

1940.
NEW ZEALAND.

BALANCE-SHEETS

AND

STATEMENTS OF ACCOUNTS

OF VARIOUS

GOVERNMENT DEPARTMENTS

FOR THE

YEAR 1939-40.

AUDITED ACCOUNTS.

(Presented to Parliament in Terms of Section 57 of the Finance Act, 1932.)

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EXPLANATORY MEMORANDUM.

The following notes are explanatory of the more important matters relating to the preparation of the balance-sheets and revenue accounts included in B.—1 [Pt. IV], 1940, and in this supplementary paper, which are prepared on an income and expenditure basis and present a more comprehensive statement of the financial operations of departments and services than is possible in the cash statements included in papers B.—1 [Pts. I and II].

(i) *Authority*.—Section 57 of the Finance Act, 1932, requires the preparation of these accounts and their presentation to Parliament.

(ii) *Capital*.—

(a) *General*: The amounts under this heading in the accounts usually represent the value of fixed assets at the conclusion of the financial year, and the amounts are divided to show loan capital separate from that provided from revenue or other source.

(b) *Public Works Loans*: Loans for the Public Works Fund (General Purposes Account) are shown as Public Works Fund Capital in the appropriate accounts recording the expenditure. Redemptions of those loans are allocated by the Treasury to the accounts whose expenditure is represented by the least productive assets.

(iii) *Depreciation*.—Treasury Instruction No. 79 specifies various rates of depreciation based on an estimated average life for different classes of assets. The rates are computed usually on the original capital cost. If the nature of a Department's depreciating assets calls for special rates, these are approved as required.

(iv) *Exchange*.—Exchange on all remittances abroad is charged to the Consolidated Fund; it is not recouped from the various departmental votes in the Consolidated Fund nor from votes in the General Purposes Account of the Public Works Fund with the exception of two—Telegraph Extension in respect of purchases made on account of the Post Office, and Railways Improvements and Additions to Open Lines in respect of purchases made on account of the Railways.

Exchange on remittances abroad for purchases of materials and miscellaneous services is, however, recouped from all the separate accounts, both within and outside the Public Account. No recoupment is made from separate or special accounts (either within or outside the Public Account) for exchange on remittances of interest.

(v) *Charges not subject to specific Appropriation*.—In pursuance of the general authority quoted in (i) above, certain charges such as administration, exchange of properties, assessed rental values, interest on capital and depreciation allowances, &c., are made through the Treasury Adjustment Account without cash payments or specific appropriation by Parliament.

(vi) *Interest*.—In the case of separate accounts such as Main Highways Account or State Coal-mines Account, the interest charge shown represents actual interest payable on the loans raised for those specific purposes. In the accounts of other Departments, an average rate, at present 4 per centum per annum, is charged.

(vii) *Rentals*.—Some Departments occupying private premises actually pay rentals. Others occupying Government buildings are assessed annually with rental based on the average rate of interest, the cost or valuation of the property, and the class of building.

(viii) *State Balance-sheet*.—The State Balance-sheet and Income and Expenditure Account which has been prepared in previous years has now been deleted.

(ix) *Treasury Adjustment Account*.—This is the equivalent of a "Head Office Account" in branch accounting, and through it are passed inter-departmental transfers and the total of cash transactions for the year. Separate accounts (see vi) having their own cash balances do not utilize a Treasury Adjustment Account.

(x) *Values*.—When the provision of accounts and balance-sheets on a commercial basis by all Departments was first instituted about 1922, it was necessary to bring numerous properties and assets into account by means of a fair valuation. New assets since then, or additions, are usually recorded at actual cost with any depreciation provision shown either as a deduction or separately.

ADMINISTRATION OF WESTERN SAMOA.

REVENUE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Dr.</i>	£	<i>Cr.</i>	£
Administrator and Government House	2,107	Education Department	443
Education Department	9,246	Health Department	12,456
Health Department	29,173	Justice Department	775
Justice Department	2,339	Lands and Survey Department	671
Lands and Survey Department	1,923	Native Department	414
Native Department	8,857	Police and Prisons Department	3,339
Police and Prisons Department	8,083	Postal and Radio Department	12,368
Postal and Radio Department	6,562	Public Works Department	6,273
Public Works Department	24,575	Treasury and Customs Department	93,125
Secretariat Department	16,418	Balance carried down	1,810
Treasury and Customs Department	8,300		
Public debt: Interest	4,458		
Depreciation: Buildings, plant, &c.	8,456		
Bad and Doubtful Debts Reserve Adjustment	1,177		
	<u>£131,674</u>		<u>£131,674</u>
	£		£
Balance brought down	1,810	Reserve for building programme	2,827
Public debt: Sinking Fund	5,130	Balance of Revenue Account	4,113
	<u>£6,940</u>		<u>£6,940</u>

BALANCE-SHEET AS AT 31ST MARCH, 1940.

<i>Liabilities.</i>	£	£	<i>Assets.</i>	£
Capital Account	193,849		Land	31,389
Less balance of Revenue Account	4,113		Roads and bridges	34,053
		189,736	Apia drainage and waterworks	22,136
Assets Replacement Reserve		12,000	Native water-supplies	26,257
Vaisigano Bridge Replacement Reserve		5,000		
		206,736		
Public debt: New Zealand Government	107,340		Buildings and wharves	135,516
Less repaid during year	5,130		Plant and machinery	39,493
		102,210	Launches, boats, &c.	2,477
Samoan currency notes	27,000		Buoys, beacons, and moorings	1,318
Less unissued notes	2,000		Motor and other vehicles	3,913
		25,000	Arms and accoutrements	3,425
Post Office Savings-bank deposits		63,676	Fire-fighting appliances	1,218
Coolie Labour Account		9,442	Furniture and fittings	13,437
Sundry deposits—			Mechanical office appliances	830
Held in Treasury	1,364		Medical and technical instruments and equip-	
Held in departmental trust accounts	1,644		ment	4,826
		3,008	Libraries	848
Sundry creditors		2,654		
Public Debt Sinking Fund		2	Less depreciation	79,576
				<u>127,725</u>
Carried forward		412,728	Carried forward	241,560

ADMINISTRATION OF WESTERN SAMOA—continued.

BALANCE-SHEET AS AT 31ST MARCH, 1940—continued.

<i>Liabilities—continued.</i>				<i>Assets—continued.</i>			
		£				£	
Brought forward .. .. .	..	412,728		Brought forward .. .. .	..	241,560	
				Loose tools .. .. .	..	347	
				Saddlery and harness .. .. .	..	200	
				Live-stock .. .. .	..	236	
				Consumable stores .. .. .	..	16,864	
				Goods in transit .. .. .	..	127	
				Reserve Fund investment—			
				Assets replacement: New Zealand Govern-	£		
				ment stock	12,000		
				Vaisigano Bridge replacement: New Zealand			
				Government stock (£5,000 purchased at 96)	4,800		
						16,800	
				Other investments—			
				Samoan currency notes: New Zealand Go-			
				vernment stock	27,000		
				Ordinary revenue: New Zealand Govern-			
				ment stock	7,350		
				Deposits Post Office Savings-bank, Apia ..	562		
				Mortgage over freehold property in Samoa ..	357		
				Public Debt Sinking Fund: New Zealand			
				Treasury	2		
						35,271	
				Post Office Savings-bank Account—			
				Investments in New Zealand	60,409		
				Bank of New Zealand, Apia	3,267		
						63,676	
				Coolie Labour Account investments—			
				New Zealand Government stock	5,650		
				Fixed deposit, Bank of New Zealand	1,400		
				Mortgage over freehold property in Samoa ..	789		
					£		
				Sundry debtors	1,607		
				Less reserve for bad and doubtful			
				debts	1,285		
						322	
				Accrued interest not yet due	49		
						8,210	
				Advances—			
				Sundry	2,154		
				Aleisa Land-settlement Scheme	4,157		
				Less refunds	273		
						3,884	
						6,038	
				Sundry debtors—			
				Ordinary	11,575		
				Tulaele Farm: Deferred principal	135		
						11,710	
				Less reserve for bad and doubtful debts ..	7,829		
						3,881	
				Interest on investments accrued but not yet due	..	329	
				Payments in advance .. .. .	..	26	
				Cash and bank balances—			
				Cash in hand, Apia	463		
				Cash in hand, Resident Commissioner, Savai'i	30		
				Bank of New Zealand, Apia	7,484		
				Cash held in departmental trust accounts ..	1,644		
				Deposit Account, New Zealand Treasury ..	9,650		
				Bank of New Zealand, London Imprest Ac-			
				count	49		
						19,320	
				Less remittances in transit	157		
						19,163	
						£412,728	
						£412,728	

E. J. MCPARLAND, Treasurer of Western Samoa.

Examined and found correct.—J. P. RUTHERFORD, Deputy Controller and Auditor-General.

CROWN LANDS ACCOUNT.

RECEIPTS AND PAYMENTS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Receipts.</i>		<i>£</i>	<i>Payments.</i>		<i>£</i>
Consolidated Fund—			Consolidated Fund—Disbursements under special Acts		
Territorial revenue—			of Legislature: Miscellaneous grants and subsidies,		
Lands Department		349,640	thirds, fourths, and halves		4,963
Transfer from State Forest Account		14,416	Balance, transferred to Treasury Adjustment Account		416,665
Interest on public moneys—					
On sales of Crown land		48,678			
On Crown land included in estates		8,480			
Under village homestead scheme		168			
Purchase-money: Sale of buildings		25			
Recoveries on account of expenditure of previous					
years: Recovery of bad debt		1			
Recoveries of unauthorized expenditure of previous					
years: Payment for goods supplied		3			
Public Works Fund—					
Recoveries on account of expenditure of previous					
years—					
Repayment of village homestead advances		26			
Sale of land and buildings		139			
Transfer from Land for Settlements Account in respect					
of village homestead advances		52			
		<u>£421,628</u>			<u>£421,628</u>

REVENUE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Dr.</i>	<i>£</i>	<i>Cr.</i>	<i>£</i>
Administration expenses	17,647	Accrued revenue—	
Rebates	14,640	Rents	358,075
Remissions under—		Interest on sales of land	32,437
Land Act, 1924	4,243	Royalties	11,508
Mortgagors Relief Acts	20,944	Interest on buildings	1,860
	25,188	Interest: Miscellaneous	135
Thirds under section 139, Land Act, 1924	4,998		404,015
Irrecoverable rents—Writings-off in Suspense	4,398	Residue of receipts from mining district land-occupation	
Depreciation—		leases paid to Public Account under section 317, Land	
Buildings	226	Act, 1924	871
McGregor Block	452	Interest under section 13, Land Laws Amendment Act,	
	678	1926	93,848
Sundry expenditure in respect of Crown lands		Interest under section 47, Land Laws Amendment Act,	
out of vote "Lands and Survey"—		1929	8,479
Rent: Aranui Block	16	Recovery of losses written off	339
Insurances	35	Payment from State Forest Account on account of areas	
Protecting, clearing, grassing	1,055	previously national endowment	14,416
Destruction of rabbits	5,149		
Eradication of noxious weeds	7,000		
Rates to local authorities	1,404		
Repairs and alterations to buildings on Crown			
land	1,138		
Interest on purchase-money: Stewart Island	128		
	15,926		
Balance carried down	438,493		
	<u>£521,968</u>		<u>£521,968</u>
	<i>£</i>		<i>£</i>
Interest on capital	490,758	Balance brought down	438,493
Thermal Springs Account	299	Mining District Land Occupation Account	812
		Balance, 31st March, 1940	51,752
	<u>£491,057</u>		<u>£491,057</u>

THERMAL SPRINGS DISTRICT ACT, 1910, ACCOUNT.

REVENUE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Dr.</i>	<i>£</i>	<i>Cr.</i>	<i>£</i>
Amount due to Rotorua Town	1,241	Accrued rent	1,303
Administration expenses	65	Balance carried down	3
	<u>£1,306</u>		<u>£1,306</u>
	<i>£</i>		<i>£</i>
Balance forward from previous year	296	Balance carried forward	299
Balance brought down	3		
	<u>£299</u>		<u>£299</u>

CROWN LANDS ACCOUNT—*continued*.

MINING DISTRICT LAND OCCUPATION ACCOUNT.

REVENUE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Dr.</i>	£	<i>Cr.</i>	£
Transfers to Territorial revenue	871	Rents	1,764
Amount due to sundry local bodies	878		
Rents written off	2		
Balance carried down	13		
	<u>£1,764</u>		<u>£1,764</u>
	£		£
Balance carried forward	812	Balance forward from previous year	799
	<u>£812</u>	Balance brought down	13
			<u>£812</u>

ORAKEI BLOCK ACCOUNT.

TRADING AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Dr.</i>	£	<i>Cr.</i>	£
Land on hand at cost, plus expenses of subdivision, roading, &c., as at 1st April, 1939	346,565	Sales : Net	14,002
Survey liens capitalized during year	2	Value of land leased on permanent tenure during year	1,150
Value of land formerly leased on permanent tenure surrendered during year	1,100	Land on hand at cost, plus expenses of subdivision, roading, &c., as at 31st March, 1940	332,858
Surveys and contingencies—	£		
Commission paid to land-agents	268		
Building repairs	23		
Legal expenses	5		
Rates	20		
Valuation expenses	15		
Insurance premiums	2		
	333		
Gross profit transferred to Profit and Loss Account	10		
	<u>£348,010</u>		<u>£348,010</u>
	£		£
Administration expenses	128	Gross profit	10
Depreciation reserve : Buildings	78	Interest, deferred payments	1,503
Interest on purchase-money	4,157	Rent	622
Interest on capital expenditure	14,649	Balance : Net loss transferred to Crown Lands Account	17,206
Rebate allowed	1		
Writings-off in Suspense : Interest	328		
	<u>£19,341</u>		<u>£19,341</u>

BALANCE-SHEET AS AT 31ST MARCH, 1940.

<i>Liabilities.</i>	£	£	<i>Assets.</i>	£
Sundry creditors for payments in advance—			Land at cost, plus expenses of subdivision roading, &c.	332,861
D.P. instalment principal	158		Leased land	775
Rent	6		Buildings	2,598
		164	Debtors for—	£
Depreciation reserve : Buildings	825		Instalment of principal	239
Writings-off in Suspense	166		Interest	791
Rent Adjustment Account	86		Rent	42
Crown Lands Account	336,528		Sales of land (not yet payable)	23,579
Land for Settlements Account	23,710			24,701
			Outstanding rents, &c., in Suspense	166
			Interest Adjustment Account	378
				<u>£361,479</u>
		<u>£361,479</u>		

CROWN LANDS ACCOUNT—*continued*.
BALANCE-SHEET AS AT 31ST MARCH, 1940.

<i>Liabilities.</i>		<i>Assets.</i>	
	£		£
Capital—		Land—	
Public Works Fund : Revenue-earning	5,911,458	Leased	8,576,810
	£	Unleased	2,416,246
Consolidated Fund	9,337,410	Provisional State Forest	916,292
Transferred from Discharged Soldiers Settlement Account	235,461	Areas subject to operations of Small Farms (Relief of Unemployment) Act, 1932–33	44,446
	9,572,871	Areas subject to section 8, Land Laws Amendment Act, 1929	44,007
Revenue-earning	6,386,593	Areas included in Land for Settlements Estates	211,940
Non-revenue-earning	3,186,278		12,209,741
	9,572,871	Interest in land : Realization accounts (Discharged Soldiers Settlement Account)	25,329
Reserve Account of assets transferred from Discharged Soldiers Settlement Account	349,067	Undivided interests in land—	
Reserve Account : Nether-ton Tirohia Road	45	Crown interests in consolidated schemes—	£
Buildings Account : Equity in buildings and improvements due to outgoing lessees	1,493	Tokerau Native Land Court District	32,037
Unpaid purchase-money in respect of Native land acquired (on account of rates, succession duty, &c., payable by Natives)	476	Waiariki Native Land Court District	11,247
Sundry creditors—	£	Waikato-Maniapoto Native Land Court District	26,055
Rents, &c., paid in advance	4,577	Mohaka Consolidation Scheme	8,966
Royalties paid in advance	239	Northern Waiapu Consolidation Scheme	3,558
Interest paid in advance	369	Interests acquired for cash in sundry Native blocks	84,704
Departmental	45		166,567
Miscellaneous	1,269	Live and dead stock (Discharged Soldiers Settlement Account)	227
	6,499	Proceeds of sale of Crown land, &c., paid to Land for Settlements Account under section 20, Land Act, 1924	3,121,265
Credits on disposal of Discharged Soldiers Settlement properties	3,075	Buildings and improvements on Crown land (unsold)	19,002
Suspense Account : Credits under Deteriorated Lands Act, 1925	352	Less depreciation reserve	1,330
Royalties not yet accrued	728		17,672
Rents and interest charged in advance	107,534	Balance of purchase price of improvements payable by incoming lessees, &c.—	£
Interest on capital invested in Orakei Block	253,389	Capital	3,877
Mining claims : Deposits by miners	41	Instalments—	
Writings-off in Suspense	17,301	Principal	189
Treasury Adjustment Account	453,640	Interest	111
			4,177
		Advances for grass-seed, &c.	3,100
		Orakei Block	336,528
		Sundry debtors—	£
		Rents	137,598
		Royalties	2,432
		Interest on sales	16,747
		Interest on advances	39
		Instalment interest : Buildings, &c.	807
		Rates on Waiapu Native Blocks	3,706
		Small-farm scheme : Rents accrued	480
		Departmental	235
		Miscellaneous	1,459
			163,503
		Interest under section 13, Land Laws Amendment Act, 1926	336,046
		Postponements of rent and interest under—	£
		Land Act, 1924	4,661
		Mortgage Relief Acts	2,631
			7,292
		Interest on sales accrued but not due	7,524
		Losses in Suspense	17,301
		Profit and Loss Account : Orakei Block	208,036
		Revenue : Loss for year carried forward	51,752
		Cash—	
		Receiver of Land Revenue Deposit Account	26
		Receiver-General's Deposit Account	42
		Local Bodies' Deposit Account of Receivers of Land Revenue	1,832
		Deposits : Miscellaneous	9
			1,909
	£16,677,969		£16,677,969

R. G. MACMORRAN, Under-Secretary for Lands.
G. J. BEESON, Chief Accountant.

I hereby certify that the Revenue Account and Balance-sheet have been duly examined and compared with the relative books and documents submitted for audit, and correctly state the position as disclosed thereby, subject to the explanatory notes dealing with departmental accounts generally as appearing at commencement of parliamentary return B.—1 [Pt. IV]. The following comments are appended : (1) Part of the expenditure under the New Plymouth Harbour Endowment Act, 1874, totalling £2,013 5s. 8d., which is now reflected in the Income and Expenditure Account of the Lands and Survey Department Account, should, in the opinion of the Audit Office, be included in the Revenue Account as shown as a charge against rents ; (2) The charges on land with respect to expenditure under section 47 of the Land for Settlements Act, 1925, or the corresponding provisions of any former Act, have not been abolished, as required by section 17 (5) (b) of the Land Laws Amendment Act, 1927 ; (3) In the opinion of the Audit Office the expenditure from Public Works Fund on Native development areas proclaimed subject to section 522, Native Land Act, 1931, which is included in the asset " Undivided interests in land " should be reflected in the accounts of the Native land-development schemes controlled by the Native Department ; (4) The provisions of section 537, sub-section 5 (a), of the Native Land Act, 1931, have not been complied with in respect of the asset " Sundry debtors for rates on Native blocks in Waiapu Consolidation Scheme, £3,705 12s. 11d."—CYRIL G. COLLINS, Controller and Auditor-General.

EDUCATION DEPARTMENT.

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Expenditure.</i>	£	<i>Income.</i>	£
Balance from separate accounts		Income from primary education reserves	121,308
Primary education	3,056,273	Balance as per balance-sheet	4,822,338
Post-primary education	1,020,940		
Higher education	194,480		
Training of teachers	207,372		
Native education	177,771		
Physical training	4,202		
Examinations	1,843		
Country library service	5,497		
Miscellaneous	49,656		
Special schools and child welfare	225,612		
	<u>£4,943,646</u>		<u>£4,943,646</u>

Head Office Administration.

<i>Expenditure.</i>	£	<i>Income.</i>	£
Salaries, sundry expenses, depreciation, &c. ..	50,980	Payment by Teachers' Superannuation Fund for clerical work, postage, and printing and stationery ..	900
Interest on capital	98	Sale of publications, &c.	32
<i>Education Gazette</i>	1,519	<i>Education Gazette</i>	236
		Balance transferred to other accounts	51,429
	<u>£52,597</u>		<u>£52,597</u>

Primary Education.

<i>Expenditure.</i>	£	<i>Income.</i>	£
Head Office administration charges	18,513	Recovery from Fire Insurance Fund	8,792
Teachers' salaries	2,033,885	Amount due for work to be completed	13,380
Removal expenses	1,494	Rents of school buildings and residences	45,585
Manual instruction	161,691	<i>School Journal</i> : Sales	82
School and class libraries	2,981	Miscellaneous—	
Maintenance of school buildings	192,526	Recoveries for education of foreign children ..	447
Rebuilding of schools destroyed by fire	10,505	Recoveries from Health Department : Progress-card system	122
Due for work to be completed	13,381	Balance carried to General Income and Expenditure Account	3,056,273
Rent of Offices : Wellington Education Board ..	552		
Rents of buildings for school purposes	5,365		
Cost of inspection of schools	36,448		
Registration and grading of teachers	3,741		
Conveyance of pupils and instructors	219,875		
Education Boards—			
Grants for administration and general purposes ..	39,066		
Grants for incidental expenses of schools	151,116		
Correspondence School : Primary Department ..	17,348		
<i>School Journal</i>	5,596		
Grants to free kindergartens	6,496		
Preparation of school text-books	1,674		
Accidents to school children and teachers	571		
Printing and stationery and postage	1,712		
Grant towards cost of swimming-baths	200		
Cost of reclaiming land : Auckland Point	3,304		
Miscellaneous	118		
Interest on capital	256,520		
	<u>£3,124,681</u>		<u>£3,124,681</u>

Post-primary Education.

<i>Expenditure.</i>	£	<i>Income.</i>	£
Head Office administration charges	10,342	Tuition fees	9,421
Salaries of teachers and instructors	677,422	Endowment income applied to salaries, maintenance of buildings, and incidentals	41,605
Grants to Boards for general purposes	113,470	Rent of school buildings and sites	612
Grant to Marlborough High School Board	400	Correspondence School : Tuition fees	241
Maintenance of school buildings	38,386	Unclaimed scholarship funds	15
Alteration to buildings to diminish danger from earthquakes	149	Balance carried to General Income and Expenditure Account	1,020,940
Rents of buildings for school purposes	903		
Rebuilding schools destroyed by fire	407		
Grading and registration of teachers	763		
Cost of inspection of schools	7,785		
Conveyance of pupils and instructors	81,626		
Manual instruction	10,397		
War bursaries	5,915		
Correspondence School : Secondary Department ..	18,217		
Purchase of typewriters for schools	350		
Printing and stationery	230		
School books supplied in necessitous cases	713		
School and class libraries	984		
Accidents to school-children	348		
Vocational guidance	3,188		
Miscellaneous	18		
Interest on capital	100,821		
	<u>£1,072,831</u>		<u>£1,072,834</u>

EDUCATION DEPARTMENT—continued.
INCOME AND EXPENDITURE ACCOUNT—continued.

Higher Education.

<i>Expenditure.</i>				£	<i>Income.</i>				£
Head Office administration charges	..	..		1,253	Balance carried to General Income and Expenditure Account	..	..	..	194,480
Grants to—									
New Zealand University and University colleges for general purposes	..	..	..	108,776					
Council of Adult Education	..	..	..	12,000					
Scholarships and bursaries, &c.	..	..	..	35,081					
Sundries	..	..	..	33					
Interest on capital	..	..	..	37,337					
				<u>£194,480</u>					<u>£194,480</u>

Training of Teachers.

<i>Expenditure.</i>				£	<i>Income.</i>				£
Head Office administration charges	..	..		1,181	Tuition fees	..	..	..	208
Training colleges: Salaries of staff and incidental expenses	..	..	..	41,139	Balance carried to General Income and Expenditure Account	..	..	..	207,372
Allowances to and University fees of students	..	..	..	155,463					
Training of teachers (other than students of training colleges)	..	..	..	177					
Accidents to students	..	..	..	60					
Sundries	..	..	..	49					
Interest on capital	..	..	..	9,511					
				<u>£207,580</u>					<u>£207,580</u>

Native Education.

<i>Expenditure.</i>				£	<i>Income.</i>				£
Head Office administration charges	..	..		2,770	Recovery from Fire Insurance Fund	..	..	..	2,139
Native schools: Teachers' salaries, material, maintenance of buildings, &c.	..	..	..	146,869	Rent of buildings and sites	..	..	..	6,119
Conveyance and board of pupils	..	..	..	14,907	Tauranga Endowment Reserve Revenue	..	..	..	344
Cost of inspection of schools	..	..	..	2,911	Balance carried to General Income and Expenditure Account	..	..	..	177,771
Scholarships	..	..	..	9,247					
Sundries	..	..	..	281					
Interest on capital	..	..	..	9,388					
				<u>£186,373</u>					<u>£186,373</u>

Physical Education.

<i>Expenditure.</i>				£	<i>Income.</i>				£
Head Office administration charges	..	..		70	Balance carried to General Income and Expenditure Account	..	..	..	4,202
Salaries of instructors, uniform allowance, travelling-expenses, &c...	..	..	..	3,832					
Sundries	..	..	..	108					
Expenses <i>re</i> appointment of Superintendent	..	..	..	192					
				<u>£4,202</u>					<u>£4,202</u>

Examinations.

<i>Expenditure.</i>				£	<i>Income.</i>				£
Head Office administration charges	..	..		1,952	Fees, &c.	..	..	..	3,765
Expenses of conducting examinations	..	..	..	3,201	Balance carried to General Income and Expenditure Account	..	..	..	1,843
Fees to University of New Zealand for portion of School Certificate Examination conducted by that body	..	..	..	455					
				<u>£5,608</u>					<u>£5,608</u>

EDUCATION DEPARTMENT—*continued.*INCOME AND EXPENDITURE ACCOUNT—*continued.**Country Library Service.*

<i>Expenditure.</i>	£	<i>Income.</i>	£
Salaries, travelling-expenses, depreciation, &c. ..	6,493	Subscriptions, &c.	1,276
Interest on capital	280	Balance carried to General Income and Expenditure Account	5,497
	<u>£6,773</u>		<u>£6,773</u>

Miscellaneous.

<i>Expenditure.</i>	£	<i>Income.</i>	£
Expenses of conferences of education authorities ..	79	Registration fees	3
Amount written off, being part of Premium on conversion : Education Loans Account	503	Sale of radios	2
Teachers' Superannuation Fund : Government subsidy and contributions of teachers on active service ..	48,036	Salaries of exchange teachers	16
Visual education	701	Unclaimed subsidy	178
Preparing and forwarding exhibits	129	Balance carried to General Income and Expenditure Account	49,656
Expenses <i>re</i> accommodation of children visiting exhibition	330		
Grant to Timber Protection Research Committee ..	74		
Sundries	3		
	<u>£49,855</u>		<u>£49,855</u>

Special Schools and Child Welfare Summary Account.

<i>Expenditure.</i>	£	<i>Income.</i>	£
Balance brought forward from separate accounts ..	225,930	Stores Summary Account	318
		Balance carried to General Income and Expenditure Account	225,612
	<u>£225,930</u>		<u>£225,930</u>

Education of the Blind.

<i>Expenditure.</i>	£	<i>Income.</i>	£
Head Office administration charges	90	Maintenance fees	374
Maintenance of State wards in New Zealand Institute for the Blind	497	Balance carried to Special Schools and Child Welfare Summary Account	6,888
Grant to New Zealand Institute for the Blind ..	5,088		
Travelling-expenses of children	27		
Interest on capital	1,560		
	<u>£7,262</u>		<u>£7,262</u>

Education of the Deaf.

<i>Expenditure.</i>	£	<i>Income.</i>	£
Head Office administration charges	600	Maintenance fees	1,634
School for the Deaf : Salaries, maintenance, &c. ..	12,388	Deduction from salaries for Board and quarters of staff ..	559
Travelling-expenses and sundries	780	Bad Debts Reserve : Amount not required	150
Interest on capital	923	Balance carried to Special Schools and Child Welfare Summary Account	12,348
	<u>£14,691</u>		<u>£14,691</u>

School for the Deaf : Bequests Account.

<i>Expenditure.</i>	£	<i>Income.</i>	£
Expenditure	63	Balance, Post-office Savings-bank Account, 31st March, 1939	36
Balance, 31st March, 1940	60	Income	87
	<u>£123</u>		<u>£123</u>

EDUCATION DEPARTMENT—continued.

INCOME AND EXPENDITURE ACCOUNT—continued.

Special Schools.

<i>Expenditure.</i>				£	<i>Income.</i>				£
Richmond School for Girls .. .. .	..	..	..	7,473	Maintenance fees .. .. .	..	..	..	786
Otekaike School for Boys .. .. .	..	..	..	20,263	Balance carried to Special Schools and Child Welfare	..	..	..
Head Office administration (non-institutional) .. .. .	..	..	..	300	Summary Account .. .. .	..	..	..	28,188
Bad Debts Reserve .. .. .	..	..	..	30					
Travelling-expenses .. .. .	..	..	..	771					
Postage .. .. .	..	..	..	137					
				<u>£28,974</u>					<u>£28,974</u>

<i>Expenditure.</i>	Richmond.	Otekaike.	<i>Income.</i>	Richmond.	Otekaike.
	£	£		£	£
Head Office administration charges	160	275	Deductions from salaries for board and		
Salaries, maintenance of inmates, main-			quarters of staff	388	1,416
tenance of buildings, &c.	7,273	19,708	Sales of produce, &c.	29	45
Interest on capital	455	1,346	Balance carried to Special Schools Account	7,473	20,263
Sundries	2	6			
Loss from Farm Account .. .. .	..	389			
	<u>£7,890</u>	<u>£21,724</u>		<u>£7,890</u>	<u>£21,724</u>

Otekaike Farm Account.

<i>Expenditure.</i>				£	<i>Income.</i>				£
Stock on hand, 1st April, 1939—	..	..	..	418	Sales of Produce and Issues to Institution .. .. .	..	..	..	2,189
Live-stock .. .. .	..	..	..	873	Stock on hand 31st March, 1940—				
Farm produce .. .. .	..	..	..	659	Live Stock .. .. .	..	..	..	477
Purchase of live-stock, feed, seeds, and manures .. .. .	..	..	..	1,384	Farm Produce .. .. .	..	..	..	554
Farm expenses, depreciation, &c. .. .. .	..	..	..		Balance carried down .. .. .	..	..	..	114
				<u>£3,334</u>					<u>£3,334</u>
Balance brought down .. .. .	..	..	..	114	Balance (loss) carried to Otekaike Account .. .. .	..	..	..	389
Head Office administration charges .. .. .	..	..	..	45					
Interest on capital .. .. .	..	..	..	230					
				<u>£389</u>					<u>£389</u>

Child Welfare Summary Account.

<i>Expenditure.</i>				£	<i>Income.</i>				£
Provision for bad debts .. .. .	..	..	..	10,000	Maintenance fees .. .. .	..	..	..	22,591
Balances from institutional accounts .. .. .	..	..	..	201,097	Balance carried to Special Schools and Child Welfare	..	..	..
					Summary Account .. .. .	..	..	..	188,506
				<u>£211,097</u>					<u>£211,097</u>

Boys' Training Farm, Weraroa.

<i>Expenditure.</i>				£	<i>Income.</i>				£
Head Office administration charges .. .. .	..	..	..	250	Deduction from salaries for board and quarters of staff	..	..	..	725
Salaries, maintenance of inmates, maintenance of build-					Rent of buildings and sundries .. .. .	..	..	..	31
ings, &c. .. .. .	..	..	..	15,143	Balance carried to Child Welfare General Account .. .. .	..	..	..	17,739
Interest on capital .. .. .	..	..	..	1,050					
Loss from Farm Account .. .. .	..	..	..	2,052					
				<u>£18,495</u>					<u>£18,495</u>

Boys' Training Farm, Weraroa (Farm Account).

<i>Expenditure.</i>				£	<i>Income.</i>				£
Stock to 1st April, 1939—	..	..	..		Stock, 31st March, 1940—				
Live-stock .. .. .	..	..	..	2,333	Live-stock .. .. .	..	..	..	2,089
Farm produce .. .. .	..	..	..	970	Farm produce .. .. .	..	..	..	700
Purchase of live-stock, feed, seeds, and manures .. .. .	..	..	..	922	Sales of produce and issues to institution .. .. .	..	..	..	2,355
Farm expenses, depreciation, &c. .. .. .	..	..	..	2,103	Balance carried down .. .. .	..	..	..	1,184
				<u>£6,328</u>					<u>£6,328</u>
Balance brought down .. .. .	..	..	..	1,184	Balance (loss) carried to Weraroa General Account .. .. .	..	..	..	2,052
Head Office administration charges .. .. .	..	..	..	45					
Weraroa Office charges .. .. .	..	..	..	80					
Interest on capital .. .. .	..	..	..	743					
				<u>£2,052</u>					<u>£2,052</u>

EDUCATION DEPARTMENT—*continued.*INCOME AND EXPENDITURE ACCOUNT—*continued.**Girls' Homes and Receiving Homes.*

	Auckland.	Hamilton.	Miramar.	Wellington Hostel.	Christchurch.	Burwood.	Dunedin.
<i>Expenditure.</i>	£	£	£	£	£	£	£
Head Office administration	40	40	40	40	50	60	40
Salaries, maintenance of inmates, maintenance of buildings, &c.	2,408	1,106	2,074	1,358	1,868	7,119	1,076
Interest on capital	137	70	156	67	110	751	126
	2,585	1,216	2,270	1,465	2,028	7,930	1,242
<i>Income and Balances.</i>	£	£	£	£	£	£	£
Deduction from salaries for Board and quarters of staff	124	75	179	110	143	446	30
Board of inmates	55	..	11	257	77	8	81
Sales of produce, rents, &c. .. ..	..	..	109	..	..	63	..
Balance of Child Welfare Summary Account	2,406	1,141	1,971	1,098	1,808	7,413	1,131
	2,585	1,216	2,270	1,465	2,028	7,930	1,242

Boys' Homes.

