The following statement shows the allocation of the interest earned by the Public Account Cash Balance Investment Account from 1st April, 1929, to 31st March, 1938.

Year ended 31st March,	Credited to Ordinary Revenue Account.	Credited to Other Accounts.	Total.
	£ s. d.	£ s. d.	£ s. d.
1930	157,873 10 6	94,672 17 2	252,546 7 8
1931	35,598 4 5	34,522 10 8	70,120 15 1
1932	31,462 14 10	33,018 5 10	64,481 0 8
1933	56,238 3 10	19,987 12 9	76,225 16 7
1934	45,828 15 6	17,434 0 11	63,262 16 5
1935	120,834 13 6	26,609 5 5	147,443 18 11
1936	5,028 7 1	4,670 0 11	9,698 8 0
1937	2,302 8 8	1,584 10 2	3,886 18 10
1938	6,177 2 0	..	6,177 2 0
	461,344 0 4	232,499 3 10	693,843 4 2

Changes in the Form of the Public Accounts.

At various times attention has been drawn in the Controller and Auditor-General's report to changes in the form of the Public Accounts and to the desirability of submitting for the prior approval of the Public Accounts Committee any proposals for such changes of form.

Some important changes in form have taken place this year in the Abstract of the Public Accounts which is prepared in terms of section 85 of the Public Revenues Act, 1926. In New Zealand it has always been the practice to quote in the accounts the legislative authority for all entries except where such quotation has not been practicable. The Treasury has now decided not to quote the authorities except where such references are essential to an understanding of the transaction or where the law requires the reference to be made. A further alteration in the abstract has been effected in that, in Local Bodies' Account, Deposits Account, and in the separate accounts of the Public Account, many entries which have been previously shown in detail are now grouped under main headings. Although the continuity of the accounts for comparison purposes has been affected it is thought that the benefits arising from these alterations will outweigh the disadvantages. The fact that the abstract will now contain much less detail should in some small measure facilitate the preparation by the Treasury and the checking by the Audit Office.

It is the intention of the Treasury to show these details in parliamentary paper B.-1. [Pt. II].

Control of Expenditure.

I referred in my last report to the tendency of the legislation of recent years to depart from certain established methods regarding the control by Parliament over expenditure.

In two instances during the year the action taken by Parliament has had the result of reducing its control over expenditure, and I propose to make brief reference to them:—

(1) Section 56 (1) of the Public Revenues Act, 1926, provided that moneys could be issued by way of general imprest, and made provision that the balance unaccounted for should not at any time exceed £150,000 for general purposes. Under the provisions of section 16 (1) of the Finance Act, 1937, this limit has been increased to £600,000. Similarly, section 80 of the Public Revenues Act, 1926, dealing with transfers to the Foreign Imprest Account, provided that the total amount outstanding which at any time may be charged to "General Services" should not exceed £500,000. Section 16 (2) of the Finance Act, 1937, increased this limit to £750,000. And, in addition, the limit of unauthorized expenditure which under section 58 of the Public Revenues Act, 1926, was fixed at £250,000 has, under the provisions of section 17 of the Finance Act, 1937, been increased to £500,000.