

the Colony for Tools, Harness, &c., which it is presumed would be sold or returned into store; and also for a House, and a Theatre, purchased at Taranaki, unless they have been conveyed to the Colonial Government, of which no evidence is afforded.

12. In accordance with your instructions, three Abstract Statements have been compiled from the Imperial Account (Appendix G. 2*), which exhibit the following results:—

1.—Period from 31st March, 1848, to 31st December, 1861.					
Claim	...	...	...	...	£193,287 4 4
Interest	...	...	...	...	43,908 4 11
Total Claim	...	...	...	...	£237,195 9 3
Less amount credited	...	...	...	...	15,913 17 4
And interest	...	...	...	...	870 18 11
Net claim for the period	...	...	...	...	£220,410 13 0
2.—Period from 1st January, 1862, to 31st December, 1864.					
Claim	...	...	...	...	£533,644 16 3
Interest	...	...	...	...	58,286 1 0
Total Claim	...	...	...	...	£591,930 17 3
Less amount credited	...	...	...	...	64,368 8 10
And interest	...	...	...	...	3,126 7 4
Net claim for the period	...	...	...	...	£524,436 1 1
3.—Period from 1st January, 1865, to 30th September, 1866.					
Claim	...	...	...	...	£410,753 6 11
Interest	...	...	...	...	65,084 1 2
Total Claim	...	...	...	...	£475,837 8 1
Less amount credited	...	...	...	...	£37,604 2 10
And interest	...	...	...	...	5,897 10 10
Net claim for the period	...	...	...	...	£432,335 14 5

Interpreters:—
Field Allowance,
&c.
Pay of Militia,
&c., in Commis-
sariat employ.
Compensation for
losses sustained
by Military
operations.
Supplies lost or
damaged in
transit, and
Expenditure on
the Great South
Road.

A condensed Abstract of the whole claim is also appended.

13. The statements of the further cost of the Waikato Transport Service, mentioned in the eighth paragraph of my first Report, have been completed; and show an additional amount chargeable to the Commissariat of £8,096 Os. 5½d. for the year 1864, as per Statement No. 8 (Appendix H. 2); and for the first seven months of 1865, a further amount of £4,487 10s. 11½d., as per Statement No. 9 (Appendix I. 2.)

14. A Schedule has also been compiled of the cost and working expenses of the Colonial steamer "Prince Alfred," employed chiefly between Onehunga and Port Waikato, in connexion with the Waikato River Service, showing the amount of £5,140 4s. 9d. chargeable to the Commissariat for the period ending 31st July, 1865, after which date the Transport Service on the Waikato for the Imperial Troops, was performed by the Colony for a fixed subsidy. (Appendix K. 2.)

15. In reference to the attempt made in January last, to obtain from Her Majesty's Commissariat a complete *Dr.* and *Cr.* Statement of Account between the Imperial and Colonial Governments, I have little further to state than is contained in my second Report: no such complete account has yet been produced; and my opinion of the uselessness of the attempt to compare and identify the items contained in the Statement of Payments made by the Colony to Imperial officers with the Abstracts and Memoranda as furnished by the Commissariat, is confirmed by the Memorandum of the Assistant Treasurer upon the same subject, under date 1st April, 1867, in which he alludes to "the accounts supplied by the Commissariat Department * * * * as being quite irreconcilable with the accounts furnished by the Treasury." I should, however, state that on the 5th April a paper, purporting to be further explanatory of those accounts, was produced by the Imperial Commissioner's clerk, but was at once returned, in order that, if it were intended for your information, it might be formally presented; but as the paper was never seen again, I have had no opportunity of ascertaining how far it might have assisted me in the inquiry upon which I have been engaged.

16. It will have been observed that my Report is not exclusively confined to the claims of the Imperial Government, but embraces portions of the counter-claim of the Colony. In examining the Report and Account of the Waikato Transport Commissioners, it became apparent that a large expenditure had been entirely overlooked, which necessitated my going minutely into those accounts. The results of that examination are stated in the preceding paragraphs, Nos. 13 and 14. The amount paid on account of Claims for Compensation, for damages sustained in consequence of Military operations in Taranaki, was also scheduled, and is noted in the ninth paragraph of my first Report. These inquiries were undertaken on the understanding that a complete and minute examination was to be made of the Imperial claims, and also of the Colonial counter-claims; and that both were to be mutually discussed between the Imperial Commissioner and yourself; but having subsequently learned from you that the sudden departure of the Imperial Commissioner had precluded you from a joint inquiry into the Colonial counter-claim, and that you had consequently resolved to omit that branch of the subject from your Report, I have not further pursued my investigation of the Colonial side of the Account.

I have, &c.,

To the Hon. Major Richardson,
Colonial Commissioner, &c.,

Your obedient Servant,

B. SMITH.

*This Appendix is printed herewith, and the other Appendices referred to in this Report are kept for reference among the Records.

J. RICHARDSON,
Colonial Commissioner.