

PUBLIC ACCOUNTS

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 1932.

REPORT OF THE CONTROLLER AND AUDITOR-GENERAL.

I HAVE the honour to submit my report for the year ended 31st March, 1932, 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.”

“(4) The Controller and Auditor-General shall lay the said statement, together with his report thereon, before Parliament within fourteen days after the signing of the report if Parliament is then in session, and if not, then within fourteen days after the commencement of the next ensuing session.”

In reference to the last paragraph (4) above, I may explain that the full Statement of the Revenue and Expenditure of the Public Account is contained in two parliamentary papers—namely, B.—1 [Pt. I], which shows, under main headings, the receipts and payments of the funds and accounts comprising the Public Account, and also shows details of the expenditure under the annual appropriations, Civil List, and the Unauthorized Expenditure Account, and B.—1 [Pt. II], which shows certain of the receipts and payments in greater detail than they are shown in B.—1 [Pt. I]. As the latter paper for 1931–32 has already been laid before Parliament, it is only necessary for me to present Part II in accordance with the usual practice.

DISCREPANCIES IN THE ACCOUNTS.

SECTION 89 (2) (a), PUBLIC REVENUES ACT, 1926.

The differences between the Statement of accounts as submitted to Parliament and the Treasury books, owing to the method of treating investments under the authority of section 16 of the Finance Act, 1927 (No. 2), upon which I have reported on previous occasions, are still continued in the year's accounts. Under this authority certain amounts paid out of the various accounts by way of investment, though correctly entered as expenditure in the Treasury books, are omitted from the expenditure as shown in the published accounts and are treated as balances in hand.

A further discrepancy exists owing to the changed method adopted by the Treasury of classifying the expenditure of the Ordinary Revenue Account under the head of “Permanent Appropriations.” The old headings of expenditure were retained in the Treasury books, but the new headings were adopted in the statement of accounts submitted for audit. The auditing of the statement was thus