

The expenditure for the calendar year 1915 was as follows :—

	£
Stores .. .. .	620,450
Supplies .. .. .	421,593
Drugs .. .. .	20,631
Total .. .. .	<u>£1,062,674</u>

In view of the heavy commitment to the Army Council in connection with equipping, training, and despatching, say, thirty thousand men during 1916, it is estimated that £1,548,000 will be required for the calendar year 1916. This sum is made up as follows :—

	£
Stores .. .. .	1,100,000
Supplies .. .. .	424,500
Drugs .. .. .	23,500
Total .. .. .	<u>£1,548,000</u>

It has been found advisable, in order to create reserves in certain lines of equipment, to place orders for heavy deliveries during the first six months of 1916. These goods will be held in store under proper custody, and as a result the orders for goods will not be so extensive towards the close of the year as for the first six months. As far as can be ascertained, the sum of £248,000 has been paid for 1916 supplies, which leaves a balance of £1,300,000 to be provided for the remainder of the calendar year.

#### SAMOAN ADMINISTRATION.

The garrison for Samoa is still being provided and equipped by New Zealand, and the payment of troops is a charge upon the War Expenses Account. The health of the troops is good, and no difficulties are being experienced with regard to the administration. Shortly after the occupation of the Island by our troops it was deemed necessary to replace the German currency with British currency, and the early establishment of a branch of the Bank of New Zealand there greatly facilitated the settlement of the currency and exchange questions. The German currency was purchased by the issue of notes on the basis of 20·60 marks to the sovereign. The German gold coin and notes have been sold, and the proceeds invested in New Zealand Government securities. The silver and nickel coin has been forwarded to London for sale when a suitable opportunity occurs, but, owing to the great depreciation of German currency in the market to-day, it has been found impossible to obtain a fair offer for the coin at present.

#### WAR RELIEF FUNDS.

Extremely valuable gifts in money and in kind for various relief purposes in connection with the war have been contributed during the past financial year.

The monetary gifts received by the Government, almost entirely for purposes outside New Zealand, amounted to £340,335.

The response for Belgian relief purposes was remarkable, not only because it far exceeded the amount asked for, but also from the fact that the contributions were received during a period when the public was contributing to funds for the relief of our own sick and wounded soldiers and their dependants.

Returns sent in by the various patriotic societies show that up to the 31st December, 1915, the sum of £1,588,280 had been raised by them, of which over £980,890 was then in hand; but the funds of a number of societies have been considerably augmented since then, and it is estimated that the total funds now in the hands of patriotic organizations amount approximately to £1,250,000.

Gifts of the value of £77,000 have been contributed for the poor of Belgium, and £3,000 for the poor of the United Kingdom, and £8,095 for Red Cross purposes in England, and £51,775 for hospital requisites and comforts for troops in Egypt, &c.