	Auckland Hostel.	Auckland.	Wellington.	Christchurch.	Dunedin.
<i>Expenditure.</i>	£	£	£	£	£
Head Office administration	20	50	40	45	40
Salaries, maintenance of inmates, maintenance of buildings, &c. ..	556	3,009	1,884	1,961	1,416
Interest on capital	162	278	100	121	184
	738	3,337	2,024	2,127	1,640
<i>Income and Balances.</i>	£	£	£	£	£
Deduction from salaries for board and quarters of staff	12	130	151	110	100
Board of inmates .. ..	..	9	50	22	61
Sales of produce, rents, &c. .. ..	..	..	8	..	70
Balance to Child Welfare Summary Account	726	3,198	1,815	1,995	1,409
	738	3,337	2,024	2,127	1,640

Child Welfare (Non-institutional).

<i>Expenditure.</i>	£	<i>Income.</i>	£
Head Office administration charges	11,534	Unclaimed earnings	82
Salaries	22,588	Rent of buildings : Napier Receiving Home	80
Maintenance of children boarded-out with foster-parents and in private institutions	98,302	Rent of buildings : Timaru	6
Receiving Home, Wanganui (closed) : Repairs, depreciation, and interest on capital	112	Recovery of legal expenses paid in previous year	36
Receiving Home, Napier (closed) : Depreciation and interest on capital	88	Adjustment in respect of refund of maintenance payments	110
Receiving Home, Timaru (closed) : Salaries, repairs, depreciation, and interest on capital	443	Balance carried to Child Welfare Summary Account	147,247
Refund of inmates' earnings	88		
Rent, office requisites, &c.	2,742		
Removal of offices	698		
Travelling-expenses	7,829		
Transfer and removal expenses of staff	500		
Postage, printing and stationery, telephones, depreciation, and sundries	2,637		
	£147,561		£147,561

Stores Summary Account.

<i>Expenditure.</i>	£	<i>Income.</i>	£
Balance (loss), Dunedin Store	9	Balance (profit)--	
Balance transferred to Special Schools and Child Welfare Summary Account	318	Auckland Store	90
		Central Store	153
		Factory	84
	£327		£327

EDUCATION DEPARTMENT—continued.
Trading Accounts for the Year ended 31st March, 1940.

—		Central Store.	Auckland Store.	Dunedin Store.	Factory.	—		Central Store.	Auckland Store.	Dunedin Store.	Factory.
STORES AND FACTORY.											
<i>Dr.</i>		£	£	£	£	<i>Cr.</i>		£	£	£	£
Stock, 1st April, 1939	..	1,431	484	368	496	Issues	..	5,783	1,339	448	2,404
Purchases	..	4,945	1,304	454	1,429	Sales, &c.	..	..	..	..	154
Wages	..	..	..	..	919	Stock, 31st March, 1940	..	1,472	621	436	503
Balance to Profit and Loss Account	..	879	172	62	217						
		7,255	1,960	884	3,061			7,255	1,960	884	3,061
<i>Profit and Loss Accounts.</i>											
<i>Dr.</i>		£	£	£	£	<i>Cr.</i>		£	£	£	£
Head Office administration	..	50	5	5	12	Balance (gross profit from Trading Account)	..	879	172	62	217
Salaries and sundry expenses	..	616	55	49	94	Balance (loss) to Stores Summary Account	..	..	..	9	..
Interest on capital	..	60	22	17	27						
Balance (profit) to Stores Summary Account	..	153	90	..	84						
		879	172	71	217			879	172	71	217

EDUCATION DEPARTMENT—*continued*.
BALANCE-SHEET AS AT 31ST MARCH, 1940.

<i>Liabilities.</i>			<i>Assets.</i>		
Capital provided by Treasury, 31st March, 1940—	£	£	National Development Account—		
Consolidated Fund	1,183,252		Grants to Education Boards and other Boards for sites, build- ings, equipment, &c., for—	£	£
Public Works Fund	9,813,177		Primary education	6,652,815	
	10,996,429		Kindergartens	12,133	
Capital provided by Unemployment Board	23,298	11,019,727	Post-primary education	2,610,468	
Boys and girls at service: Wages in hands of Department		34,826	Higher education	944,489	
Sundry creditors—	£		Training of teachers	247,296	
General	46,180		Education of the blind	39,000	10,506,201
Government Departments	18,778	64,958	Departmental assets—		
Amounts paid to Department in advance—			Land	59,565	
Gramophones and radio sets	656		Buildings	378,143	
<i>Education Gazette</i>	28		Hydro-electric services	1,553	
Teachers' Certificate fees	18		Water-services	785	
Correspondence School: Books, &c. ..	317	1,019	Furniture, fittings, &c.	12,387	
School for the Deaf, Sumner—			Farm and other plant, imple- ments, &c.	977	
Capital Account—Bequests for Special Purposes ..	2,711		Motor buses, cars	36,272	
Income from bequests for special purposes	60		Typewriters and office appliances	563	
Stores Suspense Account	186		Libraries	7,363	497,608
Treasury Adjustment Account	4,846,393		Stocks of materials on hand, 31st March, 1940—		
			School books and requisites	2,337	
			General stores	8,306	
			Farm produce	1,254	
			Live-stock	2,611	14,508
			Stores Deficiency Account		186
			Official stamps on hand, 31st March, 1940		73
			Premium on conversion: Education Loans Account		1,508
			Amount paid in advance		4
			Sundry debtors—	£	
			General	90,200	
			Less reserve	14,432	
				75,768	
			Government Departments	14,089	89,857
			Cash in hands of Public Trustee: Sumner bequests ..		2,711
			Cash in hands of Post Office Savings-bank: Sumner bequests		60
			Cash in hands of Post Office Savings-bank: Wages of boys and girls at service		35,594
			Cash in hands of Post Office, 31st March, 1940		232
			Balance from Income and Expenditure Account		4,822,338
					£15,969,880
		£15,969,880			

C. E. BEEBY, Director of Education.

A. E. MCKINNON, A.R.A.N.Z., Accountant.

I hereby certify that the Income and Expenditure, Trading and Profit and Loss Accounts, and Balance-sheet have been duly examined and compared with the relative books and documents submitted for audit, and correctly state the position as disclosed thereby, subject to the explanatory notes dealing with departmental accounts generally as appearing at commencement of parliamentary return B.—1 [Pt. IV].—CYRIL G. COLLINS, Controller and Auditor-General.

DEPARTMENT OF HEALTH.

GENERAL REVENUE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Expenditure.</i>		<i>Income.</i>	
	£		£
Bacteriological Laboratory service: Net cost	4,380	Sera: Net profit on working	448
Hostel for dental trainees	£	Contributions by local bodies towards inspection services	15,346
Mansions, Gluznee Street	193	Registration and other fees	£
Hobson Street	86	Dentists Registration Act	775
	279	Private hospital license fees	651
Departmental institutions: Net cost as per		Medical Practitioners Act—	£
Income and Expenditure Account—		Fees in advance, 1st April, 1939	425
St. Helens Maternity Hospital		Fees, &c., received	405
Auckland	13,831		830
Wellington	11,436	Less fees in advance, 31st March,	
Christchurch	7,309	1940	332
Dunedin	294		498
Invercargill	5,121	Masseurs' registration and examination fees	170
Queen Mary Hospital, Hanmer	21,393	Nurses' and midwives' registration and examination fees	1,986
	59,384	Plumbers' registration and examination fees	516
Less net profit of institution as per		Opticians Act: Registration and examination fees	239
Income and Expenditure Account:		Cemeteries Act	26
King George V Hospital, Rotorua	91	Health Act: Bills of health fees	21
	59,293	Poisons Act	188
Subsidies to Hospital Boards and separate institutions	1,094,710		5,070
Grants in aid of medical and social relief—	£	Interest on public moneys	341
Royal New Zealand Society for the Health of Women and Children	26,747	Surplus on administration: Dangerous Drugs Act	17
Women's Division, New Zealand Farmers' Union	200	Balance carried down (being excess of expenditure over income)	1,609,835
Other grants in aid of medical and social relief	2,419		
University of Otago and medical research	4,231		
Relief of indigent persons, including hospital treatment for immigrants	9		
Christmas bonus for outdoor-relief recipients	1,196		
	34,802		
Sundry grants to hospital Boards and local authorities	3,388		
Sundry small grants	396		
School hygiene: Net cost	25,370		
Dental hygiene: Net cost (excluding dental hostels)	89,645		
Maori hygiene: Net cost	31,148		
Maternal welfare—Ante-natal clinics, &c.: Net cost	351		
Cemeteries Act: Expenses	68		
Dentists Act: Expenses	380		
Health Act: Expenses: Net cost	£		
Board of Health expenses	197		
Infectious diseases: Expenses of preventive measures and in connection with outbreaks	1,314		
Fees for notification of infectious disease	160		
Inspection of vessels (including medical fees and launch hire)	2,428		
Quarantine expenses: Maintenance of stations	1,861		
Other Health Act expenses	71		
	6,031		
Hospitals and Charitable Institutions Act: Private hospitals, licensing expenses of	594		
Poisons Act: Expenses	292		
Social Hygiene Act: Maintenance of V.D. clinics (including payment for treatment, &c.)	201		
* Sale of Food and Drugs Act: Net cost	932		
Medical Practitioners Act: Expenses of Medical Board, &c.	471		
Masseurs Registration Act: Examination expenses, &c.	153		
Nurses and Midwives Registration Act: Examination expenses	3,149		
Opticians Act: Examination expenses, &c.	289		
Plumbers Registration Act: Examination expenses, &c.	646		
Transfer and maintenance, New Zealand lepers at Makogai	360		
General administration—	£		
Salaries and temporary assistance	71,596		
Travelling, transfer, and removal expenses	8,813		
Office expenses: Rent, telephone, postage, and telegrams, printing and stationery, &c.	15,833		
Maintenance of departmental motor-cars	3,532		
Repairs to private car damaged in collision with departmental vehicles	119		
Medical expenses of dental-clinic patients injured while receiving treatment	26		
Rest Home, Otaki: Interest, &c., on land purchased	7		
Carried forward	99,926	Carried forward	1,631,057
	1,357,328		

DEPARTMENT OF HEALTH—continued.

GENERAL REVENUE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940—continued.

<i>Expenditure</i> —continued.				<i>Income</i> —continued.				
£				£				
Brought forward	99,926	1,357,328	Brought forward	..	..	1,631,057
<i>General Administration—continued.</i>								
Scheme for supply of milk to school-children	156,748					
Expenses of delegates attending overseas conference	12					
Structural alterations to rented premises	1,286					
Contributions to National Provident Fund	7,023					
Hospital fees of departmental officers	278					
Administration expenses, King George V Memorial Fund	49					
Expenses of Cancer Conference	77					
Contribution to Office International d'Hygiene Publique	217					
				265,616				
Depreciation on buildings, equipment, &c. (other than amounts charged against specific activities)	8,113					
				£1,631,057				£1,631,057
				£				£
Balance brought down	1,609,835		Balance after charging interest on capital	..	..	1,621,372
Interest on capital at 4 per cent. per annum (other than amounts charged against specific activities)	11,537					
				£1,621,372				£1,621,372

DEPARTMENT OF HEALTH—continued.
DENTAL HOSTELS, WELLINGTON.

INCOME AND EXPENDITURE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 1940.

Expenditure.	Ghuznee Street.	Hobson Street.	Total.	Income.	Ghuznee Street.	Hobson Street.	Total.
	£	£	£		£	£	£
Provisions	907	691	1,598	Board and lodging receipts ..	3,019	2,278	5,297
Salaries and wages	929	763	1,692	Balance carried down ..	133	..	133
Domestic	434	411	845				
Establishment .. ..	..	389	389				
Miscellaneous expenditure ..	457	90	547				
	2,727	2,344	5,071				
* Less establishment charge, 1938-39, capitalized ..	..	910	910				
	2,727	1,434	4,161				
Depreciation—							
Buildings .. ..	..	123	123				
Lease	220	..	220				
Equipment	85	111	196				
Administration expenses ..	120	129	249				
Balance carried down ..	..	481	481				
	3,152	2,278	5,430		3,152	2,278	5,430
	£	£	£		£	£	£
Balance brought down ..	133	..	133	Balance brought down ..	..	481	481
Interest on capital ..	60	567	627	Excess of expenditure over income carried to main Income and Expenditure Account ..	193	86	279
	193	567	760		193	567	760

* Adjustment of amount charged to maintenance (establishment) in accounts of 1938-39. Capitalized through Public Works Fund, 1939-40.

KING GEORGE V HOSPITAL, ROTORUA.

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

Expenditure.	£	Income.	£
Bad debts written off	9	Miscellaneous income	100
Balance carried to main Income and Expenditure Account ..	91		
	£100		£100

QUEEN MARY HOSPITAL, HANMER.

FARM WORKING ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

Dr.	£	Cr.	£
Stock on hand, 1st April, 1939—		Supplies to institution —	
Live	358	Milk	1,261
Other	13	Fruit	28
	371	Meat	9
Purchases—		Vegetables	43
Seeds and manures	158		1,341
Repairs and renewals	49	Sales—	
Fodder	262	Produce	18
	469	Live-stock	20
Salaries and wages	798	Skins	2
Other expenses	86		40
Depreciation	91	Services to the institution	38
	1,815	Stock on hand, 31st March, 1940—	
Balance carried down	2	Live	325
	£1,817	Other	73
			398
			£1,817
	£		£
Interest on capital	67	Balance brought down	2
	£67	Balance (loss)	65
			£67

DEPARTMENT OF HEALTH—*continued*
QUEEN MARY HOSPITAL, HANMER—*continued*.
INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940, COMPARED WITH PREVIOUS YEAR.

[illegible]

DEPARTMENT OF HEALTH—continued.
ST. HELENS MATERNITY HOSPITALS.

INCOME AND EXPENDITURE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 1940.

	Auckland.	Wellington.	Christchurch.	Dunedin.*	Invercargill.	Total.
<i>Expenditure.</i>						
Provisions ..	£ 1,749	£ 1,541	£ 991	£ ..	£ 687	£ 4,878
Surgery and dispensary ..	386	305	209	..	192	1,092
Salaries and wages ..	6,281	6,084	4,447	..	3,007	19,819
Domestic ..	2,769	2,445	499	..	651	6,814
Establishment ..	1,192	167	499	..	64	1,922
Grounds ..	41	164	24	..	189	409
Miscellaneous maintenance ..	36	38	29	..	29	132
Miscellaneous expenditure: Rents ..	..	..	..	..	113	113
Depreciation—						
Buildings ..	828	324	223	123	236	1,734
Equipment ..	12	3	3	..	5	23
Other improvements ..	57	18	..	..	3	78
Bad debts written off ..	1,188	1,385	515	20	441	3,549
Administration expenses ..	823	669	475	..	354	2,321
Maintenance of outdoor services ..	22	11	47	..	17	97
Balance brought down ..	15,384	13,154	8,321	143	5,979	42,981
Interest on capital ..	£ 12,334	£ 10,808	£ 6,659	£ 143	£ 4,862	£ 34,806
	1,497	628	650	151	259	3,185
	13,831	11,436	7,309	294	5,121	37,991
<i>Income.</i>						
† Fees receivable—	£ 2,921	£ 2,203	£ 1,515	£ ..	£ 1,108	£ 7,747
In-patients ..	62	14	61	..	7	144
Out-patients ..	1	..	2	..	2	5
Babies ..	66	129	84	..	..	279
Miscellaneous income..	12,334	10,808	6,659	143	4,862	34,806
Balance carried down ..	15,384	13,154	8,321	143	5,979	42,981
Excess of expenditure over income carried to main Income and Expenditure Account	£ 13,831	£ 11,436	£ 7,309	£ 294	£ 5,121	£ 37,991
	13,831	11,436	7,309	294	5,121	37,991
Cost per occupied bed per annum ..	£449.6	£506.8	£452.5	..	£417.2	..
Average number of occupied beds per day ..	27.7	23.2	15.6	..	11.8	..
Number of patients treated ..	813	626	435	..	332	2,206

* Institution closed on 22nd January, 1938.
† Since the date of commencement of maternity benefits under Part II of the Social Security Act, 1938—viz., 15th May, 1938—fees recoverable from the Social Security Fund have been assessed on the basis of proportion of fees previously recovered—i.e., 96½ per cent. of fee payable.

HOWARD ESTATE ACT, 1919: ESTATE OF JOSIAH HOWARD.

FARM WORKING ACCOUNT FOR THE PERIOD 6TH JANUARY, 1939, TO 30TH JUNE, 1940.

<i>Dr.</i>	£	<i>Cr.</i>	£
Stock on hand, 6th January, 1939	15,262	Sales of stock, wool, &c.	8,790
Wages	2,725	Consumed on farm—	
Purchases of stock	340	Produce	1,470
Seeds and manure	335	Live-stock	303
Gross profit, transferred to Profit and Loss Account ..	4,470	Stock on hand, 30th June, 1940	12,569
	<u>£23,132</u>		<u>£23,132</u>

FARM PROFIT AND LOSS ACCOUNT FOR THE PERIOD 6TH JANUARY, 1939, TO 30TH JUNE, 1940.

<i>Dr.</i>	£	<i>Cr.</i>	£
Maintenance and general expenses	6,470	Gross profit from Working Account	4,470
		Sundry revenue	99
		Net loss	1,901
	<u>£6,470</u>		<u>£6,470</u>

GENERAL ESTATE INCOME ACCOUNT FOR THE PERIOD 6TH JANUARY, 1939, TO 30TH JUNE, 1940.

<i>Dr.</i>	£	<i>Cr.</i>	£
Advisory Board expenses	43	Dividends and interest	217
Massey College fees	266	Reserves adjusted	1,373
Farm Profit and Loss Account	1,901	Balance, transferred to Estate Account	620
	<u>£2,210</u>		<u>£2,210</u>

BALANCE-SHEET AS AT 30TH JUNE, 1940.

<i>Liabilities.</i>	£	<i>Assets.</i>	£
Capital	84,374	Land and buildings	63,350
Reserves for unrealized profits*—		Farm implements and machinery	984
Wool and produce	917	Furniture	196
Live-stock	914	Live-stock—	
Sundry creditors	78	Sheep	7,440
		Cattle	3,828
		Horses	384
			<u>11,652</u>
		Shares†	175
		Produce, manure, &c.	839
		Wool, hides, and skins	138
		Sundry debtors	202
		Cash	6,794
		Expenditure capitalized: Smedley Boys' Training-farm ..	1,953
	<u>£86,283</u>		<u>£86,283</u>

* Reserve created to ensure that value of unrealized produce is not made available for payment of income.
capital, £50.

† Contingent liability on shares. Uncalled

A. R. F. MACKAY, Accountant to the Treasury.

I hereby certify that the Balance-sheet and accompanying accounts have been duly examined and compared with the relative books and documents submitted for audit, and correctly state the position, as disclosed thereby.—
CYRIL G. COLLINS, Controller and Auditor-General.

DEPARTMENT OF INDUSTRIES AND COMMERCE, TOURIST AND PUBLICITY.

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH 1940.

<i>Expenditure.</i>				<i>Income.</i>			
Net loss after charging interest and portion of Head Office administration expenses—				Net profit after charging interest and portions of Head Office administration expenses—			
			£				£
Industries and Commerce Branch .. .. .	..	..	141,961	Rotorua electric .. .. .	..	..	7,132
Te Aroha .. .. .	..	..	3,621	Miscellaneous receipts .. .. .	..	..	573
Rotorua Baths .. .. .	..	..	14,172	Balance, net loss .. .. .	..	..	243,544
Rotorua Sanatorium .. .. .	..	..	1,886				
Rotorua Gardens .. .. .	..	..	6,147				
Rotorua water and drainage .. .. .	..	..	2,486				
Rotorua reserves .. .. .	..	..	1,742				
Rotorua wharves and beacons .. .. .	..	..	217				
Waimangu Round Trip .. .. .	..	..	344				
Hotel Waitomo and Caves .. .. .	..	..	2,864				
Chateau Tongariro .. .. .	..	..	3,444				
Lake House, Waikaremoana .. .. .	..	..	2,525				
Morere Hot Springs .. .. .	..	..	453				
Hermitage Hotel (leased) .. .. .	..	..	1,093				
Te Anau Hotel .. .. .	..	..	1,833				
Queenstown .. .. .	..	..	1,184				
Milford Hotel and Track, Cascade Creek Camp, and Te Anau Steamer .. .. .	..	..	7,641				
Miscellaneous reserves .. .. .	..	..	500				
Sydney and Melbourne Offices .. .. .	..	..	8,571				
Toronto Office .. .. .	..	..	3,478				
London Office .. .. .	..	..	640				
Brussels Office .. .. .	..	..	2,175				
Los Angeles Office .. .. .	..	..	2,290				
Publicity Branch .. .. .	..	..	29,445				
Passenger Booking Branch .. .. .	..	..	7,225				
Expenses of minor overseas agencies .. .. .	..	..	189				
Subsidies to inland mail services .. .. .	..	..	1,071				
Miscellaneous expenditure not apportioned .. .. .	..	..	883				
Interest on National Development Account .. .. .	..	..	1,169				
			£251,249				£251,249

PASSENGER BOOKING ACCOUNT.

WORKING ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Dr.</i>	£	<i>Cr.</i>	£
Net loss—		Commission on Government tour orders	431
Auckland	1,250	Miscellaneous receipts	1,682
Rotorua	384	Net loss to Income and Expenditure Account	7,225
Wellington	949		
Christchurch	833		
Dunedin	59		
Invercargill	885		
Overseas commission on tours	1,731		
Misappropriation of public moneys	220		
Miscellaneous expenses	712		
Head Office expenses	2,293		
Interest on capital	18		
Depreciation	1		
Writings-off	3		
	£9,338		£9,338

INDUSTRIES AND COMMERCE BRANCH.

WORKING ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Dr.</i>	£	<i>Cr.</i>	£
Salaries	23,638	Gas Regulations Account	285
Advertising, purchase of books, freight, &c.	1,053	Pharmacy Industrial Plan Account	2,462
Rent	2,956	Recoveries : Glasgow Exhibition expenditure	1,027
Postages	1,059	Petrol license fees	9,439
Office cleaning, fuel, light	135	Fish industry license fees	2,256
Printing and stationery, office fittings and requisites	764	Miscellaneous receipts	92
Travelling expenses and allowances	1,278	Balance carried down	140,854
Telephones	1,693		
Rail passes to H.M. Trade Commissioners	116		
Expenses of minor agencies overseas	47		
Grant : Imperial Economic Committee	1,760		
Bureau of Industry : Expenses	323		
Flax industry : Expenses	6,589		
Petrol industry, Expenses in connection with	543		
New York Exhibition	8,583		
San Francisco Exhibition	1,224		
New Zealand Centennial Exhibition Account	75,972		
New Zealand—Vancouver mail subsidy	15,000		
Advertising New Zealand-made goods	2,298		
Price Investigation Tribunal expenses	3,838		
Sugar-beet industry expenses	602		
Blue-cod industry : Subsidy	1,274		
Manufacturers' Directory	599		
New Zealand Standards Institute Account	4,031		
Miscellaneous expenditure	742		
Depreciation	185		
Writings-off	113		
	£156,415		£156,415
	£		£
Balance brought down	140,854	Net loss to Income and Expenditure Account	141,961
Head Office expenses	964		
Interest on capital	143		
	£141,961		£141,961

DEPARTMENT OF INDUSTRIES AND COMMERCE, TOURIST AND PUBLICITY—continued.
 WORKING ACCOUNTS FOR THE YEAR ENDED 31st MARCH, 1940.

	Te Anau.	Rotorua Baths.	Rotorua Sanatorium.	Rotorua Gardens.	Rotorua Electric System.	Rotorua Water and Drainage.	Rotorua Reserves.	Rotorua Wharves and Piers.	Waihanu Round Trip.	Motere.	Queens- town.	Mount Cook Hermitage (leased).	Total.
<i>Dr.</i>	£	£	£	£	£	£	£	£	£	£	£	£	£
Stores as at 1st April, 1939	48	..	288	12	2	..	..	..	41	..	..	..	391
Salaries and wages	2,920	10,966	3,132	4,720	4,714	943	745	..	999	305	981	..	30,427
Repairs, travelling-expenses, freight, telephones, &c.	..	371	103	46	325	42	55	..	83	129	89	..	1,476
Purchase of stores	178	1,384	2,919	502	1,633	251	14	11	196	..	26	..	7,114
Laundry expenses	..	1,196	247	..	..	..	..	..	..	..	..	..	1,443
Electric energy and water expenses	..	1,112	193	366	12,394	808	9	..	..	40	5	..	15,185
Administration expenses	599	1,112	723	827	1,791	690	210	16	273	..	..	..	6,232
Conversion (110-230 volts)	..	..	..	..	926	..	..	..	..	..	..	..	926
Buildings, renovations	..	586	..	..	..	..	..	..	..	18	..	..	604
Services rendered by Rotorua Baths	..	..	1,628	..	..	..	..	..	..	..	..	..	1,628
Depreciation	350	3,819	367	282	1,683	1,983	135	127	160	192	55	741	9,894
Writings-off	30	370	160	24	31	34	..	..	16	11	4	..	674
Sub-total	4,207	20,916	9,760	6,779	23,899	4,751	1,168	156	1,762	695	1,160	741	75,994
Head Office expenses	218	425	518	440	582	379	105	..	106	85	91	..	2,949
Interest on capital	527	3,847	301	785	2,815	2,847	1,036	73	77	231	159	1,478	14,176
	4,952	25,188	10,579	8,004	27,296	7,977	2,309	229	1,945	1,011	1,410	2,219	93,119
<i>Cr.</i>	£	£	£	£	£	£	£	£	£	£	£	£	£
Receipts	1,073	9,628	8,261	1,547	34,215	5,398	4	12	1,414	544	200	..	61,696
Services rendered to sanatorium	..	1,628	..	..	..	..	..	..	..	..	..	..	1,628
Miscellaneous receipts	9	20	20	..	108	75	..	..	18	..	..	..	272
Interest on advances	..	..	..	..	..	..	121	..	..	..	..	676	797
Rents receivable	213	340	71	252	81	18	442	..	120	14	26	..	2,027
Stores as at 31st March, 1940	36	..	341	36	24	..	..	..	49	..	..	..	486
Sub-total	1,331	11,016	8,693	1,857	34,428	5,491	567	12	1,601	558	226	1,126	66,906
Less excess income over expenditure	3,621	14,172	1,886	6,147	7,132	2,486	1,742	217	344	453	1,184	..	7,132
Add excess expenditure over income	4,952	25,188	10,579	8,004	27,296	7,977	2,309	229	1,945	1,011	1,410	2,219	93,119

DEPARTMENT OF INDUSTRIES AND COMMERCE, TOURIST AND PUBLICITY—continued.
WORKING ACCOUNTS FOR THE YEAR ENDED 31st MARCH, 1940—continued.

	Waitomo Hotel and Caves.	Chateau Tongariro.	Lake House, Waikare- moana.	Te Anau Hotel, Te Anau.	Milford Hotel and Track, Lake Te Anau Steamer, and Cascade Creek.	Mis- cellaneous Reserves.	Sydney and Melbourne Office.	Toronto Office.	Los Angeles Office.	Brussels Office.	London Office.	Fulbright Branch.	Total.
<i>Dr.</i>													
Stores as at 1st April, 1939	£ 418	£ 3,146	£ 476	£ 428	£ 1,236	£	£	£	£	£	£	£	£
Salaries and wages	5,404	11,675	2,394	1,573	3,554	222	4,348	2,108	1,395	1,618	553	1,566	7,270
Rent							2,600	338	339	106		1,536	36,380
Electric light and water	1,066		555										3,886
Stores purchased	3,635	13,383	3,243	2,915	3,680								1,561
Freight, repairs, travelling-expenses, &c.	739	3,188	860	611	1,695	170	1,761	945	508	422	87		26,856
Advertising	152	510	246	124	107								10,986
Building renovations, &c.	218	350										4,453	5,592
Folders, books, and posters													568
Miscellaneous publicity and general expenses												5,756	5,756
Photographs, films, and displays												2,345	2,345
Depreciation	1,784	2,688	847	538	2,133	265	120	66	31	19		15,293	15,293
Writings-off	199	1,668	222	78	200		19		1			1,582	10,613
												192	1,979
Sub-total	13,555	36,093	8,843	6,267	12,605	597	8,848	3,457	2,274	2,168	640	32,723	127,985
Head Office expenses	418	596	265	227	454	102						1,615	3,687
Interest on capital	2,012	2,855	818	822	1,391	270	44	21	16	7		969	9,225
	15,985	39,459	9,926	7,326	14,450	969	8,892	3,478	2,290	2,175	640	35,307	140,897
<i>Cr.</i>													
Board and accommodation	£	£	£	£	£	£	£	£	£	£	£	£	£
Cave fees	6,295	26,796	4,540	2,636	3,740								44,007
Sale of tobacco, aerated waters, &c.	5,625												5,625
Hire of equipment	425	3,020	591	2,092	228								6,356
Miscellaneous	128	2,369	82		82								2,579
Steamer, launches, and boat fares	210	1,448	1,267	44	324		321					3,797	7,411
Rents receivable			548		1,085								1,633
Stores at 31st March, 1940	50	78		145		469							742
	388	2,304	455	576	1,350							2,065	7,138
Sub-total	13,121	36,015	7,401	5,493	6,809	469	321	3,478	2,290	2,175		5,862	75,491
Add excess expenditure over income	2,864	3,444	2,525	1,833	7,641	500	8,571				640	29,445	65,406
	15,985	39,459	9,926	7,326	14,450	969	8,892	3,478	2,290	2,175	640	35,307	140,897

DEPARTMENT OF INDUSTRIES AND COMMERCE, TOURIST AND PUBLICITY *continued.*

BALANCE-SHEET AS AT 31ST MARCH, 1940.

<i>Liabilities.</i>				<i>Assets.</i>			
		£	£				£
Capital—				Land			197,065
Public Works Fund		746,202		Buildings			276,226
Consolidated Fund		33,226		Stores			16,888
Unemployment Fund		331		Motor-vehicles			2,107
			779,759	Live-stock			676
Creditors—				Furniture and fittings			29,748
Departmental		7,707		Debtors—		£	
Sundry		17,300		Departmental		10,876	
			25,007	Sundry		13,530	
Passenger booking—							24,406
Ticket Sales Account		35,254		Water and drainage systems			80,527
Deposits on Tours Account		2,805		Rotorua electric system : Land, transmission-line, buildings, &c.			71,729
			38,059	Plant and machinery			7,708
Reserve for doubtful debts			633	Wharves and slipways			3,689
Writing-off Reserve			4,979	Electric systems at hotels			27,724
Deposit Account, Rotorua			678	Steamer, launches, and boats			4,927
Treasury Adjustment Account			255,241	Bridges			3,610
				Garden implements			400
				National Development Account			31,841
				Linen, crockery, cutlery, silverware, &c.			18,522
				Telephone-lines			944
				Gas-testing equipment			220
				Refrigeration plant (London) : Half-share			31
				Exhibition material			11,832
				Photographic apparatus			9,174
				Assets in Suspense			4,979
				Payments in Advance Account			300
				Cash in hands of receivers			929
				Advance : Rotorua Golf Club			2,334
				Cash on deposit : Rotorua Office			78
				Cash on deposit at bank			6,972
				Cash in General Post Office			704
				Receiver-General's Deposit Account			20,600
				Remittances in transit, and outstanding balances at tourist bureaux			4,514
				Passenger Booking Suspense Account			8
				Income and Expenditure Account: Excess of expenditure over income			243,544
			£1,104,356				£1,194,356

L. J. SCHMITT, General Manager.
J. HOUSTON, Accountant.

I hereby certify that the Income and Expenditure Account and Balance-sheet have been duly examined and compared with the relative books and documents submitted for audit, and correctly state the position as disclosed thereby, subject to the explanatory notes dealing with departmental accounts generally as appearing at commencement of parliamentary return B-1 [Pt. IV]. —CYRIL G. COLLINS, Controller and Auditor General.

DEPARTMENT OF INTERNAL AFFAIRS.

HEAD OFFICE (INCLUDING MINISTERS' SECRETARIES, MESSENGERS AND CLEANERS, MISCELLANEOUS SERVICES, AND PAYMENTS UNDER SPECIAL ACTS).

