

# AUDIT.

## No. 4 of 1901.

An Act to make provision for the Collection and Payment of the Public Moneys the Audit of the Public Accounts and the Protection and Recovery of Public Property and for other purposes.

[ Assented to 7th August, 1901.]

**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:—

### PRELIMINARY.

1. This Act may be cited as the *Audit Act* 1901, and shall come into operation on the first day of January One thousand nine hundred and two. Short title and commencement.

2. In this Act unless the contrary intention appears— Definitions.

- (a) "Commonwealth Public Account" shall include the Consolidated Revenue Fund and all public moneys whatever;
- (b) "Deputy" when used in connexion with the word Treasurer shall mean some person appointed in writing by the Treasurer;
- (c) "Prescribed" shall mean prescribed by this Act or the regulations;
- (d) "Public accountant" shall include every person who by any law regulation or appointment is charged with the duty of collecting or receiving or who does actually collect or receive any public moneys or who is charged with the duty of disbursing or who does actually disburse any public moneys; W.A., 12;  
N.S.W., 5;  
S.A., 9; Q., 1.
- (e) "Public moneys" shall include all revenue loan trust and other moneys whatsoever received for or on account of the Commonwealth or referred to in this Act;
- (f) "Regulations" shall mean regulations made under this Act.

### AUDITOR-GENERAL.

3. The Governor-General may appoint some person to be Auditor-General for the Commonwealth. Appointment of Auditor-General.

4. The Auditor-General shall receive an annual salary of One thousand pounds and such salary shall be a charge upon and paid out of the Consolidated Revenue Fund which to the necessary extent is hereby appropriated accordingly. His salary.  
V., 7; Q., 27;  
N.Z., 26-27;  
W.A., 7;  
Tas., 6-8;  
S.A., 6.

Incapacity for other position.  
V., 7; Q., 27;  
N.Z., 26-27;  
W.A., 7;  
Tas., 6-8;  
S.A., 6.

5.—(1.) The Auditor-General shall not during his continuance in such office be capable of being a member of the Executive Council of the Commonwealth or of any State thereof or of either House of the Parliament of the Commonwealth or of any State thereof.

(2.) The Auditor-General shall be deemed to have vacated his office—

- (a) if he directly or indirectly engages in any paid employment outside the duties of his office or in any trade or business except as a member of any registered company;
- (b) if he becomes insolvent or bankrupt or compounds with his creditors or makes any assignment of his salary for their benefit or takes advantage of the provisions of any Act or State Act relating to insolvency or bankruptcy;
- (c) if except on leave granted by the Governor-General he absents himself from duty for fourteen consecutive days or for twenty-eight days in any twelve months; or
- (d) if he resigns his office by writing under his hand addressed to the Governor-General and such resignation is accepted by the Governor-General.

Rights of officers preserved.

6.—(1.) If any officer of the Commonwealth is appointed Auditor-General his service as Auditor-General shall for the purpose of determining all his existing and accruing rights be counted as public service in the Commonwealth.

(2.) If any officer in the public service of a State is appointed Auditor-General he shall have the same rights as if he had been an officer of a department transferred to the Commonwealth and were retained in the service of the Commonwealth.

How removed from office or suspended.  
N.S.W., 31;  
Tas., 4-5; V., 8;  
Q., 28; N.Z., 28;  
W.A., 3; S.A., 2.

7.—(1.) The Auditor-General shall hold his office during good behaviour and shall not be removed therefrom unless an address praying for such removal shall be presented to the Governor-General by the Senate and the House of Representatives respectively in the same session of the Parliament.

(2.) The Governor-General may at any time suspend the Auditor-General from his office for incapacity incompetence or misbehaviour; and when and so often as the same shall happen the Treasurer shall lay before both Houses of the Parliament a full statement of the grounds of such suspension within seven days after such suspension if the Parliament be then in session and actually sitting, or if the Parliament be not then in session or not actually sitting within seven days after the commencement of the next session or sitting.

(3.) The Auditor-General so suspended shall be restored to office unless each House of the Parliament within forty-two days after the day when such statement is laid before it, and in the same session, pass an address to the Governor-General praying for his removal.

Auditor-General to make a declaration.  
First Schedule.  
N.S.W., 32;  
V., 9; W.A., 6;  
S.A., 5.

8. The Auditor-General before he shall enter upon the duties or exercise the powers vested in him by this Act shall make and subscribe before the Executive Council a declaration in the form contained in the First Schedule to this Act.

9. In the case of the illness incapacity suspension or absence of the Auditor-General the Governor-General may appoint some other person to act as Auditor-General during such illness incapacity suspension or absence; and every such person shall make and subscribe before the Executive Council a declaration in the form aforesaid or to the like effect.

Appointment of deputy.  
N.S.W., 33;  
W.A., 5; V., 11;  
Tas., 7; Q., 29;  
S.A., 4;  
N.Z., 29.

10.—(1.) The Auditor-General may with the approval of the Governor-General appoint any person holding the office of Auditor-General or Commissioner of Audit in any State or if such person is unable or unwilling to act then some other person to be his deputy within that State and in that capacity during the pleasure of the Auditor-General to exercise such powers and perform such duties of the Auditor-General as he thinks fit with the approval of the Governor-General to assign to such deputy subject to any limitations expressed or directions given by the Auditor-General, but the appointment of such deputy shall not affect the exercise or performance by the Auditor-General himself of any power or duty.

Auditor-General may appoint deputy.  
Constitution Act 126.

(2.) Every such deputy shall make and subscribe before a Judge of the Supreme Court of a State a declaration in the form aforesaid or to the like effect which shall be transmitted by such deputy to the Auditor-General and by him transmitted to the Clerk to the Executive Council.

(3.) Such person shall during the time for which he shall act as such deputy have all the powers and perform all the duties of such Auditor-General so assigned to him.

11. The Auditor-General may by writing under his hand appoint any person to inspect examine and audit any books accounts or stores which are required to be inspected examined or audited by this Act and to report thereon to him and any such person shall have power to inspect all such books accounts or stores and all vouchers and papers relating thereto.

Auditor-General may appoint persons to inspect.  
N.Z., 33.

