

# PUBLIC ACCOUNTS

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 1931.

## REPORT OF THE CONTROLLER AND AUDITOR-GENERAL.

I HAVE the honour to submit my report for the year ending 31st March, 1931, in terms of subsections (2) and (3) of section 89 of the Public Revenues Act, 1926, which sets out in detail the several headings under which the Controller and Auditor-General is required to present his report to Parliament, and which reads as follows:—

“89. (1) The Treasury shall as soon as practicable after the end of every financial year prepare and send to the Audit Office a statement of the revenue and expenditure of the Public Account during that year.

“(2) The Controller and Auditor-General shall forthwith examine that statement, and prepare and sign a report showing—

“(a) The particulars of any discrepancies between such statement and the books of the Treasury :

“(b) Full particulars of every case in which the provisions of this or any other Act, or the regulations or any forms, have not been carried out or adopted, or have in any manner been varied or departed from :

“(c) Every case of failure to deliver or send in accounts or to collect or account for any moneys or stores :

“(d) All sums allowed or disallowed without vouchers or with imperfect vouchers or upon incorrect certificates :

“(e) Any proceeding that may have been taken by or against any person in pursuance of the provisions of this Act or the regulations :

“(f) All unsatisfied surcharges which have been made by the Controller and Auditor-General and all surcharges disallowed by a Minister on appeal :

“(g) In what accounts the Controller and Auditor-General has, with the consent of the Minister, dispensed with a detailed audit :

“(h) Such other information as may be prescribed, or as the Controller and Auditor-General thinks desirable.

“(3) The Controller and Auditor-General shall annex or append to the said report copies of all cases laid by him before the Attorney-General for his opinion, together with a copy of the opinion given in every such case.”

### DISCREPANCIES IN THE ACCOUNTS.

#### Section 89 (2) (a), Public Revenues Act, 1926.

The differences between the statement of accounts as submitted for audit and the Treasury books, owing to the method of treating investments under the authority of section 16 of the Finance Act, 1927 (No. 2), and which I have reported on previous occasions, still continue. Under this authority certain amounts paid out of the various accounts by way of investment, though correctly entered as expenditure in the Treasury books in accordance with the ordinary principles of accountancy, are omitted from the expenditure as shown in the published accounts and are treated as balances in hand.

### CASES IN WHICH THE PROVISIONS OF THE LAW HAVE NOT BEEN CARRIED OUT.

#### Section 89 (2) (b), Public Revenues Act, 1926.

##### FINANCE ACT, 1931 (No. 2), SECTION 10.

Section 10 of the Finance Act, 1931 (No. 2) enacts that the provisions of the Public Revenues Act, 1926, governing the accounting for the expenditure of public moneys, shall not apply to certain payments made from the Public Account in London (through the Foreign Imprest Account) by the High Commissioner under the authority of section 20 of the Finance Act, 1928. Payments can, under this latter provision, be made on behalf of Government Departments having banking accounts outside the Public Account, such as the State Fire Office and others, or on behalf of local authorities, or on behalf of private persons or non-governmental bodies, the amounts being refunded to the Public Account. There is, of course, no objection to the practice of making these payments, but their exemption from the provisions of the Public Revenues Act is interpreted by the Treasury to exempt them from Audit supervision, and the payments, though made out of the Public Account from public moneys, are not being recorded in the public accounts kept by the Treasury or in the statutory Public Accounts presented to Parliament pursuant to the Public Revenues Act, 1926. The vouchers are not charged against the permanent appropriation provided by section 20 of the Finance Act, 1928 to cover these payments, nor are they submitted to the Audit Office for appropriation audit in terms of the Public Revenues Act.