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Expenditure.</i>		<i>Income.</i>	
DEPARTMENTAL ADMINISTRATIVE CHARGES.		Net credits on account of vote expenditure—	
	£		£
Salaries	45,680	Auctioneers' license fees, commission on ..	216
Cinematograph films: Censorship and other expenses	975	Deer herds: Sale of skins, &c.	14,628
Commissions of inquiry	2,594	Dogs, prevention of hydatids in	56
Deer herds, reduction of	29,275	New Zealand Centennial publications, sale of	3,256
Dogs, prevention of hydatids in	2,058	<i>New Zealand Gazette</i> , sale of	2,090
Entertaining visitors to New Zealand ..	7,387	Regulations, sale of	1,927
Freight and cartage	819		22,173
Fresh-water fisheries and game	6,106	Miscellaneous revenue—	
Fuel, light, power, and water	900	Naturalization and other fees under British	
Losses on sale and writing off of assets ..	32	Nationality and Status of Aliens (in New	
Maintenance of buildings and equipment ..	658	Zealand) Act, 1928	638
Office cleaning	256	Fees for confirmation of by-laws under By-	
Opossums	116	laws Act, 1910	3
Overtime and meal allowance	298	Cinematograph films: Censorship and other	
Patriotic Purposes Emergency Regulations, administration of	776	fees	3,206
Physical welfare and recreation	2,763	Fresh-water fisheries and game: License and	
Postage and telegrams	1,188	other fees	7,232
Printing and stationery	1,437	Interest on loan	44
Publications	154	Land-agents license fees	5,646
Rent of offices	1,256	Opossum revenue	3,666
Sundries	61	Passport fees	2,076
Telephone services	487	Public Safety Conservation Act, 1932: Fees	
Totalizators, inspection of	842	for change of name	30
Town-planning expenses	1,505		22,541
Transfer expenses of officers	94	Recoveries on account of expenditure in previous years	378
Travelling allowances and expenses	724	Balance carried down	482,340
Turnbull Library expenses	585		
Uniforms	63		
War graves, upkeep of	3,314		
Depreciation: Buildings	2,507		
	115,210		
GENERAL GOVERNMENT ADMINISTRATIVE CHARGES.			
Salaries of Ministers' Secretaries, messengers and cleaners, clerks and typists in other Departments and Ministers' offices ..	122,637		
Compassionate grants to widows of deceased officers	45		
Fuel, light, power, and water	10,297		
Maintenance of buildings, motors, and equipment	208		
Ministerial telegraphic memoranda	6,800		
<i>New Zealand Gazette</i>	6,462		
Office cleaning	2,569		
Printing and stationery for Ministers' offices ..	1,008		
Publications for Ministers	494		
Regulations Act, 1936	1,375		
Rent of offices	3,220		
Sundries	36		
Telephone services	1,429		
Transfer expenses of messengers	53		
Travelling allowances and expenses of Ministers	5,907		
Travelling allowances and expenses of Private Secretaries	3,040		
Travelling allowances and expenses of Ministerial staff	256		
Travelling allowances and expenses of co-opted Members of Parliament	143		
Travelling allowances and expenses of messengers	345		
Uniforms	768		
	167,092		
SPECIAL ACTS.			
Honoraria of Governor-General and Ministers of the Crown	22,899		
Appropriation Act, 1926, section 15	4,330		
	27,229		
OTHER CHARGES.			
Cost-of-living bonus to annuitants	356		
Death of Right Hon. M. J. Savage: Funeral expenses	347		
Flood damage, relief of	229		
Grants	11,793		
Imperial War Conference, London, 1939 ..	2,397		
Carried forward	15,116	Carried forward	527,432
	309,531		

DEPARTMENT OF INTERNAL AFFAIRS—*continued.*INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940—*continued.*

<i>Expenditure—continued.</i>		£	£	<i>Income—continued.</i>		£
Brought forward		15,116	309,531	Brought forward		527,432
<i>OTHER CHARGES—continued.</i>						
New Zealand Centennial celebrations :						
Biographical, &c., surveys		8,159				
General expenses		2,942				
Grant to New Zealand Numismatic Society ..		100				
Grants to National organizations		1,462				
Literary, &c., competitions		553				
Maori celebrations and memorials		12,656				
Music and Drama Festivals		30				
National celebrations		6,070				
Subsidies to Centennial Controlling Committees		32,638				
Parliaments of Empire: Grant towards cost						
of <i>Journal</i> (London)		200				
Payment to External Affairs Department: Cost						
of free passage on "Maui Pomare"		49				
Public Service Superannuation Fund—						
Contribution to		86,900				
Part-cost of actuarial examination		538				
Subsidies to Boy Scouts' Association		750				
Subsidies to Fire Boards		4,264				
Sundries		121				
Superannuation funds :						
Increased allowances to widows and children		13,597				
Contributions under Statutes Amendment						
Act, 1936		743				
Reimbursement of loss of interest		28,408				
Visit of Dr. R. M. Campbell to New Zealand		508				
Visit of Minister of Finance to England, 1939		2,624				
Visit of Mr. J. Hodgens, M.P., and an officer						
of the Public Works Department to Australia,		373				
1939						
		217,901				
		£527,432				£527,432
		£				£
Balance brought down		482,340		Excess of expenditure over income		484,274
Interest on capital		1,934				
		£484,274				£484,274

HIGH COMMISSIONER'S OFFICE.

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Expenditure.</i>		£	<i>Income.</i>		£
Salaries		32,447	Sundry revenue :		
Advertising, &c.		173	Recoveries of salaries		6,453
Air-raid precautions		658	Rent of offices		3,200
Fuel, light, power, and water		886	Shipping charges		182
House allowance: High Commissioner		833	Recoveries on account of expenditure in previous years		19
Motors, maintenance of		177	Balance carried down		37,605
National Insurance Act, 1911		45			
Office cleaning		152			
Office requisites		74			
Official entertainments		186			
Overtime and meal allowance		252			
Postage and telegrams		1,508			
Printing and stationery		771			
Rent, rates, and taxes		7,978			
Repairs to offices		311			
Travelling allowances and expenses		308			
Sundries		34			
Depreciation		666			
		£47,459			£47,459
		£			£
Balance brought down		37,605	Balance		38,524
Interest on capital		919			
		£38,524			£38,524

DEPARTMENT OF INTERNAL AFFAIRS—continued.

EXPLOSIVES BRANCH.

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Expenditure.</i>				<i>Income.</i>			
		£				£	
Salaries		4,288		Explosive license fees		7,070	
Fuel, light, power, and water		82		Storage of powder		1,701	
Magazine expenses		1,663		Magazine revenue		1,629	
Overtime and meal allowances		95		Rents receivable		105	
Postage		205					
Printing and stationery		81					
Rent		320					
Travelling allowances and expenses		983					
Sundries		64					
Depreciation		530					
Balance carried down		2,194					
		£10,505				£10,505	
		£				£	
Interest on capital		312		Balance carried down		2,194	
Excess of income over expenditure		1,882					
		£2,194				£2,194	

COMBINED BALANCE-SHEET AS AT 31ST MARCH, 1940.

<i>Liabilities.</i>				<i>Assets.</i>			
		£				£	
Capital at 31st March, 1940—				Land		16,615	
Public Works Fund		8,178		Buildings		22,479	
Consolidated Fund		74,682		Bridges		95	
		82,860		Wharves and beacons		1,422	
Value of gift assets		51,858		Plant and machinery		257	
		134,718		Launches and boats		687	
Creditors—				Mechanical appliances		1,114	
Departmental		2,923		Tools and utensils		598	
Sundry		17,550		Furniture and fittings		6,543	
		20,473		Motor-vehicles		2,229	
Repayment of loans in advance		172		Explosives appliances		20	
Writings-off in Suspense		165		Photographic apparatus		25	
Treasury Adjustment Account		553,329		Libraries—			
				Turnbull		59,456	
				Miscellaneous		652	
						60,108	
				Camp equipment		1,041	
				Hunting equipment		59	
				Live-stock		186	
				Consumable stores		1,125	
				Stock of deer-skins		59	
				Stock of deer-hunters equipment		132	
				Lease of buildings, London		19,815	
				Shares in New Zealand Centennial Exhibition Co.		30,919	
				Debtors—			
				Departmental		6,384	
				Sundry		14,092	
				Stranded New Zealanders		718	
				Advances to staff of High Commissioner's Office for evacuation expenses		725	
						21,919	
				Assets in Suspense		165	
				Excess of expenditure over income		520,915	
		£708,857				£708,857	

J. W. HEENAN, Under-Secretary.
J. R. DEAL, Accountant.

I hereby certify that the Income and Expenditure Accounts and Balance-sheet have been duly examined and compared with the relative books and documents submitted for audit, and correctly state the position as disclosed thereby, subject to the explanatory notes dealing with departmental accounts generally as appearing at commencement of parliamentary return B. 1 [Pt. IV].—CYRIL G. COLLINS, Controller and Auditor-General.

DEPARTMENT OF JUSTICE AND PRISONS.

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940 (COURTS, ETC.).

	Courts and General.	Patents.	Bankruptcy.	Registrar General's Office.	Court of Review.	Total.
<i>Expenditure.</i>	£	£	£	£	£	£
Salaries	125,922	5,077	6,803	17,984	3,060	158,846
Registration of births, deaths, and marriages .. .. .	..	..	..	495	..	495
Payment to non-permanents .. .. .	..	..	..	2,801	..	2,801
Payment to Post Office .. .. .	..	..	115	..	..	115
Remuneration to Deputy Official Assignees	11,220	..	47	..	..	11,267
Criminal prosecutions and law-costs .. .. .	..	339	..	..	..	339
Fees: Subscriptions to International Unions	5,697	57	34	174	..	5,962
Fuel, light, cleaning, &c.	224	..	..	..	..	224
Grants, Judges' libraries	108	..	..	..	..	108
Compassionate grant	4,426	..	..	..	..	4,426
Inquests, costs of	1,292	..	..	..	..	1,292
Juries Act, expenses under	110	..	..	..	..	110
Law Revision Committee, expenses of	3,945	70	124	1,131	43	5,313
Postages, telegrams, commission on money-orders, &c. ..	2,270	1,184	264	961	..	4,679
Printing and stationery, Annotation of Statutes, and cost of <i>Patent Office Journal</i>	3,434	..	..	..	..	3,434
Reformatory Institutions Act, expenses under	7,503	11	20	34	..	7,568
Repairs and maintenance .. .. .	..	991	1,333	749	1	3,074
Rents	286	8	7	140	105	546
Sundry expenses	2,582	76	86	150	..	2,894
Telephones, &c.	11,299	..	13	136	740	12,188
Transfer and removal expenses and travelling allowances and expenses	10,685	61	52	121	..	10,919
Depreciation	20,250	172	20	34	..	20,476
Interest on capital .. .. .	..	5,034	..	6,316	..	..
Sectional profit .. .. .	..	..	..	..	..	..
	211,253	13,080	8,918	31,226	3,949	257,076
<i>Income.</i>	£	£	£	£	£	£
Fees and fines and commission	162,210	13,080	4,939	31,226	10	211,465
Auctioneers, Land Agents, Money-lenders, and Second- hand Dealers Act, fees under	2,378	..	..	..	..	2,378
Estreated recognizance	16	..	..	..	..	16
King's counsel fees	8	..	..	..	..	8
Reformatory Institutions Act: Recoveries of maintenance ..	571	..	..	..	..	571
Rents	1,021	..	..	..	..	1,021
Sundry sales	1	..	..	..	3	4
Sectional losses	45,048	..	3,979	..	3,936	..
Net loss in all sections .. .. .	..	..	..	..	..	41,613
	211,253	13,080	8,918	31,226	3,949	257,076

PRISON AND BORSTAL INSTITUTIONS.

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Expenditure.</i>	£	<i>Income.</i>	£
Salaries and allowances	61,756	Rent of departmental buildings	3,945
Clothing, footwear, and equipment	7,327	Sundry credits and recoveries	5,200
Earnings, wages, and gratuities, prisoners	10,807	Value of prison labour capitalized on works	526
Fuel, light, water, &c.	5,913	Surplus on industry accounts	19,766
Hospital maintenance and medicines	419	Net cost departmental upkeep (£136 per prisoner per annum)	123,815
Maintenance of buildings and grounds	3,861		
Postages, telegrams, stationery	1,324		
Rations	17,603		
Transport and travelling expenses	4,862		
	113,872		
Interest and depreciation	32,735		
	£		
Head Office administration expenses	7,032		
Less surplus, General Store Account	387		
	6,645		
	£153,252		£153,252

	Net Balances after charging Labour.	Labour Allocation	Public Account Surplus.
	£	£	£
Industry accounts—			
Blockmaking	Cr. 4	8	12
Bootmaking and repairs	Cr. 814	469	1,283
Brickworks	Dr. 1,223	2	1,221*
Farming	Dr. 6,128	5,798	330*
Gardening	Dr. 1,109	1,168	59
Laundering	Cr. 723	232	955
Roadworks and transport	Cr. 6,702	2,726	9,428
Quarrying	Cr. 2,970	2,977	5,947
Clothing industry	Cr. 2,160	845	3,005
Tobacco culture and manufacture	Cr. 286	165	451
Miscellaneous	Dr. 168	345	177
	5,031	14,735	19,766

* Deficit.

DEPARTMENT OF JUSTICE AND PRISONS—*continued*.

PRISONS HEAD OFFICE ADMINISTRATION.

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Expenditure.</i>	£	₤	<i>Income.</i>	£
Salaries and allowances	5,806		Net expenditure for year: Head Office administration	
Advertising, books, &c.	42		transferred to General Income and Expenditure Account	7,032
Cinematograph expenses	112		Prisons Board	379
Fuel, light, water, and sanitary	92			
Postages, telegrams, printing, and stationery	404			
Rent of buildings	350			
Sundry expenses	2			
Transport and travelling expenses	213			
Interest on capital	5			
Depreciation	6			
		7,032		
Prisons Board administration expenses (travelling)		379		
		<u>£7,411</u>		<u>£7,411</u>

PROBATION ADMINISTRATION.

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Expenditure.</i>	£	<i>Income.</i>	£
Salaries and allowances	3,324	Net expenditure for year	4,035
Assistance to discharged prisoners and grants to Prisoners' Aid Societies	213		
Postages, telegrams, printing, and stationery	191		
Rent of buildings	221		
Transport and sundry expenses	78		
Interest on capital	2		
Depreciation on furniture and fittings	6		
	<u>£4,035</u>		<u>£4,035</u>

GENERAL STORES (AUCKLAND AND WELLINGTON).

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Dr.</i>	£	<i>Cr.</i>	£
Opening stocks in store and in transit	5,271	Raw materials issued to workshops	6,170
Salaries and allowances	346	Sales to other Departments	5,949
Freight, cartage, and packing	60	Miscellaneous stores and manufactures issued to prisons	6,419
Manufactured articles received from workshops	10,612	Stores charges recovered	596
Postages, telegrams, printing, and stationery	36	Closing stocks in store and in transit	5,629
Purchases for issue and for manufacture	7,807		
Prison labour	26		
Interest on capital	218		
Profit to General Income and Expenditure Account	387		
	<u>£24,763</u>		<u>£24,763</u>

DEPARTMENT OF JUSTICE AND PRISONS—continued.
MISCELLANEOUS INDUSTRIES (PRISONS).
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

	Clothing Industry.	Boot- making and Repairing.	Floor- polish and Sandsap.	Quarrying.	Laundering and Mending.	Motor Transport.	Road- making and Main- tenance.	Printing.	Tobacco Culture and Manu- facture.	Block and Tile- making.	Total.
<i>Dr.</i>	£	£	£	£	£	£	£	£	£	£	£
Opening stocks—											
Metal and raw materials ..	..	..	..	905	..	..	..	93	77	32	1,107
Completed work and work in progress ..	86	58	..	..	..	..	..	..	11	362	517
Loose tools and equipment ..	39	251	..	..	..	587	127	40	..	..	1,044
Benzine, oils, &c. ..	..	..	..	85	..	1,846	..	..	..	..	1,931
Cleaning materials ..	30	..	..	..	86	..	..	..	..	..	116
Explosives ..	..	..	..	215	..	..	275	..	..	..	490
Freight, cartage, &c. ..	3	195	122	2,031	103	..	3,052	..	12	19	5,537
Fuel, light, &c. ..	199	43	..	1,024	306	..	40	..	16	..	1,628
Machine parts, tools, tyres, and repairs ..	12	18	..	1,002	102	1,041	160	4	..	..	2,339
Raw materials ..	2,724	3,297	549	..	..	..	..	87	166	..	6,823
Rent ..	156	104	..	..	..	..	..	..	..	..	260
Royalty ..	..	71	..	..	..	..	..	..	..	..	71
Sundries ..	42	11	1	103	19	32	6	7	5	..	226
Prison labour ..	845	469	47	2,977	232	660	2,065	122	165	9	7,591
Supervision and officers' labour ..	449	553	18	2,640	535	252	1,439	61	122	36	6,105
Interest on capital ..	34	56	5	610	116	49	9	8	15	30	962
Depreciation, buildings and plant, &c. ..	16	65	..	1,263	163	527	9	5	13	18	2,109
Sectional profit on working ..	2,160	814	..	2,970	723	..	7,164	..	286	4	..
Net profit on working ..	..	..	..	..	..	..	..	..	..	..	13,514
	6,825	6,005	742	15,855	2,385	4,994	14,346	427	888	510	52,370
<i>Cr.</i>	£	£	£	£	£	£	£	£	£	£	£
Cartages ..	..	..	..	..	..	4,002	..	..	..	..	4,002
Manufactures, sales, repairs, services, &c. ..	6,721	5,548	736	14,525	2,385	..	2,242	178	798	269	33,402
Roadwork (credits from other Departments ..	..	..	..	..	..	..	11,908	..	..	..	11,908
Royalty from leases ..	..	..	..	450	..	..	..	..	..	..	450
Closing stocks ..											
Loose tools and equipment ..	11	276	..	..	..	530	196	36	..	..	1,049
Completed work and work in progress ..	93	181	..	880	..	..	..	..	13	241	1,408
Metals and raw materials ..	..	..	..	..	..	..	..	74	77	..	151
Sectional loss on working ..	..	..	6	..	..	462	..	139	..	..	..
	6,825	6,005	742	15,855	2,385	4,994	14,346	427	888	510	52,370

DEPARTMENT OF JUSTICE AND PRISONS—continued.

FARM WORKING AND MINOR KITCHEN GARDEN ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 1940.

	Hautu.	Inver-cargill.	Rangipo.	Paparna.	Waikeria.	Wi Tako.	Minor Kitchen Gardens.	Total.
<i>Dr.</i>	£	£	£	£	£	£	£	£
Opening stocks								
Live-stock	4,922	4,267	4,009	2,749	16,318	1,557	335	34,157
Crops, &c.	236	1,138	392	2,216	3,160	223	277	7,642
Stores and tools	395	580	159	438	948	334	86	2,940
Purchase of live-stock, and transfers	918	949	334	508	710	465	146	4,030
Purchase of feed	563	..	289	..	166	219	70	1,307
Purchase of seeds and manures	1,727	331	1,187	730	1,375	60	326	5,736
Dairy expenses	..	88	..	4	245	12	..	349
Development expenses written off	..	..	122	..	..	..	..	122
Farm produce consumed on farm	..	703	..	903	2,830	119	53	4,608
Fencing and trees	11	14	..	29	147	11	..	212
Freight, cartage	339	560	484	541	1,538	456	46	3,964
Fuel, light, and power	..	96	..	36	..	..	..	132
Grazing charges	1,808	1,202	1,400	952	4,246	606	28	10,242
Horse-shoeing and repairs to harness	..	217	..	42	404	..	..	663
Maintenance of farm buildings and roads	..	72	..	..	..	..	..	72
Motor expenses	..	..	..	..	..	125	..	125
Orchard spray	..	..	..	..	30	..	..	30
Rabbiting-expenses	15	..	21	..	..	..	..	36
Repairs and replacements, tools and implements	81	410	52	177	326	136	23	1,205
Rent and rates	..	654	..	..	..	..	..	654
Sacks and threshing	..	108	..	137	17	6	..	268
Sundry expenses	68	135	17	156	205	106	197	884
Tractor expenses	57	..	72	..	..	..	..	129
Veterinary services	..	25	..	1	..	..	..	26
Prison labour	687	936	450	628	2,202	896	1,168	6,967
Supervision and officers' labour	1,095	2,363	835	1,276	4,628	1,194	627	12,018
Interest on capital	2,510	1,072	1,437	1,151	2,975	332	131	9,608
Depreciation of plant, &c.	166	491	31	184	388	221	134	1,615
Sectional profit on working	..	..	..	145	2,901	9	..	..
	15,598	16,411	11,291	13,003	45,759	7,087	3,647	109,741
<i>Cr.</i>	£	£	£	£	£	£	£	£
Sales and transfers of produce and live-stock	2,069	7,240	1,136	6,702	21,350	3,766	1,560	43,823
Sales of firewood and timber	..	118	..	..	..	..	..	118
Blacksmithing credits	..	424	..	..	1,505	..	..	1,929
Horse, tractor, and implement charges	474	373	536	491	..	617	..	2,491
Live-stock grazing credits	1,808	1,396	1,400	952	4,247	605	..	10,408
Closing stocks—								
Live-stock	5,799	4,135	3,952	2,558	14,503	1,561	407	32,915
Crops, &c.	428	1,072	509	1,714	2,861	347	472	7,403
Stores and tools	485	572	191	586	1,293	191	99	3,417
Sectional loss on working	4,535	1,081	3,567	..	..	..	1,109	..
Net loss on working	..	..	..	..	..	..	..	7,237
	15,598	16,411	11,291	13,003	45,759	7,087	3,647	109,741

DEPARTMENT OF JUSTICE AND PRISONS—*continued*.
COURTS, PRISONS, PATENTS, OFFICIAL ASSIGNEES, AND BIRTHS, DEATHS, AND MARRIAGE OFFICES.
BALANCE-SHEET AS AT 31ST MARCH, 1940.

<i>Liabilities.</i>				<i>Assets.</i>			
		£	£			£	£
Capital—				Land and buildings —			
Public Works Fund		980,788		Freehold		343,166	
Consolidated Fund		257,209		Leaseholds		8,347	
				Taupo land-development completed		86,625	
		1,237,997		Taupo land-development in progress		2,342	
Donation for buildings		2,250		Buildings		671,040	
			1,240,247				1,111,520
Treasury Adjustment Account			163,870	Libraries			4,018
Sundry creditors—				Furniture and fittings			16,586
Departmental		6,153		Stores on hand			18,593
Sundry		10,150		Fixed plants			9,320
			16,303	Implements and machinery			20,259
Accrued earnings of prisoners			2,521	Motor-vehicles			2,163
Accrued bankruptcy remuneration			241	Arms and accoutrements			450
Deposits			75,219	Loose tools and harness			2,130
Writings-off in Suspense			2,592	Live-stock			32,915
				Crops and gardens			7,606
				Clothing and bedding			12,475
				Sundry debtors—		£	
				Departmental		7,080	
				Sundry		3,880	
							10,960
				Cash in Deposit Accounts			75,219
				Expenditure paid in advance			47
				Butterfat bonuses held in deposit			1,258
				Postage-stamps on hand			959
				Accrued bankruptcy commission			2,081
				Writings-off in Suspense: Stores and live-stock, &c.			2,592
				Expenditure and revenue balances for the			
				year 1939-40—		£	
				Courts and Head Office administration		45,048	
				Mortgagors Adjustment Commissions		3,936	
				Prisons and Borstal maintenance		123,815	
				Prisons Board		379	
				Probation upkeep		4,035	
				Bankruptcy		3,979	
				Patents, trade-marks, &c.	Cr.	5,034	
				Births, deaths, and marriages	Cr.	6,316	
							169,842
			£1,500,993				£1,500,993

B. L. DALLARD, Under-Secretary of Justice.
K. MENZIES, Accountant.

I hereby certify that the Institutional Accounts, Subsidiary Working Accounts, Income and Expenditure Accounts, and Balance-sheet have been duly examined and compared with the relative books and documents submitted for audit, and correctly state the position as disclosed thereby, subject to the explanatory notes dealing with departmental accounts generally as appearing at commencement of parliamentary return B.-1 [Pt. IV] and to the following comment: No charge for Head Office administration has been made against the various Industry Working Accounts.—
J. P. RUTHERFORD, Deputy Controller and Auditor-General.

LAND AND INCOME TAX DEPARTMENT.

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Expenditure.</i>				£	<i>Income.</i>				£
Salaries .. .. .	..	..	..	58,795	Land-tax .. .. .	..	..	..	1,005,084
Advertising .. .. .	..	..	..	1,749	Income-tax .. .. .	..	..	..	11,938,939
Hire of machines and furniture .. .. .	..	..	..	42	Film-hire tax .. .. .	..	..	..	93,125
Law-costs .. .. .	..	..	..	534	Unclaimed moneys .. .. .	..	..	..	12,699
Motor-vehicles maintenance .. .. .	..	..	..	250	Interest on public moneys .. .. .	..	..	..	10
Office expenses .. .. .	..	..	..	235					
Postage and telegrams .. .. .	..	..	..	8,814					
Printing and stationery .. .. .	..	..	..	12,716					
Printing social security stamps .. .. .	..	..	..	362					
Rent .. .. .	..	..	..	9,928					
Refunds of unclaimed money .. .. .	..	..	..	788					
Repairs and renewals .. .. .	..	..	..	163					
Telephone expenses .. .. .	..	..	..	679					
Transfer and removal expenses .. .. .	..	..	..	79					
Travelling expenses and allowances .. .. .	..	..	..	3,334					
Services rendered by other Departments—									
Customs Department: Collection of deposits .. .. .	..	..	..	35					
Post and Telegraph Department: Collection of tax, &c. .. .. .	..	..	..	29,230					
Valuation Department: Contribution towards expenses .. .. .	..	..	..	19,238					
Interest on income-tax paid in advance .. .. .	..	..	..	11,132					
				158,103					
Depreciation .. .. .	..	..	..	4,406					
Balance carried down .. .. .	..	..	..	12,887,348					
				£13,049,857					£13,049,857
				£					£
Interest on capital .. .. .	..	..	..	1,230	Balance brought down .. .. .	..	..	..	12,887,348
Excess of revenue over expenditure .. .. .	..	..	..	12,886,118					
				£12,887,348					£12,887,348

BALANCE-SHEET AS AT 31ST MARCH, 1940.

<i>Liabilities.</i>				£	<i>Assets.</i>				£
Capital .. .. .	..	..	..	38,765	Furniture and fittings .. .. .	..	..	..	12,358
Sundry creditors .. .. .	..	..	..	35,351	Appliances .. .. .	..	..	..	4,664
Departmental .. .. .	..	..	..	208,965	Library .. .. .	..	..	..	562
Other .. .. .	..	..	..	150,000	Motor-vehicles .. .. .	..	..	..	232
Suspense Account: Default assessments .. .. .	..	..	..	12,886,118	Improvements to leasehold premises .. .. .	..	..	..	20,949
Excess of revenue over expenditure .. .. .	..	..	..		Forms and stationery .. .. .	..	..	..	2,008
					Official stamps .. .. .	..	..	..	21
					Expenses paid in advance .. .. .	..	..	..	220
					Sundry debtors—				
					Departmental .. .. .	..	..	..	13
					Others .. .. .	..	..	..	1,105,120
					Cash in Post Office .. .. .	..	..	..	687,533
					Treasury Adjustment Account .. .. .	..	..	..	11,485,519
				£13,319,199					£13,319,199

J. M. PARK, Commissioner of Taxes.

I hereby certify that the Income and Expenditure Account and Balance-sheet have been duly examined and compared with the relative books and documents submitted for audit, and correctly state the position as disclosed thereby, subject to the explanatory notes dealing with departmental accounts generally as appearing at commencement of parliamentary return B. I [Pt. IV].—CYRIL G. COLLINS, Controller and Auditor-General.

LAND FOR SETTLEMENTS ACCOUNT.

REVENUE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

	General.	Cheviot.	Hutt Valley.	Total.
<i>Dr.</i>	£	£	£	£
Interest on—				
Loan capital liability	421,818	5,632	..	427,450
Capital from proceeds of sales of Crown lands	93,848	..	..	93,848
Value of Crown lands in estates	8,479	..	..	8,479
Cheviot Estate: Accumulated Fund transferred	11,656	6,958	..	18,614
Deposits by lessees: Section 208, Land Act, 1921	470	..	..	470
Sundry charges <i>re</i> loans—				
Stamp duty on transfer of stock	269	..	..	269
Recoupment of management charges of New Zealand consolidated stock	1,297	..	..	1,297
Proportion of premium on loans conversion	7,426	..	..	7,426
Administration expenses—				
Estates	9,138	703	940	10,781
Land Laws Amendment Act, 1929	808	..	..	808
Rebates—				
Rents, &c., from estates	31,578	1,336	14	32,928
Rents, &c., under Land Laws Amendment Act, 1929	810	..	..	810
Remissions of rent and interest—				
Land Board recommendations	8,757	110	11	8,878
Under Mortgagors and Lessees Rehabilitation Act, 1936	51,687	1,351	35	53,073
Irrecoverable rents, &c., transferred to Suspense Accounts—				
Rents, &c., from estates	3,198	..	30	3,228
Rents, &c., under Land Laws Amendment Act, 1929	328	..	..	328
Deficiency on disposal of development blocks	347	..	..	347
Miscellaneous expenditure on estates	409	..	2	411
Compensation for injuries incurred on development works	91	..	..	91
Audit fees	250	..	..	250
Salaries	1,000	..	..	1,000
Travelling expenses	70	..	..	70
Telephone services	15	..	..	15
Depreciation of plant, &c.	193	..	..	193
Capital reduction: Mortgagors and Lessees Rehabilitation Act, 1936	5,583	..	..	5,583
Depreciation on land-values	189,728	..	..	189,728
Interest on development expenditure erroneously recouped in previous years	6,346	..	..	6,346
Balance carried down .. .. .	..	1,163	20,218	21,381
	£855,599	£17,253	£21,250	£894,102
	£	£	£	£
Balance brought down	331,269	..	..	331,269
Transfer to reserve .. .. .	..	1,163	..	1,163
Transfer to Profit and Loss Appropriation Account .. .. .	..	..	20,218	20,218
	£331,269	£1,163	£20,218	£352,650
<i>Cr.</i>	£	£	£	£
Rents and royalties—				
Estates	406,188	15,982	142	422,312
Land Laws Amendment Act, 1929	6,001	..	..	6,001
Interest on sales—				
Estates	20,171	948	1,984	26,103
Land Laws Amendment Act, 1929	1,065	..	..	1,065
Interest on development expenditure recovered	350	..	..	350
Interest on advances—				
Land Laws Amendment Act, 1929	11,186	..	..	11,186
Deteriorated Lands Act, 1925	268	..	..	268
Interest on loans for roading of endowment lands under section 47, Land for Settlements Act, 1925—				
Wanganui River Trust Endowment	89	..	..	89
Otago University Endowment	77	..	..	77
Interest on investments	18,926	..	..	18,926
Interest on investment in Public Debt Redemption Fund	59,841	323	..	60,164
Valuation fees: Sections 7 and 11, Land Laws Amendment Act, 1929	24	..	..	24
Amounts credited to dairy-company shares	12	..	..	12
Miscellaneous	132	..	..	132
Gross profit on trading .. .. .	..	..	16,124	16,124
Balance carried down	331,269	..	..	331,269
	£885,599	£17,253	£21,250	£894,102
	£	£	£	£
Balance brought down .. .. .	..	1,163	20,218	21,381
Transfer from reserve	154,019	..	..	154,019
Balance: Loss to 31st March, 1940	177,250	..	..	177,250
	£331,269	£1,163	£20,218	£352,650

LAND FOR SETTLEMENTS ACCOUNT *continued.*

BALANCE-SHEET AS AT 31ST MARCH, 1940.

Liabilities.

	General.	Cheviot.	Hutt Valley.	Total.
	£	£	£	£
Loan capital—				
3 per cent.	215,029			
3½ per cent.	6,179,282	160,918		
3¾ per cent.	364,150			
4 per cent.	4,124,924			
4½ per cent.	37,740			
5 per cent.	110,000			
Funded debt, £4 19s. 5·88d.	33,446			
Debentures not converted	200			
	11,064,771			
Crown lands included in estates	211,940			
Sales of Crown lands and buildings	3,121,265			
Capital transferred from Discharged Soldiers Settlement Account	4,789			
	14,402,765			
Less amount expended in opening up Crown lands	191,802			
	14,210,963	160,918		14,371,881
Dairy Shares Capital Account	21			21
Deposits by lessees under section 208, Land Act, 1924	21,116			21,116
Accumulated funds : Cheviot Estate		464,180		464,180
Sundry creditors—				
Interest on capital from proceeds of sales of Crown lands	336,046			
Interest on loans due and unpaid	56			
Turakina Domain	317			
Departmental	969			
Miscellaneous	1,946			
	339,334			339,334
Rents charged in advance	104,721	5,079	5	109,805
Buildings : Interest charged in advance	567	3		570
Interest on loans accrued but not due	97,590	1,373		98,963
Hutt Valley estates—				
Purchases			164,981	
Roading and incidental expenses			228,728	
Interest			81,666	
			475,376	
Less deductions section 11 (2) (a), Finance Act, 1932			475,376	
Railway Improvements Authorization Act, 1914 : Interest on capital			1,015	1,015
Land Laws Amendment Act, 1929 : Land subject to section 8—				
Crown Lands Account	44,008			
Primary Education Endowment Account	178			
	44,186			44,186
Writings-off in Suspense	7,422		30	7,452
Payments in advance				
Rents, &c., on estates	6,561	10	521	
Principal instalments, &c. : Sales of Crown lands	387			
Land Laws Amendment Act, 1929	753			
Deteriorated Lands Act, 1925	15			
	7,716	10	521	8,247
Suspense Account : Deteriorated Lands Act, 1925	218			218
Sundry Suspense Accounts	548			548
Reserve for capitalized interest on land-development schemes	68,902			68,902
Reserve Account		14,168		14,168
Reserve for transfers from Discharged Soldiers Settlement Account	9,661			9,661
Development expenditures—				
Employment Promotion Fund (<i>contra</i>)	23,347			23,347
Consolidated Fund (<i>contra</i>)	9,802			9,802
Profit and Loss Appropriation			168,696	168,696
Cheviot Estate Account (<i>contra</i>)	292,480			292,480
Hutt Valley Land Settlement Account (<i>contra</i>)	800			800
	£15,239,397	£645,731	£170,267	£16,055,395

LAND FOR SETTLEMENTS ACCOUNT—*continued*.
BALANCE-SHEET AS AT 31ST MARCH, 1940—*continued*.

