which has arisen between the Audit Office and the Treasury, of crediting a sum of £5,657 10s. 6d., accrued interest on Bank of New Zealand preferred shares repurchased by the bank.

J. Carroll.
R.
R.—30/4/1901.

Ranfurly, Governor.

Whereas by section nine of "The Public Revenues Acts Amendment Act, 1900," it is provided that, in case any difference of opinion arises between the Audit Office and the Treasury as to the proper head of revenue to which any receipt should be credited, the question shall, if in the opinion of the Audit Office it involves questions of law, be determined by the Governor, having before him the opinion of the Attorney-General thereon: And whereas such difference of opinion as aforesaid has arisen as to the proper head of revenue to which the money referred to in the schedule hereto should be credited: Now, therefore, I, Uchter John Mark, Earl of Ranfurly, the Governor of the Colony of New Zealand, in exercise of the hereinbefore-recited powers, and having before me the opinion of the Solicitor-General, do hereby determine that the said money should be credited to "Miscellaneous revenue" of the Consolidated Fund.

Schedule.

£5,657 10s. 6d., accrued interest on Bank of New Zealand preferred shares repurchased by the bank.

Given under the hand of His Excellency the Governor, at the Government House, at Wellington, this day of one thousand nine hundred and one.

No. 27.

The Audit Office.

Please note and pass transfer.

2nd May, 1901. J. B. Heywood.

No. 28.

The Solicitor-General.

May I ask you to advise the Audit Office whether section 9 of "The Public Revenues Acts Amendment Act, 1900," provides for the determination by the Governor of a question whether the moneys which section 8 of "The Bank of New Zealand and Banking Act, 1895," so clearly directs to be paid to the Public Trustee shall be paid to him? The Public Revenues Act provides that, "In case any difference of opinion arises between the Audit Office and the Treasury . . . as to the proper head of revenue, fund, or account to which any receipt should be credited, the question shall be determined . . . by the Governor"; but what difference of opinion has arisen here is not as to what part of the Public Account moneys received shall be credited, but whether they shall be paid to the person to whom the statute directs they shall be paid.

J. K. Warburton,
Controller and Auditor-General.

3rd May, 1901.

No. 29.

The Controller.

Yes; I think section 9 applies. The money is a "receipt" within the meaning of the section, and a dispute exists between the Audit Office and the Treasury as to "the proper head of revenue, fund, or account" to which the receipt should be credited. The Treasury thinks it should be credited to the Consolidated Fund, whilst the Audit Office thinks it should be paid over to the Public Trustee—that is, credited to the Public Trustee's Account.

4th May, 1901. Fred. Fitchett, Solicitor-General.

No. 30.

The Hon. the Colonial Treasurer. Audit Office, 4th May, 1901.

The Controller and Auditor-General, having received the Governor's order of the 30th ultimo, determining, under section 9 of "The Public Revenues Acts Amendment Act, 1900," that to "Miscellaneous revenue" should be credited the sum of £5,657 10s. 6d. received as part of the price at which the preferred shares of the Bank of New Zealand have, under section 8 of "The Bank of New Zealand and Banking Act, 1895," been repurchased by that bank, passes accordingly the transfer of such sum from the Deposits Account to "Miscellaneous revenue," and will, in accordance with the requirements of the Public Revenues Act, lay before Parliament in ordinary course a copy of the correspondence on the matter.

The question, however, whether the sum was not or is not payable to the Public Trustee, or whether it shall not be paid to him, is not a question which, in the judgment of the Audit Office, section 9 of the Public Revenues Act of 1900 gives the Governor power to determine. The section, though it authorises him to determine the question how moneys received shall be credited, does not authorise him to determine that the moneys received which the statute directs to be paid to Public Trustee shall not be paid to him.

The Public Trustee's Account not being an account in the Public Account, moneys which, received into the Public Account, are directed by statute to be paid to the Public Trustee can no more be paid to him by being credited in the Public Account than moneys received into the Public Account to be paid to any private person or corporation can be so paid by being credited in the Public Account to such private person or corporation.