

inclusion in the statement of other Corporation investments which, although originally purchased with moneys in the Public Account, were not included in any of the Public Account balances.

The legislation referred to was enacted by section 3 of the Finance Act, 1947, and the statement of investments is shown on page 63 of the Public Accounts, 1947-48.

Excess unauthorized

In previous reports reference was made to the continued overdrawal of the unauthorized authority then provided by section 58 of the Public Revenues Act, 1926.

As a result of the passing of section 7 of the Finance Act, 1947, the total amount available during the currency of the annual Appropriation Act for any year was increased from £600,000 to $1\frac{1}{2}$ per cent. of the total of all sums appropriated by that Act. Although the amount of the unauthorized authority thus made available for the year ended 31st March, 1948, was £2,460,947, the total issue against the account was £3,103,678. The statutory limit was therefore exceeded by £642,731.

The Government has advised that legislation will be introduced to validate the excess.

Last year this Office was able to say that it was satisfactory to notice that there was no general overspending of votes, and that a large part of the excess arose from single special items for which there was no appropriation. This year, however, although there has been no widely distributed overspending of votes, it is by heavy overdrawn on appropriated items that the excess has been mainly caused. Of the total issue, special items accounted for £254,970, and overdrawn appropriated items for £2,848,708.

The unauthorized statement submitted on pages 57-62 of the Public Accounts 1947-48, shows the composition of the total charge.

Bank of New Zealand Shares

When arrangements were made by the New Zealand Government to purchase Bank of New Zealand shares held in Australia, shareholders were offered stock bearing interest from 1st November, 1945, to compensate them for the loss of the Bank's final dividend for the year ended 31st March, 1946, which upon sale of the shares by the private holders would become payable to the New Zealand Government. A condition of the offer, however, was that it would remain open only to 31st March, 1946.

Due to an oversight, certain shareholders who accepted the Government's offer after that date were given stock bearing interest from 1st November, 1945, and also received the Bank's dividend for the year ended 31st March, 1946. The amount of dividend which should have accrued to the Government but was received by the former shareholders was £113 8s. and Treasury, considering that legal action to recover this amount was not desirable, decided to write it off.