Assets.

	General.	Cheviot.	Hutt Valley.	Total.
Land Account—	£	£	£	£
Estates leased	9,845,374	327,513		
Estates unlet	324,146	325	34,855	
	10,169,520	327,838	34,855	10,532,213
Land Laws Amendment Act, 1929—				
Land leased	131,144			
Land unlet	8,856			
	140,000	..	..	140,000
Provisional State Forest	3,159	..	..	3,159
				10,675,372
Buildings on estates (unsold)	6,550	..	..	6,550
Capital expenditure on estates	750	..	..	750
Unpaid purchase-price (not yet payable)—				
Buildings on Crown lands	49,824	195		
Buildings on estates	92,761			
Sales of settlement land	360,944	17,461	99,965	
Sales of Crown lands	594,150			
Land Laws Amendment Act, 1929—				
Buildings	1,213			
Sales of land	14,430			
	1,113,322	17,656	99,965	1,230,943
Realization Account	6,322	..	..	6,322
Hutt Valley estates—				
Purchase	164,982			
Roading and incidental expenses	228,728			
Interest	81,666			
	475,376			
Less deductions under section 11 (2) (a), Finance Act, 1932	475,376			

Railway Department: Balance unpaid on area taken for workshops	..	..	26,389	26,389
Advances on mortgage—				
Land Laws Amendment Act, 1929—				
Current Account: Crown lands	124,996			
Current Account: Settlement lands	31,311			
Instalment mortgage: Crown lands	65,886			
Instalment mortgage: Settlement lands	10,916			
	233,109			
Less proceeds held in seasonal advances accounts to meet charges	3,636			
	229,473	..	..	229,473
Deteriorated Lands Act, 1925—				
Current Account	2,308			
Instalment mortgage	3,212			
	5,520	..	..	5,520
Advances for roading of endowment lands under section 47, Land for Settlements Act, 1925—				
Wanganui River Trust	1,901			
Otago University Endowment	1,450			
	3,351	..	..	3,351
Carried forward	11,677,967	345,494	161,209	12,184,670

LAND FOR SETTLEMENTS ACCOUNT—*continued*.
BALANCE-SHEET AS AT 31ST MARCH, 1940—*continued*.

Assets—continued.

	General.	Cheviot.	Hutt Valley.	Total.
	£	£	£	£
Brought forward	11,677,967	345,494	161,209	12,184,670
Land Laws Amendment Act, 1929 : Expenditure on development of Crown and settlement lands—				
Crown lands	53,540			
Settlement lands	239,683			
	293,223			293,223
Interest on capital expenditure : Land development	68,902			68,902
Plant and machinery	3,835			
Less depreciation reserves thereon	3,453			
	382			382
Postponements of rents, instalments, &c.—				
Under Land Act, 1924—				
Rents, &c., from estates	8,650			
Instalments : Sales of Crown lands, &c.	129			
Land Laws Amendment Act, 1929 : Rents, &c.	308			
Under Mortgagees and Lessees Rehabilitation Act, 1936—				
Rents, &c., from estates	10,446	80		
Land Laws Amendment Act, 1929 : Rents, &c.	80			
	19,613	80		19,693
Sundry debtors for—				
Rents and royalties from estates	126,470	3,164	199	
Principal instalments—				
Buildings : Crown lands	992			
Buildings : Estates	2,857			
Sales of Crown lands	9,283			
Sales of settlement lands	4,503		3,374	
Advances under Deteriorated Lands Act, 1925	48			
Loans for roading of endowment lands under section 47, Land for Settlements Act, 1925	594			
Interest on loans for roading of endowment lands under section 47, Land for Settlements Act, 1925	932			
Interest on sales of—				
Settlement lands	4,896		4,230	
Buildings : Estates	2,968			
Interest on advances under Deteriorated Lands Act, 1925	216			
Land Laws Amendment Act, 1929—				
Water levies	71			
Rents	2,221			
Interest on sales	58			
Interest on advances under sections 7 and 14	8,050			
Principal instalments—				
Sales under section 8	9			
Buildings	10			
Mortgages	264			
Insurances, &c.	25			
Departmental	30,619			
Miscellaneous	3,499			
	198,585	3,164	7,803	209,552
Orakei Block (see separate balance-sheet)	23,710			23,710
Interest accrued but not due on—				
Investments	1,080			1,080
Sales under deferred-payment licenses, &c.	6,003	232	425	6,660
Outstanding losses : Suspense Account	7,423		30	7,453
Development expenditure—				
Employment Promotion Fund (<i>contra</i>)	23,347			23,347
Consolidated Fund (<i>contra</i>)	9,802			9,802
Investments in Public Debt Redemption Fund	1,555,867	4,281		1,560,148
Consolidated Fund : Proportion of interest on Loan Account	175,920			175,920
Premium on loan conversions	27,129			27,129
Dairy shares	30			30
Revenue Account : Loss to 31st March, 1940	177,251			177,251
Land for Settlements Account : General, as per <i>contra</i>		292,480	800	293,280
Cash, &c.	378,777			378,777
Investment Account : Securities held	594,386			594,386
	£15,239,397	£645,731	£170,267	£16,055,395

R. G. MACMORRAN, Under-Secretary for Lands.

G. I. BEESON, Chief Accountant.

I hereby certify that the Revenue Account and Balance-sheet have been duly examined and compared with the relative books and documents submitted for audit, and correctly state the position as disclosed thereby, subject to the explanatory notes dealing with departmental accounts generally as appearing at commencement of parliamentary return B. 1 [Pt. IV], and to the following comment : No interest has been allowed to the Cheviot Estate in respect of the assets of the Cheviot Estate Account, which have been transferred to the Land for Settlements Account : and, moreover, the Cheviot Estate has been charged interest on the value of such assets other than cash. As a result, the accounts do not show the true amount of revenue earned by the Cheviot Estate and the Land for Settlements Account respectively.—CYRIL G. COLLINS, Controller and Auditor-General.

LANDS AND SURVEY DEPARTMENT.

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Expenditure.</i>		<i>Income.</i>	
Annual appropriation as under—	£	Administration expenses charged to other Departments and funds	£
Salaries	236,462	Miscellaneous services for other Departments	27,713
Inspection of Crown land	11,777	Miscellaneous office fees	20,382
Rent of offices	12,405	Lease fees	2,254
Surveys	18,361	Surplus on sales of lithographs (estimated)	929
Travelling-expenses	7,897	Surplus on disposal of other assets	16
Land Board fees	3,232	Revenue expenditure of previous year now capitalized ..	119
Postages	3,174	Balance carried down	253,278
Maintenance—	£		
Motor-vehicles	3,341		
Furniture and fittings	1,152		
Survey equipment	202		
Typewriters	296		
	4,991		
Printing and stationery	3,612		
Telephone services	2,726		
Advertising, books, &c.	1,291		
Sundry administration costs	5,837		
Sundry office expenses	1,405		
Tracing-cloth and draughting requisites	1,697		
Grants and subsidies	17,570		
	332,438		
Depreciation of assets—			
Furniture, fittings, and library	1,781		
Machinery, instruments, and general equip- ment	1,641		
Motor-vehicles	3,141		
	6,564		
Writings-off in Suspense	166		
Lithographs, &c., used in office and issued free to other Departments	1,452		
Crown grant fees refunded			
Discount on lithographs, &c.	186		
	£340,806		£340,806
	£		
Balance brought down	253,278	Balance: Excess of expenditure over income for year ended 31st March, 1940	£ 256,531
Interest on capital	3,253		
	£256,531		£256,531

NOTE.—Expenditure under the New Plymouth Harbour Endowment Act, 1874, totalling £2,013 5s. 8d. included in the Income and Expenditure Account is calculated on the basis of rents received from land subject to the Act. These rents are included in the Revenue Account relating to lands of the Crown.

BALANCE-SHEET AS AT 31ST MARCH, 1940.

<i>Liabilities</i>		<i>Assets.</i>	
Capital Account	80,476	Furniture, fittings, and libraries	16,306
Sundry creditors—	£	Machinery, instruments, and general equipment	12,683
Departmental	2,195	Motor-vehicles	9,144
Payments in advance—		Lithographs, &c.	41,584
Lithographs	13	Publications	759
Miscellaneous office fees	16	Debtors—	£
Miscellaneous	416	Departmental	5,038
	2,640	Lithographs supplied	552
Writings-off in Suspense	1,967	Miscellaneous office fees	1,911
Treasury Adjustment Account	262,870	Miscellaneous	1,010
		Administration	60
			8,571
		Stamps on hand	147
		Unexpired season tickets	261
		Losses in Suspense	1,967
		Income and Expenditure Account: Excess of expenditure over income for year ended 31st March, 1940	256,531
	£347,953		£347,953

R. G. MACMORRAN, Under-Secretary for Lands.
G. I. BEESON, Chief Accountant.

I hereby certify that the Income and Expenditure Account and Balance-sheet have been duly examined and compared with the relative books and documents submitted for audit, and correctly state the position as disclosed thereby, subject to the explanatory notes dealing with departmental accounts generally as appearing at commencement of parliamentary return B. 1 [Pt. IV], and to the departmental note enclosed thereon. CYRIL G. COLLINS, Controller and Auditor-General.

LANDS AND SURVEY DEPARTMENT—*continued*.

AUCKLAND MUSEUM ENDOWMENT ACCOUNT.

RECEIPTS AND PAYMENTS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Receipts.</i>					<i>Payments.</i>				
Balance: Cash in Local Bodies' Deposit Account of Receiver of Land Revenue, North Auckland	£	£			Payments to trustees—				£
On account sales	..	..	..	152	On account sales	..	..	..	152
On account rents, &c.	..	..	..	67	On account interest, &c.	..	..	..	66
				—	Administration expenses	..	..	..	2
Sales	..	..	..	2	Balance: Cash in Local Bodies' Deposit Account of Receiver of Land Revenue, North Auckland—				£
Rents and interest	..	..	..	22	On account sales	..	..	..	2
				—	On account rents, &c.	..	..	..	21
				£243					23
				—					£243

REVENUE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Dr.</i>	£	<i>Cr.</i>	£
Balance brought forward	..	..	35
Administration expenses	..	..	1
Amount due to Museum trustees as per section 4 of the Auckland Museum Endowment Act, 1882	..	..	20
Balance carried forward	..	..	1
	£57		£57

BALANCE-SHEET AS AT 31ST MARCH, 1940.

<i>Liabilities.</i>					<i>Assets.</i>				
Auckland Museum trustees—					Land	..	..	..	489
Value of land endowment under Auckland Museum Endowment Act, 1882	..	..	..	10,000	Sundry debtors for sales of land	..	..	..	141
Less payment to trustees in respect of sales of land	..	..	..	9,650	Sundry debtors for rent	..	..	..	1
				350	Cash in Local Bodies' Deposit Account of Receiver of Land Revenue, North Auckland	..	..	..	23
Revenue Account	..	..	..	1					—
Sundry creditors—				£					£574
Amount due to trustees: Rents and interest	..	..	..	20					—
Public Account (surplus of assets)	..	..	..	282					£574
Departmental: Lands and Survey Department	..	..	..	1					—
				303					—
				£654					—

THOS. POUND, Assistant Under-Secretary for Lands.
G. I. BEESON, Chief Accountant.

I hereby certify that the Statement of Receipts and Payments, Revenue Account, and Balance-sheet have been duly examined and compared with the relative books and documents submitted for audit, and correctly state the position as disclosed thereby.—CYRIL G. COLLINS, Controller and Auditor-General.

BLUFF HARBOUR ENDOWMENT ACCOUNT.

RECEIPTS AND PAYMENTS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Receipts.</i>					<i>Payments.</i>				
Balance in Local Bodies' Deposit Account of Receiver of Land Revenue, Invercargill, at 1st April, 1939	..	..	..	450	Administration expenses paid to Consolidated Fund under section 4, Land Laws Amendment Act, 1927	..	..	..	41
Rents	..	..	..	433	Payments to Bluff Harbour Board under section 132, Harbours Act, 1923	..	..	..	771
				—	Balance in Local Bodies' Deposit Account of Receiver of Land Revenue, Invercargill, at 31st March, 1940	..	..	..	71
				£883					£883

REVENUE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Dr.</i>	£	<i>Cr.</i>	£
Administration expenses due to Consolidated Fund under section 4, Land Laws Amendment Act, 1927	..	..	22
Amount due to Bluff Harbour Board under section 132, Harbours Act, 1923	..	..	388
Remission under Land Act	..	..	4
Remissions granted under Mortgagors and Lessees Rehabilitation Act	..	..	300
Balance carried forward	..	..	838
	£1,552		£1,552

LANDS AND SURVEY DEPARTMENT—continued.
BLUFF HARBOUR ENDOWMENT ACCOUNT—continued.

BALANCE-SHEET AS AT 31ST MARCH, 1940.

<i>Liabilities.</i>		£	<i>Assets.</i>		£
Capital .. .. .	..	25,363	Endowment lands .. .. .	..	25,363
Rent charged in advance .. .. .	..	401	Sundry debtors for rent .. .. .	..	930
Bluff Harbour Board : Amount not yet paid over .. .. .	..	67	Postponed rent under Mortgagors and Lessees Rehabilitation Act .. .. .	..	309
Sundry creditors : Administration expenses .. .. .	..	4	Cash in Local Bodies' Deposit Account of Receiver of Land Revenue, Invercargill, at 31st March, 1940 .. .. .	..	71
Revenue Account .. .. .	..	838			
		<u>£26,673</u>			<u>£26,673</u>

THOS. POUND, Assistant Under-Secretary for Lands.
G. I. BEESON, Chief Accountant.

I hereby certify that the Statement of Receipts and Payments, Revenue Account, and Balance-sheet have been duly examined and compared with the relative books and documents submitted for audit, and correctly state the position as disclosed thereby.—CYRIL G. COLLINS, Controller and Auditor-General.

CLUTHA RIVER TRUST ACCOUNT.

RECEIPTS AND PAYMENTS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Receipts.</i>		£	<i>Payments.</i>		£
Cash in Local Bodies' Deposit Account of Receiver of Land Revenue, Dunedin, at 1st April, 1939 .. .. .	..	105	Amount paid to trustees of Clutha River Trust under section 128, River Boards Act, 1908 .. .. .	..	1,203
Rents .. .. .	..	1,310	Administration expenses paid to Consolidated Fund under section 4, Land Laws Amendment Act, 1927 .. .. .	..	63
			Cash in Local Bodies' Deposit Account of Receiver of Land Revenue, Dunedin, as at 31st March, 1940 .. .. .	..	149
		<u>£1,415</u>			<u>£1,415</u>

REVENUE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Dr.</i>	£	<i>Cr.</i>	£
Amount due to trustees of Clutha River Trust under section 128, River Boards Act, 1908	1,245	Balance brought forward from previous year	91
Administration expenses payable to Consolidated Fund under section 4, Land Laws Amendment Act, 1927	66	Accrued rent	1,336
Balance carried forward	116		
	<u>£1,427</u>		<u>£1,427</u>

BALANCE-SHEET AS AT 31ST MARCH, 1940.

<i>Liabilities.</i>		£	<i>Assets.</i>		£
Capital .. .. .	..	28,480	Endowment lands .. .. .	..	28,480
Rents charged in advance .. .. .	..	553	Sundry debtors for rent .. .. .	..	670
Sundry creditors : Administration expenses .. .. .	..	8	Cash in Local Bodies' Deposit Account of Receiver of Land Revenue, Dunedin, as at 31st March, 1940 .. .. .	..	149
Clutha River Trust : Amounts not yet paid over .. .. .	..	142			
Revenue Account : Balance carried forward .. .. .	..	116			
		<u>£29,299</u>			<u>£29,299</u>

THOS. POUND, Assistant Under-Secretary for Lands.
G. I. BEESON, Chief Accountant.

I hereby certify that the Statement of Receipts and Payments, Revenue Account, and Balance-sheet have been duly examined and compared with the relative books and documents submitted for audit, and correctly state the position as disclosed thereby.—J. P. RUTHERFORD, Deputy Controller and Auditor-General.

GERALDINE COUNTY RIVER BOARD ENDOWMENT ACCOUNT.

RECEIPTS AND PAYMENTS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Receipts.</i>		£	<i>Payments.</i>		£
Rents .. .. .	..	271	Geraldine County River Board under Geraldine County River District Act, 1921-22 .. .. .	..	244
			Consolidated Fund : Administration expenses .. .. .	..	27
		<u>£271</u>			<u>£271</u>

REVENUE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Dr.</i>	£	<i>Cr.</i>	£
Administration expenses due to Consolidated Fund	27	Accrued rent	255
Balance carried down	228		
	<u>£255</u>		<u>£255</u>
Amount due to Geraldine County River Board under section 7, Geraldine County River District Act, 1921-22	244	Balance brought down from previous year	10
		Balance brought down	228
		Balance	6
	<u>£244</u>		<u>£244</u>

LANDS AND SURVEY DEPARTMENT—*continued.*GERALDINE COUNTY RIVER BOARD ENDOWMENT ACCOUNT—*continued.*

BALANCE-SHEET AS AT 31ST MARCH, 1940.

<i>Liabilities.</i>					<i>Assets.</i>				
				£				£	£
Capital .. .. .	..	..	..	5,232	Endowment lands—	..	..	£
Rents charged in advance .. .. .	..	..	..	62	Leased .. .. .	..	..	5,105	
Rents paid in advance .. .. .	..	..	..	1	Unleased .. .. .	..	..	127	5,232
					Sundry debtors for rent .. .. .	..	..		57
					Revenue Account .. .. .	..	..		6
				<u>£5,295</u>					<u>£5,295</u>

NOTE. All the land is vested in the Geraldine County River Board.

THOS. POUND, Assistant Under-Secretary for Lands.
G. I. BEESON, Chief Accountant.

I hereby certify that the Statement of Receipts and Payments, Revenue Account, and Balance-sheet have been duly examined and compared with the relative books and documents submitted for audit, and correctly state the position as disclosed thereby, subject to the departmental note enclosed thereon.—CYRIL G. COLLINS, Controller and Auditor-General.

GREYMOUTH TECHNICAL AND HOKITIKA HIGH SCHOOL ACCOUNT.

RECEIPTS AND PAYMENTS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Receipts.</i>					<i>Payments.</i>				
				£					£
Balance at 1st April, 1939: Cash in Treasury Deposit Account .. .. .	..	..	..	30	Payments to Consolidated Fund under section 31, Education Reserves Act, 1928: Administration expenses .. .. .	..	..	..	8
Rents .. .. .	..	..	..	247	Refunds of rents .. .. .	..	..	..	3
					Balance at 31st March, 1940: Cash in Treasury Deposit Account .. .. .	..	..	..	266
				<u>£277</u>					<u>£277</u>

REVENUE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Dr.</i>					<i>Cr.</i>				
				£					£
Administration expenses: Section 31, Education Reserves Act, 1928 .. .. .	..	..	..	12	Accrued rents .. .. .	..	..	..	250
Balance carried down .. .. .	..	..	..	238					
				<u>£250</u>					<u>£250</u>
Balance from previous year .. .. .	..	..	..	172	Balance brought down .. .. .	..	..	..	238
Balance carried down .. .. .	..	..	..	66					
				<u>£238</u>					<u>£238</u>

BALANCE-SHEET AS AT 31ST MARCH, 1940.

<i>Liabilities.</i>					<i>Assets.</i>				
				£				£	£
Capital .. .. .	..	..	..	5,442	Land —	..	..	£
Reserves Account: Rents diverted to repayment of advances from Consolidated Fund .. .. .	..	..	..	1,136	Leased .. .. .	..	..	6,156	
					Unleased .. .. .	..	..	422	6,578
Departmental creditors: Administration expenses .. .. .	..	..	..	5	Sundry debtors for rent .. .. .	..	..		69
Sundry creditors: Departmental (Education Reserves Primary Account) .. .. .	..	..	..	204	Cash: Treasury Deposit Account as at 31st March, 1940 .. .. .	..	..		267
Rents charged but not due .. .. .	..	..	..	61					
Payments in advance .. .. .	..	..	..	2					
Revenue Account .. .. .	..	..	..	67					
				<u>£6,914</u>					<u>£6,914</u>

THOS. POUND, Assistant Under-Secretary for Lands.
G. I. BEESON, Chief Accountant.

I hereby certify that the Revenue Account and Balance-sheet have been duly examined and compared with the relative books and documents submitted for audit, and correctly state the position as disclosed thereby.—CYRIL G. COLLINS, Controller and Auditor-General.

LANDS AND SURVEY DEPARTMENT—continued.
HUNTER SOLDIERS' ASSISTANCE TRUST DEPOSIT ACCOUNT.
RECEIPTS AND PAYMENTS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Receipts.</i>					<i>Payments.</i>				
Balance in Treasury Deposit Account at 1st April, 1939—					Expenditure under the Hunter Gift for the Settlement of Discharged Soldiers Act, 1921—				
Cash .. .. .	..	..	..	£ 550	Section 6 (a)—	..	..	£	£
Investments .. .. .	..	..	..	2,000	Administration expenses .. .. .	..	..	35	
					Board fees .. .. .	..	..	17	
Rents .. .. .	..	..	..	631					52
Interest on investments .. .. .	..	..	..	80	Section 6 (b)—				
Interest on advances—					Advances on instalment mortgage .. .. .	..	..	42	
Instalment mortgage .. .. .	..	..	..	50	Grants to orphans .. .. .	..	..	801	
Current account .. .. .	..	..	..	19					843
				—	Balance in Treasury Deposit Account at 31st March, 1940				
Repayment of advances—					Cash .. .. .	..	..	614	
Instalment mortgages .. .. .	..	..	..	151	Investments .. .. .	..	..	2,000	
Current account .. .. .	..	..	..	28					2,614
				—					
				179					
				£3,509					£3,509

REVENUE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Dr.</i>					<i>Cr.</i>				
Expenditure under section 6 (a) of the Hunter Gift for Settlement of Discharged Soldiers Act, 1921—					Accrued rent				£ 692
Administration expenses .. .. .	..	..	..	£ 34	Accrued interest on—	..	..	£
Board fees .. .. .	..	..	..	15	Investments .. .. .	..	..	80	
				—	Current account .. .. .	..	..	44	
				49	Instalment account .. .. .	..	..	47	
Grants to orphans under section 6 (b) of the Hunter Gift for Settlement of Discharged Soldiers Act, 1921 .. .. .	..	..	..	802	Balance carried down .. .. .	..	..	..	171
Rebates .. .. .	..	..	..	50					166
Remissions—				£					
Under Land Act, 1924 .. .. .	..	..	..	1					
Under Mortgagees and Lessees Rehabilitation Act .. .. .	..	..	..	127					
				—					
				128					
				£1,029					£1,029
				£					£
Balance brought down .. .. .	..	..	..	166	Balance to Reserve Account .. .. .	..	..	..	166
				£166					£166

BALANCE-SHEET AS AT 31ST MARCH, 1940.

<i>Liabilities.</i>					<i>Assets.</i>				
Capital .. .. .	..	..	..	£ 17,800	Land endowed by Sir George Hunter (deceased) .. .. .	..	..	£ 17,800	
Reserve Account .. .. .	..	..	..	4,519	Advances on mortgages—			£	
Rents due but not accrued .. .. .	..	..	..	173	Instalment mortgage account .. .. .	..	..	974	
Instalment of principal paid in advance .. .. .	..	..	..	1	Current account .. .. .	..	..	817	
									1,791
					Sundry debtors—				
					Rent .. .. .	..	..	6	
					Interest on current account .. .. .	..	..	81	
					Interest on instalment advances .. .. .	..	..	48	
					Instalment of principal .. .. .	..	..	131	
									266
					Interest accrued but not due—				
					On investments .. .. .	..	..	9	
					On instalment advances .. .. .	..	..	13	
									22
					Cash in Treasury Deposit Account at 31st March, 1940—				
					Cash .. .. .	..	..	614	
					Investments .. .. .	..	..	2,000	
									2,614
				£22,493					£22,493

THOS. POUND, Assistant Under-Secretary for Lands.
G. I. BEESON, Chief Accountant.

I hereby certify that the Revenue Account and Balance-sheet have been duly examined and compared with the relative books and documents submitted for audit, and correctly state the position as disclosed thereby.—CYRIL G. COLLINS, Controller and Auditor-General.

LANDS AND SURVEY DEPARTMENT—*continued.*

NEW ZEALAND UNIVERSITY ENDOWMENT ACCOUNT (WESTLAND).

RECEIPTS AND PAYMENTS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Receipts.</i>				<i>Payments.</i>				£
Balance in Treasury Deposit Account at 1st April, 1939				Administration expenses				5
Cash	79			Balance in Treasury Deposit Account at 31st March, 1940 ..				4,147
Investments	3,850							
		3,929						
Rents		98						
Interest on investments		125						
			£4,152					£4,152

REVENUE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Dr.</i>	£	<i>Cr.</i>	£
Administration expenses under section 4, Land Laws Amendment Act, 1927	5	Accrued rent	103
Balance, transferred to Capital Account	236	Interest on investments	138
	£241		£241

BALANCE-SHEET AS AT 31ST MARCH, 1940.

<i>Liabilities.</i>				<i>Assets.</i>				£
Capital -				Land				2,195
Balance at 1st April, 1939	6,110			Sundry debtors for rent				7
Transfer from Revenue Account	236			Cash in Treasury Deposit Account				4,147
		6,346		Interest accrued on investments				25
Rents paid in advance		3						
Rents due but not accrued		25						
			£6,374					£6,374

THOS. POUND, Assistant Under-Secretary for Lands.
G. I. BEESON, Chief Accountant.

I hereby certify that the Revenue Account and Balance-sheet have been duly examined and compared with the relative books and documents submitted for audit, and correctly state the position as disclosed thereby.—CYRIL G. COLLINS, Controller and Auditor-General.

OTAGO BOYS' AND GIRLS' HIGH SCHOOL ENDOWMENT ACCOUNT.

RECEIPTS AND PAYMENTS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Receipts.</i>				£	<i>Payments.</i>				£
Balance in Local Bodies' Deposit Account of Receiver of Land Revenue, Dunedin, as at 1st April, 1939				14	Administration expenses paid to Consolidated Fund under section 4, Land Laws Amendment Act, 1927				19
Rents				405	Payments to Otago Boys' and Girls' High School Board of Governors				351
					Cash in Local Bodies' Deposit Account of Receiver of Land Revenue, Dunedin, as at 31st March, 1940				49
				£419					£419

REVENUE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Dr.</i>	£	<i>Cr.</i>	£
Balance brought forward	61	Accrued rents	419
Administration expenses due to Consolidated Fund under section 4, Land Laws Amendment Act, 1927	20	Balance carried forward	47
Amount due to Otago Boys' and Girls' High School Board of Governors	385		
	£466		£466

BALANCE-SHEET AS AT 31ST MARCH, 1940.

<i>Liabilities.</i>				£	<i>Assets.</i>				£
Capital				8,634	Endowment lands				8,634
Rents charged in advance				105	Sundry debtors for rent				58
Sundry creditors: Administration expenses				2	Cash in Local Bodies' Deposit Account of Receiver of Land Revenue, Dunedin, as at 31st March, 1940				49
Otago Boys' and Girls' High School Board of Governors: Amount not yet paid over				47	Revenue Account: Balance carried forward				47
				£8,788					£8,788

THOS. POUND, Assistant Under-Secretary for Lands.
G. I. BEESON, Chief Accountant.

I hereby certify that the Statement of Receipts and Payments, Revenue Account, and Balance-sheet have been duly examined and compared with the relative books and documents submitted for audit, and correctly state the position as disclosed thereby. J. P. RUTHERFORD, Deputy Controller and Auditor-General.

LANDS AND SURVEY DEPARTMENT -continued.
OTAGO UNIVERSITY ENDOWMENT ACCOUNT.

RECEIPTS AND PAYMENTS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Receipts.</i>					<i>Payments.</i>				
Cash on hand, 1st April, 1939, in Local Bodies' Deposit Account of Receiver of Land Revenue at—					Land for Settlements Account for roading-costs (section 47, Land for Settlements Act, 1925)				
				£				£	£
Dunedin				1,861	Principal			60	
Invercargill				579	Interest			90	
				-----				-----	150
				2,440	Refund of rent				1
Rents				5,544	Administration expenses paid to Consolidated Fund (section 118 (1), Reserves and other Lands Disposal and Public Bodies Empowering, Act, 1917)				159
Royalties				16	Otago University Council (section 118 (1), Reserves and other Lands Disposal and Public Bodies Empowering, Act, 1917)				5,949
					Dunedin Athenaeum (Otago Museum Act, 1877)				86
					Cash on hand at 31st March, 1940, in Local Bodies' Deposit Account of Receiver of Land Revenue at—				
								£	
					Dunedin			1,080	
					Invercargill			575	
								-----	1,655
				£8,000					£8,000

REVENUE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Dr.</i>	£	<i>Cr.</i>	£
Administration expenses	139	Accrued rent	5,410
Interest on loans under section 47 of Land for Settlements Act, 1925	77	Accrued royalties	15
Remission of rent granted by Mortgagors and Lessees Rehabilitation Act	4,581		
Balance carried down	628		
	£5,425		£5,425
Appropriation of revenue: Otago University Council under section 118 (1), Reserves and other Lands Disposal and Public Bodies Empowering Act, 1917	5,202	Balance brought forward from previous year	5,786
Dunedin Athenaeum under Otago Museum Act, 1877	86	Balance brought down	628
Revenue appropriated to repay loan-moneys, section 47 of Land for Settlements Act, 1925	60		
Balance carried forward	1,066		
	£6,414		£6,414

BALANCE-SHEET AS AT 31ST MARCH, 1940.

<i>Liabilities.</i>					<i>Assets.</i>				
Capital					Endowment lands—				
Loan for roading, section 47, Land for Settlements Act, 1925									

LANDS AND SURVEY DEPARTMENT—*continued*.

PRIMARY EDUCATION ENDOWMENT ACCOUNT.

RECEIPTS AND PAYMENTS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Receipts.</i>		<i>Payments.</i>	
	£		£
Balance—			
Cash in Deposit Account	15,568	Payments for primary-education purposes	121,307
Investment Account	41,850	Administration expenses	5,329
	57,418	Maintenance and repairs	948
Receipts under section 30, Education Reserves Act, 1928 :		Survey-costs, &c.	133
Rents, &c.	105,208	Balance—	£
Interest on sales of land and improvements	191	Cash in Deposit Account	657
Sales of land and improvements under section 27, Education Reserves Act, 1928	5,449	Investments Account	41,850
Interest on cash and investments held by the Public Trustee	780		42,507
Interest on investments in Public Account	6,389	Transfer to Revenue Account—	
		Interest on sales	115
		Interest on investments	5,096
			5,211
	<u>£175,435</u>		<u>£175,435</u>

REVENUE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Dr.</i>	£	<i>Cr.</i>	£
Administration expenses	5,275	Accrued rents	105,991
Maintenance, repairs, &c.	950	Accrued royalties	1,435
Survey costs, &c.	71	Accrued interest on sales of buildings and improvements	144
Remission of rents, &c., granted—		Interest on cash and investments held by the Public Trustee	774
By Land Boards	1,586	Interest on investments	1,283
Under Mortgagors and Lessees Rehabilitation Act, 1936	2,390		
	3,976		
Depreciation of buildings	51		
Rebates	9		
Irrecoverable rents, transferred to Suspense Account	249		
Balance carried down	99,047		
	<u>£109,628</u>		<u>£109,628</u>
Amount due to vote " Education " under section 30 (2), Education Act, 1928	106,158	Balance from previous year	5,819
		Balance brought down	99,047
		Balance	1,292
	<u>£106,158</u>		<u>£106,158</u>

BALANCE-SHEET AS AT 31ST MARCH, 1940.

<i>Liabilities.</i>	£	<i>Assets.</i>	£
Capital	2,357,852	Endowment lands—	
Appreciation in land values	21,971	Leased	2,257,829
Public Works Fund : Capital	8,042	Unleased	59,822
Rents due but not accrued	21,745	Land for Settlements Account: Section 6, Land Laws Amendment Act, 1929	178
Accounts paid in advance : Rents and royalties	377	Area subject to operations of Small Farms (Relief of Unemployment) Act, 1932-33	2,548
Deteriorated lands : Suspense Account	14		2,320,377
Writings-off in Suspense	172	Buildings and improvements—	
Reserve for anticipated losses in respect of assets transferred from Discharged Soldiers Settlement Account	179	Included in capital value of leases	4,386
Sundry creditors—		Less depreciation reserve	481
Departmental	1,362		3,905
Miscellaneous	3	Sales : Purchase-price not yet payable	1,886
	1,965		5,791
		Sundry debtors—	
		Rents, &c.	17,284
		Royalties	378
		Principal instalments : Buildings and improvements	41
		Interest instalments : Buildings and improvements	3
		Interest on cash and investments, Public Trustee	10
		Departmental	201
			17,917
		Interest and royalties accrued but not due—	
		Interest on investments	299
		Interest on royalties	29
			328
		Postponed rents—	
		Granted by Land Board	1,241
		Under Mortgagors and Lessees Rehabilitation Act, 1936	834
			2,075
		Losses in Suspense	172
		Revenue Account	1,292
		Cash and investments with Public Trustee	21,858
		Cash in Consolidated Fund : Deposits Account—	
		Cash	657
		Investments	41,850
			42,507
	<u>£2,412,317</u>		<u>£2,412,317</u>

R. G. MACMERRAN, Under-Secretary for Lands.
G. I. REESON, Chief Accountant.

I hereby certify that the Revenue Account and Balance-sheet have been duly examined and compared with the relative books and documents submitted for audit, and correctly state the position as disclosed thereby. The following comment is appended : The charges on land with respect to expenditure under section 47 of the Land for Settlements Act, 1925, or the corresponding provisions of any former Act, have not been abolished as required by section 17 (5) (b) of the Land Laws Amendment Act, 1927. CYRIL G. COLLINS, Controller and Auditor-General.

