

The reservations from my certificate are the following:—(1) County Conference—that is, delegation to Wellington—£160; (2) salaries of clerks to Licensing Committees: For neither of these is there any authority in the Counties and Licensing Acts. (3) A portion of the expenditure for travelling-expenses of members: The Counties Act authorizes only “travelling-expenses of members coming from a distance.” (4) That several of the license-fees were not received within the time specified by the Act, and the certificates were therefore void. Besides these I have to direct your attention to several irregularities in the keeping of your accounts. Your Clerk has overdrawn his salary by one month: you will see by the ledger that only six instalments have been drawn, but nevertheless this statement is correct. I have again and again, in past years, brought similar irregularities under your notice.

I have specially to direct your attention to one of the still awaiting vouchers (Trotter, £33 7s. 9d.) as bringing up a class of very grave irregularities, which I have repeatedly before reported to you. Even so recently as the 31st March, 1885, I took exception in the certificate on your balance-sheet to a transaction of the same nature, but of even a worse form. In the present instance the cheque was cashed a considerable time since, but the money apparently not paid over to the owner, who, at all events, has not yet signed a voucher for it.

On your last balance-sheet I noted that there was still due from the collector of dog-tax, for the years 1883 and 1884, the sum of £85 15s. No portion of this was paid up to the 30th September last, though, strange to say, the same collector has paid in a part of the current year's receipts, and furnished corresponding returns. I must ask for a special examination into this, and that the collector be asked to explain. I have also to point out that the collector should under the Act pay his collections into bank—not to your Clerk.

I observe that during the half-year ending the 30th September last there was written off in your books, uncollected rates, 1881–82, £392 17s. 6d.; and rates, 1882–83, £488 4s. I trust that before authority for this was given the Council acted on my recommendation and obtained and examined detailed lists showing these totals. I regret to say that past experience of the conduct of your business impels me to bring this subject specially before you.

I have, &c.,
H. LIVINGSTON,
Provincial District Auditor.

The Chairman, Lake County Council.

SIR,—

Dunedin, 14th June, 1886.

I have the honour to forward to you as promised copy from the draft in my possession of the balance-sheet for the half-year ending the 30th September, 1885, which, as you are aware, the late Clerk declares to be lost, and which I may remind you was not published as required by the Act. The note on the back was on the original copy furnished to you, and shows the amount of rates 1881–82, 1882–83, and 1883–84, uncollected, for which years the rate-book has disappeared. I shall refer to this in my report to you. I have here a copy of the balance-sheet for the half-year ending the 31st March, 1886, awaiting signature. Will you instruct the Clerk to construct and send to me a balance-sheet for the year ending the 31st March, 1886, from the one enclosed, and the copy for next half-year which I left with you. I will return it signed as soon as possible.

I have, &c.,
H. LIVINGSTON,
Auditor.

The Chairman, Lake County Council, Queenstown.

SIR,—

Dunedin, 1st July, 1886.

I have the honour to return to you, with my certificate attached, the copy of yearly balance-sheet received from your office by to-day's mail and also the half-year's balance-sheet.

The exceptions and reservations in the certificate to the latter are:—(1.) A portion of the travelling-expenses of members does not come within the definition in the Act, “actual travelling-expenses of members coming from a distance.” (2.) A sum of money has been paid to a member of Council contrary to the provisions of the Local Bodies' Contractors Act. (3.) A fee for slaughtering-license (£2 10s.), issued and paid 27th February, 1866, has not been paid in. (4.) Several sums have been paid to the late Clerk on vouchers assigned to him by mark (X) “witnessed” by himself. (5.) Several vouchers (laid by me before the Chairman) have been discharged by signatures which are apparently not those of the persons to whom the money was due.

The exceptions and reservations to the half-yearly balance-sheet are the foregoing and the following:—(6) Expenditure, “County Conference, £160;” (7) salaries of licensing-clerks: For these there is no authority in the Counties and Licensing Acts. (8) That several of the publicans' license-fees were not received within the time specified in the Act, and the certificates were therefore void.

There is a matter occurring during the half-year to which I must specially refer—viz., the disappearance of the rate-book for 1880–81, 1881–82, 1882–83, 1883–84.

In my last report I called your attention to the fact that uncollected rates, 1881–82 and 1882–83 (amounting to a very large sum), had been written off by minute, and expressed a hope that before doing this the Council had taken certain precautions which I had several times previously recommended. I find that during the past half-year the uncollected rate 1883–84 has also been written off, and, so far as I could learn, without any steps having been taken to discover whether the total correctly represented the items then unpaid. I regret to say that, on asking for the rate-book on my recent visit, your Clerk, after diligent search, assisted by the late Clerk, was obliged to admit that it had never been in his custody and was not to be found. I must also refer to the fact that the balance-sheet was not published last half-year, and that the document itself has disappeared, which, as you are aware, is the cause of the delay in certifying to the present half-year's accounts.