

1902.
NEW ZEALAND.

PAYMENTS OUT OF UNAUTHORISED EXPENDITURE FOR TELEGRAPH-EXTENSION

(CORRESPONDENCE BETWEEN AUDIT OFFICE AND TREASURY RELATIVE TO).

Presented to both Houses of the General Assembly by Command of His Excellency.

The CONTROLLER AND AUDITOR-GENERAL to the Hon. the SPEAKER OF THE HOUSE
OF REPRESENTATIVES.

Audit Office, 22nd August, 1902.

THE Controller and Auditor-General has the honour respectfully to inform the House of Representatives that the expenditure entered in the Public Accounts for the quarter ended the 30th June, 1902, excludes some payments made through the Post Office before the close of that quarter for the service of telegraph-extension, because they were payments of unauthorised expenditure which the state of the Unauthorised Expenditure Account precluded from entry; and he begs leave to submit a copy of the correspondence on the subject.

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

The Honourable the Speaker of the House of Representatives.

No. 1.

The Treasury.

THE expenditure in respect of which these requisitions propose to transfer the charge from the Consolidated Fund to the Public Works Fund has, of course, been paid by the Post Office out of moneys not issued as a charge to the Public Works Fund, and the requisition No. 3A comprises vouchers for payments made as far back as February last to the amount of £12,023 3s. 9d. It appears, moreover, that requisition No. 3A was originally prepared on the 26th May last.

The Treasury will oblige by furnishing an explanation of the delay in accounting for the payments, and of the use in making them of moneys which did not come out of the Public Works Fund.

J. K. WARBURTON, C. & A.-General.
28/7/1902.

No. 2.

Audit Office.

THE reason for the delay is not far to seek. Until imprest supply was obtained only a limited amount of the expenditure made by the Post Office could be brought to charge in our books.

The Post Office obtains large imprests from time to time, and these are charged against their votes in accordance with the estimated expenditure. It happens, however, with the Post Office, as with other branches of the service, that the actual expenditure is not precisely in accordance with the estimate, hence the necessity for transfer.

JAS. B. HEYWOOD.
28th July, '02.

No. 3.

The Hon. the Colonial Treasurer.

Audit Office, 29th July, 1902.

IT is submitted that the matter is more serious than it is made to appear to the Audit Office in the Treasury minute of yesterday.

The facts are that vouchers for £12,033 3s. 9d. out of the whole amount of the vouchers for £29,390 7s. 10d. comprised in the four requisitions were passed by the Audit Office in April; that the vouchers for the whole amount appear to have been passed in ample time to be entered in the Public Accounts of last quarter; that as much as £25,678 4s. 2d. out of the whole amount could only have been entered as unauthorised expenditure; but that the amount of the payments which have been charged to the Unauthorised Expenditure Account in last quarter came within the limit of £150,000 by no more than £494 10s. 2d.