Liquor Account: The sales of liquor amounted to £194 12s. 5d. Liquor is sold only on the pro-duction of a medical certificate, as provided by law. The cash balance, £71 12s. 11d., transferred to the general revenue, appears excessive in comparison with the sales, but it must be noted that the stock in hand has been considerably reduced, compared with last year.

Waterworks Account: The capital invested to date by the Administration in waterworks on the the Island of Rarotonga amounts to £3,369 9s. 2d., made up as follows : Avarua, £1,905 17s. 10d.; Arorangi, £626 0s. 4d.; Ngatangiia, £837 11s. As the Ngatangiia system was installed during the year, no rates have yet been collected.

Fruit Funigation and Inspection Account: The cash belance, after paying for labour and other expenses in connection with the fumigation and inspection of fruit, amounted to £387 4s. 9d. It must be noted, however, that the Fruit Inspector's salary is not charged against this account. Since its inception in 1908 the total expenditure under this head, including cost of the fumigator, amounts to £1,689 13s. 3d., and the receipts to £1,633 14s. 2d. This deficit of £55 19s. 1d. will be met by fees receivable during the present year.

Trade : The total oversea trade of the Group for the year is valued at £180,699---imports £89,623, and exports £91,076. This is an increase of £6,155 over the previous year. Imports were responsible for almost the whole of the increase in value. As regards exports, the quantity exported shows a considerable increase over the preceding year. Bananas increased by 1,952 cases, oranges 13,588 cases, copra 160 tons, and coconuts by 555,000. Although the prices of fruit were not so high as in the year 1911, the increased output has enabled the year's total value to exceed that of last year. The prospects for the ensuing year appear bright. The output may not be as heavy, but prices are high, thus giving every indication of a prosperous year.

I have, &c., W. J. Stevenson, Treasurer, and Collector of Customs.

The Resident Commissioner, Rarotonga.

SIR,-

Rarotonga, 9th May, 1912.

I have the honour to inform you that I have audited the accounts of the Cook Islands Administration for the year ended 31st March, 1912, and find them to be correct.

I have also audited the books of the High Court and Land Titles Court, and find that all moneys received have been duly accounted for.

I have, &c., A. G. CLARKE, Auditor, An Officer of the New Zealand Postal Department. The Resident Commissioner, Cook Islands Administration, Rarotonga.

COOK ISLANDS ADMINISTRATION.

Estimated Expenditure for the Year ending 31st March, 1913.

Salaries—								£	s.	d.
Assistant Medical and Hea	alth Office	r						400	0	0
Registrar, High Court	••		ж.		• •			365	0	0
Engineer and Surveyor	••		• •			• ·		300	0	Ō
Island allowance, Collecto	r of Custo	\mathbf{ms}						100	0	0
Interpreter and Governme	ent Printe	r						250	0	0
Draughtsman								120	0	0
Cadet (1 at £60)	• •		• •					60	0	Õ
Fruit Inspector	• •		••		• •			250	0	0
Hospital Nurse							•• •	50	0	0
Resident Agent, Mangaia			• •					225	Õ	Õ
,, Atiu					• •	• ,		225	0	0
,, Aitutaki				••				225	0	0
., Mauke								225	0	Ō
,, Penrhyn			••	• •	• •	• •	• •	200	Ó	Õ
	and Rak	ahanga		••	• •		• •	100	Ó	Ŏ
Foreman of Works	••	••		••	••		••	150	0	0