

RANFURLY, Governor.

WHEREAS by section nine of "The Public Revenues Acts Amendment Act, 1900," it is provided that in case any difference of opinion arises between the Audit Office and the Treasury as to the vote, appropriation, fund, account, or other authority to which any expenditure ought to be charged, and that the question, if in the opinion of the Audit Office it involves matter of law, shall be determined by the Governor, having before him the opinion of the Solicitor-General thereon: And whereas such difference of opinion as aforesaid has arisen with respect to a draft for three thousand pounds for services which to the knowledge of the Treasury are unauthorised, and for which no requisition has been made charging the amount to "Unauthorised," the Treasury holding that the necessary payment can lawfully be made out of the Foreign Imprest Account and charged to General Imprest, inasmuch as the balance unaccounted-for will not thereby exceed sixty thousand pounds, and the Audit Office holding that this cannot lawfully be done, and that consequently the Audit officer cannot lawfully countersign a cheque for the purpose of the payment unless the amount is charged to "Unauthorised" pursuant to the authority of a requisition to that effect: And whereas it sufficiently appears that in the opinion of the Audit Office the question involves matters of law:

Now, therefore, His Excellency the Governor of the Colony of New Zealand, in exercise of the powers conferred upon him by the section aforesaid, and having before him the opinion of the Solicitor-General on the question in issue, doth hereby determine the same by deciding that in countersigning cheques on the Foreign Imprest Account the Audit officer is not concerned with the nature of the service or with the knowledge of the Treasury, and may lawfully countersign cheques in payment for any service, whether authorised or not, and whatever the knowledge of the Treasury, if the payment when charged to General Imprest does not make the balance unaccounted-for exceed sixty thousand pounds, and that consequently the draft for three thousand pounds may lawfully be paid for by cheque drawn on the Foreign Imprest Account, and charged to General Imprest, and that it is the duty of the Audit officer to countersign the cheque accordingly.

Given under the hand of His Excellency the Governor, at the Government House, at Wellington, this twenty-first day of June, one thousand nine hundred and two.

J. G. WARD.

No. 15.

The Audit Office.

GOVERNOR'S Warrant herewith for your information and guidance. If you will send me a telegram instructing the Audit officer in London to countersign I will have it coded and forwarded forthwith in lieu of the one you proposed to send, and which is attached to these papers.

JAS. B. HEYWOOD.

23rd June, 1902.

No. 16.

Telegram sent as follows:—

23rd June, 1902.

AUDITOR, care Agent-General for New Zealand, London.—Governor, under section 9 of "The Public Revenues Acts Amendment Act, 1900," determined Pilcher's draft £3,000 Coronation expenses shall be charged to General Imprest, and such determination must be obeyed and cheque countersigned.

WARBURTON.

No. 17.

The Hon. the Colonial Treasurer.

Audit Office, 25th June, 1902.

*Pilcher's Draft for £3,000, Coronation Contingent Expenses.*

THE Governor having determined, under section 9 of "The Public Revenues Acts Amendment Act, 1900," that the draft for £3,000 shall be charged to General Imprest, a telegram was yesterday despatched to the Audit officer informing him so; and the Controller and Auditor-General will, in ordinary course, lay before Parliament, in accordance with the provisions of the Public Revenues Act, a copy of the correspondence on the subject.

As, however, the Solicitor-General advises it to be according to law that the Treasury should treat the statutory provision for unauthorised expenditure as a vote under the Public Revenues Act, and appears to be of opinion that the payments authorised by requisition to be made by cheque on the Foreign Imprest Account, out of moneys issued by way of general imprest, include payments, not authorised by any other requisition, of moneys to be expended in excess of or without the appropriation of Parliament, and as such advice and opinion are considered by the Audit Office to indicate that the requirements of the Act relating to unauthorised expenditure, and to the issue of moneys by way of general imprest, call for more explanation, the Controller and Auditor-General begs leave respectfully to offer it.

Section 63 of the Act provides that "all sums transferred to the Foreign Imprest Account shall be charged so far as possible against the votes, but moneys may be issued by way of general imprest of which the balance unaccounted-for shall not at any time exceed £60,000." According to the definition in section 3 of the terms of the Act, "'Vote' means any sum of money appropriated to the public service by the Annual Appropriation Act, or any other Act sanctioning the expenditure of public money." Section 78 provides for the case of "moneys expended as unauthorised expenditure under the provisions of this Act, if not sanctioned by Parliament in the session in which the account of the same is required to be rendered."

From these provisions it is clear that the word "vote" as defined by the Act must exclude the statutory provision for the unauthorised expenditure. And, indeed, section 48, in providing that orders shall be issued for such expenditure, describes it expressly as "the payment of vouchers in excess of or without appropriation of Parliament." There is accordingly nothing in the Act to warrant the provision of section 63—"moneys may be issued by way of general