

## LOCAL AUTHORITIES.

The rapidly expanding activities of various orders of local authority, both with regard to comparatively old-established and more recently authorized classes of operations, have made correspondingly increased demands on all the officers dealing with the audit of local-authority accounts. This enlarged responsibility has so far been discharged to a highly satisfactory degree; but it will be necessary for me before long to make more adequate provision for the regular performance of these and contingent services which must be added at an early date.

During the year ended 31st August this section of Audit was called upon to deal specially with forty-three local authorities and persons in relation to financial irregularities of various kinds, the resulting adjustments and recoveries of which totalled £30,000.

Five cases of criminal proceedings were instituted as the result of Audit inspections during the year, and in four of these convictions were obtained.

## AUDIT OFFICE OPERATIONS.

It may be worth noting here the main audits which Audit Office is called upon to deal with:—

Revenue and expenditure of the Dominion.

War expenditure and loans connected therewith.

Government Life Insurance.

National Provident Fund.

State Fire Insurance.

State Coal.

Public Trust Office.

State Advances.

Superannuation funds.

Imperial Government Supplies.

Meat-shops.

Wheat-control, &c.

The foregoing are in addition to local bodies and local authorities of every description referred to above.

## AUDIT OFFICERS AND MILITARY SERVICE.

The Auditor-General has not sought exemption for any of his officers who have been called up for service. The position, however, has now become serious in respect to the Audit Inspectors whose duty it is to audit and report on the accounts of the various local authorities of the Dominion, which duties are required by law to be performed at least once a year. This work can only be done by officers specially trained for such; and, as a matter of fact, additional officers of the type required for this service are not now available, being either on military duty or already engaged in special work.

It has now been found necessary to apply for leave for three inspecting officers to the end of the present year, which leave has been granted. Thereafter the Auditor-General proposes leaving it to Government to decide whether local-authority and kindred inspections or military service shall receive preference, and to make provision accordingly.

## DEPARTMENTAL ACCOUNTS.

The audits of the various Government Departments and institutions connected therewith are fairly well up to date; but the absence of officers through the war, and the consequent insufficiency of the staff to cope with the increased work, has interfered with the usual regular examination of several departmental accounts.

## STAFF.

The extensive increase (much of which will be permanent) in the purchasing and storing operations of the Government, both on its own behalf and that of the Imperial authorities, has added correspondingly to the demands on the staff; and further necessary inspections in relation to public expenditure and services will necessitate my applying to the Public Service Commissioner not only for an addition to my staff, but also for a revision of the status of a number of my officers on whom increased responsibility has already been and will continue to be placed.

The present staff has cheerfully responded to the extra calls made upon it, and the Auditor-General takes this opportunity of expressing his grateful appreciation of the assistance so readily given.

Audit Office, Wellington, 4th September, 1918.

ROBERT J. COLLINS,  
Controller and Auditor-General.