

when making payments to those officers of any arrears of increment to salary, see that the amount is at once paid in towards reduction of the loan, if provision therefor has been made in the form of agreement. For such repayments vouchers are to be prepared locally. All vouchers for repayment of loans are to be sent to the Chief Accountant in registered letters.

981. *Fines on Mail Contractors.*—Fines inflicted upon mail contractors are to be paid to Public Account, and the bank-receipts therefor forwarded to the Chief Accountant with a covering memo. in each case.

CREDITS.

982. Credit will not be allowed for any payment unless a receipt or discharge therefor is furnished.

The method of dealing with the various classes of payments which a Postmaster may make is as follows:—

983. *Postage refunded and written off.*—Under this head are shown the refund of postage charged in excess, the value of stamps spoiled, or the value of those which for any reason it may be necessary to write off. In the case of refunds a receipt must be obtained from the person to whom payment is made. The authority to write off stamps spoiled, cancelled, or recalled must be quoted on the Cash Account in which credit is taken. If the amount is large, the stamps should be forwarded under registered cover to the Chief Accountant, General Post Office.

984. When a reply coupon is presented at any post-office in New Zealand the Postmaster will give in exchange a 2½d. stamp. A non-accounting Postmaster will send the coupon to his Chief Postmaster, who will send a 2½d. stamp in lieu of it. An accounting Postmaster will send the redeemed coupon to his Chief Postmaster as a remittance of the amount which it represents, and Chief Postmasters will claim credit for redeemed coupons under the heading "Postage refunded and written off," sending the coupons with the Daily Cash Account in which credit is claimed.

985. Chief Postmasters may authorize the refund of small amounts of postage improperly charged, and should do so in ordinary circumstances. The covers of letters or packages must accompany the Cash Account in which credit is taken, together with an explanatory memorandum.

986. *Postal notes paid,* and stamps affixed thereto, must be taken credit for by Postmasters as remittances to their chief offices, as provided for on form Acct. 7, and by Chief Postmasters under the headings given in the Daily Cash Account (form Acct. 133). (See "Postal Note Instructions.")

987. *Postal notes written off* must be treated by Postmasters as remittances to their Chief Postmasters; shown by Chief Postmasters in the Daily Cash Account (form Acct. 133) under the above heading; and forwarded by them in support of the entry therein. The amount written off must include the value of the commission in addition to the face value of the note.

988. *British Postal Orders paid and Stamps affixed thereto.*—These must be taken credit for in the Post Office Account by Sub-Postmasters as remittances to their respective Chief Postmasters, and by Chief Postmasters under the headings of "British Postal Orders paid" and "Stamps on British Postal Orders paid." (See "British Postal Order Instructions.")

989. *British Postal Orders written off.*—Postmasters may write off the full value, including commission, of British postal orders accidentally spoilt, or those in respect of which a special direction has been given by the Controller, General Post Office.