LANDS AND SURVEY DEPARTMENT—*continued*.
SECONDARY EDUCATION ENDOWMENT ACCOUNT.

RECEIPTS AND PAYMENTS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Receipts.</i>	£	<i>Payments.</i>	£
Balance in Treasury Deposit Account at 1st April, 1939	£	Administration expenses	567
Sales	1,612	Valuation expenses	4
Rents	5,084	Survey-costs, &c.	95
	6,696	Repairs and maintenance	96
Rents under section 30, Education Reserves Act, 1928	12,182	Rates	23
Interest on cash held by the Public Trustee	28	Payments to secondary schools	11,813
Interest on investments in Public Account	40	Balance in Treasury Deposit Account at 31st March, 1940—	£
	£18,946	Sales of land	1,364
		Rents, &c.	4,984
			6,348
			£18,946

REVENUE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Dr.</i>	£	<i>Cr.</i>	£
Administration expenses	611	Accrued rent, &c.	12,531
Valuation expenses	4	Interest on cash held by the Public Trustee	27
Repairs and maintenance	96	Interest on investments in Public Account	46
Survey-costs, &c.	95		
Rates	23		
Remissions of rent, &c.—	£		
Ordinary	52		
Mortgagors and Lessees Rehabilitation Act, 1936	154		
	206		
Writings-off in Suspense	87		
Balance, carried down	11,482		
	£12,604		£12,604
	£		£
Payments to secondary schools	11,813	Balance from previous year	4,696
Balance, carried forward	4,364	Balance brought down	11,481
	£16,177		£16,177

BALANCE-SHEET AS AT 31ST MARCH, 1940.

<i>Liabilities.</i>	£	<i>Assets.</i>	£
Capital	210,648	Endowment lands—	£
Appreciation in land values	51,761	Leased	245,899
Public Works Fund: Roading (section 17, Land Laws Amendment Act, 1927)	2,236	Unleased	16,457
Sundry creditors	£		262,356
State Advances Corporation	11	Sundry debtors for rent	2,496
Rents	16	Improvements	15
Departmental	240	Postponed rent: Mortgagors and Lessees Rehabilitation Act, 1936	55
	267	Interest accrued but not due on investments	9
Rents due but not accrued	2,799	Losses in Suspense	87
Writings-off in Suspense	87	Cash held by Public Trustees	796
Revenue Account: Balance carried forward	4,365	Cash in Treasury Deposit Account at 31st March, 1940—	£
		Sales of land	1,364
		Rents, &c.	4,985
			6,349
	£272,163		£272,163

R. G. MACMORRAN, Under-Secretary for Lands.
G. I. BEESON, Chief Accountant.

I hereby certify that the Revenue Account and Balance-sheet have been duly examined and compared with the relative books and documents submitted for audit, and correctly state the position as disclosed thereby. The following comment is appended: The charges on land with respect to expenditure under section 47 of the Land for Settlements Act, 1925, or the corresponding provisions of any former Act, have not been abolished as required by section 17 (5) (b) of the Land Laws Amendment Act, 1927. CYRIL G. COLLINS, Controller and Auditor-General.

LANDS AND SURVEY DEPARTMENT—*continued*.

VICTORIA COLLEGE ENDOWMENT ACCOUNT.

RECEIPTS AND PAYMENTS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Receipts.</i>		£	<i>Payments.</i>		£
Balance in Treasury Deposit Account at 1st April, 1939	..	7	Administration expenses	..	1
Rents	..	22	Balance in Treasury Deposit Account at 31st March, 1940	..	28
		<u>£29</u>			<u>£29</u>

REVENUE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Dr.</i>	£	<i>Cr.</i>	£
Balance, 1st April, 1939	3	Accrued rents	20
Administration expenses under section 39, Victoria College Act, 1905	1	Balance, 31st March, 1940	5
Victoria College Council: Amount due under section 39, Victoria College Act, 1905	21		
	<u>£25</u>		<u>£25</u>

BALANCE-SHEET AS AT 31ST MARCH, 1940.

<i>Liabilities.</i>	£	<i>Assets.</i>	£
Capital	2,665	Leased land	2,665
Victoria College Council: Amount not yet paid over	28	Cash in Treasury Deposit Account at 31st March, 1940	28
Rents due but not accrued	5	Revenue Account: Balance carried forward	5
	<u>£2,698</u>		<u>£2,698</u>

THOS. POUND, Assistant Under-Secretary for Lands.
G. I. BEESON, Chief Accountant.

I hereby certify that the Revenue Account and Balance-sheet have been duly examined and compared with the relative books and documents submitted for audit, and correctly state the position as disclosed thereby.—CYRIL G. COLLINS, Controller and Auditor-General.

WAIPIATA-HAMILTON'S LIBRARY ENDOWMENT ACCOUNT.

RECEIPTS AND PAYMENTS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Receipts.</i>	£	<i>Payments.</i>	£
Rents	14	Trustees of Waipata-Hamilton's Library under section 93, Reserves and other Lands Disposal and Public Bodies Empowering Act, 1917	13
		Administration expenses to Consolidated Fund under section 4, Land Laws Amendment Act, 1927	1
	<u>£14</u>		<u>£14</u>

REVENUE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Dr.</i>	£	<i>Cr.</i>	£
Balance brought forward	3	Accrued rent	14
Amount due to trustees of Waipata-Hamilton's Library under section 93, Reserves and other Lands Disposal and Public Bodies Empowering Act, 1917	13	Balance carried forward	3
Administration expenses due to Consolidated Fund under section 4, Land Laws Amendment Act, 1927	1		
	<u>£17</u>		<u>£17</u>

BALANCE-SHEET AS AT 31ST MARCH, 1940.

<i>Liabilities.</i>	£	<i>Assets.</i>	£
Capital	339	Endowment land	339
Rents charged in advance	3	Revenue Account: Balance carried forward	3
	<u>£342</u>		<u>£342</u>

THOS. POUND, Assistant Under-Secretary for Lands.
G. I. BEESON, Chief Accountant.

I hereby certify that the Statement of Receipts and Payments, Revenue Account, and Balance-sheet have been duly examined and compared with the relative books and documents submitted for audit, and correctly state the position as disclosed thereby.—J. P. RUTHERFORD, Deputy Controller and Auditor-General.

LANDS AND SURVEY DEPARTMENT—continued.
WAIROA HARBOUR ENDOWMENT ACCOUNT.

RECEIPTS AND PAYMENTS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Receipts.</i>						£	<i>Payments.</i>				£
Rents..	..	..	..	..	..	42	Administration expenses paid to Consolidated Fund under section 4, Land Laws Amendment Act, 1927	..	..	3
							Thirds	..	..	15
							Payment to Wairoa Harbour Board	..	..	12
							Balance : Cash in Local Bodies' Deposit Account of Receiver of Land Revenue, Gisborne	..	..	12
						<u>£42</u>				<u>£42</u>	

REVENUE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Dr.</i>						£	<i>Cr.</i>						£
Balance brought forward	12	Accrued rents	46
Wairoa Harbour Board	23	Balance carried forward	12
Thirds	..	..	..	..	..	15						
Administration expenses	..	..	..	..	..	3						
Rebates	..	..	..	..	..	5						
						<u>£58</u>						<u>£58</u>	

BALANCE-SHEET AS AT 31ST MARCH, 1940.

<i>Liabilities.</i>						£	<i>Assets.</i>						£
Capital	..	..	..	..	..	3,100	Endowment lands	..	..	..	..	3,100
Rents charged in advance	..	..	..	..	..	12	Cash in Local Bodies' Deposit Account of Receiver of Land Revenue, Gisborne	..	..	..	..	12
Amount payable to Harbour Board	..	..	..	..	..	12	Revenue Account	..	..	..	..	12
						<u>£3,124</u>							<u>£3,124</u>

R. G. MACMORRAN, Under-Secretary for Lands.
G. I. BEESON, Chief Accountant.

I hereby certify that the Receipts and Payments Account, Revenue Account, and Balance-sheet have been duly examined and compared with the relative books and documents submitted for audit, and correctly state the position as disclosed thereby. CYRIL G. COLLINS, Controller and Auditor-General.

WANGANUI HARBOUR ENDOWMENT ACCOUNT.

RECEIPTS AND PAYMENTS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Receipts.</i>						£	<i>Payments.</i>						£
Rents	..	..	..	..	..	37	Wanganui Harbour Board	..	..	..	..	18
							Consolidated Fund administration expenses under section 4, Land Laws Amendment Act, 1927	..	..	..	..	1
							Balance in Local Bodies' Deposit Account of Receiver of Land Revenue, Wellington	..	..	..	..	18
						<u>£37</u>						<u>£37</u>	

REVENUE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Dr.</i>							<i>Cr.</i>						£
Administration expenses due to Consolidated Fund under section 4, Land Laws Amendment Act, 1927	..	..	..	..	2	Accrued rents	..	..	..	..	..	33
Balance carried down	..	..	..	..	31							
					<u>£33</u>							<u>£33</u>	
					£							£	
Balance from previous year	..	..	..	..	5	Balance brought down	..	..	..	..	..	31
Payment to Wanganui Harbour Board under Wanganui Harbour Endowment, &c., Act, 1877	..	..	..	..	35	Balance carried forward	..	..	..	..	..	9
					<u>£40</u>							<u>£40</u>	

BALANCE-SHEET AS AT 31ST MARCH, 1940.

<i>Liabilities.</i>						£	<i>Assets.</i>						£
Capital	..	..	..	..	..	823	Leased land	..	..	..	..	..	824
Rents charged in advance	..	..	..	..	..	9	Revenue Account	..	..	..	..	..	9
Sundry creditors—							Cash in Local Bodies' Deposit Account of Receiver of Land						
Administration expenses	..	..	..	..	..	1	Revenue, Wellington	..	..	..	..	..	18
Wanganui Harbour Board	..	..	..	..	..	18							
						£851							£851

THOS. POUND, Assistant Under-Secretary for Lands.
G. I. BEESON, Chief Accountant.

I hereby certify that the Statement of Receipts and Payments, Revenue Account, and Balance-sheet have been duly examined and compared with the relative books and documents submitted for audit, and correctly state the position as disclosed thereby. CYRIL G. COLLINS, Controller and Auditor-General.

LANDS AND SURVEY DEPARTMENT—continued.
WANGANUI RIVER TRUST ACCOUNT.

RECEIPTS AND PAYMENTS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Receipts.</i>	£	<i>Payments.</i>	£
Balance in Local Bodies' Deposit Account of Receiver of Land Revenue, Wellington, at 1st April, 1939	10	Consolidated Fund: Administration expenses, section 6 of the Wanganui River Trust Act, 1891	20
Rents	601	Wanganui River Trust under Wanganui River Trust Act, 1891	384
Principal instalments in respect of sales	4	Interest on loans repayments under section 47, Land for Settlements Act, 1925	75
Interest instalments in respect of sales, &c.	12	Principal repayments of loans under section 47, Land for Settlements Act, 1925	4
		Balance in Local Bodies' Deposit Account of Receiver of Land Revenue, Wellington, at 31st March, 1940	144
	<u>£627</u>		<u>£627</u>

REVENUE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Dr.</i>	£	<i>Cr.</i>	£
Administration expenses due to Consolidated Fund under section 6 of the Wanganui River Trust Act, 1891	27	Accrued rent	551
Interest on loans under section 47, Land for Settlements Act, 1925	89	Accrued interest	12
Remissions of rent under Mortgagors and Lessees Rehabilitation Act, 1936	13		
Balance carried down	<u>434</u>		
	<u>£563</u>		<u>£563</u>
	£		£
Balance from previous year	776	Balance brought down	434
Amount due to Wanganui River Trust under Wanganui River Trust Act, 1891	506	Balance carried forward	848
	<u>£1,282</u>		<u>£1,282</u>

BALANCE-SHEET AS AT 31ST MARCH, 1940.

<i>Liabilities.</i>	£	<i>Assets.</i>	£	£
Capital	12,577	Endowment lands—		
Loan for roading, section 47, Land for Settlements Act, 1925—		Leased	14,197	
Advances	1,901	Unleased	594	
Principal instalments	534			14,791
Interest	839	Sundry debtors for—		
	<u>3,274</u>	Rents	128	
Rental adjustment	135	Sales (not yet payable)	221	
Sundry creditors				349
Administration expenses	7	Interest on sales accrued but not due		3
Rents paid in advance	5	Revenue Account: Balance carried forward		848
Wanganui River Trust: Amount not yet paid over	137	Cash in Local Bodies' Deposit Account of Receiver of Land Revenue, Wellington, at 31st March, 1940		144
	<u>149</u>			
	<u>£16,135</u>			<u>£16,135</u>

R. G. MACMORRAN, Under-Secretary for Lands.
G. I. BEESON, Chief Accountant.

I hereby certify that the Statement of Receipts and Payments, Revenue Account, and Balance-sheet have been duly examined and compared with the relative books and documents submitted for audit, and correctly state the position as disclosed thereby. The following comment is appended: Endowment revenue has been paid to the Wanganui River Trust without provision having been made for the payment of arrears of interest and principal instalments owing in connection with the loans under section 47 of the Land for Settlements Act, 1925.—CYRIL G. COLLINS, Controller and Auditor-General.

MARKETING DEPARTMENT.
EXPORT DIVISION.

DAIRY-PRODUCE.

FINAL STATEMENT OF THE DAIRY-PRODUCE PURCHASE AND SALE ACCOUNTS, 1938-39 SEASON.

Creamery Butter.

<i>Dr.</i>	£	<i>Cr.</i>	£
Estimated deficit on 4,657,244 boxes shown in accounts at 31st July, 1939	1,315,712	Actual deficit on sale of 4,657,244 boxes	1,323,762
Further deficit on realization of produce unsold at 31st July, 1939	8,050		
	<u>£1,323,762</u>		<u>£1,323,762</u>

Whey Butter.

<i>Dr.</i>	£	<i>Cr.</i>	£
Estimated deficit on 67,992 boxes shown in accounts at 31st July, 1939	20,398	Actual deficit on sale of 67,992 boxes	20,505
Further deficit on realization of produce unsold at 31st July, 1939	107		
	<u>£20,505</u>		<u>£20,505</u>

Cheese.

<i>Dr.</i>	£	<i>Cr.</i>	£
Estimated deficit on 1,122,998 crates shown in accounts at 31st July, 1939	1,216,819	Surplus on realization of produce unsold at 31st July, 1939	58,891
		Actual deficit on sale of 1,122,998 crates	1,157,928
	<u>£1,216,819</u>		<u>£1,216,819</u>

REVENUE ACCOUNT, 1938-39 SEASON.

<i>Dr.</i>	£	<i>Cr.</i>	£
Deficit—		Balance : Deficit, 1938-39 season	2,514,889
Creamery Butter Account	1,323,762		
£			
Whey Butter Account	20,505		
Cheese Account	1,157,928		
	<u>1,178,433</u>		
	2,502,195		
Payments to manufacturers of special milk products under the Dairy-produce (Special Milk Products) Regulations 1938	12,694		
	<u>£2,514,889</u>		<u>£2,514,889</u>

MARKETING DEPARTMENT—continued.
EXPORT DIVISION—continued.

MEAT.

PURCHASE AND SALE ACCOUNT FOR THE PERIOD ENDED 31ST JULY, 1940.

<i>Dr.</i>	£	£	<i>Cr.</i>	£	£
Purchases—			Sales—		
Lamb	9,052,067		Lamb	9,097,172	
Mutton	2,040,639		Mutton	2,058,080	
Beef and veal	1,859,135		Beef and veal	1,875,979	
Pork	1,364,403		Pork	1,371,749	
Offals	593,055		Offals	599,732	
Tinned meat	66,546		Tinned meat	66,617	
	14,975,845			15,069,329	
Balance carried down		93,484			
	£15,069,329			£15,069,329	

REVENUE ACCOUNT FOR THE PERIOD ENDED 31ST JULY, 1940.

<i>Dr.</i>	£	<i>Cr.</i>	£
Salaries	3,685	Balance brought down	93,484
Office rent, maintenance, cleaning, telephones, and sundry expenses	818		
Postages, cables, and printing and stationery	1,246		
Travelling-expenses	36		
Shipping inspection	1,100		
Audit fees	310		
Depreciation (office and departmental equipment)	61		
Cost of remittances to freezing companies and others	4,036		
Interest on overdraft at Reserve Bank	2,781		
Payment to New Zealand Meat-producers Board	20,000		
	34,073		
Net surplus	59,411		
	£93,484		£93,484

WOOL.

PURCHASE AND SALE ACCOUNT FOR THE WOOL YEAR ENDED 30TH JUNE, 1940.*

	Greasy Wool.	Slipe Wool.	Total.		Greasy Wool.	Slipe Wool.	Total.
Purchases—	£	£	£	Sales—	£	£	£
Appraisal values	12,491,525	2,868,730	15,360,255	To United Kingdom Wool Control	11,986,742	2,952,251	14,938,993
Final payments	141,865	87,961	229,826	To New Zealand mills	646,648	4,440	651,088
	12,633,390	2,956,691	15,590,081		12,633,390	2,956,691	15,590,081

CHARGES, EXPENSES, AND ADMINISTRATION ACCOUNT FOR THE WOOL YEAR ENDED 30TH JUNE, 1940.*

<i>Dr.</i>	£	<i>Cr.</i>	£
Brokers' charges	642,565	Allowance in sale price for charges and expenses, and recoveries, including amount of wool levy	1,088,483
Appraisal costs	67,702		
Wool levy paid on behalf of growers	20,666		
Charges and expenses to f.o.b.	82,439		
Scouring charges	167,911		
	981,283		
Balance carried down	107,200		
	£1,088,483		£1,088,483
<i>Dr.</i>	£	<i>Cr.</i>	£
Salaries	3,677	Balance brought down	107,200
Office rent, maintenance, cleaning, telephone, and sundry expenses	882	Interest	8,351
Postages, cables, printing, and stationery	2,087		
Travelling-expenses	41		
Audit fees	310		
Depreciation	61		
Cost of remittances to brokers and others	1,655		
	8,713		
Net surplus	106,838		
	£115,551		£115,551

* The accounts do not cover a full wool year, as the wool submitted at crutching sales in July and August, 1939, was not handled by the Department.

MARKETING DEPARTMENT—*continued*.EXPORT DIVISION—*continued*.

TALLOW.

PURCHASE AND SALE ACCOUNT FOR THE PERIOD ENDED 31ST JULY, 1940.

<i>Dr.</i>	£	<i>Cr.</i>	£	£
Purchases	290,347	Sales	401,875	
Balance carried down	3,439	Less freight	108,089	
	<u>£293,786</u>		<u>293,786</u>	
				<u>£293,786</u>

REVENUE ACCOUNT FOR THE PERIOD ENDED 31ST JULY, 1940.

<i>Dr.</i>	£	<i>Cr.</i>	£
Salaries	682	Balance brought down	3,439
Office rent, maintenance, cleaning, telephones, and sundry expenses	67		
Postages, cables, and printing and stationery	117		
Travelling-expenses	37		
Audit fees	60		
Depreciation	22		
Cost of remittances to manufacturers and others	199		
Interest on overdraft at Reserve Bank	298		
Net surplus	1,957		
	<u>£3,439</u>		<u>£3,439</u>

SCHEELITE.

PURCHASE AND SALE ACCOUNT FOR THE PERIOD ENDED 31ST JULY, 1940.

<i>Dr.</i>	£	<i>Cr.</i>	£
Purchases	7,825	Sales	8,026
Cost of administration	201		
	<u>£8,026</u>		<u>£8,026</u>

NOTE.—The sale to the United Kingdom Government is at f.o.b., but the prices payable are to be based on the final analyses carried out in the United Kingdom. For the purposes of these accounts, analyses by the Dominion Analyst have been used, as final analyses have not yet been received.

MARKETING DEPARTMENT (EXPORT DIVISION).

BALANCE-SHEET AS AT 31ST JULY, 1940.

<i>Liabilities.</i>	£	<i>Assets.</i>	£
Reserve Bank of New Zealand		Sundry debtors for produce and amounts accrued due	1,499,618
Dairy Industry Account	2,445,663	Stocks	109,951
Meat Industry Account	577,891	Office and departmental equipment	5,564
Sundry Products Account—		Advances to Sheep-skin Controller	80,302
Tallow	234,033	Dairy-produce Account—	
Sheep-skins	80,302	Deficit for 1938–39 season	2,514,889
Scheelite	510		
	<u>314,845</u>	Less surplus for 1937–38 season	576,724
Less fruit (credit)	25,184	Less surplus for 1939–40 season	
	<u>289,661</u>	(purchases up to 31st July,	
		1940)	49,788
			<u>626,512</u>
Less Wool Industry Account (credit)	344,794		<u>1,888,377</u>
	<u>2,968,421</u>		
Less cash held in London	95,257		
	<u>2,873,164</u>		
Sundry creditors for accrued charges and sundry credit balances	542,442		
Net surpluses—			
Meat	59,411		
Wool	106,838		
Tallow	1,957		
	<u>168,206</u>		
	<u>£3,583,812</u>		<u>£3,583,812</u>

G. A. DUNCAN, Director.

R. J. WELLS, Accountant.

I hereby certify that the several Purchase and Sale Accounts, the Administration and General Expenses Account, the Charges Expenses and Administration Account, the Fruit Consignment Account, and the Revenue Accounts, together with the Balance-sheet as at 31st July, 1940, have been examined and compared with the relative books and documents submitted for audit, and correctly state the position as disclosed thereby, subject to the departmental notes enclosed thereon. —CYRIL G. COLLINS, Controller and Auditor-General.

MARKETING DEPARTMENT—*continued*.
INTERNAL MARKETING DIVISION.
TRADING ACCOUNT FOR YEAR ENDED 31st MARCH, 1940.

	Head Office.	Thorndon.	Auckland.	Total.		Head Office.	Thorndon.	Auckland.	Total.
<i>Dr.</i>	£	£	£	£	<i>Cr.</i>	£	£	£	£
Balances transferred to Profit and Loss Account ..	53,295	29,271	5,903	88,469	Gross profits and commissions on trading ..	53,295	29,271	5,903	88,469
PROFIT AND LOSS ACCOUNT FOR YEAR ENDED 31st MARCH, 1940.									
<i>Dr.</i>	£	£	£	£	<i>Cr.</i>	£	£	£	£
Salaries, wages, and overtime ..	13,349	10,449	2,063	25,861	Gross profits transferred from Trading Account ..	53,295	29,271	5,903	88,469
Audit fees ..	300	390	41	731	Net rents and sundry recoveries ..	..	99	17	116
Advertising ..	192	..	..	192	Cost of administration of honey pools ..	..	..	3,772	3,772
Bad debts ..	..	569	..	569	Cost of administration of Butter Equalization Account ..	10,000	..	..	10,000
Damages in law ..	..	50	..	50	Cost of administration of food control ..	2,100	..	..	2,100
Depreciation ..	77	1,908	527	2,512					
Expenses of Fruit-marketing Committees ..	193	..	..	193					
Furniture, fittings, &c. ..	65	..	..	65					
General expenses and repairs ..	170	257	127	554					
Interest and exchange ..	7,984	1,316	1,237	10,537					
Insurances ..	480	322	92	894					
Light, heat, and power ..	49	187	8	244					
Maintenance of buildings ..	..	891	..	891					
Postages, telegrams, and telephones ..	2,314	507	361	3,182					
Printing and stationery ..	541	466	135	1,142					
Rents and rates ..	1,683	120	1,065	2,868					
Supercannation Fund subsidy ..	96	75	9	180					
Transfer expenses ..	131	..	..	131					
Travelling and motor expenses ..	2,495	2,463	177	5,135					
Balance carried down : Net profit before making provision for taxation ..	35,276	9,430	3,850	48,556					
	65,395	29,370	9,692	104,457		65,395	29,370	9,692	104,457
Reserve for taxation ..	21,400	6,100	2,500	30,000					
Net profit to Appropriation Account ..	13,876	3,330	1,350	18,556	Balance brought down ..	35,276	9,430	3,850	48,556
	35,276	9,430	3,850	48,556		35,276	9,430	3,850	48,556
PROFIT AND LOSS APPROPRIATION ACCOUNT.									
<i>Dr.</i>	£	£	£	£	<i>Cr.</i>	£	£	£	£
Compensation to New Zealand lemon-growers† ..	2,080	..	..	2,080	Balance from 1939 ..	54,660*	14,508	7,349	76,517
Balance ..	42,864*	17,838	8,699	69,391	Net profit from Profit and Loss Account ..	13,876	3,330	1,350	18,556
	40,784*	17,838	8,699	67,321		40,784*	17,838	8,699	67,321

* Denotes debit balances. † Payment made under Marketing Amendment Act, 1937, section 12.

MARKETING DEPARTMENT—*continued.*INTERNAL MARKETING DIVISION—*continued.*

BUTTER EQUALIZATION ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Dr.</i>	£	<i>Cr.</i>	£
Balance from accounts for the period ending 31st March, 1939	54,421	Differentials—	
Equalizing payments under section 12, Marketing Amendment Act, 1937 ..		(a) Directly paid and payable by dairy factories under the Butter Marketing Regulations 1937, clause 31	233,962
(a) Charges payable to dairy factories mainly in connection with the storing of butter for local consumption during the winter months in the South Island and not allowed for in the butter differential:—		(b) Indirectly accrued under the Butter Marketing Regulations 1937, clause 16, representing the difference between the proceeds of butter withdrawn from export, &c., for sale at the regulated local price (less allowances for patting, &c.) and the amount paid for purchase at the f.o.b. guaranteed price, as follows:—	
Freight and cartage	524	Sales at the regulated local price ..	692,328
Reworking and defrosting	891	Add stocks at 31st March, 1940	
Storing and freezing	3,252	(valued at guaranteed f.o.b. price) 115,498	
Bulking and parchment	95		
Interest and insurance	1,570		
	6,332		807,826
(b) Payments to authorized distributors in connection with the sale of butter as ships' stores to foreign-going vessels, sales to island dependencies, climatic and servicing allowances, &c.	19,121	Deduct purchases at guaranteed f.o.b. price ..	709,742
Payments under section 11, Marketing Amendment Act, 1937 ..		Stocks at 1st April, 1939	
Freight and cartage	3,603	(valued at guaranteed f.o.b. price) ..	76,183
Agency, wharfage, marine insurance, &c. ..	360		785,925
Storage and freezing	7,180		21,901
Insurance	1,164		
Grading fees	1,069		
	13,376		
Overhead and administrative expenses (including interest) ..	10,000		
Balance forward to next year's accounts	152,613		
	£255,863		£255,863

HONEY SECTION.

LOCAL AND EXPORT POOL ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Dr.</i>	£	<i>Cr.</i>	£
Balance: Stock	22,239	Sales—	
Advances to producers at 5½d. per pound	23,720	Packed and bulk honey in London	55,299
Honey purchases and transfers	9,028	Packed and bulk honey in New Zealand	39,302
Administration expenses (salaries, rent, telephones, stationery, &c.)	3,261	Exchange	3,218
Advertising	6,545	Sundry credits	766
Commissions	5,763	Stocks	4,472
Local Pool Account Expenses—			
Blending and Packing Department charges ..	7,586		
Cartage and freight	1,645		
	9,231		
Export Pool Account Expenses—			
Blending and Packing Department charges ..	9,892		
Handling, freight, and shipping	2,975		
	12,867		
Balance	10,303		
	£103,057		£103,057

BALANCE-SHEET AS AT 31ST MARCH, 1940.

<i>Liabilities.</i>	£	<i>Assets.</i>	£
Overdraft, Reserve Bank of New Zealand	217,075	Land	12,577
Creditors—		Buildings	24,270
Sundry	145,834	Motor-vehicles	2,249
Departmental	7,316	Loose tools and equipment, plant, furniture, and office appliances	21,819
	153,150	Goodwill	19,000
Reserve for renovations and repairs to premises at Thorndon	600	Stock-in-trade	201,093
Reserve for Public Service Superannuation Fund ..	184	Stocks of stationery, petrol, packing-materials, &c. ..	4,514
Reserve for insurance on fruit in transit and cool stores in New Zealand	500	Debtors—	
Fruit Advertising Suspense Account	220	Sundry	271,376
Butter-processing machine royalty reserve	24	Departmental	4,488
Reserve for taxation	30,000		275,864
Gift Parcel Account (honey)	50	Payments in advance	273
Reserve for honey advertising (London)	6,458	Cash in hand	29
Honey Seals Account	6,838	Losses in Suspense	277
Honey Pool Account	10,303	Profit and Loss Appropriation Account	16,327
Butter Equalization Account	152,613		
Writings-off Reserve	277		
	£578,292		£578,292

JAS. E. THOMAS, for Director.

G. C. JUPP, Accountant.

I hereby certify that the Trading Account, Profit and Loss Account and Appropriation Account, the Butter Equalization Account, the Honey Section Local and Export Pool Account, and the Balance-sheet have been duly examined and compared with the relative books and documents submitted for audit, and correctly state the position as disclosed thereby.—CYRIL G. COLLINS, Controller and Auditor-General.

MINES DEPARTMENT.

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Expenditure.</i>				£	<i>Income.</i>				£
Advertising, &c.	..	..	..	108	Commission collecting goldfields revenue	..	..	..	592
Assistance to prospecting, mining, and roads	..	..	..	30,882	Goldfields revenue	..	..	..	19,273
Bad debts	..	..	..	142	Hire of drills	..	..	..	253
Centennial Exhibition: Gas exhibit	..	..	..	250	Interest receivable	..	..	..	591
Collecting goldfields revenue, &c.	..	..	..	184	Surplus on gold transactions	..	..	..	30
Depreciation	..	..	..	1,482	Registration and other fees	..	..	..	942
Drill maintenance	..	..	..	501	Rents receivable	..	..	..	76
Examinations	..	..	..	136	Sale of mining equipment	..	..	..	35
Expenses—					Territorial revenue—				£
Delegates to Coal Conference	..	..	..	15	Mining Act	..	..	..	19
National Check Inspector	..	..	..	84	Petroleum Act	..	..	..	2,752
Freight and cartage	..	..	..	20					2,771
Fuel, light, and water	..	..	..	90	Timber royalties	..	..	..	4
Goldfields revenue: Local bodies	..	..	..	19,273	Balance carried down	..	..	..	55,615
Office removal expenses	..	..	..	10					
Office requisites	..	..	..	43					
Postages and telegrams	..	..	..	362					
Printing and stationery	..	..	..	326					
Rents	..	..	..	792					
Salaries	..	..	..	17,518					
Schools of Mines and libraries	..	..	..	3,533					
Social amenities in mining townships	..	..	..	891					
Sundry expenses	..	..	..	18					
Telephones and bureau calls	..	..	..	414					
Travelling allowances and expenses and motor maintenance	..	..	..	3,108					
				£80,182					£80,182
				£					£
Balance brought down	..	..	..	55,615	Excess of expenditure over income	..	..	..	56,640
Interest on capital	..	..	..	1,025					
				£56,640					£56,640

GREY RESCUE STATION.

REVENUE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Dr.</i>	£	<i>Cr.</i>	£
Amount of accumulated fund as at 31st March, 1939	3,354	Stores on hand, 1st April, 1939	218
Income of 3d. per ton levy on output for year 1939 from mines in levy area	1,751	Expenses of management—	£
Stores on hand, 31st March, 1940	36	Fees to trainees	586
		Freight and cartage	22
		Maintenance and equipment	96
		Maintenance of rescue van	7
		Printing and stationery	11
		Salaries	413
			1,135
		Depreciation	173
		Interest on capital	114
		Amount of accumulated fund as at 31st March, 1940	3,501
	£5,141		£5,141

COAL-MINES ACT, 1925.

REVENUE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Dr.</i>	£	<i>Cr.</i>	£
Allocation of Revenue—		Rents, royalties, and fees from leases and licenses under the Coal-mines Act, 1925	29,065
Westport Harbour Revenue	10,303		
Greymouth Harbour Revenue	2,914		
Primary Education Account	1,236		
Secondary Education Account	773		
Land for Settlements Account	21		
Remissions of rent and royalty under section 17 of the Coal-mines Act, 1925, and section 7 of the Finance Act, 1932 (No. 2)	2,563		
Carried down: Territorial revenue	11,255		
	£29,065		£29,065

NET REVENUE ACCOUNT.

<i>Dr.</i>	£	<i>Cr.</i>	£
Salaries	550	Brought down: Territorial revenue	11,255
Postages and telegrams	30	Commission earned on revenue collected for other accounts	645
Printing and stationery	80		
Depreciation	1		
Excess of income over expenditure	11,239		
	£11,900		£11,900

NOTE.—The Revenue Account includes rents for period 1st July, 1939, to 30th June, 1940, and royalties for period 1st January, 1939, to 31st December, 1939.

NATIVE-LAND-DEVELOPMENT SCHEMES.

