



# Exchequer and Audit Departments Act 1921

## 1921 CHAPTER 52

An Act to amend the Exchequer and Audit Departments Acts, 1866 and 1889. [19th August 1921.]

BE IT ENACTED by the King's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:—

### **1 Examination of appropriation accounts**

- (1) Every appropriation account shall be examined by the Comptroller and Auditor General on behalf of the House of Commons, and in the examination of such accounts the Comptroller and Auditor General shall satisfy himself that the money expended has been applied to the purpose or purposes for which the grants made by Parliament were intended to provide and that the expenditure conforms to the authority which governs it.
- (2) The Comptroller and Auditor General, after satisfying himself that the vouchers have been examined and certified as correct by the accounting department, may, in his discretion and having regard to the character of the departmental examination, in any particular case admit the sums so certified without further evidence of payment in support of the charges to which, they relate:

Provided that, if the Treasury desire the vouchers or any of them to be examined in greater detail, the Comptroller and Auditor General shall take action accordingly.

- (3) If at any time the Comptroller and Auditor General is required by the Treasury to ascertain whether any expenditure included in any appropriation account is supported by the authority of the Treasury, he shall examine that expenditure with that object, and shall report to the Treasury any expenditure which appears upon the examination to have been incurred without such authority, and any such unauthorised expenditure

shall, unless sanctioned by the Treasury, be regarded as not being properly chargeable to a Parliamentary grant, and shall be so reported to the House of Commons.

- (4) The Comptroller and Auditor General shall report to the House of Commons any important change in the extent or character of any examination made by him.

## **2 Examination of accounts of receipts of revenue**

- (1) The accounts of the receipt of revenue by the Departments of Customs and Excise, Inland Revenue, and Post Office, and the accounts of every receiver of money which is by law payable into, the Exchequer, shall be examined by the Comptroller and Auditor General on behalf of the House of Commons in order to ascertain that adequate regulations and procedure have been framed to secure an effective check on the assessment, collection, and proper allocation of revenue, and the Comptroller and Auditor General shall satisfy himself that any such regulations and procedure are being duly carried out.
- (2) The Comptroller and Auditor General shall make such examination as he thinks fit with respect to the correctness of the sums brought to account in respect of such revenue as aforesaid, and shall, together with his report on the appropriation accounts of the departments concerned, present to the House of Commons a report on the results of any such examination.

## **3 Examination of other cash accounts**

- (1) The Comptroller and Auditor General shall examine, if so required by the Treasury and in accordance with any regulations made by the Treasury in that behalf, the accounts of all principal accountants and any other accounts, whether relating directly to the receipt or expenditure of public funds or not, which the Treasury may, by minute to be laid before Parliament, direct.
- (2) The Comptroller and Auditor General shall examine any such accounts so required to be examined by him as aforesaid with as little delay as possible, and when the examination of each account has been completed shall sign a certificate to the accountant recording the result of his examination, and a copy of the account so certified shall be sent to the accountant.
- (3) If in the course of any such examination any question arises between the Comptroller and Auditor General and the accountant, it shall be referred to the Treasury, whose decision thereon shall be final.
- (4) A list of all accounts so certified shall be submitted by the Comptroller and Auditor General to the Treasury not later than the first week in February and the first week in August in every year.

## **4 Examination of stock and store accounts**

- (1) Stock or store accounts shall be kept in all cases where, in the opinion of the Treasury, the receipt, expenditure, sale transfer or delivery of any securities, stamps, provisions, or stores the property of His Majesty in any Government department is of sufficient amount or character to require the keeping of such accounts, and the Comptroller and Auditor General shall, on behalf of the House of Commons, examine any such accounts so required to be kept in order to ascertain that adequate regulations have

been made for control and stocktaking, and that the regulations are duly enforced and that any requirements of the Treasury have been complied with.

- (2) The Comptroller and Auditor General shall report to the House of Commons the result of any such examination.

## **5 Preparation and examination of trading, &c. accounts**

- (1) There shall be prepared in each financial year, in such form and by such Government departments as the Treasury may from time to time director approve, statements of account showing the income and expenditure of any shipbuilding, manufacturing, trading, or commercial services conducted by the department, together with such balance sheets and statements of profit and loss and particulars of costs as the Treasury may require.
- (2) All such accounts shall be transmitted to the Comptroller and Auditor General and presented to Parliament on or before the dates specified in that behalf in the First Schedule to this Act.
- (3) All such accounts as aforesaid shall be examined by the Comptroller and Auditor General on behalf of the House of Commons and in, his examination he shall have regard to any programme of works, ship-building or manufacture which may have been laid before Parliament, and shall certify and report on them to the House of Commons.

## **6 Amendment of Schedule A to principal Act**

The provisions of the First Schedule to this Act, relating to supply grants, shall be substituted for Schedule A to the Exchequer and Audit Departments Act, 1866 (in this Act referred to as " the principal Act " ), which specifies the dates on or before which accounts of the appropriation of supply grants comprised in the Appropriation Act of each year are to be prepared by the several departments and transmitted for examination to the Comptroller and Auditor General and to the Treasury, and section twenty-two of the principal Act shall have effect accordingly.