12.—(1.) The Auditor-General shall communicate with the Treasurer upon all matters arising under this Act or the regulations relating to the collection receipt issue and expenditure of public moneys.

Auditor-General to communicate with Treasurer; report defaulters.  
N.S.W., 13;  
V., 26; Q., 31.

(2.) The Auditor-General shall transmit to the Treasurer the name of any person failing to comply with any of the provisions of this Act or the regulations and thereupon and until such failure shall have been made good to the satisfaction of the Treasurer all salary and moneys that may be or become due or payable to such person may be withheld.

13.—(1.) The Auditor-General may by precept under his hand require all such persons as he may think fit to appear personally before him at a time and place to be named in such precept, and to produce to him all such accounts books vouchers documents and papers in the possession or control of such persons as shall appear to him to be necessary for the purposes of his examination.

Auditor-General may call for persons and papers.  
V., 44; Q., 41;  
N.Z., 34;  
W.A., 31;  
Tas., 17;  
S.A., 23.

(2.) The Auditor-General may when he shall think fit cause search to be made in and extracts to be taken from any book document or

record in the custody of the Treasurer or in any public office without paying any fee for the same.

Auditor-General may administer oath.  
V., 45 ; Q., 42 ;  
W.A., 32 ;  
Tas., 18 ;  
S.A., 24.

14. The Auditor-General is hereby authorized and required to examine upon oath declaration or affirmation (which oath declaration or affirmation he is hereby empowered to administer) all persons whom he shall think fit to examine respecting the receipt or expenditure of money or any stores respectively affected by the provisions of this Act and respecting all other matters and things whatever necessary for the due performance and exercise of the duties and powers vested in him.

Auditor-General may obtain opinion.  
W.A., 35 ;  
S.A., 27.

15. The Auditor-General shall be entitled to lay before the Attorney-General a case in writing as to any question concerning the powers of the Auditor-General or the discharge of his duties, and the Attorney-General shall give him a written opinion on such case.

#### PUBLIC ACCOUNTANTS.

Persons subject to Act.  
N.S.W., 5 ;  
N.Z., 4 ; Q., 1 ;  
W.A., 12 ;  
S.A., 9.

16. Every public accountant shall be subject to the provisions of this Act and the regulations and shall perform such duties keep such books and render such accounts as are prescribed by this Act or by the regulations or as the Treasurer may direct.

Security to be given.  
N.S.W., 14 ;  
V., 4 ; Q., 48.

17. Every public accountant shall if required by the Treasurer so to do provide security for such sum and in such manner and form as the Treasurer shall direct for the due performance of his duties and for the due accounting for and payment of all moneys which shall come to his possession or control by reason or virtue of his office service or employment.

Public accountant's bank account.

18. No public accountant shall open any public or official account in any bank without the authority in writing of the Treasurer or his deputy, and no bank shall permit any public accountant to have an overdraft on any public or official account except the same be a credit authorized under this Act.

Transfer of balances on decease resignation or removal of public accountants.  
N.S.W., 11 ;  
Q., 7 ; N.Z., 10.

19. On the death resignation or removal of any public accountant the balances remaining at the credit of his public or official account in any bank shall upon the appointment of his successor vest in and be transferred to the public or official account of such successor at the said bank, and on the death bankruptcy or insolvency of any public accountant such balances shall not constitute assets of his estate or be in any manner subject to the control of his legal representative assignee or trustee.

#### COLLECTION OF MONEYS.

Treasurer may agree with any bank for conducting business.  
N.Z., 15 ;  
W.A., 22 ;  
S.A., 13.

20.—(1.) The Treasurer may agree with any bank upon such terms and conditions as he may think fit for the receipt custody payment and transmission of public moneys within or without the Commonwealth, and for advances to be made and for the charges in respect of the same, and for the interest payable by or to the bank upon balances or advances respectively, and generally for the conduct of the banking business of the Commonwealth.

(2.) No such agreement shall be made for a period of more than one year unless it contains a provision that the same may be terminated at any time after a notice of not exceeding six months.

21.—(1.) The Commonwealth Public Account shall be kept in such bank and under such subdivisions (if any) as the Treasurer may in writing direct.

Commonwealth  
Public Account.

(2.) All moneys paid into any bank to The Commonwealth Public Account shall be deemed to be public moneys and the property of His Majesty and to be money lent by His Majesty to the bank.

V., 28; Q., 9;  
N.S.W., 16;  
N.Z., 6.

22. Except as otherwise provided in this Act every public accountant collecting or receiving money shall daily or at such intervals and in such manner as may be directed by the Treasurer transmit or pay to the Treasurer or his deputy or into the Commonwealth Public Account or to such person as the Treasurer may direct all money collected or received by him on account of the Consolidated Revenue Fund.

Public  
accountants to  
pay into  
Treasury or  
bank, &c.  
N.S.W., 7;  
N.Z., 21; Q., 3.

23. The Treasurer or his deputy shall pay daily into the Commonwealth Public Account all money received by the Treasurer or his deputy.

Treasurer to pay  
daily into bank.  
N.S.W., 15;  
Q., 8.

24.—(1.) Every public accountant transmitting or paying any money collected or received by him to the Treasurer or his deputy or to any person as aforesaid shall at the same time transmit or deliver to the Treasurer or his deputy or to such person a statement signed by him of the days of the month on and the particular heads of receipt under which such money came to his possession or control with such other particulars as may be prescribed.

Public  
accountants to  
furnish  
statements.  
V. 20; N.Z. 22.

(2.) Every public accountant at the time of paying any money into the Commonwealth Public Account shall obtain from the manager or person in charge of the bank into which such money is paid (who is hereby required to give the same) an accountable receipt in duplicate for such money; and shall forthwith after such payment transmit to the Treasurer or his deputy one of the said duplicate accountable receipts and also a statement signed by him of the days of the month on and the particular heads of receipt under which such money came to his possession or control with such other particulars as may be prescribed.

N.Z. 14; V. 20.

25. Every public accountant collecting or receiving public moneys (unless otherwise specially directed) shall on or before the tenth day of every month transmit to the Auditor-General a return verified by his statutory declaration of all moneys which shall have come into his possession or under his control for or on account of the Consolidated Revenue Fund during the preceding month.

