

Any person surcharged has the right under section 71 of the Public Revenues Act, to appeal to the Minister of Finance, and the Minister may thereupon confirm or waive the surcharge as he thinks fit. Each of the surcharges issued during the year was made the subject of an appeal. The appended table summarizes the surcharges issued and the results of the appeals :—

Department.	Number of Surcharges.	Upon Appeal.		Total.
		Confirmed.	Waived.	
		£ s. d.	£ s. d.	£ s. d.
Army	2	25 0 0	209 0 0	234 0 0
Lands and Survey	1	..	10 0 0	10 0 0
Post and Telegraph	2	6 0 0	14 0 0	20 0 0
Transport	1	..	11 6 10	11 6 10
	6	31 0 0	244 6 10	275 6 10

(g) **DETAILED AUDIT OF ACCOUNTS DISPENSED WITH.**

Section 72 of the Public Revenues Act authorizes the Controller and Auditor-General, with the consent of the Minister, to dispense with a detailed audit of any accounts in circumstances which render a detailed audit unnecessary.

The Minister was not requested to exercise his power under this section during the year.

(h) **GENERAL INFORMATION.**

Repayment of the Public Debt.

The following table gives particulars of the amount of securities redeemed under the provisions of the Repayment of the Public Debt Act, 1925, and the total cost of redemption :—

Rate of Interest.	Nominal Value of Securities redeemed.			Total Cost of Redemptions.
	Total to 31st March, 1941.	Year 1941-42.	Total to 31st March, 1942.	
Per Cent.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
1½	459,417 10 0	..	459,417 10 0	459,417 10 0
1½	..	1,760,437 0 0	1,760,437 0 0	1,760,437 0 0
2½	5,000 0 0	..	5,000 0 0	5,000 0 0
2½	199,200 0 0	..	199,200 0 0	199,200 0 0
3	3,838,168 14 8	229,625 0 0	4,067,793 14 8	4,067,793 14 8
3½	500,000 0 0	..	500,000 0 0	500,000 0 0
3½	481,001 8 8	..	481,001 8 8	481,001 8 8
3½	170,376 7 4	114,335 0 0	284,711 7 4	284,711 7 4
4	3,128,063 5 6	726,700 0 0	3,854,763 5 6	3,843,075 14 7
4½	2,087,460 0 0	17,300 0 0	2,104,760 0 0	2,089,382 5 0
5	5,423,735 0 0	..	5,423,735 0 0	5,423,181 5 0
5½	1,530,990 0 0	..	1,530,990 0 0	1,530,972 10 0
5½	1,033,310 0 0	..	1,033,310 0 0	1,030,894 12 2
6	2,633,588 9 9	..	2,633,588 9 9	2,612,292 8 8
	21,490,310 15 11	2,848,397 0 0	24,338,707 15 11	24,287,359 16 1*

* This figure does not include cost of exchange on remittances.

Transfers from Consolidated Fund to the Public Debt Repayment Account amounted to £2,255,108 9s. 6d. This amount, together with the opening balance of £913,257 13s. 1d., enabled securities valued at £2,848,397, as shown above, to be redeemed. The balance remaining at 31st March amounted to £319,969 2s. 7d., and is available for further redemptions.

In my last report attention was drawn to the absence of any statutory provision for the repayment of securities in respect of the debt of the State Advances Account and it was suggested that some provision for repayment should be made at the earliest opportunity. The Finance Act, 1941 (No. 2), section 2, provides that all moneys received by the Minister of Finance in redemption or repayment of any stock of the State Advances Corporation issued to the Minister under section 38 of the State Advances Corporation Act, 1934-35, or for the sale of such stock shall be paid to Public Account to the credit of Loans Redemption Account and applied towards the repayment of securities. As the stock of the Corporation held by the Treasury exceeds the amount outstanding in respect of the debt of the State Advances Account, this provision for repayment appears to be sufficient.