annual accounts and their presentation to Parliament. Treasury communicated with the Department requesting that a combined statement from 1st April, 1939, to 31st March, 1946, be prepared so that it could be published in B–1 [Pt. IV]. The statement submitted in response to this request and examined by Audit covers only receipts and payments, but in the circumstances it appears to be sufficient.

Payments from the account for the year 1947–48 amounted to £174,847, and represented compensation payments and adjustments in connection with the acquirement of the property and rights at Onekaka. A small balance remaining in the account at the end of the financial year was transferred to Loans Redemption Account.

Costs amounting to £1,374, which were incurred during the year for maintenance of plant at Onekaka, were charged to the vote of the Department of Industries and Commerce.

Recovery of Treasury Expenditure Charged to War Expenses Account

During an audit of the Treasury Receiver's Accounts in December, 1947, the Audit Office remarked that ledger accounts had not been prepared to record recoverable expenditure which had been charged to War Expenses Account, Ancillary (Treasury), and the Treasury agreed to prepare them and to look further into the matter of recovering the sums involved.

Latest inquiries, however, disclose that as yet little progress has been made with the work.

The Audit Office has not perused all the relative papers, and the number of accounts to be established may be small, but in one case which has recently engaged Treasury's attention the sum recoverable is £158,627 15s. 8d.

War Assets Realization Board

The activities of the above-named Board have continued on a considerable scale. Receipts from sales of surplus war assets for the financial year 1947–48 amounted to over £5,000,000, of which some £3,000,000 was handled by the Board. This latter amount includes £1,382,235 paid by the Public Works Department from Public Works Account vote, "Public Buildings" for a number of buildings, principally large stores.

Some unsatisfactory features of stock records, caused by circumstances beyond the control of the Board, made a fully satisfactory audit impracticable, but so far as the limited attention the Audit Office was able to give to the accounts allowed it to form an opinion it was satisfied that good work was being done under difficult circumstances.

After the end of the war most of the launches and other small vessels purchased for war purposes were available for sale. Previous owners were given a prior right of repurchase, but they did not always exercise it, as some of the vessels had seen much service or had been structurally altered. Where the right was exercised the prices were adjusted to allow for depreciation