"Public Stores; on the practice of voting money by Parliament, and the control "exercised over the expenditure; on the relations between the Audit and the "Ministers; on the subject of Imprests; on the audit of the accounts of local "governing bodies; and on any other subject connected with the receipt and "expenditure of public moneys in those colonies which may arise in the course of "the inquiry." You further desired that "the report should be a full and "exhaustive one upon the whole subject, and that it should be ready for presen-"tation to Parliament at its next meeting."

In the prosecution of this work, it soon became apparent that the great variety of the subjects, and the complexity of the details to be investigated, would require a much longer time than that at my disposal, if at least the Report were to be as exhaustive as the Government contemplated, and as I could myself have desired. It is indeed a matter of surprise that so much difference should exist in the modes and forms of dealing with the management of public moneys in communities which have all emanated from a common source, have been guided by common traditions, and have all common objects in view.

Before entering on the subject-matter of this report, I desire first to express in the strongest terms the obligation I owe to the gentlemen in the various departments of the public service of the several colonies, for the uniform kindness and ready courtesy with which one and all assisted me in my inquiries, affording me free access to the books and records of their respective offices, allowing me to occupy much of their time in discussing and explaining the various systems of account and audit, and supplying me with the voluminous printed papers and forms in use, and which accompany this report.

As the information here presented was derived to some extent from verbal conversations, it is possible, notwithstanding that ample notes of such conversations were taken at the time, that errors may be found in minor details, owing to misconception of the explanations afforded. It is, however, believed that the description here given of the various processes and systems of account and audit in force in the several Australian Colonies may be relied on as accurate in all important particulars.

It will probably be found most convenient to arrange the information I have received under the heads of the several subjects to which my inquiries have extended, and under each head to explain the processes which are in use in each colony in order, dealing severally with the Receipt, the Appropriation, the Expenditure, the Audit and Accounts of Public Moneys, and then with special subjects, such as Railways, Stores, Land Funds, &c., which demand a more extended notice. For the purpose of comparing the system in this with those in force in other colonies, I have given a brief description of the mode of dealing with the public moneys in New Zealand under each head.

I. Of the Receipt and Custody of Public Moneys.

New South Wales.

By the Audit Act of New South Wales of 1870, "all persons" "charged "with the duty of collecting or receiving revenue" are "Public Accountants." Every "Public Accountant" in Sydney is required to pay weekly, and out of Sydney to transmit or pay monthly, "or at such times as may be otherwise "specially appointed, into the Treasury, or into such Bank as the Governor in "Council may direct, all sums of money collected or received by him on account "of revenue." Moneys belonging to private persons, required by any Act to be paid into the Treasury, collected by any public officer, are to be paid in in the same manner as public moneys, and "to be placed to the credit of an account to "be kept in the Treasury for such purpose, to be called the Trust Fund." Similar moneys, which are not by law payable into the Treasury, and which come into the hands of any officer by virtue of his office, and have remained in his possession for seven days, are to be paid "into such Bank, at such place, and in "such manner as the Treasurer shall from time to time by writing under his "hand appoint," and are to be paid by the officer receiving them "to a public "account to be opened by him in such Bank." After remaining unclaimed for