

“Audit Department” should be defined as meaning the officers, clerks, and other persons appointed to the service of, and employed by, the Controller and Auditor-General.

Section 14 makes provision for the Controller and Auditor-General communicating with the Minister of Finance upon matters arising under the Act.

Section 17 gives Audit Office power to have access to books and Departments, so that a “progressive audit” may, if desired, be maintained.

Section 18 does away with the necessity of obtaining a Governor’s Warrant in the matter of dispute between the Treasury and Audit, which in practice is most inconvenient; and, as the Governor has to authorize the Governor’s Warrant, and has no power to refuse, it is preferable to throw the responsibility direct upon the Law Advisers of the Crown. If the Audit Office takes exception to an issue or charge, and the matter cannot be settled between the two Departments, the Audit Office refers it to the Attorney-General for his opinion, reporting the matter to Parliament.

Section 21 No officer to open a public or official account without authority of Treasury

Section 39 Treasury bills limited to currency of one year; therefore the time to which such may be issued is deleted. (Appropriation Act, 1909, section 23.)

Section 51 provides for the post-audit system, inasmuch as the vouchers are sent to the Treasury for payment instead of being sent to the Audit.

Section 52 The Treasury then deals with the vouchers as was done heretofore, entering them against the respective votes and items, and the same procedure for issue of bank order as was previously in force is maintained.

Section 59 (new). Copy of cash-book to be sent to the Audit Office. (Daily statement of payments should read “daily requisitions.”)

Section 60 provides for the sending by Treasury of all receipted vouchers to the Audit for examination by Audit.

Section 61 deals with the examination and audit of vouchers (should read “on receipt of said schedule and vouchers the Audit Office shall examine the vouchers,” &c.).

Sections 63–70 are all consequent on the new system of post-audit.

Section 69. Fifteenth line, last word of line, “provided” should read “produced.”

Section 82 “Payments made by the Postmaster-General” means all cheques issued by him in payment of claims on the Public Account.

Section 84 provides for a full and particular account in detail of the revenue and expenditure being sent to the Audit Office, which is to be laid before Parliament after being audited.

This section also provides for an annual report from the Auditor-General, which is in vogue in other colonies.

The present B.-1 is not audited, nor is there any law for its preparation.

The expenditure here is the total amount of moneys issued by cheques drawn on the Public Account for payment of services, and the payments made by imprestees out of imprest-moneys, as well as adjustments made by transfers.

Section 91 Annual statement of investments to be laid before Parliament *audited*.

Section 92. Section transferred from Appropriation Act.

(Provision for notifying Audit, similar to that of subsection (2) of section 54, should be added.)

Section 121 This section will enable local authorities such as counties, Road Boards, and Town Boards to expend on services not authorized by any law any sum or sums up to 1 per cent. of their general rate, with a maximum of £50.

By this means the expenditure provided for is not to be subject to the present condition—namely, “that the Audit Office must be satisfied that it is made *bona fide* for the service and in the interests of the inhabitants”; and, moreover, the expenditure is not to be out of the “ordinary income,” which is indefinite.

Harbour Boards and Charitable Aid and Hospital Trustees are also to have authority to spend unauthorized expenditure up to £50 per annum.

The necessity of faking exceptions to expenditure incurred by local authorities in good faith and in their opinion in the interests of the ratepayers or inhabitants, for which there is no specific authority of law, should be obviated.

These tags are very irritating, but the Auditor-General has no recourse but to call attention to any expenditure for which there is no provision or authority of law, even though the expenditure is absolutely necessary and proper.

This section, if passed, will tend considerably to reduce the number of tags, the constant repetition of which tends to minimize the value or importance of the Audit certificate.

Section 131 Authority to make temporary payments on account of local authorities.

Section 132 Purchase of silver and bronze coin provided for

These sections are reprints from the annual Appropriation Acts, and, as the Appropriation Act lapses on the 31st March of each year, there is no provision in the interim for making payments or issue of moneys during the interval under the sections referred to.

Section 134 provides that sections dealing with the appointment of a Deputy shall come into force on the passing of this Bill, as the Bill does not come into operation till 1st April next.

J G WARD.