INTEREST ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Dr.</i>	£	<i>Cr.</i>	£
Interest on loan capital	71,746	Interest on amounts expended on development schemes and advances to units	92,783
Interest on advances from Consolidated Fund under section 8, Finance Act, 1929	200	Interest on advances under section 340, Native Land Act, 1931 (Maori Land Boards)	194
Balance, transferred to Revenue Account	23,719	Interest on advances under section 521, Native Land Act, 1931 (Native Trustee)	2,287
		Interest on advances under section 48, Native Land Amendment Act, 1936 (Native settlers)	383
		Interest on Oturei Mortgage	18
	<u>£95,665</u>		<u>£95,665</u>

REVENUE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Dr.</i>	£	£	<i>Cr.</i>	£
Depreciation—			Balance, transferred from Interest Account	23,719
Departmental motor-vehicles	201			
Departmental surveyor's equipment	17			
		218		
Balance, transferred to Net Revenue Account		23,501		
		<u>£23,719</u>		<u>£23,719</u>

NET REVENUE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Dr.</i>	£	<i>Cr.</i>	£
Balance, 31st March, 1940	38,505	Balance, 1st April, 1939	6,069
		Balance transferred from Revenue Account	23,501
		Previous year's profits on bulk purchases	8,888
		Adjustment on account of previous years	47
	<u>£38,505</u>		<u>£38,505</u>

BALANCE-SHEET AS AT 31ST MARCH, 1940.

<i>Liabilities.</i>	£	<i>Assets.</i>	£	£
Loan capital: Public Works Fund	1,950,497	Native-land development—		
Liability to Consolidated Fund—	£	Settlement expenditure, including interest	2,075,825	
Advance under section 8, Finance Act, 1929: Principal	2,300	Advances under section 48, Native Land Amendment Act, 1936	8,087	
Interest on loan capital	86,606	Interest accrued	70	
	88,906			2,083,982
Sundry creditors—		Advances—		
Departmental	16,180	Native Trustee under section 521, Native Land Act, 1931	52,527	
Miscellaneous	35,892	Interest accrued	1,116	53,643
Employment promotion grant unexpended	32,889			
	84,961	Maori Land Boards under section 340, Native Land Act, 1931	4,867	
Writings-off in Suspense	5,566	Interest accrued	69	4,936
Net Revenue Account—		Oturei Block	273	
Balance, 1st April, 1939	6,069	Interest due and accrued	5	278
Plus—				
Excess income over expenditure, 1939-40	23,501	Departmental motor-vehicles	75	
Previous year's profits on bulk purchases	8,888	Surveyors' equipment	212	287
Adjustment on account of previous years	47			
	32,436	Sundry debtors—		
	38,505	Departmental	350	
		Miscellaneous	15,618	
		Advances to Maori Land Boards (instalments principal, £2,455; interest, £1,320)	3,775	19,743
		Losses in Suspense		5,566
	<u>£2,168,435</u>			<u>£2,168,435</u>

NOTE.—As from 1st April, 1936, administration expenses have been charged to the Consolidated Fund, and are not included in the above account.

O. N. CAMPBELL, Under-Secretary.
M. J. LAWLESS, A.R.A.N.Z., Accountant.

I hereby certify that the Revenue Account and Balance-sheet have been duly examined and compared with the relative books and documents submitted for audit, and correctly state the position as disclosed thereby, subject to the explanatory notes dealing with departmental accounts generally as appearing at commencement of parliamentary return B. 1 [Pt. IV] and to the following comments: (1) The loading of the various schemes for administration expenses is not sufficient to cover the full cost; (2) moneys expended out of the " Surveys of Native Land Account " on Native-land-development schemes have not been recouped; (3) in the opinion of the Audit Office, expenditure from the Public Works Fund on Native-land-development areas incurred prior to the assumption of control by the Native Department and included in the Crown lands Balance-sheet should be reflected in the accounts of the Native-land-development schemes. J. P. RUTHERFORD, Deputy Controller and Auditor-General.

NATIVE TRUSTEE.

INTEREST ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Dr.</i>	£	£	<i>Cr.</i>	£
Interest allocated to amounts held under—			Interest on mortgage and other investments	26,599
Native Land Act, 1931, Part III	4,373			
Native Land Act, 1931, Part X	1,851			
Native Land Act, 1931, Miscellaneous	38			
Native Trustee Act, 1930	510			
Native Purposes Act, 1931	1,814			
Native Housing Amendment Act, 1938	1,173			
West Coast Settlement Reserves Act, 1892	184			
Miscellaneous funds	37			
		9,980		
Interest on advances under—				
Native Land Act, 1931, section 521	2,286			
Post Office loan	865			
		3,151		
Surplus carried to Revenue Account		13,468		
		<u>£26,599</u>		<u>£26,599</u>

REVENUE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Dr.</i>	£	<i>Cr.</i>	£
Administration expenses: Contribution to Consolidated Fund of amount fixed to cover Native Trustee's proportion of salaries and working-expenses	12,200	Balance from Interest Account	13,468
Net working loss on properties acquired under mortgage	421	Commission	4,921
Unauthorized expenditure: Settlement of claim arising from impersonation of beneficiary	8	Fees	472
Net surplus carried to Appropriation Account	6,232		
	<u>£18,861</u>		<u>£18,861</u>

APPROPRIATION ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Dr.</i>	£	<i>Cr.</i>	£
Balance, 31st March, 1940	18,568	Balance, 1st April, 1939	12,336
	<u>£18,568</u>	Net surplus from Revenue Account	6,232
			<u>£18,568</u>

BALANCE-SHEET AS AT 31ST MARCH, 1940.

<i>Liabilities.</i>	£	£	<i>Assets.</i>	£	£	£
Amounts held under—			Mortgages and other investments (book value) —			
Native Reserves Act, 1882	61,380		Mortgages	412,293		
West Coast Settlement Reserves Act, 1892	48,175		Less assignment to Post Office	20,405		
Native Land Act, 1931, Part X	61,848				391,888	
Native Land Act, 1931			Local-body securities		5,100	
Maori Land Board Funds	163,962		Properties acquired under mortgage		14,494	
Special investments	450					411,482
Miscellaneous	6,129		Loans Native Housing (Special)			52,824
		170,541	Interest and rent due and accrued			18,566
Native Trustee Act, 1930		17,314	Advances (on overdraft) to estates and accounts			175,733
Native Purposes Act, 1931		61,900	Sundry debtors			2,605
Miscellaneous funds		10,914	Balances —			
		432,072	At bank		36,606	
Housing Fund (Special)		105,655	Cash in hand		44	
Sundry creditors		16	Cash at branches		13,319	
Native Land Act, 1931, section 521—						49,969
Advances under		60,000	Losses in Suspense			122
Less repayments		7,473				
		52,527				
Interest accrued on loans		1,572				
Writings-off in Suspense		122				
Reserve against unpaid interest		1,614				
Special reserve against claims		159				
Assurance and Reserve Fund		97,801				
Investment Fluctuation Account		1,195				
Profit and Loss Appropriation Account		18,568				
		<u>119,337</u>				
		<u>£711,301</u>				<u>£711,301</u>

O. N. CAMPBELL, Native Trustee.
M. J. LAWLESS, A.R.A.N.Z., Accountant.

I hereby certify that the Balance-sheet and accompanying accounts have been duly examined and compared with the relative books, documents, and securities submitted for audit, and correctly state the position as disclosed thereby. The following comment is appended: The advances made to the East Coast Maori Soldiers Fund by the Native Trustee exceed the value of the realizable assets of the Fund.—CYRIL G. COLLINS, Controller and Auditor-General.

POST AND TELEGRAPH DEPARTMENT.

POSTAL BRANCH.

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Dr.</i>	£	<i>Cr.</i>	£
Working-expenses	1,736,763	Postages	1,407,762
Depreciation (<i>b</i>)	33,759	Rent received	17,281
		Private box and bag rents	30,745
		Rural delivery fees	28,576
		Money-order and postal note commission	89,335
		Miscellaneous revenue	186,067
		Loss before charging interest on capital carried down ..	10,756
	<u>£1,770,522</u>		<u>£1,770,522</u>
	£		£
Loss brought down	10,756	Loss on year's working transferred to General Profit and	
Interest on capital (<i>a</i>)	86,716	Loss Account	97,472
	<u>£97,472</u>		<u>£97,472</u>

TELEGRAPH BRANCH.

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Dr.</i>	£	<i>Cr.</i>	£
Working-expenses	422,021	Revenue	352,058
Depreciation (<i>b</i>)	33,648	Miscellaneous	79,720
		Rents received	1,241
		Loss carried down	22,650
	<u>£455,669</u>		<u>£455,669</u>
	£		£
Loss brought down	22,650	Loss on year's working	49,230
Interest on capital (<i>a</i>)	26,580		
	<u>£49,230</u>		<u>£49,230</u>

TELEPHONE BRANCH.

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Dr.</i>	£	<i>Cr.</i>	£
Working-expenses	753,281	Telephone revenue	1,653,781
Depreciation (<i>b</i>)	390,568	Rents received	6,616
Profit carried down	516,548		
	<u>£1,660,397</u>		<u>£1,660,397</u>
	£		£
Interest on capital (<i>a</i>)	362,188	Profit brought down	516,548
Profit on year's working	154,360		
	<u>£516,548</u>		<u>£516,548</u>

TOLL BRANCH.

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Dr.</i>	£	<i>Cr.</i>	£
Working-expenses	343,438	Revenue	791,353
Depreciation (<i>b</i>)	134,593	Rents received	4,965
Profit carried down	344,566	Miscellaneous	26,279
	<u>£822,597</u>		<u>£822,597</u>
	£		£
Interest on capital (<i>a</i>)	106,322	Profit brought down	344,566
Profit on year's working	238,244		
	<u>£344,566</u>		<u>£344,566</u>

POST AND TELEGRAPH DEPARTMENT—*continued*.

SERVICE GARAGE.

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Dr.</i>					£	<i>Cr.</i>					£
Working-expenses	..	..	..	..	127,560	Revenue	..	..	..	..	149,955
Depreciation (<i>b</i>)	..	..	..	..	18,802						
Profit carried down	..	..	..	..	3,593						
					<u>£149,955</u>						<u>£149,955</u>
					£						£
Interest on capital (<i>a</i>)	..	..	..	..	7,928	Profit brought down	..	..	..	..	3,593
					<u>£7,928</u>	Loss on year's working	..	..	..	..	4,335
											<u>£7,928</u>

WIRELESS BRANCH.

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Dr.</i>					£	<i>Cr.</i>					£
Working-expenses	..	..	..	..	19,326	Revenue on wireless traffic	..	..	..	..	10,630
Depreciation (<i>b</i>)	..	..	..	..	2,744	Loss carried down	..	..	..	..	11,440
					<u>£22,070</u>						<u>£22,070</u>
					£						£
Loss brought down	..	..	..	..	11,440	Loss on year's working	..	..	..	..	13,719
Interest on capital (<i>a</i>)	..	..	..	..	2,279						
					<u>£13,719</u>						<u>£13,719</u>

GENERAL PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Dr.</i>					£	<i>Cr.</i>					£
Postal Branch : Loss	..	..	..	..	97,472	Toll Branch : Profit	..	..	..	..	238,244
Telegraph Branch : Loss	..	..	..	..	49,230	Telephone Branch : Profit	..	..	..	..	154,360
Wireless Branch : Loss	..	..	..	..	13,719						
Service Garage : Loss	..	..	..	..	4,335						
Net profit	..	..	..	..	227,848						
					<u>£392,604</u>						<u>£392,604</u>

GENERAL PROFIT AND LOSS APPROPRIATION ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Dr.</i>					£	<i>Cr.</i>					£
Payment to Treasury	..	..	..	..	2,929	Balance	..	..	..	..	71,570
Expenditure chargeable against Profit and Loss Accounts for previous year	..	..	..	..	1,256	General Profit and Loss Account	..	..	..	..	227,848
Balance—											
(1) Post and Telegraph Act, 1928, section 95 (<i>d</i>) : Due to Consolidated Fund	..	..	..	..	265,963						
(2) Retained by Post Office Account	..	..	..	..	29,270						
					<u>295,233</u>						
					<u>£299,418</u>						<u>£299,418</u>

POST AND TELEGRAPH DEPARTMENT—*continued.*
BALANCE-SHEET AS AT 31ST MARCH, 1940.
Receipts and Expenditure on Capital Account.

<i>Dt.</i>	<i>Cr.</i>	As at 31st March, 1930.	Amount debited during Year.	As at 31st March, 1940.	Capital as at 31st March, 1940.
Expenditure—					
Telegraph and toll systems, including work in progress		£ 2,809,208	£ 101,478	£ 3,000,686	£ 15,908,297
Telephone-exchange systems, including works in progress		9,325,766	353,125	9,678,891	68,094
Wireless systems		44,777	2,485	47,262	
Buildings and site		3,619,622	366,057	3,985,679	
Plant and workshops		56,080	5,148	61,228	
Motor-garages, &c.,		328,817	5,659	334,476	
Furniture and fittings		199,139	5,843	204,982	
Aeradio systems—					
Communication equipment		32,775	33,483	66,258	
Buildings		4,154	4,318	1,836	
		16,512,338	868,960	17,381,298	
					Balance carried to General Balance-sheet
					15,222,603
					16,036,391
					1,344,907
GENERAL BALANCE-SHEET.					
<i>Sundry creditors—</i>					
Money-order payees for unpaid money-orders		£ 66,045	£ 66,045		£ 1,344,907
Other Administrations, on money-order, postal, and cable accounts		96,541	96,541		689,755
Postal note payees for unpaid postal notes		87,575	87,575		
Sundry other creditors		810,295	810,295		1,673
Other Government Departments		954,861	954,861		99,592
				2,015,317	372,863
Assets written off Reserve Account				8,354	474,128
War Loan Certificate Account				4,918	
Post Office Investment Certificate Account				574,789	592,650
Money-order Settlement Account				6,517	
Postmasters : For advance to Postmasters of stamps, postal notes, British postal orders, Post Office Investment Certificates, and other documents of value, including stocks held in the General Post Office				4,795,083	2,440,015
Stamps held in Head Office and in transit				26,265,174	215,137
					2,224,878
					3,494,916
					26,256,330
Depreciation Reserve (including maintenance and renewals, equalization reserve, telegraph, toll, and telephone systems)				5,029,740	31,976,124
Fire Insurance Reserve				155,000	8,354
Profit and Loss Appropriation Account				295,233	4,035,073
					21,049
					2,085
					£39,144,125

NOTES.—(a) Interest on so much of capital as is equal in amount to Depreciation Reserve investments is at the average earning-rate on such investments; interest on balance of capital is at 4½ per cent. (b) Depreciation has been allowed for on balance of assets as at 1st April, 1939, the total charge being carried to Depreciation Reserve.

P. CUTFORTH, A.R.A.N.Z., Director of Accounts.
J. G. YOUNG, Director-General, Post and Telegraph Department.

I hereby certify that the Profit and Loss Accounts and Balance-sheet have been duly examined and compared with the relative books and documents submitted for audit, and correctly state the position as disclosed thereby, subject to the departmental notes enclosed thereon.—**YRIL G. COLLINS**, Controller and Auditor-General.

POST AND TELEGRAPH DEPARTMENT—*continued*.

SAVINGS-BANK BRANCH.

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Dr.</i>	£	<i>Cr.</i>	£	£
Interest credited to depositors	1,600,152	Interest received	1,813,639	
Management expenses	222,719	Plus interest accrued to 31st March, 1940 ..	436,786	
Balance carried to Appropriation Account ..	21,615		2,250,425	
		Less interest accrued to 31st March, 1939 ..	443,974	
				1,806,451
		Sundry receipts		38,035
	£1,844,486			£1,844,486

APPROPRIATION ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Dr.</i>	£	<i>Cr.</i>	£
Savings-bank profits paid to Consolidated Fund ..	166,795	Balance brought forward	166,795
Balance carried forward	21,615	Profit and Loss Account	21,615
	£188,410		£188,410

BALANCE-SHEET OF THE NEW ZEALAND POST OFFICE SAVINGS-BANK AS AT 31ST MARCH, 1940.

<i>Dr.</i>	£	<i>Cr.</i>	£
Balance at credit of depositors' account	58,681,314	Cash on hand and at bank	215,137
Letters of credit and other liabilities	43,054	Investments	58,673,175
Reserve Fund	1,175,857	Interest accrued on investments	136,786
Advances to Postmasters, &c., of stamps, &c. ..	794	Thrift stamps held by teachers	26
Advance for school savings-bank expenses ..	5,000	Sundry debtors	2,540
Profit and Loss Appropriation Account	21,615		
	£59,327,664		£59,327,664

P. CUTFORD, A.R.A.N.Z., Director of Accounts.

J. G. YOUNG, Director General, Post and Telegraph Department.

I hereby certify that the Profit and Loss Account and Balance-sheet have been duly examined and compared with the relative books and documents submitted for audit, and correctly state the position as disclosed thereby.

—CYRIL G. COLLINS, Controller and Auditor-General.

PRIME MINISTER'S DEPARTMENT.

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Expenditure.</i>	£	<i>Income.</i>	£
Salaries	11,038	Balance carried down	27,224
Advertising, publications, &c.	191		
Defence Conference	143		
League of Nations: New Zealand's expenses ..	13,731		
Postage and telegrams	37		
Printing and stationery	621		
Rent of offices	712		
Sundries	13		
Telephone services	423		
Travelling allowances and expenses	54		
Depreciation —			
Furniture and fittings	196		
Mechanical appliances	29		
Library	36		
	261		
	£27,224		£27,224
Balance brought down	27,224	Excess of expenditure over income	27,277
Interest on capital	53		
	£27,277		£27,277

BALANCE-SHEET AS AT 31ST MARCH, 1940.

<i>Liabilities.</i>	£	<i>Assets.</i>	£
Capital Account (Consolidated Fund)	1,365	Furniture and fittings	792
Creditors —		Mechanical appliances	288
Departmental	14	Library	285
Sundry	49	Excess of expenditure over income	27,277
	63		
Treasury Adjustment Account	27,214		
	£28,642		£28,642

C. A. BERENDSEN, Permanent Head.

J. R. DEAL, Accountant.

I hereby certify that the Income and Expenditure Account and Balance-sheet have been duly examined and compared with the relative books and documents submitted for audit, and correctly state the position as disclosed thereby, subject to the explanatory notes dealing with departmental accounts generally as appearing at commencement of parliamentary return B. 4 [Pt. IV]. —CYRIL G. COLLINS, Controller and Auditor-General.

SCENIC RESERVES ACCOUNT.

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Expenditure.</i>				<i>Income.</i>			
Cost of administering reserves—		£	£	Rents			£
Tromson Kauri Forest		313		Royalties			770
Kapiti Island		215		Camping fees			71
General		344		Interest on loan			54
			872	Depreciation overallowed in previous years			18
Grants to National Park and Domain Boards		2,583		Balance carried down			143
Royalties written off			1				2,460
Rebates allowed			4				
Depreciation of plant, &c.			56				
			£3,516				£3,516
			£				£
Balance brought down			2,461	Transfer to Treasury Adjustment Account			13,668
Balance from previous year			13,668	Balance : Loss for year carried forward			12,191
Interest on capital			9,730				
			£25,859				£25,859

BALANCE-SHEET AS AT 31ST MARCH, 1940.

<i>Liabilities.</i>				<i>Assets.</i>			
Capital Account—				Land—			£
Money provided out of Consolidated Fund—		£	£	Scenic Reserves			571,930
Balance, 1st April, 1939		227,995		Domain and recreation reserves			539,216
Expenditure during year		5,701		Motuihi Island Domain—		£	
			233,696	Buildings		1,908	
Moneys provided from Public Works Fund		13,178		Less depreciation reserve		1,908	
Moneys provided from private sources for							
purchase of reserves		6,921		Kapiti Island Bird Sanctuary—			
Value of Crown Land set aside as reserves		859,890		Furniture, machinery, &c.		1,049	
Employment Promotion Fund capital		162		Less depreciation reserve		586	
			1,113,847				463
Sundry creditors—				Capital expenditure, Employment Promotion Fund			162
Miscellaneous			3	Loan : Mount Egmont National Park Board			289
Departmental			17	Sundry debtors for—			
			20	Rent			105
Rents paid in advance			10	Royalties			200
Rents charged in advance			115	Miscellaneous			210
Treasury Adjustment Account			10,775	Interest Adjustment Account			1
				Income and Expenditure Account			12,191
			£1,124,767				£1,124,767

R. G. MACMORRAN, Under-Secretary for Lands.
G. I. BEESON, Chief Accountant.

hereby certify that the Income and Expenditure Account and Balance-sheet have been duly examined and compared with the relative books and documents submitted for audit, and correctly state the position as disclosed thereby, subject to the explanatory notes dealing with departmental accounts generally as appearing at commencement of parliamentary return B.—1 [Pt. IV]. CYRIL G. COLLINS, Controller and Auditor-General.

SMALL-FARMS SCHEME.

REVENUE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Dr.</i>		<i>Cr.</i>	
Interest on capital provided from the Public Works Fund	£ 54,371	Rents receivable	£ 4,835
Interest on loan provided from Consolidated Fund	1,560	Interest receivable on Current account mortgage	7,417
Rent payable	859	Instalment mortgage	10,652
Administration and travelling expenses	48	Share-milkers' loans	1,280
Rebates	60	Miscellaneous advances	74
Remissions under Land Act, 1924—	£ —		19,423
Interest	94	Interest accrued on development loan	260
Rents	5	Rebates on superphosphates	273
	99	Surplus on disposal of properties	587
Remissions under Mortgagors and Lessees Rehabilitation Act, 1936—		Interest on development expenditure recouped	5,079
Interest	563	Sale of timber	12
Rents	162	Profit on issue of stores	12
	725	Profit on realization of developed blocks	6,404
Losses on realization of advances to small-farm occupiers	6,073	Balance: Loss for year carried down	27,031
Reduction of mortgage principal	59		
Deficit on disposal of properties	5		
Loss on realization of developed blocks	56		
Miscellaneous expenses	1		
	£63,916		£63,916
	£		£
Balance: Loss brought forward from 31st March, 1939	81,699	Balance: Loss to 31st March, 1940	108,730
Balance: Loss brought down	27,031		
	£108,730		£108,730

BALANCE-SHEET AS AT 31ST MARCH, 1940.

<i>Liabilities.</i>		<i>Assets.</i>	
Capital Account—	£	Land—	£
Public Works Fund	1,552,123	Leased	70,385
Employment Promotion Fund	469,692	Unleased	284,381
Consolidated Fund	314,863		354,766
Land donated	1,115	Development expenditure on land—	
	2,337,793	Public Works Fund	800,850
Loan from Employment Promotion Fund	3,160	Consolidated Fund	314,863
Loan from Consolidated Fund	39,000	Employment Promotion Fund	469,692
Dairy shares: Capital Account	529		1,585,405
Crown Lands Account: Land set aside for—	£	Interest on expenditure on blocks being developed	105,127
Small farms	44,446		1,690,532
Rent accrued	480	Live-stock and chattels	170,947
	44,926	Dairy shares	530
Education Endowment Account: Land set aside for small farms	2,548	Advances to small-farm occupiers—	
Sundry creditors—	£	Current Account	£
Rent	302	Improvements	81,385
Departmental	1,651	Stock and chattels	52,752
Miscellaneous	6,847	Instalment mortgages	204,684
	8,800	Miscellaneous	2
Water Supply Account: Maintenance	355		338,823
Payments in advance—	£	Advances under share-milkers' agreements	20,829
Rent	107	Realization Account: Properties in course of realization	13,499
Principal instalments—		Sundry debtors—	
Instalment mortgages	51	Rent owing by small-farm occupiers	£ 6,148
Share-milkers' loans	93	Principal instalments—	
Interest	—	Instalment mortgages	1,505
Instalment mortgages	249	Share-milkers' loans	1,531
Share-milkers' loans	45	Interest	—
Current accounts	14	Instalment mortgages	4,603
	559	Share-milkers' loans	205
Accrued interest on capital on blocks being developed	104,541	Current accounts	5,431
Rent Adjustment Account	675	Departmental	1,979
Writings-off in Suspense	7,095	Miscellaneous	1,385
Reserve Account: Subsidy from Consolidated Fund not yet allocated to blocks	22,797		22,787
Capital reserve	39,453	Interest Adjustment Account	2,994
Treasury Adjustment Account	120,953	Losses in Suspense Account	7,095
	£2,733,184	Accrued interest on Employment Promotion Fund loan	260
		Capital reductions under Mortgagors and Lessees Rehabilitation Act, 1936	1,392
		Revenue Account: Balance carried forward	108,730
			£2,733,184

NOTE.—Profits from farming operations on blocks under development are not included in the Revenue Account pending the result of the final realization of the blocks, and only in the case of blocks which have reached a certain stage of development has credit been taken for interest on expenditure recouped. Natural increase of stock has not been brought in as an asset in the Balance-sheet.

R. G. MACMORRAN, Under-Secretary for Lands.

G. I. BEESON, Chief Accountant.

I hereby certify that the Income and Expenditure Account and Balance-sheet have been duly examined and compared with the relative books and documents submitted for audit, and correctly state the position as disclosed thereby, subject to the departmental notes enclosed thereon and the explanatory notes dealing with departmental accounts generally as appearing at commencement of parliamentary return B.—1 [Pt. IV]. The following comments are appended: (1) The account does not bear a charge for the cost of expenses incurred by Departments administering the scheme, other than a reduced charge for the supervision of the erection of cottages and milking-sheds: (2) In connection with certain properties the development expenditure appears to exceed the value of the realizable assets.—CYRIL G. COLLINS, Controller and Auditor-General.

SOCIAL SECURITY DEPARTMENT.

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

Social Security Fund.

<i>Expenditure.</i>			<i>Income.</i>		
	£	£		£	
Monetary benefits—			Social security tax on wages and income	8,855,040	
Age	6,587,690		Registration fees and penalties thereon	690,582	
Family	254,378		Fines on prosecutions	1,199	
Invalids	956,961		Credits on account of Employment Promotion Fund ..	1,670	
Maori War	1,116		Interest on investments	10,776	
Miners	93,559		Services for other Departments	52,000	
Orphans	15,530		Commission for payment of Imperial Government		
Widows	795,679		pensions	2,986	
Sickness	217,220		Miscellaneous receipts	105	
Unemployment	442,607		Excess of expenditure over income (carried down) ..	1,555,552	
Emergency	89,302				
		9,454,012			
Medical examination and travelling-expenses of					
beneficiaries		4,855			
Hospital benefits					
Treatment in hospitals and approved	£				
institutions	703,675				
Contribution to fees of Government					
hospital institutions	174,192				
		877,867			
Maternity benefits—					
Hospital fees	242,904				
Medical practitioners' fees	74,353				
Obstetrical nurses' fees	17,923				
Contribution to fees of Government					
hospital institutions	6,440				
		341,620			
Administration expenses—					
Salaries	245,087				
Overtime and meal allowances	19,498				
Services of other Departments	153,060				
Advertising books, &c.	192				
Printing and stationery	12,839				
Postages, telegrams, and tolls	17,912				
Telephone services	2,297				
Transfer and removal expenses	3,773				
Travelling allowances and expenses:					
Departmental officers	4,543				
Office lighting and heating	4,196				
Upkeep of motor-vehicles	2,191				
Upkeep of typewriters and mechanical					
office appliances	230				
Office alterations and removals	4,187				
Rent of offices	17,203				
Grants to widows of deceased officers ..	85				
Sundry expenses	141				
Depreciation of furniture, buildings, &c. ..	1,089				
		491,526			
		£11,169,910			£11,169,910
	£			£	
Balance (brought down)	1,555,552		Balance after charging interest on capital	1,556,866	
Interest on capital	1,314				
		£1,556,866			£1,556,866

SOCIAL SECURITY DEPARTMENT—*continued.*INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940—*continued.**Vote: "War and Other Pensions."*

<i>Expenditure.</i>		<i>Income.</i>	
	£		£
Military and naval pensions		Credits from pensions outstanding at 31st March, 1939	5,454
Great War		Excess of expenditure over income	2,041,126
Disability	1,704,184		
Veterans' allowances	210,122		
Defence and Naval Forces	3,106		
South African War Veterans	2,042		
	1,919,454		
Civil pensions and annuities			
Special annuities	5,732		
Retirement pensions to Judges, police, and Civil servants	7,101		
Final payments under Pensions Act	32,966		
	45,799		
Other charges			
Grant to Soldiers' Civil Re-establishment League	2,000		
Medical examination, treatment, travelling-expenses, and clothing allowances: Disabled soldiers	39,904		
Rail concessions, and loadings on life-insurance policies: Disabled soldiers	1,028		
	45,932		
Administration charges			
Proportion of administration expenses of Social Security Department	27,000		
Salaries and travelling-expenses			
War Pensions Board	5,500		
War Pensions Appeal Board	2,953		
Sundry expenses	242		
	35,695		
	£2,046,880		£2,046,880

BALANCE-SHEET AS AT 31ST MARCH, 1940.

<i>Liabilities.</i>		<i>Assets.</i>	
	£		£
Capital		Improvements to leasehold buildings	11,317
Public Works Fund	1,247	Freehold land and buildings	3,857
Consolidated Fund	40,560	Furniture and fittings	26,726
	41,807	Mechanical appliances	9,297
Creditors		Motor-vehicles	1,816
War and other pension instalments	80,711	Libraries	111
Monetary benefit instalments	110,877	Stamps on hand	371
Hospital benefits	104,982	Stationery on hand	2,591
Maternity benefits	57,806	Medical stores on hand	555
Administrative		Employment Promotion Fund loans and investments	72,013
Inter-departmental	11,862	Debtors—	
Sundry	4,976	Inter-departmental	86,427
	16,838	Sundry	18,866
	371,214	Unpaid registration fees	53,685
Registration fees and social security tax paid in advance	7,001	Unpaid social security tax	206,425
Liability for cash in Deposits Account	35,479	Unpaid interest	3,697
Writings-off reserve	891		369,100
Treasury Adjustment Account	4,218,091	Interest accrued but not due	675
		Pensions and insurance loadings paid in advance	663
		Payments recoverable from other Governments	16,825
		Other Governments' Cash in Deposits Account	35,479
		Cash in Social Security Fund	523,901
		Excess of expenditure over income—	
		War and other pensions	2,041,426
		Social security benefits	1,556,866
			3,598,292
		Losses in Suspense	891
	£4,671,483		£4,674,483

J. H. BOYES, Commissioner.

G. O. HALL, Accountant.

I hereby certify that the Income and Expenditure Accounts and Balance-sheet have been duly examined and compared with the relative books and documents submitted for audit, and correctly state the position as disclosed thereby, subject to the explanatory notes dealing with departmental accounts generally as appearing at commencement of parliamentary return B.-4 [Pt. IV].—CYRIL G. COLLINS, Controller and Auditor-General.

STATE FOREST SERVICE.
SUMMARY OF PLANTATION OPERATIONS TO 31st MARCH, 1940.

Plantation.	Expenditure to Date.	Compound Interest on Actual Expenditure.	Expenditure from Unemployment Fund.	Cost of Trees.	Compound Cost of Trees.	Land Rental paid.	Total.	Revenue.	Compound Interest on Revenue.	Value of Buildings and Departmental Property.	Debt on Planted Area.	Total.	Areas planted.	Cost to Date per Acre.	Age of Plantation.
	£	£	£	£	£	£	£	£	£	£	£	£	Acres.	£ s. d.	Years.
NORTH ISLAND.															
Marumara	77,925	32,002	8,949	4,173	2,121	2,839	128,009	405	100	8,988	118,316	128,009	12,311	9 12 6	12
Riverhead	75,496	31,453	10,651	8,206	4,177	1,827	131,810	1,417	343	8,375	121,075	131,810	11,077	10 19 8	14
Tairua	87,445	28,209	14,609	18,423	5,278	2,197	156,161	808	153	15,990	139,210	156,161	12,612	11 0 9	11
Pūhupū	16,930	11,459	2,396	741	833	485	32,844	1,047	280	973	30,544	32,844	1,205	25 6 11	22
Kaingaroa	695,325	303,776	135,601	137,520	114,131	75,437	1,481,790	6,244	2,390	91,041	1,382,145	1,481,790	239,147	5 6 8	29
Rotoehu	40,285	1,195	2,476	3,366	39	700	48,061	1,133	41	24,636	22,231	48,061	1,737	12 16 0	3
Waioapu	152,629	187,388	5,736	25,906	66,851	7,077	445,607	6,705	2,007	17,231	419,664	445,607	7,051	59 10 5	42
Whakarewarewa	195,815	230,141	5,499	23,393	57,611	9,655	522,114	16,774	7,204	19,271	478,865	522,114	8,033	59 12 2	41
Karioi	96,419	34,413	23,484	20,914	7,540	6,422	180,192	1,451	487	16,560	170,694	180,192	17,334	9 16 11	14
Kauaeranga	278	..	..	..	..	..	278	..	..	75	203	278	..	..	..
SOUTH ISLAND.															
Golden Downs	179,242	43,232	39,127	44,307	14,734	12,568	333,210	1,860	386	25,099	305,865	333,210	20,095	15 4 5	13
Westland	32,259	12,072	2,031	10,314	3,682	345	60,703	279	27	1,375	59,022	60,703	3,090	19 2 0	17
Balmoral	161,657	88,089	21,954	38,421	31,651	15,089	356,261	7,558	2,423	16,065	330,275	356,261	21,282	15 10 4	23
Exmouth	124,925	42,908	19,433	18,177	9,265	17,132	231,860	792	155	15,872	215,041	231,860	18,343	11 14 5	12
Hauner Springs	156,477	126,850	14,802	23,367	34,126	17,915	373,537	10,311	4,176	13,587	345,463	373,537	7,803	44 5 5	38
Blue Mountains	70,110	29,630	8,603	16,853	11,576	1,542	138,314	1,429	412	13,760	122,713	138,314	8,952	13 14 2	15
Conical Hills	131,547	125,319	23,307	23,101	51,394	15,821	370,489	6,335	6,582	61,719	295,853	370,489	4,151	86 2 10	37
Greenvale-Dusky	122,384	104,975	21,874	29,185	49,696	10,426	338,450	9,021	2,275	46,390	280,764	338,450	4,372	64 4 4	42
Naseby	51,274	50,194	6,703	27,452	47,040	5,368	188,031	2,172	978	8,561	176,320	188,031	3,356	55 1 9	41
Pebbly Hills	35,600	7,435	8,582	12,120	5,039	2,217	71,002	457	95	9,922	60,528	71,002	4,340	13 18 11	10
Ashley	11,595	91	..	424	..	282	12,302	180	3	5,908	6,301	12,392	395	15 19 0	1
EXPERIMENTAL STATIONS.															
Waipoua	14,348	1,297	6,880	1,175	151	70	23,921	5	..	5,664	18,252	23,921	2,201	8 5 10	6
Dunmore	16,751	28,357	321	4,008	11,723	12,172	73,332	4,817	5,487	323	62,705	73,332	342	183 7 0	37
Erua	19,661	2,789	9,069	5,945	917	..	38,381	261	16	6,048	32,056	38,381	4,299	7 9 2	12
Galloway	69	123	..	16	28	1	237	..	..	5	232	237	2	115 18 0	24
Gimnaburn	3,621	9,578	..	3,288	9,932	1,077	27,496	3,195	3,588	43	20,670	27,496	88	235 7 7	39
Rancliff	2,481	2,257	..	15	8	2,906	7,667	12	40	140	7,475	7,667	206	36 5 8	38
Waitahuna	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Longwood	33	..	..	..	..	..	33	..	..	33	..	33	..	..	..
Omarama	70	..	..	..	..	..	70	..	..	70	..	70	..	..	..
Tapanui	22,571	1,550	418	..	..	183	24,722	1,263	164	16,657	6,638	24,722	25	265 10 8	7
Mangonui	143	..	..	..	..	..	143	..	..	..	143	143	..	..	..
	2,595,365	1,536,782	392,545	520,819	538,853	221,753	5,806,117	85,951	39,782	450,321	5,230,063	5,806,117	..	..	..