Public  
accountants to  
send declared  
returns to the  
Auditor-  
General.  
V. 21; N.Z. 32.

26.—(1.) All moneys received by Postmasters for transmission by post office order telegraph order or postal note and for the charges and commission in relation thereto shall be kept in a separate account at any bank appointed by the Treasurer, called the "Money Order Account," which shall be operated upon only by

The Money  
Order Account.  
N.Z. 74.

cheque signed by the Postmaster-General or some person appointed in writing by him to act as his deputy for that purpose.

(2.) Such moneys shall be deemed to be public moneys and the property of His Majesty and to be money lent by His Majesty to the bank.

(3.) The Postmaster-General shall at the end of each month or oftener if required to do so by the Treasurer pay into the Commonwealth Public Account all moneys so received during such month as revenue.

Disposal of private moneys collected under Acts of Parliament.  
N.S.W. 8; V. 22; Q. 4; N.Z. 8.

**27.**—(1.) When under any Act any money (which by such Act is directed to be paid into the Treasury or to the Treasurer) shall come to the possession or control of any person in the public service or subject to the provisions of this Act by virtue of his office service or employment for or on account or for the use or benefit of any other person, such first-mentioned person shall pay the same and act in respect thereof and in regard thereto in like manner as public accountants are required to pay and act with reference to moneys which shall come to their possession or control for or on account of the Consolidated Revenue Fund or as near thereto as the circumstances of the case will permit.

(2.) Such money shall be placed to the credit of "The Trust Fund" and under such separate heads as may be directed by the Treasurer.

Public servants collecting private moneys to place them to their credit in bank.  
N.S.W. 9; V. 23; Q. 5; N.Z. 11.

**28.**—(1.) When by virtue of his office service or employment or of any legal process whatsoever any money shall come to the possession or control of any person in the public service or subject to the provisions of this Act for or on account or for the use or benefit of any other person and shall have remained in such possession or under such control for such period as may be prescribed, such first-mentioned person shall pay the same into such bank at such place and in such manner as the Treasurer shall direct.

(2.) Such money shall be paid by such person as aforesaid to an official account to be opened by him in such bank; and all interest which shall become due from such bank for or in respect thereof shall form part of the Consolidated Revenue Fund.

(3.) No such person shall be answerable or accountable for any loss that may happen through any such bank.

And after three months to be paid to the public account.  
N.S.W. 10; V. 24; Q. 5.

**29.** When any such money as last aforesaid shall have remained in such bank for three months such person shall pay the same and act in respect thereof and in regard thereto in like manner as public accountants are required to pay and act with reference to moneys which shall come to their possession or control for or on account of the Consolidated Revenue Fund or as near thereto as the circumstances of the case will permit; and such money shall be placed to the credit of the said Trust Fund under such separate heads as may be directed by the Treasurer.

Unclaimed trust fund to be carried to revenue.  
N.S.W. 12; V. 25; Q. 6; N.Z. 9.

**30.**—(1.) All such sums as shall have been so placed to the credit of the said Trust Fund and as shall have remained unclaimed for the period of six years after the same shall have been so placed shall be carried to and form part of the Consolidated Revenue Fund.

(2.) No person shall be entitled to receive any such sum which shall have remained unclaimed for six years; but no time during which the person entitled to the benefit of such sum shall have been an infant or of unsound mind or out of the Commonwealth shall be taken into account in estimating the said period of six years.

(3.) Provided that any sum the claim to which is established to the satisfaction of the Governor-General after the same shall have been carried to the credit of the Consolidated Revenue Fund may be withdrawn therefrom and refunded upon the authority of the Governor-General.

#### PAYMENT OF MONEYS.

31. No money shall be drawn from the Commonwealth Public Account except in the manner provided by this Act.

32.—(1.) The Treasurer shall as often as occasion may require calculate the amount of money likely to become due and payable out of the Commonwealth Public Account during a period of not more than three months, and shall thereupon prepare an instrument in the form contained in the Second Schedule to this Act or to the like effect and shall set forth therein the said amount classifying and arranging it (if for the public service) under the same divisions and subdivisions that shall have been employed in the appropriation thereof, or stating (if not for the public service) the purpose for which it is payable, and after having signed such instrument shall transmit the same to the Auditor-General for his countersignature.

(2.) Before countersigning any such instrument as aforesaid the Auditor-General shall ascertain that the sums therein mentioned are legally available for and applicable to the services or purposes mentioned in such instrument; and after countersigning such instrument shall return the same to the Treasurer who shall thereupon submit it to the Governor-General for his approval and signature.

(3.) In case the Auditor-General finds that the sums therein mentioned or any of them are not legally available for or applicable to the services or purposes therein set forth, he shall return the said instrument to the Treasurer attaching thereto a paper setting forth in writing the sum or sums not found by him to be legally available or applicable as aforesaid and the grounds on which he withholds his signature.

(4.) Such instrument when countersigned by the Auditor-General and approved and signed by the Governor-General but not otherwise shall be the warrant for the issue of the drafts and cheques herein-after mentioned.

33.—(1.) When the said warrant shall have been so signed by the Governor-General the Treasurer or his deputy may issue drafts or cheques upon the Commonwealth Public Account in such form as shall be directed by the Treasurer, and such drafts or cheques shall be sufficient authority to the bank in which the said account is kept to debit the said account with the amounts mentioned therein.

(2.) When the said warrant shall have been so signed by the Governor-General the Treasurer or his deputy may either pay any

How moneys are to be issued.

N.S.W. 16; V. 23; Q. 9; N.Z. 6-43; W.A. 9; Tas. 10; S.A. 8.

Treasurer to prepare statement of moneys required.

Second Schedule.

Auditor-General to be guided by appropriation.

N.S.W. 17; V. 29; Q. 10; N.Z. 44-46; W.A. 10.

Auditor-General may return instrument.

Q. 11; N.Z. 53; W.A. 11; N.S.W. 17.

Such instrument to be warrant.

Treasurer on receipt of warrant to issue drafts or cheques and make payments &c.

N.S.W. 18; N.Z. 46-52; W.A. 13; Q. 12-13.

account direct or may withdraw from the said account such sums as may be required to defray any of the services or purposes enumerated in such warrant and advance the same to or lodge the same in some bank to the credit of any public accountant authorized by the Treasurer to make payments.

