

PUBLIC ACCOUNTS

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 1940

REPORT OF THE CONTROLLER AND AUDITOR-GENERAL.

I HAVE the honour to submit my report for the year ended 31st March, 1940, in terms of subsections (2), (3), and (4) of section 89 of the Public Revenues Act, 1926.

In connection with these reports, which the Controller and Auditor-General is required to submit to Parliament year by year, it is desirable to remark that it is necessary to comment only on a small number of the matters affecting the Public Accounts which are the subject of Audit Office inquiry each year. It will be readily understood that in almost all cases where questions on ordinary transactions are raised by Audit any adjustment necessary is made or a settlement is arrived at after discussion with the Treasury or the Department concerned, and that there is no occasion for reference to be made to these cases in my reports to Parliament.

The full Statement of the Receipts and Payments of the Public Account is contained in two parliamentary papers—namely, Parts I and II of B.-1. Part I 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, whilst Part II shows certain of the receipts and payments in greater detail than they are shown in B. 1 [Pt. I]. The last-mentioned paper for the year ended 31st March, 1940, has already been laid before Parliament and it only remains necessary for me now to present Part II.

Treatment of Exchange.

In the report of the Controller and Auditor-General each year since 1932 the attention of Parliament has been drawn to the unsatisfactory method which has been followed in connection with the treatment of exchange in the Public Accounts.

The method in question was set out in some detail in last year's report, and as due attention has been drawn to the matter I propose to comment no further on it meanwhile.