NOTE.

Main Balance-sheet : Plantations £ s. d.
5,680,383 11 9
Value of buildings, &c., above £ s. d.
450,320 13 6
Debt on planted area £ s. d.
5,230,062 18 3
5,680,383 11 9

STATE FOREST SERVICE—continued.

STATE FORESTS ACCOUNT.

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

General Revenue Account.

<i>Expenditure.</i>		£	<i>Income.</i>		£	£
Salaries and contributions to Public Service Superannuation Fund		12,080	Timber—			
General management of indigenous forests—	£		Royalties		11,860	
Postages, cables, stationery, &c. .. .	1,228		Sales		104,091	
Payments to other Departments for services rendered	116		Trespass		105	116,056
Forest reconnaissance, timber cruising, &c. .	12,894		Leases—			
Legal expenses, &c.	46		Grazing		1,367	
Office rent, heating, lighting, and cleaning ..	611		Sawmilling sites		199	
Transportation expenses and upkeep of motor-vehicles	2,054		Industrial		187	
Travelling and transfer and removal expenses	2,342		Miscellaneous		126	1,879
Maintenance of buildings and departmental property	262		Permits miscellaneous			826
	19,553		License and transfer fees			317
Compensation to employees (indigenous forests)	127		Fees for inspections			1,736
Forest-fire prevention—			Rents of departmental houses			215
Communication and control, locomotion and travelling expenses	£		Administration expenses (Forests Amendment Act, 1926)			1,477
Fire-fighting wages	143		Miscellaneous revenue			261
	990		Profit on—			
	1,133		Omahuta Forest			332
Educational—			Whirinaki Forest			7,591
Photographic records and materials	119					
Preparation of service bulletins, &c. .	18					
	167					
Forest research—						
Silvicultural management studies and timber products testing	353					
Travelling expenses and allowances	104					
	457					
Miscellaneous—						
Annual rent, Otanewainuku	74					
Rebates of royalty	53					
Refunds of appraisal fees	213					
Payment of special rates	7					
Participation in Centennial exhibition	205					
Loss on—						
Puketi Forest	857					
Waipoua Forest	319					
	1,176					
Depreciation	2,116					
Balance carried forward	96,299					
	£133,690					£133,690

Allocation of Revenue Account.

<i>Dr.</i>	£	£	<i>Cr.</i>	£	£
Consolidated Fund			Balance from General Revenue Account		96,299
National Endowment Account revenue (Forests Act, section 39 (2))	16,151				
Local bodies: Fifths of revenue (Finance Act, 1924, section 17)	13,202				
Working Railways Account (Finance Act, 1936, section 24 (1) and (2))	3,490				
General Reserve Account: Indigenous forests	63,456				
		96,299			
		£96,299			£96,299

Nurseries and Plantations.

<i>Dr.</i>	£	£	<i>Cr.</i>	£	£
Interest on loans	97,099		Interest on nurseries and plantations	211,585	
Cost of raising loans	761		Land rental	14,269	
Loss on			Interest on utilization projects	4,525	
Waitahuna Nursery	204		Profit on—		
Riverhead Nursery	115		Rotorua Nursery	41	
Westland Nursery	263		Golden Downs Nursery	3	230,423
Tobacco scheme	7,903				
		8,485			
General Reserve Account: Afforestation		124,078			
		£230,423			£230,423

STATE FOREST SERVICE—*continued*.STATE FORESTS ACCOUNT—*continued*.

BALANCE-SHEET AS AT 31ST MARCH, 1940.

<i>Liabilities.</i>				£	<i>Assets.</i>				£
Capital Account	..	..	..	36,104,911	Land	..	..	..	1,348,368
Loans—					Standing forests	..	..	..	34,028,190
Debentures and stock issued—					Forest improvements, roads, tracks, protection improvements, &c.	..	..	..	5,368
Rate of Interest.			Amount		Departmental property—Indigenous forests: Buildings, equipment, motor-vehicles, reference library, stores, &c.	..	..	..	14,447
Per Cent.			of Loan.		Sundry debtors—				
			£		Departmental debtors	..	..	5,638	
1½	..	..	260,060		Sundry debtors	..	..	89,150	94,788
3	..	..	892,852		Nurseries and plantations—				
3½	..	..	638,795		Nurseries	..	..	25,197	
3¾	..	..	116,100		Plantations	..	..	5,680,334	
4	..	..	991,211	£	Tobacco scheme	..	..	2,031	5,707,615
				2,838,958	Experimental projects	..	..	..	81
Advance from Consolidated Fund at 4 per cent.	..	..	..	87,405	Stocks of tree seeds	..	..	..	1,171
				2,926,363	Regeneration areas	..	..	..	35,515
Temporary advances from other accounts	..			50,060	Managed forests	..	..	..	60,943
Sundry creditors—					Utilization, sawmilling, and erecting plant	..	..	..	197,047
Consolidated Fund for—			£		Amounts held on deposit	..	..	..	3,780
Loans redeemed on conversion	..	..	145,034		Assets in Suspense	..	..	..	1,134
Interest paid	..	..	556,004		Interest paid in advance	..	..	..	579
Interest accrued	..	..	23,372		Administration expenses unallocated	..	..	..	18,321
National-endowment revenue	..	..	20,151		Cash in Public Account	..	..	..	42,920
Working Railways Account	..	..	1,537						
On open accounts	..								
Departmental creditors	..	..	2,615						
Sundry creditors	..	..	22,471	771,214					
Reserve, general	..	..	..	1,702,865					
Liability for amounts held on deposit	..	..	..	3,780					
Reserve for assets written off	..	..	..	1,134					
				£41,560,267					£41,560,267

NOTE.—(1) Lands and standing forests other than areas purchased have been valued as follows: Prairie value, 5s. per acre; protection, £1 per acre; merchantable forests, £10 per acre; accretions during the year have been brought into the accounts at the prairie value of 5s. per acre. (2) Plantations have been valued at cost plus compound interest, less returns compounded. (3) The liability for advances from the Consolidated Fund is fixed by section 21 of the Finance Act, 1926, section 3 of the Finance Act, 1926, and section 3 of the Finance Act, 1927, at £104,250. £87,405 3s. 4d. only is shown as a liability of this account, £16,844 16s. 8d. representing the expenditure on sand-dune reclamation, having been transferred without statutory authority to the Crown Lands Account.

A. R. ENTRICAN, Director of Forestry.

W. J. C. KINLOCH, A.R.A.N.Z., Accountant.

I hereby certify that the Income and Expenditure Account and Balance-sheet have been duly examined and compared with the relative books and documents submitted for audit, and correctly state the position as disclosed thereby, subject to the departmental notes enclosed thereon and to the explanatory notes dealing with departmental accounts generally as appearing at commencement of parliamentary return B. 1 [Pt. IV].—CYRIL G. COLLINS, Controller and Auditor-General.

SURVEYS OF NATIVE LAND.

REVENUE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Dr.</i>					£	<i>Cr.</i>					£
Irrecoverable liens : Writings-off in Suspense ..					59	Interest on liens					5,228
Remissions of liens : Section 503, Native Land Act, 1931—											
Principal					385						
Interest					1,423						
					1,808						
Balance carried down					3,361						
					£5,228						£5,228
					£						£
Interest on capital					4,971	Balance brought down					3,361
					£4,971	Loss for year carried forward					1,610
											£4,971

BALANCE-SHEET AS AT 31ST MARCH, 1940.

<i>Liabilities.</i>					£	<i>Assets.</i>					£
Capital : Public Works Fund					119,604	Liens					114,228
Payments in advance—					£	Interest on liens					93,111
On account principal					67	Suspense Account : Liens not yet established					3,165
On account interest					41	Losses in Suspense					55
					108	Liens written off in pursuance of parliamentary report G.-7, 8th November, 1932				45,654	
Writings-off in Suspense					55	Less amount recovered—				£	
Treasury Adjustment Account					92,969	Cash				88	
						Consolidated Fund				45,000	
										45,088	
										566	
						Revenue Account : Loss for year					1,611
					£212,736						£212,736

R. G. MACMORRAN, Under-Secretary for Lands.
G. I. BEESON, Chief Accountant.

I hereby certify that the Revenue Account and Balance-sheet have been duly examined and compared with the relative books and documents submitted for audit, and correctly state the position as disclosed thereby. The following comment is appended : The remissions of interest pursuant to parliamentary paper G.-7, 1932, have been made without the authority of Parliament.—CYRIL G. COLLINS, Controller and Auditor-General.

TARANAKI MAORI TRUST BOARD—continued.

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

Expenditure.		Income.	
	£ s. d.		£ s. d.
Grants—			
Marae renovations—			
Pirarunui Pa	20 0 0		
Takere Pa	560 0 0		
Meremere Pa	26 0 0		
Ketemarae Pa	560 0 0		
Taikatu Pa	26 10 0		
Waiokura Pa	16 0 0		
Ketetahi Pa	97 10 0		
Kotahimarae Pa	560 0 0		
	1,866 0 0		
Marae, miscellaneous—			
Kaipō Pa	20 0 0		
Thupuku Pa	20 0 0		
Kai Iwi Pa	35 6 6		
Waipapa Pa	50 0 0		
Kautu-Taperochenui Pa	12 1 2		
Parirua Pa	10 0 0		
Ketemarae Pa	50 0 0		
Taikatu Pa	50 0 0		
Ketetahi Pa	61 0 0		
Aotearoa Pa	17 7 2		
Puniho Pa	50 0 0		
Manukorihī Pa	35 5 10		
Pitone Pa	12 1 9		
	423 1 11		
	2,289 1 11		
Special—			
Taitē Te Tomo, deceased	50 0 0		
T. W. Ratana, deceased	50 1 3		
Wreaths	5 5 0		
Bible Society	1 1 0		
Patriotic Fund	100 0 0		
Maori Battalion: Taranaki unit	18 10 0		
	224 17 3		
Health—			
Hospitals	150 0 0		
Health Department: Nurses	250 0 0		
	400 0 0		
General: District—			
Ngarauru	100 0 0		
Ngatiruanui	100 0 0		
Ngaruahine	100 0 0		
Taranaki	100 0 0		
Te Atiawa	100 0 0		
Ngatimaru	100 0 0		
	600 0 0		
Scholarship: Rima Wakarua Memorial Fund	100 0 0		
Carved meeting-house	90 3 0		
	3,704 7 2		
Administration of the Board—	£ s. d.		
Members' allowance	66 10 0		
Members' travelling-expenses	29 11 4		
	96 1 4		
Secretary's salary	226 0 0		
Honorarium, Countersigning Officer	10 0 0		
	236 0 0		
Office—			
Bank charge	0 10 0		
Depreciation	5 11 0		
Insurance	0 13 11		
Phone: Toll, &c.	36 4 1		
Power	8 18 7		
Printing	2 12 5		
Rent	83 6 6		
Stamps	2 17 3		
Stationery	10 11 2		
Sundry	27 9 9		
Telegrams	0 14 8		
Travelling-expenses	4 16 8		
Unemployed tax	1 4 0		
Wages: Assistant	59 0 0		
	245 0 0		
	577 1 4		
	4,281 8 6		
Excess of income over expenditure	718 11 6		
	£5,000 0 0		

TARANAKI MAORI TRUST BOARD—*continued*.

BALANCE-SHEET AS AT 31ST MARCH, 1940.

Liabilities.				Assets.							
Grants—				1. Compensation grant outstanding—							
1. Marae renovations—	£	s.	d.	£	s.	d.	£	s.	d.		
Carved meeting-house ..	90	8	0	Balance as at 31st March, 1939	3,000	0	0				
Ketetahi Pa	17	1	3	Grant due 1939-40	5,000	0	0				
Ketemarae Pa	560	0	0				8,000	0	0		
Kotahimarae Pa	560	0	0	Less payment during period	5,000	0	0				
Puniho Pa	2	9	1					3,000	0	0	
Taikatu Pa	1	0	0								
Takere Pa	560	0	0	2. Furniture and fittings—							
Waipapa Pa	51	10	6	Balance as at 31st March, 1939	110	19	10				
			1,842	8	10						
2. Marae, miscellaneous				Less depreciation	5	11	0				
Waipapa Pa	50	0	0					105	8	10	
Paritiroa Pa	10	0	0	3. Sundry debtors—							
Ketetahi Pa	61	0	0	Bills receivable	88	8	6				
Aotearoa Pa	17	7	2	West Coast Reserves Association	166	13	7				
Puniho Pa	50	0	0	Maori Purposes Board ..	25	0	0				
Manukorihi Pa	47	19	1					280	2	1	
			236	6	3				0	9	6
3. Medical, Health—				4. Office: Salary							
Health Department:				5. Cash balances—	£	s.	d.				
Nurses	375	0	0	In bank	4,545	6	4				
Sanitation Fund	200	0	0	Petty cash	5	0	2				
			575	0	0			4,550	6	6	
4. General: District—				6. Sundry debtors: Social Security tax				15	18	6	
Sundry	46	0	3								
Ngarauru	151	7	10								
Ngatiruanui	56	13	7								
Ngaruaahine	200	0	0								
Taranaki	65	10	0								
Te Atiawa	136	4	5								
Ngatimaru	192	15	2								
			848	11	3						
5. Scholarship: Rima Wakarua Memorial Fund			121	0	0						
			3,623	6	4						
6. Reserve Fund—	£	s.	d.								
Reserve for depreciation	19	8	7								
General Reserve	600	0	0								
Whenuakura Pa	39	0	0								
			658	8	7						
7. Sundry creditors: Social Security tax			15	18	6						
			4,297	13	5						
Appropriation Account—	£	s.	d.								
Balance as at 31st March, 1939	3,075	0	6								
Less sundry	£	s.	d.								
General Reserve	100	0	0								
Whenuakura Pa	39	0	0								
			139	0	0						
			2,936	0	6						
Plus excess of income over expenditure			718	11	6						
			3,654	12	0						
			£7,952	5	5						
								£7,952	5	5	

W. WAKARUA, Secretary.

The Audit Office, having examined the Balance-sheet and accompanying accounts required by law to be audited, hereby certifies them to be correct, subject to the following comment: As Parliament has not provided in the appropriations for the payment of the compensation grant of £3,000, the item "Compensation grant outstanding, £3,000," should not be shown in the Balance-sheet as an asset of the Board.—CYRIL G. COLLINS, Controller and Auditor-General.

TREASURY DEPARTMENT.

INVESTMENT IN STATE ADVANCES CORPORATION ACCOUNT.

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Dr.</i>	£	<i>Cr.</i>	£
Interest on loan liability	1,452,415	Interest on State Advances Corporation stock ..	1,025,857
Interest on Public Debt Redemption Fund credited to Consolidated Fund in terms of section 12 (a) of the Repayment of the Public Debt Act, 1925. . .	109,687	Interest on advances	111
Balance, being profit for year transferred to Reserve	25,510	Premium on conversion of securities	2,227
		Profits of the State Advances Corporation payable in accordance with section 41 of the State Advances Corporation Act, 1936	450,207
		Interest due by State Advances Corporation on reserve contribution pursuant to section 35 of the State Advances Corporation Act, 1934-35	109,210
	<u>£1,587,612</u>		<u>£1,587,612</u>

BALANCE-SHEET AS AT 31ST MARCH, 1940.

<i>Liabilities.</i>	£	<i>Assets.</i>	£
Sundry loans	38,048,795	State Advances Corporation stock issued in accordance with section 38 (1) of the State Advances Corporation Act, 1934-35	30,395,750
Public Debt Redemption Fund created under the provisions of section 8 of the Repayment of the Public Debt Act, 1925, as amended by section 8 (2) of the Finance Act, 1937	3,250,000	Contingent liability of State Advances Corporation under section 38 (2) of the State Advances Corporation Act, 1934-35	9,821,635
Reserve Account—		State Advances Corporation Reserve Contribution Account (section 33 (2) (a), State Advances Corporation Act, 1934-35)	2,753,164
Balance at 31st March, 1939	2,926,621	Share capital of State Advances Corporation held by Minister of Finance on behalf of the Crown ..	1,000,000
Less—		Premium paid to former shareholders of State Advances Corporation in terms of section 4 (1) of State Advances Corporation Act, 1936	30,728
Net amount written off contingent liability	326,579	Advances Account, plus accrued interest	118
Net write offs from Realization Suspense and sundry debtors	9,705	Profits of State Advances Corporation payable to the Crown in accordance with section 41 of the State Advances Corporation Act, 1936	450,207
	<u>336,284</u>	Interest due by State Advances Corporation on reserve contribution pursuant to section 35 of the State Advances Corporation Act, 1934-35	109,210
Add balance of Profit and Loss Account	25,510	Cash in Loans Redemption Account	1,975
	<u>2,615,847</u>	Realization Suspense	12,500
Interest on loans—		Interest on State Advances Corporation stock accrued but not due	163,013
Unrecouped to Consolidated Fund	508,975		
Accrued but not due	297,253		
	<u>806,228</u>		
Interest due to Consolidated Fund in accordance with section 12 (a) of the Repayment of the Public Debt Act, 1925, accrued but not yet due	17,430		
	<u>£44,738,300</u>		<u>£44,738,300</u>

A. R. F. MACKAY, M.Com. (N.Z.), Ph.D. (Lond.),
Accountant to the Treasury.

I hereby certify that the Profit and Loss Account and Balance-sheet have been duly examined and compared with the relative books and documents submitted for audit, and correctly state the position as disclosed thereby, subject to the explanatory notes dealing with departmental accounts generally as appearing at commencement of parliamentary return B.—1 [Pt. IV].—CYRIL G. COLLINS, Controller and Auditor-General.

RECEIPTS AND PAYMENTS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31st MARCH, 1940.

BALANCE-SHEET AS AT 31ST MARCH, 1940.

HOANI TE HEUHEU, Chairman.
P. ALFRED GRACE, Secretary.

The Audit Office, having examined the Balance-sheet and accompanying accounts required by law to be audited, hereby certifies them to be correct.—CYRIL G. COLLINS, Controller and Auditor-General.

NATIVE DEPARTMENT.—DISTRICT MAORI LAND BOARDS.

COMBINED AND SEPARATE RECEIPTS AND PAYMENTS STATEMENTS FOR THE YEAR ENDED 31st MARCH, 1940.
Receipts.

	Totals.	Tokerau.	Waikato- Maniapoto.	Waiairiki.	Tairāwhiti.	Aotea.	Ikaroa.	South Island.
	£	£	£	£	£	£	£	£
Cash balances at 1st April, 1939—	16,641	2,399	4,815	1,260	2,313	2,383	2,673	795
In hand and at bank ..	4,375	209	1,553	175	437	1,594	378	119
Imprints at Post Office ..								
Withdrawals from amounts on deposit with Native Trustee ..	21,016	2,608	6,368	1,435	2,750	3,890	3,051	914
	50,335	800	7,000	4,768	2,000	28,017	6,750	1,000
		3,408	13,368	6,203	4,750	31,907	9,801	1,914
Rents and royalties ..	162,539	3,966	9,287	19,888	31,818	61,931	30,625	5,024
Purchase-money and compensation ..	36,798	757	4,122	2,048	7,517	1,525	6,647	14,182
Repayments: Mortgage and other investments ..	38,189	8,178	1,300	3,324	23,433	1,462	457	..
Other receipts for beneficiaries ..	13,390	1,550	3,597	..	1,783	6,382	78	..
Interest received—								
Mortgages and investments ..	12,241	14,451	18,306	25,260	64,583	71,300	37,807	19,206
New Zealand Government securities ..	2,847	..	2,149	1,648	4,695	1,998	1,075	676
		721	..	..	1,931	119	46	..
		721	2,149	1,648	6,656	2,117	1,121	676
Commissions (not including transfers from blocks) ..	2,892	63	199	824	1,014	287	310	195
Proceeds of sales and other credits from Board farms ..	12,232	..	..	..	..	12,232	..	..
Miscellaneous receipts (including sundry deposits for repayments, refunds, and recoveries)	73,308	7,870	11,835	7,493	30,643	11,029	4,386	52
Special Housing Fund—								
Receipts from Native Trustee ..	22,657	3,500	5,000	8,250	2,107	..	2,450	1,350
Receipts from Natives ..	11,853	3,529	2,089	1,481	651	327	2,463	1,313
		14,962	19,123	18,048	34,415	23,875	9,609	2,910
Totals ..	460,297	33,542	52,946	51,159	110,407	129,199	58,338	24,706
Net receipts (excluding Native Trust Office withdrawals and opening balances)	..	30,134	39,578	44,956	105,657	97,292	48,537	22,792

NATIVE DEPARTMENT.—DISTRICT MAORI LAND BOARDS—continued.
COMBINED AND SEPARATE RECEIPTS AND PAYMENTS STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 1940.—continued.
Payments.

	Totals.	Tokerau.	Waikato- Maniapoto.	Waiaiki.	Tairāwhiti.	Aotea.	Haroa.	South Island.
	£	£	£	£	£	£	£	£
Payments to beneficiaries	191,820	4,585	25,273	18,361	44,451	61,278	29,650	8,222
Miscellaneous payments on behalf of beneficiaries and Boards (including payments on deposit, refunds, &c.)	83,307	7,482	12,150	10,473	28,673	20,605	3,663	261
Administration expenses	12,593	1,093	2,658	1,919	1,794	2,787	1,617	725
Investments—								
Mortgages and other investments	287,720	13,160	40,081	30,753	74,918	84,670	34,930	9,208
Purchase of land, buildings, furniture, &c.	56,218	10,413	663	4,550	22,626	15,288	2,678	..
Special Housing Fund: Advances, &c.	1,835	13	329	356	367	591	171	8
	28,998	7,720	6,954	3,959	2,922	842	4,193	2,403
	87,051	18,146	7,946	8,865	25,915	16,721	7,047	2,411
Total payments	374,771	31,306	48,027	39,618	100,833	161,391	41,977	11,619
Deposits with Native Trustee	62,647	8	1,252	6,034	5,919	25,187	12,258	12,009
Cash balances at 31st March, 1940—								
In hand and at bank	21,063	2,164	3,470	5,143	3,495	1,862	3,891	978
In arrears at Post Office	1,876	64	217	364	100	759	212	100
Totals	460,297	33,542	52,946	51,159	110,407	129,199	58,338	24,706

NATIVE DEPARTMENT—DISTRICT MAORI LAND BOARDS—*continued*.
REVENUE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 1940.

Interest Accounts.

	Totals.	Tokerau.	Waikato- Maniapoto.	Wairariki.	Tairāwhiti.	Aotea.	Heretape.	South Island.
<i>Dr.</i>								
Interest on amounts held and invested under Native Land Act, 1931, section 281, and other amounts specially invested	£ 1,498	£ 496	£ 403	£ 125	£ 17	£ 125	£ 291	£ 41
Interest on amounts on deposit with Native Trustee	4,374	8	1,232	1,034	113	1,163	515	309
Interest on other investments	10,654	457	426	543	4,402	2,995	1,478	333
Interest on overdrafts	1,750	61	205	..	15	1,295	174	..
Totals	18,276	1,022	2,266	1,702	4,547	5,578	2,458	703
<i>Cr.</i>								
Interest allocated in full on amounts held under Native Land Act, 1931, section 281, and other amounts specially invested (as <i>per contra</i>)	£ 1,498	£ 496	£ 403	£ 125	£ 17	£ 125	£ 291	£ 41
Other interest allocated to sundry blocks, &c.	3,278	..	..	33	666	1,652	849	78
Balance transferred to Income and Expenditure Account	13,500	526	1,863	1,544	3,864	3,801	1,318	584
Totals	18,276	1,022	2,266	1,702	4,547	5,578	2,458	703

NATIVE DEPARTMENT.—DISTRICT MAORI LAND BOARDS—continued.
REVENUE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 1940.
Income and Expenditure Accounts.

	Totals.	Tokerau.	Waikato-Maniapoto.	Wairariki.	Tairāwhiti.	Aotea.	Ikaroa.	South Island.
<i>Income.</i>								
Net interest on investments	£ 13,500	£ 526	£ 1,863	£ 1,544	£ 3,864	£ 3,801	£ 1,318	£ 584
Board commission	£ 5,251	£ 214	£ 475	£ 864	£ 1,324	£ 1,272	£ 731	£ 371
Sundry credits (registration fees, lease fees, &c.) ..	£ 573	£ 101	£ 267	£ 62	£ 78	£ 49	£ 13	£ 3
Totals	£ 19,324	£ 841	£ 2,605	£ 2,470	£ 5,266	£ 5,122	£ 2,062	£ 958
<i>Expenditure.</i>								
<i>Expenses of management—</i>								
Contribution towards expenses of Native Department ..	£ 9,843	£ 1,000	£ 2,119	£ 1,260	£ 1,778	£ 2,036	£ 1,100	£ 530
Audit fees reserve	£ 611	£ 77	£ 85	£ 170	£ 87	£ 116	£ 54	£ 22
Miscellaneous office and other expenses	£ 2,634	£ 343	£ 368	£ 444	£ 802	£ 485	£ 130	£ 62
Depreciation on buildings and furniture	£ 1,416	£ 28	£ 255	£ 322	£ 329	£ 422	£ 40	£ 20
Balance (being surplus for year) transferred to Appropriation Account ..	£ 4,820	Cr. 607	Cr. 222	£ 274	£ 2,270	£ 2,063	£ 738	£ 304
Totals	£ 19,324	£ 841	£ 2,605	£ 2,470	£ 5,266	£ 5,122	£ 2,062	£ 958

Appropriation Accounts.

	Totals.	Tokerau.	Waikato-Maniapoto.	Wairariki.	Tairāwhiti.	Aotea.	Ikaroa.	South Island.
<i>Dr.</i>								
Sundry adjustments previous years	£ 131	£ 13	£ 5	£ 2	£ 18	£ ..	£ 69	£ 24
Surplus for year ended 31st March, 1940, from Income and Expenditure Account	£ 4,820	Dr. 607	Dr. 222	£ 274	£ 2,270	£ 2,063	£ 738	£ 304
Totals	£ 4,951	Dr. 594	Dr. 217	£ 276	£ 2,288	£ 2,063	£ 807	£ 328
<i>Cr.</i>								
<i>Appropriations during year—</i>								
Native purposes	£ 557	£ ..	£ ..	£ 400	£ 157	£ ..	£ ..	£ ..
Investments written off	£ 90	£ ..	£ 90	£ ..	£ ..	£ ..	£ ..	£ ..
Purchase of land, buildings, furniture, &c.	£ 1,858	£ 38	£ 362	£ 325	£ 375	£ 589	£ 121	£ 48
Sundry adjustments previous years	£ 705	£ 55	£ 647	£ 2	£ ..	£ ..	£ ..	£ ..
Balance transferred to Reserve and Assurance Fund	£ 1,740	Cr. 687	Cr. 1,316	Cr. 451	£ 1,756	£ 1,472	£ 686	£ 289
Totals	£ 4,951	Cr. 594	Cr. 217	£ 276	£ 2,288	£ 2,063	£ 807	£ 328

NATIVE DEPARTMENT.—DISTRICT MAORI LAND BOARDS—*continued*.
COMBINED AND SEPARATE BALANCE-SHEETS AS AT 31ST MARCH, 1940.
Liabilities.

	Totals.		Tokerau.		Waikato- Manaporo.		Wairariki.		Tairāwhiti.		Aotea.		Ikarua.		South Island.	
	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£
Liability to Native beneficiaries—																
Amounts held under section 281, Native Land Act, 1931, and other trusts—																
Specially invested (section 101 (2), 1931)	8,788				6,570								2,218			
Invested in Common Fund	72,359		4,039		11,556		3,277		690		33,222		19,100		453	
Other amounts held—																
Specially invested (section 101 (2), 1931)	40,348				1,935				29,324		4,205		4,860		24	
Otherwise invested	324,700		32,912		50,605		62,555		69,338		55,363		30,358		23,569	
		446,195					65,832		99,352		92,790		56,536		24,048	
Sundry amounts held on deposit and in suspense																
Sundry creditors	16,807		3,468		1,208		4,235		3,732		1,379		2,067		518	
Liability to Treasury for advances under—	11,092		690		19		6,421		39		2,204		1,448		271	
Native Land Act, 1931, section 105	82,875						82,875									
Native Land Act, 1931, section 107	2,300								2,300							
Native Land Act, 1931, section 522	7,321		6,608								713					
Native Land Act, 1931, section 340	126,573								40,249		86,324					
Liability of special trusts under Native Land Act, 1931, section 358		246,968	10,766		1,227		93,531		46,320		90,820		3,515		789	
Reserves—																
Special Property Reserve	45,658		334		12,750		6,793		9,061		15,839		607		274	
Other special reserves (including depreciation)	21,105		338		2,310		4,385		9,304		4,522		169		77	
		66,763	672		15,060		11,178		18,365		20,361		776		351	
Assurance and Reserve Account		135,521			13,063		42,870		36,341		41,996		4,755		1,996	
Totals		895,447	48,409		100,016		213,411		194,878		245,967		65,582		27,184	

NATIVE DEPARTMENT—DISTRICT MAORI LAND BOARDS—*continued*.
COMBINED AND SEPARATE BALANCE-SHEETS AS AT 31ST MARCH, 1940—*continued*.
Assets.

	Totals.	Tokerau.	Waikato- Maniapoto.	Waikato.	Tairāwhiti.	Aotearoa.	Ikaroro.	South Island.
Cash balances—								
In hand and at bank	£ 21,003	£ 2,164	£ 3,470	£ 5,143	£ 3,495	£ 1,862	£ 3,891	£ 978
Less held on account of Native Trustee	4,820	..	300	..	1,197	646	2,172	505
Add Post Office imprest	16,183	2,164	3,170	5,143	2,298	1,216	1,719	473
	1,876	64	217	354	160	759	212	100
Investments—	18,059	2,228	3,387	5,507	2,458	1,975	1,931	573
Common Fund—								
Mortgages and charges	233,921	9,163	28,375	26,826	65,238	67,038	29,248	8,003
Farm properties	88,721	..	..	53,005	17,960	17,756	..	..
On deposit with Native Trustee	163,962	168	38,605	35,406	5,560	47,604	19,207	17,412
Advances on overdraft to blocks, &c.	19,063	2,322	5,854	1,119	1,178	2,615	5,526	449
Government securities	46,530	20,615	865	..	22,600	1,300	1,150	..
Particular estates—								
Mortgages	16,538	..	7,670	..	..	2,450	6,418	..
Government and other securities	32,598	..	835	..	29,324	1,755	660	24
Sundry debtors	601,333	32,268	82,204	116,356	141,860	140,548	62,209	25,888
Interest and instalments (due and accrued)	3,864	97	1,357	270	1,249	637	..	254
	4,507	1,004	318	1,610	..	645	835	195
Land and buildings	8,471	1,101	1,675	1,880	1,249	1,282	835	449
Office equipment, &c.	36,353	..	11,052	5,153	6,891	13,257	..	..
	9,305	334	1,698	1,640	2,170	2,582	607	274
Assets of special trusts under—	45,658	334	12,750	6,793	9,061	15,839	607	274
Native Land Act, 1931, section 358	126,573	..	..	..	..	..	..	..
Native Land Act, 1931, section 105	82,875	..	..	82,875	..	..	..	..
Appropriation Account	209,448	..	..	82,875	40,250	86,323	..	..
	12,478	12,478	..	..	..	..	..	..
Totals	895,447	48,409	100,016	213,411	194,878	245,967	65,582	27,184

O. N. CAMPBELL, Under-Secretary.

M. J. LAWLESS, A.R.A.N.Z., Accountant.

I hereby certify that the Statement of Receipts and Payments, Income and Expenditure Account, Appropriation Account, and Balance-sheet have been compared with the accounts and balance-sheets of the respective Maori Land Boards and correctly state the position as disclosed thereby, subject to the following comments and exceptions:—

1. *Tairāwhiti*.—(a) The Audit Office is unable to certify to the adequacy of certain securities owing to the absence of information as to the values of the lands secured; (b) moneys have been advanced without the approval of the Board of Native Affairs having been obtained as required by section 100 (1), Native Land Act, 1931, as amended by section 11 (3), Board of Native Affairs Act, 1934-35; (c) in the opinion of the Audit Office the following payments are without authority of law—Charged to General Account: Kahungunu Marae, £50; children's health camp, £10; Mohaka Calf Club, £3; potatoes for indigent Maoris, £40 18s. 7d.; Waimako Pa dining-hall, £31 7s. 8d.; wreaths, £6 2s. Charged to Anaura Station Account: Whangara hui, £25; Maori Battalion, £5.