(3.) In special cases where the Treasurer may consider it expedient the Treasurer or his deputy may in lieu of the advance or lodgment hereinbefore referred to and in anticipation of accounts to be afterwards rendered establish a credit in any bank in favour of any such public accountant.

(4.) Every public accountant in whose favour a credit shall have been so established shall forthwith after the payment of such accounts as aforesaid or at such other times as the Treasurer may direct transmit to the Treasurer or his deputy accounts or abstracts duly vouching for the several sums paid from such credit.

(5.) The Treasurer or his deputy upon the receipt of such accounts or abstracts may withdraw from the said account such sums as may be necessary to cover the amounts so paid, and lodge the same in such bank to the credit of the public accountant who shall have made the payments.

(6.) The amounts mentioned in such drafts or cheques and for such credits shall not collectively in any case exceed the amount of the items set forth in the said warrant and any previous unexhausted warrants of the like nature.

(7.) Except as provided in this Act no draft or cheque shall be drawn upon or money withdrawn from the said account.

Duty of paying  
and certifying  
officers.  
V. 31 ; S.A. 10.  
W.A. 14.  
N.S.W. 19, 20, 21.  
Q. 15.

**34.—**(1.) No public accountant shall pay any account unless he shall have been authorized so to do by some person appointed by the Governor-General for that purpose and unless such account shall have been duly certified as correct by some person appointed by the Governor-General for that purpose.

(2.) No such person shall authorize the payment of any account until he shall have ascertained that the payment thereof in addition to any accounts already certified will not exceed the amount of the appropriation made for that purpose.

(3.) No such person shall certify to any account until he shall have ascertained that the expenditure has been duly authorized and that such account is correct and is charged against the proper head of expenditure.

(4.) Every account shall be considered duly authorized if it is in accordance with any existing law or regulation or has been directly sanctioned by the Treasurer and if chargeable on the Consolidated Revenue Fund is covered by any Appropriation Act or any Act authorizing the issue and application of moneys out of such fund in force at the time of payment.

(5.) The correctness of every account in regard to computations castings rates of charge and the faithful performance of the services charged shall be certified by the person incurring the expense.

(6.) Except as hereafter provided at the time of paying any account every public accountant shall obtain a receipt under the hand of the person to whom the same is payable or under the hand of some



person or banker authorized in writing by such first-mentioned person for the amount so paid which shall always be set out in words at full length.

(7.) Any person to whom an account is payable may in such account direct that on such account being passed for payment an order authorizing the bearer thereof to receive the amount of such account shall be transmitted to him and the Treasurer or his deputy may if he think fit transmit such order to such person by registered letter and any person producing such order signed by such first-mentioned person shall be entitled to receive payment of such amount and such payment shall be as valid and effectual in all respects as if made to such first-mentioned person personally and such order shall for all purposes be deemed a valid and effectual receipt for such amount and where such order has been so transmitted the Treasurer or his deputy shall not be bound to pay such account until such order shall be returned to him.

(8.) No account shall be paid by any public accountant until he shall have ascertained that the regulations have been complied with so far as the same relate to the payment of accounts.

**35.** Notwithstanding anything contained in this Act the Treasurer or his deputy may, for the purpose of adjusting the accounts of the various States, transfer by cheque or draft money forming portion of the Commonwealth Public Account from any bank to any other bank within the Commonwealth.

Adjustment of accounts of the various States by transfer from one bank to another.

**36.—(1.)** Every appropriation made out of the Consolidated Revenue Fund for the service of any financial year shall lapse and cease to have any effect for any purpose at the close of that year and any balance of the moneys so appropriated which may then be unexpended shall lapse and the accounts of the year shall be then closed.

No money shall be issued except for payment during year of appropriation.  
N.S.W. 22; V. 33; Q. 18; N.Z. 37; W.A. 15; Tas. 23; S.A. 12.

(2.) The Minister of each Department shall within thirty days after the close of the financial year prepare and transmit to the Treasurer a statement of all claims in respect of the services of his department outstanding at the close of such year which might by law have been paid out of the Consolidated Revenue Fund during such year.

Liabilities to be shown.  
N.Z. 38.

**37.—(1.)** If the exigencies of the public service render it necessary to alter the proportions assigned to the particular items comprised under any subdivision in the annual supplies the Governor-General may by order direct that there shall be applied in aid of any item that may be deficient a further limited sum out of any surplus arising on any other item under the same subdivision unless such subdivision shall be expressly stated to be "unalterable."

Power to vary the annual appropriation.  
N.S.W. 23; V. 32; Q. 19; N.Z. 40; W.A. 17.

(2.) Every order by which such altered application may be made shall be delivered to the Auditor-General, and a copy thereof shall be laid before both Houses of the Parliament within seven days after the making thereof if the Parliament be then in session and actually sitting or if the Parliament be not then in session or actually sitting within seven days after the commencement of the next session or sitting.

(3.) Nothing hereinbefore contained shall authorize the Governor-General to direct that any such sum as aforesaid shall be applied in augmentation of or as an addition to any salary or wages.

#### AUDIT AND INSPECTION.

Bankers to forward bank sheet.

N.S.W. 24 ; V. 34 ; N.Z. 12-13 ; Q. 20 ; W.A. 23 ; S.A. 14.

**38.**—(1.) Unless otherwise directed in writing by the Treasurer the manager or person in charge of any bank into which any money shall be paid to The Commonwealth Public Account or into which any advance shall have been paid or in which any lodgment has been made or credit opened as provided by this Act shall at such times as may be appointed by the Treasurer transmit to the Treasurer or his deputy a copy (to be called "The Bank Sheet") of so much of the debit and credit sides of The Commonwealth Public Account or of the account in connexion with which such advance or lodgment shall have been made or credit opened as aforesaid as shall not previously have been transmitted to the Treasurer or his deputy, and also a certificate setting forth the balance to the debit or credit of the said account.

(2.) Such manager or person shall at such times as shall be appointed by the Treasurer transmit to the Auditor-General a copy of such bank sheet and certificate so far as the same relate to the Commonwealth Public Account.

Accountants to furnish statement.

