

1939.  
NEW ZEALAND.

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# FRIENDLY SOCIETIES AND TRADE-UNIONS

SIXTY-SECOND ANNUAL REPORT BY THE REGISTRAR OF FRIENDLY SOCIETIES,  
FOR THE YEAR ENDED 31st DECEMBER, 1938.

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*Presented to both Houses of the General Assembly pursuant to the Friendly Societies Act, 1909, Section 9,  
and the Trade-unions Act, 1908, Section 16.*

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The REGISTRAR OF FRIENDLY SOCIETIES to the HON. THE MINISTER.

SIR,—

Wellington, 1st July, 1939.

I have the honour to submit the annual report of this Office for the year ended 31st December, 1938, in accordance with the provisions of the Friendly Societies Act, 1909, section 9, and the Trade-unions Act, 1908, section 16.

I have, &c.,  
R. SINEL,  
Registrar of Friendly Societies.

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## REPORT.

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### PART I.—FRIENDLY SOCIETIES.

#### GENERAL.

In a previous report mention was made of the provision for public auditors under the Act, and it is again urged upon societies that the services of such auditors be utilized. In Appendix A to this report will be found a list of public auditors approved by the Governor-General.

Accurate accounting is an essential factor in the good government of all organizations, and societies generally would assuredly be serving their best interests by taking advantage of the services of professional or trained men as treasurers and auditors.

During the year a case unique in New Zealand friendly society history occurred when a society successfully took Court action against a (lay) auditor for monetary loss to the society when he had certified the accounts as in order.

In this regard it is of interest to read the observations of Registrars in other parts of the Empire :—

*Great Britain.*—“ Many unsatisfactory replies have been received to inquiries made by the Department in recent years as to the manner in which investments, bank balances, and cash balances have been verified by auditors . . . ”

“ Every effort is made to induce societies to employ competent auditors, and it must be clearly understood that if persons who are incompetent (and they are generally remunerated) undertake duties which they are unable to perform, they will be prosecuted as the Acts require.”