

## AUDIT.

### No. 8 of 1906.

An Act to amend the *Audit Act* 1901.

[ Assented to 24th September, 1906.]

**B**E it enacted by the King's Most Excellent Majesty, the Senate, and the House of Representatives of the Commonwealth of Australia, as follows :—

1. This Act may be cited as the *Audit Act* 1906, and this Act and the *Audit Act* 1901 (in this Act referred to as the Principal Act) shall be read together and may together be cited as the Audit Acts 1901-1906. Short title and incorporation.
2. Anything done before the commencement of this Act which would have been valid if done in pursuance of the Principal Act as amended by this Act shall be as valid and effectual as if done in pursuance of the Principal Act as so amended. Application of Act to past transactions.
3. The Principal Act is amended by omitting from section two thereof in definition (*d*) the words "Public Accountant," and inserting in lieu thereof the words "Accounting Officer," and by omitting from all other parts and sections thereof the words "Public Accountant" or "Public Accountants" wherever those words occur, and inserting in lieu thereof the words "Accounting Officer" or "Accounting Officers," as the case requires. Alteration of "Public Accountant" to "Accounting Officer."
4. Section two of the Principal Act is amended by adding thereto the following definition :—  
 "(g) 'Guarantee Fund' means the Guarantee Fund established for guaranteeing the Commonwealth against loss arising from the fraud or want of fidelity of officers." New definition.
5. After section twenty-six of the Principal Act the following section is inserted :—  
 "26A. Notwithstanding anything contained in this Act, the Money Order Account may, subject to the direction of the Treasurer, be used for the receipt or payment of any public moneys." New section.
6. Section thirty-four of the Principal Act is amended—  
 (a) by inserting, at the end of sub-section (1), and as part of that sub-section, the words "Provided that the Treasurer may permit the payment of any account before it has been certified if the same has been checked by a responsible officer, and if he is satisfied that undue delay in the payment of the account would be caused if it had to be certified before payment"; and Use of Money Order Account for payment and receipt of moneys.  
 (b) by inserting after the word "always" in sub-section (6) and as part of that sub-section the words "unless otherwise directed by the Treasurer." Amendment of section 34. Payment of accounts before being certified.

Amendment of section 36.

7. Section thirty-six of the Principal Act is amended by adding, at the end of sub-section (1) thereof and as part of that sub-section, the words—

Unclaimed Militia pay.

“Provided that any pay earned in any financial year by members of the Militia Forces may be paid after the close of that year and charged to the appropriation made for the service of that year.”

New sections.

8. After section thirty-six of the Principal Act the following sections are inserted :—

Debiting of expenditure charged to Treasurer's advance.

“36A. Expenditure in excess of specific appropriation or not specifically provided for by appropriation may be charged to such heads as the Treasurer may direct provided that the total expenditure so charged in any financial year, after deduction of amounts of repayments and transfers to heads for which specific appropriation exists, shall not exceed the amount appropriated for that year under the head ‘Advance to the Treasurer.’”

Salary votes.

“36B. The amount included in any subdivision in a Schedule to an Appropriation Act for the salary in respect of an office or position occupied by an officer shall be available for payment of the officer's salary in any branch the salaries for which are provided in the same subdivision.”

Credits may be taken in reduction of expenditure in a subsequent year.

“36C. Credits which are made for the purpose of adjusting expenditure between Departments or between branches of Departments and which could have been taken in reduction of some particular expenditure in any financial year had the accounts of that year not been closed may be taken in reduction of similar expenditure in a subsequent year.”

Extension of time for making surcharges.

9. Sub-section (2) of section forty-two of the Principal Act is amended by omitting the word “three” between the words “within” and “months” and by inserting in lieu thereof the word “six.”

Periods for audit and inspection of accounts.

10. Sub-section (2) of section forty-five of the Principal Act is amended by inserting in paragraph (a), immediately after the words “Once at least in every year”, the words “or in those cases in which the cost of audit would be disproportionate to the amount involved at such intervals as may be sanctioned by the Treasurer (provided that a list of all such cases shall be published in the Auditor-General's Report each year)”.

New section.

11. After section forty-five of the Principal Act the following section is inserted :—

Power to dispense with detailed audit of accounts.  
N.S.W. 1902, s. 54 ;  
S.A. s. 22 ;  
W.A. s. 48.

“45A. The Auditor-General may, with the consent of the Treasurer, dispense with all or any part of any detailed audit of any accounts, but not with any appropriation audit of those accounts. The consent of the Treasurer shall be given only in cases in which he considers that there are circumstances which render a detailed audit under this Act unnecessary.

“Provided that a list of all such cases shall be published in the Auditor-General's Report each year.”

12. Section forty-nine of the Principal Act is repealed and the following section substituted in lieu thereof:—

Treasurer's  
quarterly state-  
ments of  
receipts and  
expenditure.  
N.S.W. s. 28 ;  
V. s. 48 ;  
Q. s. 23 ;  
N.Z. s. 69 ;  
W.A. s. 37 ;  
Tas. s. 25 ;  
S.A. s. 29.