Q. 14.

**39.** Every public accountant charged with the duty of disbursing public moneys if so required by the Auditor-General shall not later than the fourth day after the expiration of each month transmit to the Auditor-General a detailed statement verified by his statutory declaration of the several drafts or cheques which he shall have drawn during the preceding month.

Treasurer to keep a cash book and send cash sheet &c. to Auditor-General.

N.S.W. 27 ; V. 35 ; Q. 22 ; W.A. 24 ; Tas. 11 ; S.A. 15 ; N.Z. 23.

**40.** The Treasurer shall keep at the Treasury a book to be called "The Cash Book" and shall enter therein when and as such statements accountable receipts accounts and receipts as aforesaid respectively are received by him the amount mentioned in the same respectively and shall daily send to the Auditor-General the said statements accountable receipts accounts and receipts and a copy (to be called "The Cash Sheet") of so much of the said book as shall not previously have been sent by him to the Auditor-General.

Auditor-General on receiving returns cash sheet and vouchers to examine and compare them.

N.S.W. 34-35 ; V. 36 ; Q. 33 ; W.A. 25 ; Tas. 12 ; S.A. 16.

**41.** The Auditor-General on receipt by him of the said returns cash sheet statements accountable receipts accounts and receipts shall examine the same and shall—

- (a) compare the debit and credit entries with the supporting vouchers and documents forwarded therewith and also with the bank sheets,
- (b) ascertain whether such vouchers and documents bear upon the face of them a correct description of the proper heads of receipt or of expenditure to which the moneys mentioned therein have been credited or debited respectively,

- (c) ascertain whether the moneys mentioned on the debit side of the cash sheet have been duly paid over to the Commonwealth Public Account, and whether the moneys mentioned on the credit side of the cash sheet have been actually and duly disbursed under competent authority and on the prescribed certificates,
- (d) ascertain whether the moneys mentioned in such entries have been credited or debited to the proper heads of receipt or expenditure respectively,
- (e) ascertain whether the rates computations and castings are correct,
- (f) ascertain whether such moneys were legally available for and applicable to the service or purpose to which the same shall have been applied or charged, and
- (g) ascertain whether the provisions of The Constitution and of this and any other Act and the regulations have been in all respects complied with.

42.—(1.) The Auditor-General shall make such queries and observations addressed to the Treasurer or any other person whomsoever and call for such accounts vouchers statements documents and explanations as he may think necessary and after such queries and observations shall have been answered and after such further accounts, vouchers, statements, documents, and explanations shall have been rendered, shall allow and discharge and grant an acquittance to the Treasurer for all receipts which shall be found correct and for all payments duly and properly made and supported by proper receipts or vouchers.

(2.) If it shall appear to the Auditor-General from any examination audit or inspection made by him or any person appointed by him—

- (a) That any public accountant has wilfully or negligently omitted to collect or receive any money,
- (b) that any money shall not have been duly credited to the proper head of revenue or account or not duly accounted for and paid over to the Commonwealth Public Account,
- (c) that any money shall have been applied or charged to any service or purpose for which the same was not legally available or applicable,
- (d) that any expenditure shall not have been duly authorized or shall not be duly vouched and certified,
- (e) that there has been any deficiency or loss through the fraud mistake default or error of any person,
- (f) that the said returns statements accounts and receipts or any of them are in any essential particular defective or imperfect,
- (g) that any material error has been committed, or
- (h) that any of the provisions of The Constitution or of this or any other Act or the regulations have not been complied with

the Auditor-General shall within three months next after the said returns statements accountable receipts accounts and receipts shall have been sent to him as hereinbefore directed surcharge the

Auditor-General  
to discharge and  
surcharge  
Treasurer.

V. 38 ; N.Z. 32 ;  
Tas. 13-14 ;  
W.A. 26-34 ;  
N.S.W. 36 ;  
S.A. 17.

Treasurer with any deficiency or loss and any expenditure which shall not have been duly authorized vouched or certified by deducting the amount thereof from the sum for which an acquittance would otherwise have been given.

(3.) Where any surcharge shall have remained unsatisfied for a period of six months and the Auditor-General shall have given a certificate in writing to the Treasurer that for any reason therein mentioned such surcharge should be removed, the Governor-General may make an order that such surcharge shall be removed and such surcharge shall then be deemed to have been satisfied.

Third  
Schedule.

(4.) Every such acquittance shall be in such one of the forms contained in the Third Schedule to this Act as shall be applicable to the case or to the like effect and shall be transmitted to the Treasurer and shall be a full and complete discharge to him as to the several moneys mentioned therein.

(5.) No acquittance shall be signed for any surcharge until such surcharge shall have been satisfied.

Treasurer to  
surcharge  
defaulters.  
V. 39 ; Tas. 15.

43. Whenever the Treasurer shall have been surcharged as hereinbefore directed he shall ascertain by what person the fraud mistake default or error occasioning such surcharge shall have been committed, and shall send notice in writing of such surcharge to such person by registered letter and take such measures or proceedings as the case may require to recover the amount thereof and no account payable to or claimed by such person shall be paid until such surcharge shall have been satisfied and an acquittance for the same shall have been signed as aforesaid and transmitted to the Treasurer ; and the amount of every such surcharge may be sued for as money paid by His Majesty to the use of such person at his request.

Accountants to  
have right of  
appeal to the  
Governor-  
General.  
N.S.W. 37 ; Q.  
36 ; W.A. 27 ;  
S.A. 18.

44.—(1.) In all cases in which notice of any surcharge shall have been sent by the Treasurer to any public accountant or any other person in the public service or subject to the provisions of this Act who may be dissatisfied with any disallowance or surcharge in his accounts made by the Auditor-General such public accountant or person shall have a right of appeal to the Governor-General within three months after the sending of such notice.

(2.) The Governor-General after such investigation as he considers equitable may make such order directing the relief of the appellant wholly or in part from the disallowance or surcharge in question as shall appear to the Governor-General to be just and reasonable and such order shall be binding on His Majesty and all other parties and be acted on accordingly.

Inspection and  
audit of books  
and accounts.

