

There has now come forward for examination another voucher for £17,867 11s. 4d., proposing to reverse, as part thereof, another set of entries, also made in March last. As on the former occasion, the entries made and those proposed to be made are here placed in juxtaposition :

Entries in March last.				Proposed Entries.			
Dr.		£	s. d.	Cr.		£	s. d.
Public Works Fund (date of supply, 26th February, 1898)—				Public Works Fund (date of supply, 11th March, 1898)—			
Vote 88—Midland Railway ..	..	12,000	0 0	Vote, Midland Railway ..	..	12,000	0 0
" 89—Permanent-way ..	..	3,000	0 0	" Permanent-way ..	..	3,000	0 0
		<u>£15,000</u>	<u>0 0</u>			<u>£15,000</u>	<u>0 0</u>
Of which the following are the particulars—				Of which the following are the particulars—			
lars—				lars—			
8 miles: 56 lb. steel rails, &c. ..	..	5,376	6 3	8 miles: 56 lb. steel rails, &c. ..	..	5,376	6 3
Sleepers—19,294 silver-pine, at 2s. 6d. ..	..	2,411	15 0	Sleepers—19,294 silver-pine, at 2s. 6d. ..	..	2,411	15 0
" 33,086 totara, at 3s. ..	..	4,962	18 0	" 33,086 totara, at 3s. ..	..	4,962	18 0
" 5,726 puriri, at 4s. ..	..	1,145	4 0	" 5,726 puriri, at 4s. ..	..	1,145	4 0
" 3,681 puriri, at 2s. 9d. ..	..	506	2 9	" 3,681 puriri, at 2s. 9d. ..	..	506	2 9
" 5,977 matai, at 2s. ..	..	597	14 0	" 5,977 matai, at 2s. ..	..	597	14 0
Cr.				Dr.			
Consolidated Fund—				Consolidated Fund—			
Vote 60—Working Railways ..	..	£15,000	0 0	Vote, Working Railways ..	..	£15,000	0 0

It will be observed that the "date of supply" of rails and sleepers delivered by the Stores Manager of the Department of Working Railways to the Stores Manager or Storekeeper of the Department of Public Works (in respect of which entries were made in March last) was 26th February, 1898; and that the "date of supply" of apparently the same materials delivered back by the Department of Public Works to the Department of Working Railways (in respect of which entries are now, after a delay of six months, proposed to be made) was the 11th March following.

It seems impossible with the information at present at the disposal of the Audit Office to resist the conclusion that the original transaction arose out of the financial necessities of the Department of Working Railways, and not out of a surplus of stores, and that the stores disposed of to the Department of Public Works were not really required by that department, and I think the Audit Office may reasonably complain that it has been left in ignorance until now of the retransfer of the stores. It is obvious that such a retransfer should have been followed immediately by a retransfer of the cash.

The present proposed retransfer of £15,000, and the other of nearly the like amount queried in July last and not proceeded with by the Treasury, stands much on the same footing. The two sums, making together about £30,000, form part of the credits, amounting to £187,964 14s., to the vote for working railways in last year's accounts.

J. C. GAVIN,
Assistant Controller and Auditor.

Transfer.

Dr.		£	s. d.
Consolidated Fund—			
Vote, Railways ..	..	2,411	15 0
" ..	..	974	8 0
" ..	..	3,099	9 2
" ..	..	2,606	19 0
" ..	..	2,370	7 0
" ..	..	4	3 4
" ..	..	1,144	0 0
" ..	..	1,716	0 0
" ..	..	3,537	1 10
" ..	..	3	8 0
Rails and sleepers.			
		<u>£17,867</u>	<u>11 4</u>
Cr.			
Public Works Fund (Credits)—			
Vote, Midland Railway ..	..	12,000	0 0
" Permanent-way, &c....	..	5,864	3 4
" Settlement roads, &c.	..	3	8 0
As above.			
		<u>£17,867</u>	<u>11 4</u>

Treasury, 3rd September, 1898.
Examined and passed.—JAS. B. HEYWOOD, Secretary to the Treasury.
R. J. COLLINS,
Accountant to the Treasury.
Controller and Auditor-General.