for considering the balance-sheet: I would now make the same recommendation as regards the half-yearly balance-sheet. The "County Account" in your ledger may be referred to as a check upon the totals of these statements. I have also to bring under your notice that there has been great laxness in the paying-over of moneys collected for dog-tax, but a small portion of the sum received so far back as March last having been paid into bank. Sections 117 to 125 of the Counties Act, as you are, no doubt, aware, bear on this subject. I have further to report to you that, from the very peculiar manner in which the depasturing regulations have been carried out, I am unable to check the correctness of the returns.

H. LIVINGSTON,  
Provincial District Auditor.

The Chairman, Lake County Council.

Dunedin, 27th November, 1882.

SIR,—

I have now the honour to forward to you the abstracts of receipts and expenditure for the half-year ending the 30th September, 1882, which has been detained awaiting receipt of the enclosed vouchers.

The exceptions referred to in the certificate are the following:—(1) Number in cash-book, 74; 8th May, 1882; Woodhead, roads; £12: (2) number in cash-book, 98; 31st May, 1882; McLennan, roads; £13 10s.: (3) number in cash-book, 99; 31st May, 1882; Warbrick, roads; £12: (4) number in cash-book, 281, 23rd June, 1882; Reid, roads; £13 1s.: (5) numbers in cash-book, 84 and 85; 15th May, 1882; Clerk, refund, £12: (6) 15th May, 1882, Clerk, refund, 16s.: (7) Clerk, overpaid salary, £20 16s. 8d: (8) an overpayment of £1 to Smith, voucher 294; and during the previous half-year an overpayment to Collins of £4 3s. 4d.

Nos. 1, 2, 3, 4 are sums twice drawn from bank for the same services, which have not been repaid: there are others which have been repaid. Numbers 5 and 6 are amounts which were twice drawn for the same services during the previous half-year, but repaid during that half-year. Your Clerk now avers that he made a mistake in considering them twice drawn—that they were really distinct services, and that therefore he did not require to repay them. He has now cancelled the repayment by drawing a cheque for the amount. No. 7 is one month's salary drawn beyond the amount due. I called your attention some time ago to a similar transaction, and I regret to see the same irregularity still continued even since the close of the half-year.

I have to bring under your notice neglect in paying moneys into bank immediately after receipt, as directed by the Act. I give as an example one large sum, £315, received for license-fees about the end of June or beginning of July, and not paid to bank till 30th September. I observe that no fees have been received for depasturing-licenses. This may be in accordance with the Council's wish, but I consider it right to mention the fact.

4—B. 10.