## **7 Salary of Comptroller and Auditor General**

- (1) The salary which may be granted to the Comptroller and Auditor General under the principal Act shall be a sum of three thousand pounds per annum instead of a sum of two thousand pounds per annum, and the person who held the office of Comptroller and Auditor General on the first day of March, nineteen hundred and twenty, shall be deemed to have been entitled to a salary of three thousand pounds per annum as from that date, as if it had been duly granted to him under that Act.
- (2) The salary payable to the Comptroller and Auditor General by virtue of this section shall be charged on and issued out of the Consolidated Fund of the United Kingdom or the growing produce thereof.

## **8 Staff of Department, and abolition of office of Assistant Comptroller and Auditor**

- (1) The Comptroller and Auditor General may appoint such officers and servants as he may, with the sanction of the Treasury, determine.

- (2) There shall, out of moneys provided by Parliament, be paid to the officers and servants appointed under this section such salaries as the Treasury may determine.
- (3) Anything which under the principal Act or this Act is directed to be done by the Comptroller and Auditor General, other than the certifying and reporting on accounts for the House of Commons, may be done by a principal officer of the Department authorised for that purpose by the Comptroller and Auditor General.
- (4) The office of Assistant Comptroller and Auditor shall be abolished as from the thirty-first day of March, nineteen hundred and twenty-two, or, if that office is vacated on some earlier date, then as from that earlier date.

## **9 Minor amendments of 29 & 30 Vict. c.39**

- (1) In section twenty-three of the principal Act (which makes provision as to the form and manner in which Departments are to keep their accounts) the words " in " order to exhibit, in a convenient form, the whole of the " receipts and payments in respect of each vote " shall cease to have effect, and, the words " the Treasury may " prescribe" shall be substituted for the words " Her " Majesty may from time to time by Order in Council " prescribe."
- (2) Section twenty-eight of the principal Act (Which provides that the Comptroller and Auditor General shall, for the purpose of the examination of appropriation accounts, have access to books of account, &c.) shall apply to any examination made by the Comptroller and Auditor General of any accounts, and the word " cash " wherever it occurs in that section shall be repealed.
- (3) In section thirty-four of the principal Act (which provides by what persons accounts other than appropriation accounts are to be rendered to the Comptroller and Auditor General) the words " every accountant" shall be substituted for the words from " every public officer " to the words " any public service" inclusive, and the words " together with the authorities and vouchers relating thereto " shall be inserted after the words " receipts and payments. "
- (4) Section thirty-five of the principal Act (which directs that accountants are to transmit their accounts to the Comptroller and Auditor General under certain regulations) shall cease to have effect.
- (5) In section thirty-nine of the principal Act (which provides that every account signed and passed by the Comptroller and Auditor General shall be recorded in his office) the words " and certified " shall be substituted for the words " signed and passed. "

## **10 Short title, construction, and repeal**

- (1) This Act may be cited as the Exchequer and Audit Departments Act, 1921, and shall be construed as one with the principal Act, and that Act and this Act may be cited together as the Exchequer and Audit Departments Acts, 1866 and 1921.
- (2) The enactments set out in the Second Schedule to this Act are hereby repealed to the extent specified in the third column of that schedule.

*Status: This is the original version (as it was originally enacted).*

## SCHEDULES.

### FIRST SCHEDULE

Sections 5 and 6.

#### SCHEDULE TO BE SUBSTITUTED FOR, SCHEDULE A TO PRINCIPAL ACT

Account.	Dates after the termination of every Financial Year to which the Accounts relate on or before which they are to be made up and submitted.			
	To the Comptroller and Auditor General by the Departments.	To the Treasury by the Comptroller and Auditor General.	To the House of Commons by the Treasury.	
<i>Supply Grants.</i>				
Army	} 31st Dec.	31st Jan.	15th March.	} If Parliament is then sitting, and if not sitting, then within one week after Parliament next assembles.
Navy				
Air Force				
Civil Services and Revenue Departments.	} 30th Nov.	15th Jan.	31st Jan.	
All other services voted in supply.				
<i>Trading, &amp;c. Accounts.</i>				
Army Ordnance Factories.				
Navy Expense and Manufacturing accounts.	} 31st Jan.	15th March	31st March.	} If Parliament is then sitting, and if not sitting, then within one week after Parliament next assembles.
All other shipbuilding, manufacturing, trading or commercial accounts.	} 30th Nov.	15th Jan.	31st Jan.	

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## SECOND SCHEDULE

Section 10.

## ENACTMENTS REPEALED

Session and Chapter.	Short Title.	Extent of Repeal.
29 & 30 Vict. c. 39.	The Exchequer and' Audit Departments Act, 1866.	Section seven, as from the date on which the office of the Assistant Comptroller and Auditor is abolished ; sections eight and nine; in section twenty-two the words " as hereinafter directed " wherever those words occur; sections twenty-seven, twenty -nine, and thirty ; section thirty-two from the beginning down to the words "against the grant," sections thirty-three, thirty-five, thirty-six, thirty-eight, and forty ; Schedule B.
52 & 53 Vict. c. 31.	The Army and Navy Audit Act, 1889.	The whole Act.