45.—(1.) The Auditor-General or such person as he shall appoint may whenever he shall think fit and shall whenever required so to do by the Treasurer inspect examine and audit the books and accounts of any public accountant and of any other person in the public service or subject to the provisions of this Act to whose possession or control any moneys have come for or on account of the Consolidated Revenue Fund or (by virtue of his office service or employment or of any legal process whatsoever) for on account or for the use or benefit of any other person.

(2.) The Auditor-General or such person as he shall appoint shall—

Auditor-General  
to inspect public  
stores books  
accounts &c.

V. 40 ; Q. 32-35 ;  
W.A. 28 ; Tas.  
16 ; S.A. 19.

- (a) Once at least in every year inspect examine and audit the books and accounts of every public accountant and of every other person in the public service or subject to the provisions of this Act to whose possession or control any moneys shall have come for or on account of the Consolidated Revenue Fund or (by virtue of his office service or employment or of any legal process whatsoever) for or on account or for the use or benefit of any other person, and all stores belonging to His Majesty of whatsoever nature or description the same may be and shall cause stock thereof to be taken ;
- (b) Ascertain whether the whole of the revenue and all other collections whatever have been duly collected and accounted for and whether the moneys received from the Treasurer or his deputy or issued under any credit have been duly and properly paid to the several persons entitled to receive the same ;
- (c) Investigate and examine all contracts accounts invoices requisitions books bills of parcels vouchers and documents in anywise relating to or concerning the same, and all circumstances affecting or attending the making of any such contract ;
- (d) Ascertain the quantity description and price of all stores purchased on account of His Majesty and of all stores supplied for the use of every department of the public service and whether any person in the public service has requisitioned for or obtained any stores in excess of the reasonable requirements of his office ;
- (e) Examine whether the proper quantities of all such stores are remaining in stock in the proper store or building ; and
- (f) Forthwith make and sign and forward to the Treasurer a report of the result of such inspection investigation examination audit and comparison and as to the manner in which the books accounts and other papers aforesaid and stores shall have been kept and as to the state of the several offices and stores and a statement of surcharges in respect of all sums found to have been omitted to be collected or not duly accounted for and of all payments which shall have not been duly authorized or properly made or for which the necessary certificates receipts and vouchers shall not have been produced and such other information as may be prescribed.

46. No sum shall be allowed in any account to have been duly received or paid without a written voucher for the actual receipt or payment of every sum so claimed to be allowed (notwithstanding any allegation of papers having been lost or destroyed or of the impossibility of obtaining the prescribed voucher) except on application to the Governor-General who upon satisfactory evidence being produced that the requisite papers have been lost or destroyed or that it is not

No sum to be  
allowed without  
voucher unless  
by order.

N.S.W. 38 ; V.  
41 ; Q. 37 ;  
Tas. 20.

possible to obtain or replace them may order that the said sum shall be allowed or disallowed as the case may be and may make such other order in the premises as he shall think fit and such order shall be binding on His Majesty and all other parties and be acted on accordingly.

Proviso for imperfect vouchers.

N.S.W. 39, 41 ;  
V. 42 ; Q. 38 ;  
W.A. 29 ; Tas.  
21 ; S.A. 20.

47.—(1.) When a voucher produced for a sum of money disbursed shall be defective from the want of any certificate or other document which ought to have accompanied it or in any other particular the Auditor-General may upon proof being made to his satisfaction that the public accountant did not wilfully neglect to procure or produce such certificate or document and that the sum specified in the voucher has been actually and properly disbursed admit such voucher as a sufficient discharge and allow the amount of the same.

(2.) The Auditor-General may admit and allow in cases where it appears to him to be reasonable or expedient so to do vouchers for any moneys expressed therein although the same are not stamped according to law.

Allowances or disallowances without vouchers or with imperfect vouchers to be reported.

N.S.W. 40 ; V.  
43 ; Q. 39 ;  
W.A. 30 ; Tas.  
22 ; S.A. 21.

48. In all cases where any sum of money shall be allowed either without any written voucher or upon an imperfect voucher or incorrect certificate or shall be disallowed in consequence of the absence or imperfection of such voucher or the absence or incorrectness of such certificate the particulars and amount of such allowance or disallowance shall be specified to the Treasurer in the report of the Auditor-General ; and in case of the disallowance of any sum the amount thereof shall be deemed and taken to be money paid by His Majesty to the use of such public accountant at his request and in addition to any other means of recovering such amount the same shall be retained or stopped from any moneys then or thereafter payable to such public accountant.

#### STATEMENTS AND AUDIT THEREOF.

Treasurer to make quarterly statement of receipts and payments.

N.S.W. 28 ; V.  
48 ; Q. 23 ; N.Z.  
69 ; W.A. 37 ;  
Tas. 25 ; S.A. 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 as well of the Consolidated Revenue Fund as of the Trust Fund and Loan Fund during such quarter together with a comparative statement of such receipts and expenditure during the corresponding quarter of the previous financial year and in like manner at the expiration of the financial year shall publish an Annual Statement of receipts and expenditure with a comparative statement of receipts and expenditure during the previous financial year.

Q. 23.

(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 thereof.

And to prepare yearly statement thereof for audit.

N.S.W. 29 ;  
V. 49 ; Q. (1890)  
12 ; N.Z. 70 ;  
W.A. 38 ; Tas.  
26 ; S.A. 30.

50. The Treasurer shall as soon as practicable after the end of every financial year prepare a full and particular statement in detail of the expenditure of the Consolidated Revenue Fund for such year (classified and arranged in the same form and under the same divisions and subdivisions as shall have been employed in the appropriation thereof and showing all votes which shall have lapsed)

and of the Loan Fund and all other accounts for the same period and of the Trust Fund for the same period under the several heads of account of that fund and also of the receipts of the Consolidated Revenue Fund Loan Fund and other accounts and Trust Fund for the same year; and shall transmit such statement to the Auditor-General.

