

Your appointment carries with it the functions and powers of Health Officer and Collector of Customs within the island.

You are also empowered to take all such steps and make and enforce all such regulations as you deem necessary in order to restrict and control the engagement or removal of the natives by licensed labour schooners or otherwise.

Your appointment does not carry any salary, but you will be entitled to travelling-allowances at the same rate as when you were in office as Surveyor-General, including, of course, the cost of your passage to the Island and back.

The travelling-allowance will begin from the date of your arrival at the island, and will continue whilst you are there. Whilst at sea on your passage to the island and back to New Zealand you will be entitled to travelling-allowance at half the ordinary rate.

I shall be pleased to receive from you reports from time to time of the progress made in establishing the new order of things.

S. Percy Smith, Esq., New Plymouth, New Zealand.

I have, &c.,
RANFURLY.

No. 28.

MY LORD,—

Rarotonga, 3rd August, 1901.

I have the honour to forward for your information the report of the Auditor on the accounts of Mr. Gosset, late Post and Customs Officer, who was dismissed the service on the 30th June last.

The actual ascertained deficiency is £637 17s., but there may be further liabilities on account of stamps for which money has been sent to the Postmaster but no stamps forwarded. The above amount for £637 17s. has been reduced by my cheque for £500.

His Excellency the Earl of Ranfurly, G.C.M.G.,
Governor of New Zealand.

I have, &c.,
W. E. GUDGEON,
British Resident.

Enclosure.

SIR,—

Rarotonga, 22nd July, 1901.

I have finished to-day the audit, up to 30th June, 1901, in the offices held so long by R. Gosset. Only the month of January has been entered up in good order. Commencing from February, and getting worse the following months, there has been a gross carelessness in passing import entries and entering up the ledger. Many false entries have been made, many entries have been omitted, and the monthly statements of revenue are false. Under the circumstances, I was forced to write up and close the books myself.

The liabilities of Mr. Gosset in the Revenue Account to the	£	s.	d.
Treasury are	607	10	1
Cash and vouchers delivered to Treasurer	655	4	4
Supposing all vouchers to be good, leaves a surplus of	48	14	3
The balance due to New Zealand on postal money orders is	685	11	3
Deducting above surplus on revenue	48	14	3
	£636	17	0

This shortage has been partly covered by a cheque of Lieut.-Colonel Gudgeon's amounting to £500, leaving a balance of £136 17s., which I have been told by the Acting-Postmaster will also be paid by Lieut.-Colonel Gudgeon.

I cannot vouch for the exact statement of above accounts, as some of the vouchers may turn out valueless, and other mistakes made by Mr. Gosset may come to light later, but they would only concern sums of minor value.

Lieut.-Colonel Gudgeon, British Resident.

I have, &c.,
A. V. HOFF,