

has made investigations for the purpose of ascertaining to what extent an examination of these accounts is necessary. Particular attention is being given to this matter so as to ensure that subsidies, when granted subject to the carrying-out of specified conditions, are expended in terms of the conditions under which they were granted. It has been found that there is a tendency to apply subsidies granted by the Crown to purposes other than those intended by Parliament.

#### NEGLECTANCE OF PUBLIC OFFICERS.

It became necessary in several instances to issue surcharges in terms of section 65 of the Public Revenues Act against officers of various Departments for displaying negligence in respect to their duties so as to cause losses of public moneys or stores. In some instances the Minister of Finance, on being appealed to by the surchargees in accordance with the provisions of section 67 of the above Act, waived the surcharges. The present practice of the Audit Office is to issue a surcharge for the amount of the loss in every instance in which there is sufficient evidence available to enable Audit to fix the responsibility for a loss of public moneys or stores on a particular officer or officers. It should be explained that in the matter of surcharges no discretionary power is vested in the Audit Office, which must issue a surcharge in every instance in which the information is sufficient to point to a dereliction of duty on the part of an officer which has resulted in loss of public money or stores. An officer surcharged is given a certain period in which to satisfy the surcharge by payment, or he may appeal to the Minister of Finance, who, after investigation, may, by virtue of authority given in section 67, Public Revenues Act, waive the surcharge and relieve the officer from payment, in whole or in part, as he deems just.

#### MISAPPROPRIATION OF PUBLIC MONEYS.

##### *Customs Department.*

Basil Warring, Examining Officer, Customs Department, Wellington, committed certain breaches of the law by causing parcels addressed to him to be wrongly marked "Free of duty," thus evading payment of Customs duty to the extent of £5 13s. 8d. He was prosecuted under the Customs Act and fined £25 and costs. Restitution was made. Dismissed from the Service.

##### *Defence Department.*

Frank Howard James, a young man not a Government employee, was before the Stipendiary Magistrate's Court, Wellington, on a charge of receiving 400 rounds of ammunition, stolen from the New Zealand Government, and was fined £3. On a further charge of receiving 200 rounds he was ordered to come up for sentence when called upon within twelve months. Restitution was made of the value of the ammunition not recovered.

##### *Inland Revenue Department.—Land and Deeds Branch.*

W. P. Joyce, formerly a cadet in the Land and Deeds Department, Wellington, was discovered by the Audit Inspector to have misused certain stamps by removing them from documents and affixing them to other documents of a later date. The matter was placed in the hands of the police, who obtained a confession from Joyce. He appeared in the Magistrate's Court charged with the theft of £45 5s., and was admitted by the Supreme Court to probation for two years and ordered to make restitution of the amount stolen and pay the costs of the prosecution.

##### *Justice Department.*

G. V. Smyth, a clerk in the Magistrate's Court in Christchurch, was charged with the theft of two 10s. postal notes, representing law trust-moneys, which had been received in the Christchurch Court. He was admitted to probation for two years. Dismissed from the Service. The amount was made good by the Court official who was responsible for the money being placed in safe-keeping.

##### *Native Trust Office.*

Robert Snowden Bush, formerly a clerk in the Native Trust Office, pleaded guilty in the Stipendiary Magistrate's Court to the theft of moneys totalling £93 belonging to the Native Trust Office. In the Supreme Court he received a sentence of six months' imprisonment with hard labour. The loss will require to be written off by authority of Parliament.

##### *New Zealand Government Railways.*

Basil G. Breeze, a cadet employed in the Railway Department, and George Delvin Byford, an officer of the Public Works Department, were charged respectively with theft and receiving stolen property, which consisted of goods of the value of £86 consigned for carriage by rail. Breeze was sentenced to three years in a Borstal Institute, and Byford to two years' imprisonment on each of two charges, the sentences to be cumulative. Dismissed from the Service.

Inspection at Waverley Railway-station on the 20th May, 1925, by the departmental Audit Inspector revealed peculations to the extent of £12 16s. 2d., by clerk H. F. Wisnesky, who was immediately suspended. The method adopted was to misappropriate cash collections for inward railages, and to debit a corresponding amount against ledger and deposit accounts, either by entirely fictitious entries or by increasing individual items. Wisnesky pleaded guilty, and was admitted to probation for one year on condition that he made restitution and paid the cost of the proceedings. Dismissed from the service.

Ex-porter H. L. Meads, Taumarunui, was fined £10 in the Magistrate's Court, Taumarunui, for stealing the sum of £37 6s. 8d. from the Railway pay-trays in the booking-office. The amount has been repaid to the Department by Meads, who has been dismissed from the Service.