**51.** The Auditor-General shall forthwith examine such statement and prepare and sign a report explaining such statement in full and showing—

- (a) in what particulars such statement agrees with or differs from the accounts of the Treasurer,
- (b) full particulars of every case in which the provisions of The Constitution or of this or any other Act or the regulations or any forms shall not have been carried out or adopted or shall in any manner have been varied or departed from,
- (c) every case in which default shall have been made in delivering or sending accounts or collecting or accounting for any moneys or stores,
- (d) all sums allowed or disallowed without vouchers or with imperfect vouchers, or upon incorrect certificates,
- (e) any proceeding that may have been taken by or against any person in pursuance of the provisions of this Act or the regulations,
- (f) all claims in respect of any department outstanding at the close of the financial year, which might by law have been paid out of the Consolidated Revenue Fund during such year,
- (g) all surcharges which have been made by the Auditor-General and not satisfied or which have been removed by order of the Governor-General, and
- (h) such other information as may be prescribed or as the Auditor-General thinks desirable.

Auditor-General to audit and report.

N.S.W. 43; V. 50; Q. (1890) 13; W.A. 39; Tas. 26; S.A. 31.

**52.** The Auditor-General shall annex or append to the said report

- (a) a copy of every Order in Council by which it may have been directed that there should be applied in aid of any item that may have been deficient a further sum out of any surplus arising on any other item under the same subdivision, and
- (b) a copy of every case or statement of facts laid by the said Auditor-General before the Attorney-General for his opinion together with a copy of the opinion given thereon.

Certain Orders in Council and law officers' opinions to be appended.

N.S.W. 44; V. 51; S.A. 32.

**53.—(1.)** The Auditor-General shall within fourteen days after making and signing the said report if the Parliament be then in session and actually sitting or if the Parliament be not then in session or actually sitting within fourteen days after the commencement of the next session or sitting transmit to both Houses of the Parliament the statement transmitted by the Treasurer accompanied by such report and by the copies hereinbefore directed to be appended thereto.

Report to be laid before both Houses of Parliament.

N.S.W. 45; V. 52; S.A. 33; Q. (1895) 13; W.A. 40.

(2.) The Auditor-General shall within fourteen days after making and signing the said report, if the Parliament be not then in session, transmit a copy of the statement and of such report and copies to the Treasurer, and the Treasurer shall within fourteen days thereafter publish them as a public document.

Auditor-General to make suggestions for collection and payment.  
N.S.W. 46 ; V. 53 ; Q. 47 ;  
W.A. 41 ;  
Tas. 27 ; S.A. 34.

54. The Auditor-General may in such yearly report or in any special report which he may at any time think fit to make recommend any plans and suggestions for the better collection and payment of the public moneys and the more effectually and economically auditing and examining the public accounts and stores and any improvement in the mode of keeping such accounts and generally report upon all matters relating to the public accounts public moneys and stores, and such plans and suggestions shall be considered and dealt with by the Governor-General.

#### LOAN FUND.

Separate account to be kept of Loan Fund.  
W.A. 18 ;  
Q. (1890) 3.

55.—(1.) A separate account shall be kept in the Treasury of all moneys which shall be raised by way of loan upon the public credit of the Commonwealth and which shall have been placed to the credit of the Commonwealth Public Account.

(2.) Such account shall be called "The Loan Fund" and shall be kept under such separate heads as are specified in the several Loan Acts under the authority whereof the moneys were raised.

How interest to be charged.  
Q. 23.

56. All interest (other than interest on loans taken over by the Commonwealth from the States or any renewal or conversion thereof) payable on account of the Public Debt of the Commonwealth on the first day of any quarter of the financial year shall be charged and included as a payment in the preceding quarter of such year.

Loan Fund expenditure to be covered by Act.  
W.A. 19 ;  
Q. (1890) 4.  
Q. (1890) 8.

57.—(1.) It shall not be lawful for the Treasurer to expend any moneys standing to the credit of the Loan Fund except under the authority of an Act.

(2.) Such Act shall show the nature of the proposed work or other object of the proposed expenditure and the amount of the proposed expenditure in each case and the total amount proposed to be expended for such work or object.

Suspense accounts.  
Q. (1890) 14.

58. When any money is appropriated out of the moneys standing to the credit of the Loan Fund for the purpose of defraying the cost of the purchase of any material the cost of which may ultimately be chargeable to and divisible amongst more works than one and it is not known or does not appear to what work the cost of such material ought ultimately to be charged, then the Governor-General may direct that all moneys expended for such material shall be charged in the first instance to a "Suspense Account" and shall afterwards be charged to the proper work when the same is ascertained.

Provisions of Act to apply.  
Q. (1890) 10.

59.—(1.) All the provisions of this Act relating to the issue and expenditure of public moneys and the authority for such issue and expenditure shall apply to the issue and expenditure of moneys standing to the credit of the Loan Fund, and the Governor-General shall have the same authority with respect to such moneys and the



expenditure thereof as he has with respect to moneys standing to the credit of the Consolidated Revenue Fund.

(2.) All the provisions of this Act relating to the collection and receipt of money and the audit of the Public Accounts and the powers and duties of the Auditor-General with respect to the expenditure of public moneys and the duties and liabilities of public accountants and other persons whomsoever shall in like manner apply to moneys collected received or expended on account of the Loan Fund.

#### TRUST FUND.

60. A separate account shall be kept in the Treasury to be called the Trust Fund of all moneys which shall be placed to the credit of that fund under such separate heads as may be directed by the Treasurer. Trust Fund.

61. It shall not be lawful for the Treasurer to expend any moneys standing to the credit of the Trust Fund except for the purposes of such fund or under the authority of an Act. Expenditure of Trust moneys.

62.—(1.) All the provisions of this Act relating to the issue and expenditure of public moneys and the authority for such issue and expenditure shall apply to the issue and expenditure of moneys standing to the credit of the Trust Fund, and the Governor-General shall have the same authority with respect to such moneys and the expenditure thereof as he has with respect to moneys standing to the credit of the Consolidated Revenue Fund. Provisions of Act to apply.

(2.) All the provisions of this Act relating to the collection and receipt of moneys and the audit of the Public Accounts and the powers and duties of the Auditor-General with respect to the expenditure of public moneys and the duties and liabilities of public accountants and other persons whomsoever shall in like manner apply to moneys collected received or expended on account of the Trust Fund.

#### MONEYS OUTSIDE COMMONWEALTH.

63. Notwithstanding anything in this Act contained the Governor-General may make such arrangements as he considers necessary for the collection receipt custody issue expenditure due accounting for care and management of any money belonging to the Commonwealth outside the territory of the Commonwealth and for the keeping of books and accounts and furnishing statements returns and vouchers and for the examination inspection record and audit of such books accounts statements returns and vouchers. Moneys outside the Commonwealth.

