

As funds for Public Works are almost exclusively provided by borrowing, Treasury considered that a greater contribution from revenue should be made in respect of these non-productive works, and, with the approval of the Minister of Finance, it was decided to increase the transfer from Consolidated Fund to £100,000 for the year ended 31st March, 1946.

Interest on Public Account Cash Balance Investment Account

As a result of heavy investments the interest earned by Public Account Cash Balance Investment Account to 31st March, 1946, amounted to £161,822 16s. 7d. In terms of an approval under section 39 (2) of the Public Revenues Act, 1926, this interest has for some time been credited to Ordinary Revenue Account, and this practice was followed during the past financial year. The Audit Office considers, however, that the interest should be apportioned amongst the various accounts comprised in the balance of the Public Account according to the amount each account has furnished for investment, and Treasury has undertaken that this will be done in future.

Travelling-expenses incurred on Official Business Overseas

Some time ago the Audit Office took up with Treasury the question of a delay that has been taking place in clearing the advances accounts covering the expenditure of public servants and others travelling out of New Zealand on official business.

As this expenditure is mainly made overseas the majority of the relative vouchers make a belated appearance in New Zealand, and this, coupled with the difficulty that special approvals are often required before the expenditure may be finally passed, has been to some extent the cause of delay. There have been cases, however, in which unwarranted delays of many months have occurred.

Treasury agreed with the views of the Audit Office as to the need for improvement in this matter and took action with the Departments responsible to accelerate movement of vouchers. As a result of this action the position may be said to have shown an improvement, though not to an extent satisfactory to Audit.

Departmental Balance-sheets

Certain Departments are required by their governing statutes to produce balance-sheets and supporting accounts for presentation to Parliament, and others have been directed to do so in terms of section 57 of the Finance Act, 1932. The 1944-45 balance-sheets and accounts, duly audited, will appear in due course either in parliamentary paper B.—1 [Pt. IV] or with the annual departmental reports to Parliament.