

(4) The Controller and Auditor-General shall lay the said report before Parliament within fourteen days after the public accounts have been laid before Parliament.

The public accounts received from the Treasury have been examined in terms of the first part of subsection (2) and will be printed as B.-1 [Pt. I], and the further provisions (a-h) of subsection (2) and the provisions of subsection (3) are satisfied as follows:—

**(a) DISCREPANCIES IN THE STATEMENT OF ACCOUNTS**

There are no discrepancies between the accounts and the books of the Treasury, and no cases were laid before the Attorney-General.

**(b) CASES IN WHICH THE PROVISIONS OF THE LAW HAVE NOT BEEN CARRIED OUT**

The Audit Office is required, in the exercise of its duties, to satisfy itself that all financial transactions of the State are supported by proper authority and that they contravene no provisions of the law. As stated in previous reports, circumstances arise which require or render it desirable that public moneys should be expended for purposes for which no specific authority exists and for which the statutory provisions governing “unauthorized expenditure” or “emergency expenditure” are not available, or not available to a sufficient amount. There are cases also in which circumstances render it desirable that legislative restrictions should not apply.

Several cases covered by the foregoing explanation arose during the year, and the Audit Office, following past practice, agreed to pass the transactions on being informed by the Government that it would introduce at the earliest opportunity validating or amending legislation, or otherwise provide the authority required.

The necessary legislation or authority in the following cases was obtained during the year covered by this report:—

(1) The Wool Disposal Act, 1945, came into force on the 1st January, 1946, the date appointed by the Governor-General by Proclamation in terms of section 1 thereof.

Section 11 of the Act provides for the establishment of the Wool Disposal Account which can be operated upon only by cheque signed by or on behalf of the Chairman of the New Zealand Wool Disposal Commission and countersigned by the Audit Office.

It became necessary to operate on the account before the Commission was appointed, and on being advised by the Minister of Finance that transactions initiated by persons authorized by him to operate on the account pending the appointment of the Commission would be regularized either by adoption by the Commission or by legislation, the Audit Office countersigned cheques.

The appropriate resolution adopting the above-mentioned procedure was passed by the Commission at its meeting on 15th February, 1946.

(2) The Finance Act, 1945, section 2, validated payments of subsidies made for the purposes of stabilization from accounts established under the Marketing Act 1936.