I have gone through the actual cost to date, which includes all plant and preliminary work, the construction of 486 concrete blocks now stacked in the yard, and 215ft. of the completed concrete pier. The following are the particulars of expenditure out of loan to April, 1888:—

	£ s. d.	£ s. d.
Cash and materials in hand	3,058 13 6	
Blocks in yard	6,466 3 4½	
		9,524 16 10½
Preliminary surveys and plans ...	...	627 7 7
Railway, block-yard, &c.	11,790 1 2	
Sheds, shops, and crushers	1,894 18 11	
		13,685 0 1
Plant (net cost)	15,392 16 6	
Exchange, freight, &c.	3,642 4 8	
		19,035 1 2
Wharf and viaduct	... ...	5,638 14 7
Concrete pier	... ...	6,246 13 5¾
Engineering, &c....	... ...	2,000 0 0
Expenditure on works		56,757 13 9¼
Transfer to General Account, being premium on loan, as legalised by Act		4,107 5 0
Transfer to General Account, being payment of overdraft, as legalised by Act		10,834 1 8
Total expenditure out of loan...		£71,699 0 5¼

4. *The Amount of Revenue that will be raised by the Board at the Present Rates by* (a) *Wharfage and Charges on Goods,* (b) *other Port Charges on Shipping.*

In replying to this it is unnecessary to separate the charges, but I will give a return of the actual amount received for the year ending the 31st December, 1887: License-fees, £51 17s. 6d.; port charges, £614 18s. 3d.; wharf dues, £1,895 13s. 11d.; storage and sale of water, £26 8s. 10d.; weighbridge fees, £40 8s. 6d.: total revenue for 1887, £2,629 7s.

For the current year the revenue from these sources has been estimated by the Secretary as follows: License-fees, £50; port charges, £600; wharf dues, £2,000; storage and sale of water, £25; weighbridge fees, £40: estimated revenue for 1888, £2,715.

There appears to be no reason to anticipate any material increase in trade during the current year, seeing that the exports from the Port of Gisborne have varied little during the last four years, as will be hereafter shown. I am therefore of opinion that the estimated revenue is likely to be correct. The present rates are higher than are now charged at either Oamaru or Timaru; it will therefore not be advisable to calculate upon increasing the revenue by the imposition of a higher scale.

5. "*The Annual Amount that will require to be levied by means of a Rate under 'The Gisborne Harbour Board Empowering Act, 1884' (in addition to the Revenue derived from Wharfage and Port Charges, and from the Rents and Proceeds of the Board's Endowments of Land), so that the Board will be able to meet all Liabilities in connection with Interest and Sinking Fund on the present Loan of £200,000, and also provide for the Maintenance of the Works and for Working Expenses; and, if the present Rate authorised by the Act will not be sufficient for these Purposes, what Rate will have to be imposed.*"

The estimated receipts and expenditure for the year ending 31st December, 1888, are as follow:—

General Account.

Receipts.	£ s. d.	£ s. d.
Licenses	50 0 0	
Port charges	600 0 0	
Wharf dues	2,000 0 0	
Sale of water	25 0 0	
Weighbridge fees	40 0 0	
		2,715 0 0
Interest from bank for money lodged ..		5,750 0 0
		£8,465 0 0

Expenditure.	£ s. d.	£ s. d.
Refund to Loan Account, $\frac{1}{10}$ overdraft	..	1,083 8 2
Advertising and printing ..	..	50 0 0
Salaries and allowances ..	600 0 0	
Office rent and stationery ..	60 0 0	
Rates	63 0 0	
Auditors' and legal fees ..	60 0 0	
		783 0 0
Pilot and wharf departments	..	200 0 0
Bank interest on overdraft ..	..	500 0 0
Miscellaneous	..	300 0 0
Balance of Sinking Fund, 1887	372 5 10	
Balance of Sinking Fund, 1888	562 0 0	
		934 5 10
Balance	..	4,614 6 0
		£8,465 0 0

Interest Account.

Receipts.	£ s. d.	£ s. d.
Outstanding rates, 1887		1,900 0 0
Rate of 1d. on borough property	1,290 0 0	
Rate of ½d. on county property	2,910 0 0	
		4,200 0 0
Transfer from General Account		4,100 0 0
		£10,200 0 0

Expenditure.	£ s. d.
Interest on loan	10,000 0 0
Bank charges, say	200 0 0
	£10,200 0 0