

4. That, in the circumstances, the only course open to the Audit Office, as regards the failure of the Deputy Commissioner at Wellington to make the Return F, is not to pass without objection the Stamp accounts for June.

The Audit officer will present himself again on the last Saturday in July to perform the duty in question.

The return which the Deputy Commissioner has made to the 30th June is not the return as required by the regulations to be made to the Audit Office, and should therefore, it is submitted, be kept and dealt with by the department of the Hon. the Minister.

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

Forwarded 11th July, 1900.—J. K. W.

No. 15.

Head Office, Stamp Department, Wellington, 19th July, 1900.

MEMORANDUM for the CONTROLLER AND AUDITOR-GENERAL, Wellington.

RE *Return F: Deputy Commissioner of Stamps, Wellington.*—I am directed by the Commissioner of Stamps to reply to your memorandum of the 7th instant as follows:—

1. The regulations require that the returns of all the Deputy Commissioners (not only that of Wellington) are to be supported by a certificate. It need not necessarily be given on the last Saturday of the month, but may be given at any time, provided it certifies to the number and value of stamps held in stock on that day.

2. The Audit officer appointed by you presented himself before the close of business on the last Saturday in June; consequently, had he made the examination then his certificate would have been valueless, and he would have greatly disturbed the Stamp officers when preparing the monthly accounts.

3. The Audit officer was not refused admittance to the office of the Deputy Commissioner, inasmuch as he was inside the office for some time, and was not, to the knowledge of the Commissioner, asked to retire.

4. The Commissioner must leave it to the discretion of the Controller and Auditor-General to follow whatever course he may think proper in the circumstances.

The Commissioner trusts that the Controller will reconsider his intention to examine the stamps on the last Saturday of this month, for the reasons given above. The officers will be employed in the preparation of their monthly accounts for the Treasury and Audit, and the presence of a stranger would seriously interfere with them in the performance of their duties. The examination, however, can be held the first thing on the following Monday morning, when every assistance will be rendered to your officer.

The Return F forwarded by you is returned enclosed, as the Commissioner does not require it, and the Deputy Commissioner's monthly accounts would be incomplete without it.

C. A. HICKSON,
Secretary for Stamps.

No. 16.

The Hon. the Commissioner of Stamps, Wellington.

Audit Office, 20th July, 1900.

Return F of the Deputy Commissioner of Stamps, Wellington.—Having received the paper, No. 168, of yesterday, in which the Hon. the Commissioner intimates that he must leave it to the discretion of the Controller and Auditor-General to follow whatever course he may think proper in the circumstances, the Controller and Auditor-General ventures respectfully to explain that the return of the Deputy Commissioner at Wellington "to the Audit monthly, showing the value of each denomination of stamps in his hand on the last Saturday in each month," could not satisfactorily be supported, in accordance with the regulations, by a certificate by an officer of the Audit Office "that the stock named in such return has been counted and found correct," unless he should count them on that day.

The Controller and Auditor-General would further explain that the Audit officer who presented himself at the office of the Deputy Commissioner on the last Saturday in June, and before the close of business on that day, did not think of proposing to count the stamps before the close of business, even if it had been practicable to do so in the time. He expected the Deputy Commissioner to arrange that the stamps might be counted at the hour at which it had long been the practice to count them for the purpose of the return. And that such was the case will be clear if the notes are perused again of which the following are copies:—

SIR,—

Audit Office, Wellington, 30th June, 1900.

I beg to report that I saw Mr. Murray, the clerk in the Stamp Department who has charge of the stock of stamps in the hands of the Deputy Commissioner at Wellington, with a view of arranging a time for the examination of the stock. He informed me that, as I was not the "officer appointed by the Stamp Department to count the stock," he could not recognise me in the matter, and that he would make no arrangement as to time of examination. I should be glad of instructions how to act.

The Controller and Auditor-General.

I beg, &c.,
J. H. FOWLER.

Mr. Fowler.

Go to the Secretary for Stamps, with my compliments, and ask him to arrange that you, as the Audit officer, may count the stamps, in accordance with the regulations, of the Deputy Commissioner of Stamp Duties at Wellington, and certify to his Return F as you are required for the purpose of the audit of stamps.

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

The Auditor-General.

I CONVEYED your request to Mr. Hickson, and he informed me that he could not recognise me in the matter.

J. H. FOWLER.