

## Sub-enclosure 2 in No. 1.

The ACCOUNTANT TO THE TREASURY, London, to the SECRETARY TO THE TREASURY, London.

SIR,— Treasury Chambers, Whitehall, S.W., 15th August, 1911.

I have the honour to report that I have audited the accounts of the Pacific Cable Board for the year ended 31st March, 1911, in accordance with the instructions conveyed in their Lordships' minute of the 17th April, 1902, and have found them correct.

The annual expenses of the cable, as defined in section 3 (2) of the Pacific Cable Act, 1901, as far as they were not met out of the receipts arising in connection with the cable, amounted in the year ended 31st March to £48,210 11s. 9d., and a sum of £34,818 15s. 2d., representing thirteen-eightieths of the net expenditure, is therefore recoverable from the contributing Governments, viz. :—

|                                     | £              | s.        | d.       |
|-------------------------------------|----------------|-----------|----------|
| Australia (six-eightieths) ... ..   | 16,070         | 3         | 11       |
| Canada (five-eightieths) ... ..     | 13,391         | 16        | 7        |
| New Zealand (two-eightieths) ... .. | 5,356          | 14        | 8        |
|                                     | <u>£34,818</u> | <u>15</u> | <u>2</u> |

I beg to submit that the accompanying account, which has been duly certified, be presented to Parliament in compliance with section 7 of the Pacific Cable Act, 1901.

The Secretary to the Treasury.

I have, &c.,

G. H. HUNT, Auditor.

## Enclosure to Sub-enclosure 2 in No. 1.

The CHAIRMAN, Pacific Cable Board, London, to the SECRETARY TO THE TREASURY, London.

SIR,— Queen Anne's Chambers, London S.W., 10th August, 1911.

I have the honour, on behalf of the Pacific Cable Board, to submit, in the form hitherto adopted, the following accounts :—

- (I.) The sum issued out of the Consolidated Fund, and the expenditure of the Board on Capital Account.
- (II.) The money borrowed and the securities created.
- (III.) The aggregate amount of capital expenditure up to the 31st March, 1911.
- (IV.) The expenses of the cable in the year ending 31st March, 1911.
- (V.) The account of the Provident Fund; and
- (VI.) The account of the Reserve and General Renewal Fund.

2. The results of the year's working are set forth in the following statement :—

|                                                                                                                                                      |     | <i>Receipts.</i> |    |    |                 |           |          |
|------------------------------------------------------------------------------------------------------------------------------------------------------|-----|------------------|----|----|-----------------|-----------|----------|
|                                                                                                                                                      |     | £                | s. | d. | £               | s.        | d.       |
| Traffic receipts                                                                                                                                     | ... | 140,313          | 2  | 5  |                 |           |          |
| Less Atlantic Companies' charge for conveying date and time, and for delivering duplicate copies in London and other large centres in United Kingdom | ... | 4,170            | 6  | 7  |                 |           |          |
|                                                                                                                                                      |     |                  |    |    | 136,142         | 15        | 10       |
| Interest on deposits                                                                                                                                 | ... |                  |    |    | 225             | 10        | 2        |
| Refund tolls and dues                                                                                                                                | ... |                  |    |    | 202             | 16        | 3        |
| Charter of "Iris"                                                                                                                                    | ... |                  |    |    | 2,106           | 12        | 3        |
|                                                                                                                                                      |     |                  |    |    | <u>£138,677</u> | <u>14</u> | <u>6</u> |

*Expenditure.*

|                                                                                 |     | £               | s.        | d.       |
|---------------------------------------------------------------------------------|-----|-----------------|-----------|----------|
| Head office (salaries and expenses, canvassing, engineers' fees, and royalties) | ... | 7,114           | 8         | 11       |
| Cable-stations (salaries and expenses)                                          | ... | 57,308          | 8         | 0        |
| Ship's salaries and expenses                                                    | ... | 13,035          | 14        | 8        |
| Provident Fund                                                                  | ... | 1,884           | 16        | 8        |
| Renewal Account                                                                 | ... | 30,000          | 0         | 0        |
| Excess of receipts over expenditure                                             | ... | 29,334          | 6         | 3        |
|                                                                                 |     | <u>£138,677</u> | <u>14</u> | <u>6</u> |

3. The sum of £29,334 was thus available towards meeting the annuity of £77,544 payable to the National Debt Commissioners in respect of interest and sinking fund on the sum of £2,000,000 advanced by them for the purpose of providing the capital required for laying and equipping the Pacific cable. This is £11,378 more than was available in the year 1909-10, and reduces by an equal amount the sum to be provided by vote of the Imperial and Dominion Parliaments, which will be £48,210 for the year under review.