#### PENALTIES.

64.—(1.) Any public accountant or person subject to the provisions of this Act who— Penalties for misappropriations.

(a) misapplies or improperly disposes of or makes use of otherwise than is provided by this Act or the regulations any public moneys or stores which come into his possession or control ; or Q. 49 ; N.Z. 10 ;  
W.A. 36 ;  
Tas. 24 ;  
S.A. 28.

(b) pays any such moneys into his own private account at any bank

shall be deemed to have fraudulently converted such moneys or stores to his own private use and shall be guilty of an indictable offence, and shall be liable to imprisonment with or without hard labour for any period not exceeding five years.

(2.) Any such public accountant or person who wilfully damages or destroys any public stores shall be guilty of an indictable offence and shall be liable to imprisonment with or without hard labour for any period not exceeding two years.

Punishment for forgery of Treasury documents.

Q. 50 ; W.A. 43 ; Tas. 34 ; S.A. 36.

**65. If any person—**

(a) forges or counterfeits or causes or procures to be forged or counterfeited or knowingly or wilfully acts or assists in forging or counterfeiting—

(1) the name initials mark or signature of any other person to any writing whatsoever for or in order to receiving or obtaining any public money or any money out of the Commonwealth Public Account or any stores belonging to His Majesty ; or

(2) any writing made by any such person ; or

(b) utters or publishes any such writing knowing it to be forged or counterfeited with an intention to defraud His Majesty or any person whomsoever ;

he shall be guilty of an indictable offence, and shall be liable to imprisonment for any period not exceeding fifteen years.

Document in lieu of statutory declaration.

**66.—(1.)** Where the Treasurer shall have given a certificate in writing that for any reason therein mentioned any document subscribed by any person in any specified part of the Commonwealth may be accepted in lieu of any statutory declaration required by this Act or the regulations the Governor-General may order that any document so subscribed shall be so accepted without being declared.

(2.) Any person who shall subscribe any such document knowing the same to be false shall be guilty of an indictable offence and shall be liable to imprisonment with or without hard labour for any period not exceeding four years.

Persons failing to attend Auditor-General or to give evidence.

V. 46 ; Tas. 23 ; Q. 43 ; S.A. 25 ; N.Z. 90 ; W.A. 33.

**67.—(1.)** Any person who shall fail to attend the Auditor-General for the purpose of being examined, or to produce any accounts books vouchers documents or papers, or to be sworn or make a declaration or affirmation or to answer any lawful question when required so to do by the Auditor-General, shall be liable to a penalty not exceeding One hundred pounds.

(2.) Where any person is compelled under the provisions of this Act to attend before the Auditor-General he shall be entitled to be paid such expenses as the Auditor-General may certify to be reasonable.

Persons taking false oath or making a false declaration guilty of perjury.

V. 47 ; Q. 44 ; S.A. 26 ; N.Z. 83 ; W.A. 34 ; Tas. 19.

**68. If any person—**

(a) makes or subscribes any statutory declaration or affirmation mentioned in this Act knowing it to be false ; or

(b) wilfully and corruptly gives false evidence in the course of his examination before the Auditor-General,

he shall be guilty of an indictable offence, and shall be liable to imprisonment with or without hard labour for any period not exceeding four years.

69. Any person who is guilty of any wilful act of commission or omission contrary to any of the provisions of this Act for which no penalty is expressly provided shall be guilty of an offence and on conviction shall be liable to a penalty not exceeding Fifty pounds.

Offences generally.

70. All penalties incurred under this Act may in addition to any other method provided in this Act be imposed and recovered by and before any court of summary jurisdiction upon the information or complaint of any person appointed by the Treasurer either generally or for the purpose of any particular case, and when paid or recovered shall be paid into the Consolidated Revenue Fund.

Recovery of penalties.  
N.Z. 92.

#### REGULATIONS.

71.—(1.) The Governor-General may make regulations (not inconsistent with the provisions of this Act) for carrying out the provisions of this Act and in particular for—

Regulations to be made.  
N.S.W. 4; V. 5;  
Q. 51; N.Z. 5;  
W.A. 8; S.A. 7;  
Tas. 9.

- (a) the collection receipt custody issue expenditure due accounting for care and management of all public moneys and the guidance of all persons concerned therein,
- (b) the more effectual record examination inspection and audit of all receipts and expenditure and the keeping of all necessary books and accounts,
- (c) prescribing the necessary forms for all books and documents whatever required under the provisions of this Act or the regulations.

(2.) All such regulations shall be notified in the *Gazette* and shall thereupon have the force of law.

(3.) All such regulations shall be laid before both Houses of the Parliament within thirty days after the making thereof if the Parliament be then sitting, and if not, then within thirty days from the next meeting of the Parliament.

(4.) Any such regulation may impose upon any public accountant or person subject to the provisions of this Act a penalty not exceeding Five pounds for any offence for the breach of any regulation and such penalty may be recovered either in the same manner as a penalty incurred under this Act, or by deducting the same from any money due or thereafter becoming due to such public accountant or person.

#### SCHEDULES.

Section 5.

##### FIRST SCHEDULE.

I, . do solemnly and sincerely promise and declare that according to the best of my skill and ability I will faithfully impartially and truly execute the office and perform the duties of Auditor-General (or as the case may be) according to law.



1901.

*Audit.*

No. 4.

No.

**SURCHARGE REMOVAL.**

To the Honorable the Treasurer of the Commonwealth of Australia.

I certify that I have re-examined the several accounts below enumerated previously placed under surcharge in acquittance No. \_\_\_\_\_ and that I find you are entitled to a discharge from all responsibility and liability on account of the same as set forth in your cash sheet of the day of \_\_\_\_\_ 19 .

Treasury Vou. No.	Amount.
Total	£

I therefore grant this acquittance for the amount of \_\_\_\_\_ pounds  
shillings and \_\_\_\_\_ pence.  
Given under my hand this \_\_\_\_\_ day of \_\_\_\_\_ 19 .

Auditor-General.