

I am accordingly to request you to move Mr. Harcourt to communicate with the Dominion Governments concerned, in order that these amounts may be paid as soon as practicable to the credit of the account of the vote for telegraph subsidies and Pacific cable.

A copy of the printed account as presented to Parliament is also enclosed.

I have, &c.,

The Under-Secretary of State, Colonial Office.

T. L. HEATH.

Sub-enclosure 2 in No. 1.

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

SIR,—

Treasury Chambers, 29th July, 1913.

I have the honour to report that I have audited the accounts of the Pacific Cable Board for the year ended 31st March, 1913, 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, so far as they were not met out of the receipts arising in connection with the cable, amounted in the year to £32,269 17s. 5d.

There is, therefore, recoverable from the contributing Colonial Governments a sum of £23,306 0s. 4d., representing thirteen-eightieths of the net expenditure, viz.:—

	£	s.	d.
Australia (six-eightieths)	10,756	12	5
Canada (five-eightieths)	8,963	17	1
New Zealand (two-eightieths)	3,585	10	10
	£23,306	0	4

By letter dated the 28th November, 1912, the Treasury approved of the application of a sum not exceeding £175,000 from the Pacific Cable Board's reserve funds to the work of laying a submarine cable between Australia and New Zealand, authorized by the Pacific Cable Act, 1911.

The amount actually paid in the year of account was £174,351 7s. 8d., but it is anticipated that some further small payments will be made in the current year.

In addition to this cash expenditure, reserve cable to the value of £6,779 19s. 6d., which was purchased out of the reserve fund in previous years, has been taken out of stock and used for the extensions. Against this, however, has to be set off the value of the portion of the contract cable which has not been actually used, and which has been taken into stock, amounting to £5,381 7s. 2d., the net charge to the new cable being £1,461 12s. 4d.

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.

I have, &c.,

The Secretary to the Treasury.

G. H. HUNT, Auditor.

Enclosure in Sub-enclosure 2 in No. 1.

The CHAIRMAN, Pacific Cable Board, London, to the LORDS COMMISSIONERS OF HIS MAJESTY'S TREASURY, London.

MY LORDS,— The Pacific Cable Board, Queen Anne's Chambers S.W., 17th July, 1913.

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, 1913; (iv) the expenses of the cable in the year ending 31st March, 1913; (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:—

	Receipts.			£	s.	d.	£	s.	d.
Traffic receipts	170,307	5	8						
Less Atlantic companies' charge for conveying date and time, and for delivering duplicate copies in London and other large centres in United Kingdom	4,280	8	5				166,026	17	3
Bank interest							278	1	7
Refund tolls and dues							615	16	2
Charter of "Iris"							980	0	0
							£167,900	15	0