“ 49.—(1.) The Treasurer, as soon as conveniently may be after the expiration of every quarter of the financial year, shall publish in the *Gazette* a statement in detail of the receipts and expenditure of the Consolidated Revenue Fund, the Trust Fund, and the Loan Fund during such year up to the end of such quarter, together with a comparative statement of such receipts and expenditure during the corresponding period of the previous financial year.

“(2.) The Treasurer shall also at the same time and in like manner publish a statement in detail of the Loan Fund with the balances to the credit of that Fund.”

13. After section sixty-two of the Principal Act the following sections are inserted:—

New sections.

“ 62A.—(1 ) The accounts specified in the first column of the Fourth Schedule shall be Trust Accounts for the respective purposes specified in the second column of the said Schedule opposite the name of each account.

Trust Accounts.

“(2.) The Treasurer may establish additional Trust Accounts and define the purposes for which they are established.

“(3.) All moneys standing to the credit of any Trust Account specified in the Fourth Schedule or established by the Treasurer under this section shall be deemed to be moneys standing to the credit of the Trust Fund.

“(4.) The Treasurer may direct that any Trust Account be closed, and thereupon the moneys standing to the credit of the account shall, after all liabilities of the account have been met, be paid to the Consolidated Revenue Fund.

“(5.) The following moneys may be paid to the credit of the Trust Account to which they relate:—

Moneys to be  
paid into Trust  
Accounts.

(a) All moneys appropriated by law for the purposes of any Trust Account :

(b) All moneys received from the sale to any person or Commonwealth Department of any articles purchased or produced, or for work paid for, with moneys standing to the credit of a Trust Account :

(c) All moneys paid by any person for the purpose of any Trust Account : and

(d) Pay due to a member of the Militia Forces and unclaimed in the hands of an Accounting Officer for three months.

“(6.) Moneys standing to the credit of a Trust Account may be expended for the purposes of the account.”

Expenditure of  
money in Trust  
Account.

“ 62B.—(1.) Moneys standing to the credit of the Trust Fund may be invested by the Treasurer—

Investment of  
moneys  
standing to  
credit of Trust  
Fund.

(a) in any securities of, or guaranteed by, the Government of the Commonwealth or of any State ; or

(b) on deposit in any bank.

“(2.) The Treasurer and his successors in office shall, for the purposes of the investment of any moneys in pursuance of this section, be deemed to be a corporation by the name of ‘The Treasurer of the Commonwealth,’ and any securities or deposits taken or made in pursuance of this section may be taken or made by him in his corporate name.

“(3.) Except where otherwise provided in any Act any interest received from the investment of any moneys standing to the credit of the Trust Fund shall be paid to the Consolidated Revenue Fund.”

Disposal of interest.

Amendment of section seventy-one.

14. Section seventy-one of the Principal Act is amended by adding thereto, after paragraph (c), the following paragraphs:—

“(d) requiring officers, holding positions which in the opinion of the Treasurer ought to be guaranteed, to contribute to the Guarantee Fund;

“(e) Providing for the control and management of the Guarantee Fund.”

New Schedule.

15. After the Third Schedule to the Principal Act the following Schedule is inserted:—

#### FOURTH SCHEDULE.

##### TRUST ACCOUNTS.

Section 62A.

Name of Account.	Purposes.
The Commonwealth Ammunition Material Account	Purchase of ammunition material.
The Small Arms Ammunition Account	Purchase of small arms ammunition.
The Defence Clothing Material Account	Purchase of material for Defence uniforms.
The Small Arms Account ...	Purchase of small arms and parts.
The Unclaimed Militia Pay Account	Payment of unclaimed pay to members of the Militia Forces.
The Customs Officers' Overtime Account	Payment to the Consolidated Revenue Fund or to officers of the Department of Trade and Customs out of moneys received from the public for the services of officers.
The Government Printer Account	Payment for labour employed and material used in the Government Printing Office.
The Naval Agreement Act—Special Pay Account	Payment at special rates to Australians and New Zealanders, in accordance with Article V. of the Agreement set out in the Schedule to the <i>Naval Agreement Act 1903</i> .
The Naval Agreement Act—Registry Account	Payment of expenses connected with registration offices established in connexion with the Agreement set out in the Schedule to the <i>Naval Agreement Act 1903</i> .
The Pensions Account ...	Payment to officers on retirement.
The Guarantee Fund Account	Payments into the Defalcation Account in connexion with loss arising from the fraud or want of fidelity of officers.
The Defalcation Account ...	Payment of loss arising from the fraud or want of fidelity of officers.
The Money Order Account ...	Remittances by Money Orders and Postal Notes.
The International Postal and Money Order Account	Settlement of Accounts between the Commonwealth and other Governments.
The Defence Force Stores Collections Account (Queensland)	Purchase of Defence Material.
The Deferred Pay Account ...	Payment of Deferred Pay of Members of Defence Forces.
The Ocean Mails Account ...	Settlement of accounts between the Postmaster-General's Department and Governments of other countries