No. 3 engine in use about six years. Tires in good order. Framing in good order. A good deal of side-play about axle-brasses—engine $\frac{1}{2}$ in., bogie $\frac{2}{8}$ in. Motion-gear in fair order. Dieblocks $\frac{1}{16}$ in. slack. Some of bogie-links are now about $\frac{1}{8}$ in. in the hole. Draw-gear, &c., in good order. Boiler clean. Fire-box in fair order; a few stay-heads about fire-level small; a few of the tube-ends are eaten away by the fire; a new set of ferrules will be required early. Boiler carries 140lb. of steam.

No. 4 engine in use about four years. Tires in good order; the same applies to draw-gear and other parts. Boiler clean. Fire-box in good order; a few ferrules required. Boiler carries

140lb. of steam.

No. 5 engine in use about two years. Tires in good order. Framing, &c., all in good order. Axle-brasses of engine about $\frac{3}{8}$ in. side-play; bogie about $\frac{3}{16}$ in. Draw- and motion-gear all in good order. Boiler clean. The renewal of fifteen ferrules would put fire-box in first-class order. Boiler carries 140lb. of steam.

No. 6 engine in use about four years. Tires in good order. Framing, motion-gear, and other parts all in good order. Left-hand injector does not work very well. Boiler lagged with slag wool. Fire-box in first-class order throughout. Boiler carries 140lb. of steam.

Summary.

The engines have not had the tubes out or any heavy repairs; but they have not been worked very heavily. All the boilers were examined as far as could be done with tubes in and lagging on, and appear to be in very fair order—all water-spaces being clean and free from scale.

plugs round fire-box are placed in rather awkward places for washing and examination.

The copper fire-boxes are in fair order; one engine shows slight bulging about level of fire, another appears to have suffered a good deal from action of fire or the inferior nature of copper used in construction. Some of the tube-ends are burnt off level with the plates; but the majority are in good order. Most of the ferrules require renewing; some stay-heads are small. The fire-bars are wrought-iron, and are not by any means satisfactory; but there is a large stock on hand that came with engines: Brick arches are used, but not baffle-plates.

The motion parts seem in fair order. Movable wedge-blocks are fitted for adjusting the wear of axle-box, &c., but, being of soft steel, appear to cut very much. Quadrant-links and dieblocks are of same material, and wear very quickly. The axles have a very shallow collar on inside, causing axle-brasses to make a good deal of side-play. The spring-gear is not compensated,

and the springs appear rather weak to work independently.

Carriages.—Class B, numbered from 1 to 3 (inclusive): No. 1 wants painting outside, and floor repairing. Nos. 2 and 3 are in good order. Class C, numbered from 1 to 4 (inclusive): Nos. 1 and 3 are in good order. No. 2 requires painting outside. No. 4 has one window in door cracked; otherwise it is in good order.

Brake-vans.—Class D, numbered from 1 to 3 (inclusive): Nos. 1 and 2 in good order. No. 3 is

being painted and varnished.

Wagons.—Class E, numbered from 1 to 15 (inclusive): These wagons all in fair running-order, and require nothing but some of girders painted. Class F, numbered from 1 to 45 (inclusive): No. 3 has a bad floor. Nos. 19, 20, and 22 are under repairs. No. 26 wants new draw-pin. The rest of this class of wagons are in good order, the most of them being recently overhauled.

Goods-vans.—Class G, numbered from 1 to 6 (inclusive): These are all in fair order.

Timber Wagons.—Class H, numbered from 1 to 24 (inclusive): Wagons not otherwise noted are in good order. No. 5 wants brake-gear fitted. No. 7, cotter wanted in king-pin. Nos. 8, 13, 17, 21, and 24, bolsters require packing in centre to prevent them bearing at ends when loaded. No. 22 wants brake-gear fitted.

Cattle-wagons.—Class J, numbered from 1 to 3 (inclusive): These wagons are fitted up and

used like Class G for goods. All are in good order.

Sheep-wagons.—Class K, numbered from 1 to 3 (inclusive): All are in good order.

Horse-boxes.—Class L, numbered 1 and 2: No. 1 has two windows broken; otherwise it is in good order. No. 2 is in good order.

Double-bogie Timber-wagons.—Class R, numbered from 1 to 6 (inclusive): These wagons are all in fair running-order.

General Remarks on Wagons.

Some of the ironwork—such as girders and axles—requires painting, as the rust is beginning to show. Ballast-trucks, which were in worst condition, have been under repairs, and are now getting into good order.

T. F. ROTHERAM, Locomotive Superintendent.

The General Manager, New Zealand Railways, Wellington.

STATEMENT OF REVENUE and Expenditure, New Zealand Midland Railway, from 27th May. 1895, to 31st March, 1896.

Revenue-				${\mathfrak L}$ s.	d.	£	s.	d.
Passenger	rs			 4,715 15	1			
Parcels, d				 644 7	1			
Goods, &	o			 6,687 15	4			
Percentag	ges			 1,157 4	3			
·						13,205	1	9
Expenditure	•••		***	 •••		8,831	4	5
	Net revenue	•		 •••		4,373 1		7 4
	Expenditure per cent. of revenue			 6			3.88	

Accountant's Office, 26th June, 1896.

A. C. FIFE, Accountant.