2. *Tokerau*.—(a) The value of stores on hand at the Te Kao Store has been accepted on the certificates of the storeman and a clerk who visited the store from Auckland for stocktaking purposes; (b) no liability in respect of the interest which has become payable since the 1st April, 1934, on the Te Kao and Paremata-Mokau Government loans is shown in the accounts; (c) the Audit Office is unaware of any statutory authority for the following payments made out of the accounts mentioned—Te Kao Store Accounts: Marae improvements grant, £30; hui expenses, grant, £204 2s. 2d.; compensation Ngaromutu Heka re quarry, £30; compensation Hemi Manuera re wharf, £25; transfer to Te Kao Hall Account, £1,200. Te Kao Cream Truck Account: Transfer to Hui Account, £100; transfer to Te Kao Hall Account, £490 6s. 10d.—CYRIL G. COLLINS, Controller and Auditor-General.

MISCELLANEOUS ADVANCES FROM CONSOLIDATED FUND.

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Expenditure.</i>	£	<i>Income.</i>	£
Excess of income over expenditure	18,887	Interest on advances	18,831
		Surplus from Waitangi Land Settlement Association ..	56
	<u>£18,887</u>		<u>£18,887</u>

BALANCE-SHEET AS AT 31ST MARCH, 1940.

<i>Liabilities.</i>	£	<i>Assets.</i>	£	£
Advances from Consolidated Fund	660,988	Advances to—		
Writings-off in Suspense	1,440	Land-settlement associations	155,294	
Treasury Adjustment Account	13,046	State Forest Account	87,405	
Excess of income over expenditure	18,887	Rural Intermediate Credit Board	400,850	
		Agricultural associations	1,112	
		Sundry	674	
				645,335
		Interest due, unpaid, or accrued		47,586
		Assets in Suspense Account		1,440
	<u>£694,361</u>			<u>£694,361</u>

NOTE.—Some loss of interest and principal is anticipated in respect of advances to land-settlement finance associations.

A. R. F. MACKAY, Accountant to the Treasury.

I hereby certify that the Income and Expenditure Account and Balance-sheet have been duly examined and compared with the relative books and documents submitted for audit, and correctly state the position as disclosed thereby, subject to the departmental note enclosed thereon. CYRIL G. COLLINS, Controller and Auditor-General.

PUBLIC WORKS DEPARTMENT.

ELLESMERE AND FORSYTH RECLAMATION AND AKAROA TRUST ACCOUNT (PUBLIC WORKS FUND).

(Section 383, Land Act, 1924.)

BALANCE-SHEET AS AT 31ST MARCH, 1940.

<i>Liabilities.</i>	£	<i>Assets.</i>	£
Accumulated Fund	16,914	Net receipt from sale or lease of Ellesmere Lake lands ..	129,089
		Less expenditure on construction, &c., of Lincoln-Akaroa Railway	112,175
	<u>£16,914</u>		<u>£16,914</u>

J. W. SCOTT, A.R.A.N.Z., Chief Accountant, Public Works Department, Wellington.

I hereby certify that the Balance-sheet has been duly examined and compared with the relative books and documents submitted for audit, and correctly states the position as disclosed thereby.—CYRIL G. COLLINS, Controller and Auditor-General.

NATIONAL DEVELOPMENT ACCOUNT (PUBLIC WORKS FUND).

ROADS, HARBOUR-WORKS, ROADS ON GOLDFIELDS, LANDS (MISCELLANEOUS), ETC.

INCOME AND EXPENDITURE ON CAPITAL ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Expenditure.</i>	£	<i>Income.</i>	£
Net expenditure (including a proportion of general "departmental" administrative expenditure) on the following works—		Recoveries on account of expenditure of previous years—	
Roads	1,157,991		
Harbour-works	1,589	Roads	20
Lands: Miscellaneous	170,930	Lands	1,076
Development of flax industry	523		1,096
		Balance, being excess of capital expenditure over capital income, on roads, harbour-works, &c., transferred to National Development Account	1,329,937
	<u>£1,331,033</u>		<u>£1,331,033</u>

PUBLIC WORKS DEPARTMENT—*continued.*NATIONAL DEVELOPMENT ACCOUNT (PUBLIC WORKS FUND)—*continued.*ROADS, HARBOUR-WORKS, ROADS ON GOLDFIELDS, LANDS (MISCELLANEOUS), ETC.—*continued.*

BALANCE-SHEET AS AT 31ST MARCH, 1940.

<i>Liabilities.</i>		<i>Assets.</i>	
Liability to Public Works Fund—	£	National Development Account—	£
Roads, &c.	27,170,847	Net expenditure to 31st March, 1940—	
Harbour-works	1,066,840	Roads, &c.	27,172,736
Lands : Miscellaneous	1,495,411	Harbour-works	1,066,519
Development of mining	73,878	Lands : Miscellaneous	1,391,294
Main highways	1,226,000	Development of mining	73,878
Development of flax industry	523	Main highways	1,226,000
Cash	1,288,991	Development of flax industry	523
	32,322,490		30,930,950
Treasury Adjustment Account	13,418	Stocks, &c.	133,413
Sundry creditors	110,349	Loans to local bodies—	£
Writings off in Suspense	3,570	Inter-Wanganui River Board	845
Balances on account of other Departments	21,372	Eastbourne Borough Council	4,999
		Taieri River Trust	77,226
		Lower Clutha River Trust	1,824
			84,894
		Expenses on land improvement—	
		Swamp-land drainage	4,564
		Hauraki Plains Settlement	5,070
			9,634
		Sundry debtors	19,747
		Stores, &c., deficits	3,570
		Cash in General Purposes Account	1,288,991
	<u>£32,471,199</u>		<u>£32,471,199</u>

PUBLIC WORKS FUND: RAILWAY CONSTRUCTION.

INCOME AND EXPENDITURE ON CAPITAL ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Expenditure.</i>		<i>Income</i>	
Net expenditure, including proportion of general "departmental" administration expenditure on the following lines—	£	Recoveries on account of expenditure of previous years : Unopened lines	£
Dargaville Branch	37,403	Credit for amount of expenditure on sections handed over to Railways Department during year—	500
Pacrao-Pokeno	109,619		£
Taneatua-Opotiki	2,106	Napier-Putorino	22,874
Gisborne-Waikokopu	434,902	Putorino-Napier	1,569,385
Napier-Wairoa	35,406		1,592,259
Waikokopu Branch	9,122		
East Coast Main Trunk Railway : Automatic signalling installation	1,918		
Hutt Valley extension	111		
Westport-Inangahua	135,826		
Wharennui-Parnassus	508,725		
Land claims	Cr. 301		
Surveys, &c.	34		
	1,274,876		
Balance, being excess of capital income over capital expenditure, transferred to Railway Construction Account	317,889		
	<u>£1,592,759</u>		<u>£1,592,759</u>

IRRIGATION AND WATER-SUPPLY (PUBLIC WORKS FUND) SCHEMES UNDER CONSTRUCTION.

INCOME AND EXPENDITURE ON CAPITAL ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Expenditure.</i>		<i>Income.</i>	
Net expenditure on the construction and upkeep of dams, weirs, water-races, &c., in course of construction—	£	Balance transferred to Irrigation Construction Account, being excess of expenditure over income for year	£
Surveys and general	269		426,883
Manitoto survey	Cr. 5		
Investigations in Canterbury	3,369		
Ashburton-Lyndhurst	72,154		
Waihopai	65		
Rangitata diversion	157,917		
Downs water-supply	137,805		
Mayfield-Hinds	55,302		
Hope's Creek survey	7		
	£426,883		<u>£426,883</u>

PUBLIC WORKS DEPARTMENT—continued.
IRRIGATION AND WATER-SUPPLY, CENTRAL OTAGO.
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH, 1940.
Gross Revenue Account.

	Ardgour.	Arrow River.	Bengerburn.	Earnsclough.	Hawkdun.	Idaburn.	Ida Valley.	Galloway.	Last Chance.	Manuherikia.	Onakau.	Tarras.	Teviot.	Total.
<i>Dr.</i>														
Stock and temporary buildings at 1st April, 1939	£ ..	£ 435	£ ..	£ 3	£ 240	£ ..	£ 1,240	£ ..	£ 55	£ 799	£ 106	£ 388	£ 328	£ 3,594
Management and operating expenses, salaries, wages, &c.	559	2,142	24	609	4,276	69	3,820	649	1,059	3,057	3,546	1,784	1,598	23,192
Gross profit carried down	320	..	27	344	..	312	3,258	559	569	..	..	..	695	6,084
	879	2,577	51	956	4,516	381	8,318	1,208	1,683	3,856	3,652	2,172	2,621	32,870
<i>Cr.</i>														
Sales of water	£ 867	£ 1,551	£ 48	£ 929	£ 4,015	£ 366	£ 6,849	£ 1,134	£ 1,542	£ 2,477	£ 1,694	£ 1,599	£ 2,193	£ 23,264
Rebates forfeited	9	50	3	20	118	15	85	57	73	75	..	33	59	597
Rents of cottages	3	36	..	..	61	..	72	17	15	31	89	31	..	355
Stock and temporary buildings at 31st March, 1940	..	505	..	7	312	..	1,312	..	53	790	321	485	369	4,154
Gross loss carried down .. ..	..	425	..	..	10	..	..	..	..	483	1,548	24	..	2,500
	879	2,577	51	956	4,516	381	8,318	1,208	1,683	3,856	3,652	2,172	2,621	32,870

Sales of mining water total £245 12s. 3d.

Net Revenue Account.

	Ardgour.	Arrow River.	Bengerburn.	Earnsclough.	Hawkdun.	Idaburn.	Ida Valley.	Galloway.	Last Chance.	Manuherikia.	Onakau.	Tarras.	Teviot.	Total.
<i>Dr.</i>														
Gross loss brought down	£ ..	£ 435	£ ..	£ ..	£ 10	£ ..	£ ..	£ ..	£ ..	£ 483	£ 1,548	£ 24	£ ..	£ 2,500
Interest on capital as per table	1,350	5,721	39	4,277	2,812	270	..	11,877	2,337	10,604	11,053	5,477	3,006	58,823
Interest on Depreciation Reserve as per table	24	203	..	105	87	4	..	83	67	81	..	50	150	854
Reserve for depreciation	44	550	..	221	205	12	..	85	125	150	..	94	341	1,827
Bad debts .. ..	..	12	..	207	46	..	..	3	..	14	..	40	41	363
Balance to accumulated Profit and Loss Account	..	..	..	..	..	26	..	..	..	..	..	..	..	26
	1,418	6,921	39	4,810	3,160	312	..	12,048	2,529	11,332	12,601	5,685	3,538	64,393
<i>Cr.</i>														
Gross profit brought down	£ 320	£ ..	£ 27	£ 344	£ ..	£ 312	£ ..	£ 3,817	£ 569	£ ..	£ ..	£ ..	£ 695	£ 6,084
Balances to accumulated Profit and Loss Account	1,098	6,921	12	4,466	3,160	..	..	8,231	1,960	11,332	12,601	5,685	2,843	58,309
	1,418	6,921	39	4,810	3,160	312	..	12,048	2,529	11,332	12,601	5,685	3,538	64,393

N.B.—The irrigation season does not end until the 30th April, but the sales up to that date are brought into the financial year ending on the preceding 31st March.

PUBLIC WORKS DEPARTMENT—continued.
IRRIGATION AND WATER-SUPPLY, CENTRAL OTAGO—continued.
DEPRECIATION RESERVE ACCOUNT.

	Ardgour.	Arrow River.	Bengerburn.	Earnsclough.	Hawkdun.	Idaburn.	Ida Valley.	Galloway.	Last Chance.	Manuherikia.	Omakan.	Tarras.	Teviot.	Total.
<i>Dr.</i>														
Balances at 31st March, 1940 ..	£ 661	£ 5,821	£ ..	£ 2,957	£ 2,467	£ 111	£ ..	£ 2,255	£ 1,878	£ 2,254	£ ..	£ 1,405	£ 4,252	£ 24,061
<i>Cr.</i>														
Balances at 1st April, 1939 ..	£ 593	£ 5,068	£ ..	£ 2,631	£ 2,175	£ 95	£ ..	£ 2,087	£ 1,686	£ 2,023	£ ..	£ 1,261	£ 3,761	£ 21,380
Interest at 4 per cent. on balance ..	24	203	..	105	87	4	..	83	67	81	..	50	150	854
Revenue Accounts ..	44	550	..	221	205	12	..	85	125	150	..	94	341	1,827
	661	5,821	..	2,957	2,467	111	..	2,255	1,878	2,254	..	1,405	4,252	24,061

PUBLIC WORKS DEPARTMENT—continued.
IRRIGATION SCHEMES IN OPERATION: CANTERBURY.
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

Dr.	Levels.	Redcliff.	Total.	Cr.	Levels.	Redcliff.	Total.
Gross Revenue Account.							
Stocks at 1st April, 1939 ..	£ ..	£ 18	£ 18	Sales of water	£ 359	£ 363	£ 722
Management and operating expenses, salaries, wages, and car allowance ..	1,820	674	2,494	Rent of cottages	36	9	45
				Stocks at 31st March, 1940 ..	14	15	29
				Gross loss	1,411	395	1,716
	1,820	692	2,512		1,820	692	2,512
Net Revenue Account.							
Gross loss transferred	£ 1,411	£ 305	£ 1,716	Net loss transferred to Accumulated Profit and Loss Account	£ 3,858	£ 843	£ 4,701
Interest	2,429	517	2,946				
Depreciation Reserve	18	21	39				
	3,858	843	4,701		3,858	843	4,701

PUBLIC BUILDINGS (PUBLIC WORKS FUND).
INCOME AND EXPENDITURE ON CAPITAL ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

Expenditure.	£	Income.	£
Parliamentary buildings	3,244	Amount transferred to Departments—	£
Departmental buildings	193,830	Agriculture	38,304
Workshops	21,218	Health	69,744
Ministerial residences	3,808	Internal Affairs	273
Other Government buildings—	£	Justice	16,598
Courthouses	11,770	Mental Hospitals	182,386
Prisons	4,104	Police	63,213
Police	62,467	Post and Telegraph	376,814
Post and Telegraph	382,726	Scientific and Industrial Research ..	8,776
Agriculture	39,268	Tourist	372
Mental Hospitals	178,993	Social Security	1,247
Health and Hospitals	76,783		757,727
Internal Affairs	273	Balance, being excess of capital expenditure over capital income transferred to—	
Scientific and Industrial Research ..	7,048	Departmental buildings and offices ..	201,154
Tourist	372	Workshops	21,218
Social Security	1,247	Ministers' residences	3,808
	765,051	Parliamentary buildings	3,244
			229,424
	£987,151		£987,151

PLANT, MATERIAL, AND SERVICES (CONSOLIDATED FUND).
INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

Expenditure.	£	Income.	£
Expenditure, including salaries, wages, &c., on—	£	Sundry recoveries, &c., from miscellaneous works and other Departments—	£
Plant	77,558	Plant	186,823
Material and stores	342,805	Material and stores	220,648
Freight and cartage	58,257	Freight and cartage	52,466
Services, other Departments	3,137,525	Services, other Departments	3,220,796
	3,616,145		3,680,733
		Balance, being excess of capital expenditure over capital income for the year transferred to—	
		Plant	Dr. 109,265
		Material and stores	122,157
		Freight and cartage	5,791
		Services, other Departments	Dr. 83,271
	£3,616,145		Dr. 64,588
			£3,616,145

PUBLIC WORKS DEPARTMENT—*continued*.

PUBLIC WORKS DEPARTMENTAL (PUBLIC WORKS FUND).

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Expenditure.</i>		<i>Income.</i>	
Net expenditure for year on administration and supervision expenses, &c., as under—		Income for the year as under—	
Travelling-expenses and transfer expenses of officers	£ 78,752	Recoveries (salaries, &c.) from other Departments and Accounts	£ 413,784
Salaries	448,127	Fees from—	
Equipment and other allowances	8,152	Inspection and licenses, &c., electric lines and installations	507
Printing and stationery, lithographic work, plans, periodicals, &c.	17,482	Water-power licenses	961
Work done by High Commissioner's staff	1,295	Balances carried down, being excess of net expenditure over income for year prior to apportionment against various works	199,530
Postages, telegrams, telephone connections, and rents of private letter boxes and bags	25,107		
Repairs and upkeep, &c., of instruments	3,091		
Rents of offices through New Zealand	27,403		
Compassionate grants to widows of deceased officers	632		
Sundries	2,370		
Depreciation on departmental library at 5 per cent.	112		
War-risk-insurance premiums	2,259		
	614,782		£614,782
	£		
Balance brought down	199,530	Amounts apportioned to various works and services as under—	£
		Railway construction and improvements	41,671
		Public buildings	37,455
		Lighthouses and harbour-works	921
		Tourist resorts	1,008
		Roads, lands-improvements, &c.	64,229
		Irrigation works	17,245
		Electric supply	27,471
			190,000
		Less amount under-allocated, 1938-39	17,311
			172,689
		Balance carried forward to 1940-41	26,841
	£199,530		£199,530

ACQUISITION AND OPERATION OF QUARRIES: TAURAROA QUARRY.

TRADING AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Dr.</i>		<i>Cr.</i>	
Stocks of metal	£ 29	Sales of metal	£ 11,994
Quarrying	6,248	Stocks of metal	52
Crushing	2,389		
Transport	743		
Gross profit carried down	2,637		
	£12,046		£12,046
	£		£
Salaries, &c.	612	Gross profit brought down	2,637
Accident and holiday pay	197	Rent of quarters, &c.	30
Depreciation	736	Water rights	3
Interest	77	Tools and supplies (stock adjustment)	323
Repairs, maintenance, &c.	362	Plant Hire Account	71
Rent	12		
Net profit for year	1,068		
	£3,064		£3,064

ACQUISITION AND OPERATION OF QUARRIES: TE WERA QUARRY No. 2.

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Dr.</i>		<i>Cr.</i>	
Stripping	£ 393	Sales of metal	£ 1,891
Quarrying and crushing	1,224	Stocks of metal on hand, 31st March, 1940	990
Repairs and maintenance of plant	106		
Gross profit carried down	1,158		
	£2,881		£2,881
	£		£
Supervision	40	Gross profit brought down	1,158
Maintenance of workers' accommodation	14	Accumulated Profit and Loss Account: Net loss	5
Rent of quarry and loading-bank	17		
Holiday pay and accident compensation	160		
Interest	81		
Depreciation	261		
Flood damage to plant	478		
Access road maintenance	102		
Fencing maintenance	10		
	£1,163		£1,163

PUBLIC WORKS DEPARTMENT—*continued.*

ACQUISITION AND OPERATION OF QUARRIES: WESTERN SPRINGS QUARRY.

TRADING AND PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 31ST MARCH, 1940.

<i>Dr.</i>	£	<i>Cr.</i>	£
Quarrying	8,123	Sales	18,937
Crushing	1,897		
Transport outward	6,303		
Internal transport	2,389		
Gross profit carried down	225		
	<u>£18,937</u>		<u>£18,937</u>
	£		£
Salaries, &c.	489	Gross profit brought down	225
Accident and holiday pay	1,386	Net loss	5,404
Plant hire	1,592		
Depreciation	976		
Interest	647		
Repairs, maintenance, &c.	539		
	<u>£5,629</u>		<u>£5,629</u>

MAINTENANCE OF PUBLIC BUILDINGS (CONSOLIDATED FUND).

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Expenditure.</i>	£	<i>Income.</i>	£
Insurance of Government buildings	50,000	Miscellaneous recoveries	435
Accident compensation	2,749	Recoveries from other Departments for maintenance of buildings, proportion of sewerage rate, &c.	68,210
Supervision and administration	20,000	Rent of offices—	£
Drainage, water, &c., rates	598	Recoveries through Public Account	26,445
Maintenance of—		Recovered by assessment	118,537
Vice-Regal residences	7,604		<u>144,982</u>
Government buildings	85,419	Balance, being excess of expenditure over income before charging interest	3,937
Government workshops (exclusive of Wellington, Rotorua, Temuka, and Auckland workshops)	<i>Cr.</i> 483		
Parliamentary buildings	1,868		
Rents paid for Government offices in the Dominion	14,956		
Wages: Overseers and staff workmen	<i>Cr.</i> 19		
Advertising and sundries	520		
Maintenance of gardens and grounds	2,507		
Interest (paid out)	16		
Engineers' Registration Board	46		
Electrical Wiremen's Registration Board	765		
Depreciation at 2 per cent. on brick, stone, or concrete buildings and 3 per cent. on wooden buildings—			
Departmental buildings	18,161		
Vice-Regal residences	1,677		
Ministerial residences	344		
Parliamentary buildings	8,230		
Workshops, garages, &c.	2,636		
	<u>31,048</u>		
	<u>£217,594</u>		<u>£217,594</u>
	£		£
Balance brought down	3,937	Interest on advances	20
Interest at 4 per cent. on capital	95,006	Balance, being excess of expenditure over income after charging interest on capital, transferred to Maintenance Account	98,923
	<u>£98,943</u>		<u>£98,943</u>

PUBLIC WORKS WORKSHOPS, WELLINGTON.

TRADING AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Dr.</i>	£	<i>Cr.</i>	£	£
Materials purchased	37,973	Jobs completed during year	91,205	
Wages	30,607	Less jobs incomplete at 1st April, 1939	11,897	
Cartage	1,329		<u>79,308</u>	
Travelling-expenses recoverable	60	Plus jobs incomplete at 31st March, 1940	7,202	86,510
Balance, being gross profit carried down to Profit and Loss Account	17,463			
	<u>£87,432</u>	Stock in hand, 31st March, 1940	3,947	
		Less stock on hand, 1st April, 1939	3,025	
			<u>922</u>	
				<u>87,432</u>
	£			£
Salaries	4,579	Gross profit brought down		17,463
Wages, supervisory	1,344			
Travelling-expenses, supervisory	307			
Holiday pay to workmen	1,971			
Accident compensation	171			
Maintenance, &c., of shops	288			
Power, gas, &c.	336			
Cartage out	81			
Depreciation—				
Plant and machinery	130			
Tools	82			
Office furniture	17			
	<u>229</u>			
Interest on capital at 4 per cent.	628			
Rent of premises (assessed)	1,239			
Balance, being net profit for year, transferred to Accumulated Profit and Loss Account	6,290			
	<u>£17,463</u>			<u>£17,463</u>

PUBLIC WORKS DEPARTMENT—*continued*.

PUBLIC WORKS WORKSHOPS, AUCKLAND.

TRADING AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Dr.</i>	£	<i>Cr.</i>	£	£
Materials purchased	23,200	Jobs completed during year	64,630	
Wages, productive	28,478	Less jobs incomplete, 1st April, 1939 ..	8,499	
Cartage and freight	1,143			
Miscellaneous services	4,256		56,131	
Balance, being gross profit, carried down to profit and Loss Account	7,375	Plus incomplete at 31st March, 1940 ..	6,481	62,612
		Stock on hand, 31st March, 1940	5,547	
		Less stock on hand, 31st March, 1939 ..	3,707	1,840
	<u>£64,452</u>			<u>£64,452</u>
	£		£	
Salaries, supervision	3,322	Gross profit transferred from Trading Account ..	7,375	
Holiday pay to workmen	1,259	Balance, being net loss for year, transferred to Accumulated Profit and Loss Account ..	3,031	
Accident compensation	106			
Maintenance of shops, &c.	3,028			
Power, gas, &c.	340			
Hire of plant	690			
Depreciation—	£			
Plant and machinery	125			
Tools	30			
	155			
Telephone charges	32			
Interest on capital	946			
Rent of premises (assessed)	528			
	<u>£10,406</u>			<u>£10,406</u>

PUBLIC WORKS WORKSHOPS, ROTORUA.

TRADING AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Dr.</i>	£	<i>Cr.</i>	£	£
Materials purchased	8,344	Jobs completed during year	15,182	
Wages	7,435	Less jobs incomplete at 1st April, 1939 ..	1,487	
Cartage and freight	377			
Plant hire	137		13,695	
Balance, being gross profit, carried down to Profit and Loss Account	740	Plus jobs incomplete at 31st March, 1940 ..	3,749	£17,444
			£	
		Stock on hand, 31st March, 1940	1,714	
		Less stock on hand, 1st April, 1939	2,125	Cr. 411
	<u>£17,033</u>			<u>£17,033</u>
	£		£	
Salaries, supervision, &c.	334	Gross profit transferred from Trading Account ..	740	
Accident compensation and holiday pay	556	Balance, being net loss for year, transferred to Accumulated Profit and Loss Account ..	490	
Power, gas, &c.	64			
Rent—	£			
Cash	3			
Assessed	72			
	75			
Interest on capital	201			
	<u>£1,230</u>			<u>£1,230</u>

CONSOLIDATED FUND: MAINTENANCE OF RAILWAY-LINES.

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Expenditure.</i>	£	£	<i>Income.</i>	£	£
Net expenditure on maintenance of unopened lines—			Net recoveries during year: Recoveries on account of goods and passenger traffic—		
Okaihau—Rangiahua	Cr. 727		Dargaville Branch	890	
Dargaville Branch	379		Waikokopu Section	3,518	4,408
Waikokopu Section	1,681				
Napier—Wairoa	Cr. 1,283		Interest received on sales of plant on time payment ..	18	
Kawatiri—Inangahua	Cr. 2		Balance, being excess of expenditure over income, transferred to Maintenance Account	1,443	
Miscellaneous	213	261			
Working-expenses of running goods and passenger traffic—	£				
Dargaville Branch	4,013				
Waikokopu Section	1,579	5,592			
Interest at 4 per cent. credited to Treasury on balance outstanding on sales of plant on time payment ..	16				
	<u>£5,869</u>				<u>£5,869</u>

PUBLIC WORKS DEPARTMENT—*continued*.

MAINTENANCE AND REPAIRS TO ROADS, CONTROL OF RIVERS, ETC. (CONSOLIDATED FUND).

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Expenditure.</i>	£	<i>Income.</i>	£
Maintenance and repairs to roads	19,705	Interest on advances to local bodies from Public Works Fund	Dr. 2,982
Restoration to flood damage	14,585	Recovery from Air Department, being expenditure on development of Air Force stations	172,757
Interest at 4 per cent. credited to Treasury on advance to local bodies from Public Works Fund	Cr. 2,770	Transfer of aeradio assets to Post and Telegraph Department	29,164
Aerodromes and emergency-landing grounds for air services	568,997	Balance, being excess of expenditure over income, transferred to annual Maintenance Account	413,363
River protection and improvements works	9,532		
Maintenance of Wanganui River services	286		
Relief of unemployment	Cr. 1,505		
Land-clearing	2,637		
Miscellaneous works	835		
	<u>£612,302</u>		<u>£612,302</u>

WAIHOU AND OHINEMURI RIVERS IMPROVEMENT.

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Expenditure.</i>	£	<i>Income.</i>	£
Interest for 1939-40 on loans	29,245	Contribution—	
Maintenance of works	5,125	Gold-mining companies	1,622
		Gold duty	4,868
		Consolidated Fund	1,622
			8,112
		Rents of cottages and royalty on sale of sand	354
		Balance, being excess of expenditure over income	25,904
	<u>£34,370</u>		<u>£34,370</u>

BALANCE-SHEET AS AT 31ST MARCH, 1940.

<i>Liabilities.</i>	£	<i>Assets.</i>	£
Liability to—		Stop-banks, drainage, canals, &c.	730,262
Public Works Fund	730,958	Stores and tools on hand	795
Consolidated Fund	4,803	Buildings and accommodation	351
Treasury Adjustment Account	69,803	Plant	149
Sundry creditors	592	Pontoons	540
Writings off in Suspense	10	Maintenance during construction	3,820
			<u>735,917</u>
		Advance to Waihi Borough (Finance Act, 1923, section 10)	1,997
		Debtors for contribution towards interest, sinking fund, and maintenance—	
		Gold-mining companies	1,642
		Gold-mining duty	39,061
		Consolidated Fund	1,623
			42,326
		Sundry debtors: Miscellaneous	12
		Income and Expenditure Account: Excess of expenditure over income, 1939-40	25,904
		Stores, &c., deficits	10
	<u>£806,166</u>		<u>£806,166</u>

PUBLIC WORKS DEPARTMENT—continued.
GENERAL BALANCE-SHEET AS AT 31ST MARCH, 1940.
Liabilities.

Name of Account.	Liability to Public Works Fund.	Liability to Consolidated Fund.	Treasury Adjustment Account.	Sundry Creditors.	Writings-off in Suspense.	Departmental Suspense Account.	Liability to Employment Promotion Fund.	Total.
1. National Development	£ 32,322,490	£ ..	£ 13,418	£ 110,349	£ 3,570	£ 21,372	£ ..	£ 32,471,199
2. Railway Construction	8,029,674	..	..	119,534	4,649	..	..	8,153,857
3. Irrigation (under construction)	724,151	90,422	..	34,036	69	..	111,183	959,861
4. Irrigation (in operation)	1,345,801	166,719	590,544	883	364	..	105,886	2,210,197
5. Public Buildings (Public Works Fund)	2,860,556	326	..	69,951	597	..	..	2,931,430
6. Plant, Material, and Services	138,455	..	1,117,980	354,721	2,492	..	..	1,613,648
7. Public Works, Departmental	Dr. 104,646	..	179,040	10,100	573	Dr. 26,841	..	58,226
8. Acquisition and Operation of Quarries	2,744	29,397	..	3,011	33	..	..	35,185
9. Maintenance of Roads, Bridges, &c. (Consolidated Fund) .. .. .	..	..	377,998	54,175	124	..	..	432,297
10. Maintenance of Public Buildings (Consolidated Fund) .. .. .	..	30,807	102,818	11,508	840	..	..	145,973
11. Auckland Workshops .. .. .	..	..	30,935	5,004	16	..	..	35,955
12. Rotorua Workshops .. .. .	..	..	6,142	1,029	..	..	..	7,171
13. Wellington Workshops .. .. .	..	..	48,945	5,354	..	..	..	54,299
14. Temuka Workshops .. .. .	..	..	60,114	5,025	..	..	..	65,139
15. Maintenance of Railway-lines (Consolidated Fund) .. .. .	..	..	1,564	139	..	..	..	1,703
16. Waihou and Ohinemuri Rivers' Improvement	730,958	4,803	43,899	592	10	..	..	780,262
	46,050,183	322,474	2,573,397	785,411	13,337	Dr. 5,469	217,069	49,956,402

Assets.

Number of Account.	Land.	Buildings.	Plant and Machinery.	Furniture and Fittings.	Stocks of Materials.	Sundry Debtors.	Loans Outstanding.	Stores and Deficits.	Profit and Loss Account.	Treasury Adjustment Account.	Cash.	Other Assets.	Total.
1	£ ..	£ ..	£ ..	£ ..	£ 133,413	£ 19,747	£ 94,528	£ 3,570	£ ..	£ ..	£ 1,288,991	£ 30,930,950(a)	£ 32,471,199
2 .. .. .	..	..	..	..	459,893	12,546	..	4,649	..	..	..	7,676,769(b)	8,153,857
3 .. .. .	..	..	..	..	120,422	5,634	..	69	..	..	..	833,736(c)	959,861
4 .. .. .	..	..	..	..	5,184	29,543	..	364	599,383	..	..	1,575,723(c)	2,210,197
5	1,180,273	1,734,165	..	..	2,553	763	..	597	..	7,628	..	5,451(d)	2,931,430
6 .. .. .	..	..	601,898	..	332,386	676,872	..	2,492	..	..	..	1,097(e)	1,613,648
7 .. .. .	..	..	12,288	..	4,167	40,101	..	573	..	..	..	..	58,226
8	932	..	12,323	..	5,047	14,265	..	33	2,585	..	..	..	35,185
9 .. .. .	..	..	..	..	11,883	6,927	..	124	..	..	..	..	432,297
10 .. .. .	..	..	..	30,808	5,847	10,055	..	840	9,880	..	..	413,363(f)	432,297
11 .. .. .	..	..	1,834	..	5,547	12,197	..	16	..	..	..	98,923(f)	145,973
12 .. .. .	..	..	479	..	1,713	891	..	..	339	..	..	6,481(g)	35,955
13 .. .. .	..	..	1,995	39	3,947	29,584	..	..	11,532	..	..	3,749(g)	7,171
14 .. .. .	..	7,871	2,675	..	34,068	6,155	..	..	2,161	..	..	7,202(g)	54,299
15 .. .. .	..	..	..	..	5	255	..	..	..	..	..	12,209(g)	65,139
16 .. .. .	..	351	689	..	795	44,335	..	10	..	..	..	1,443(f)	1,703
	1,181,205	1,742,387	634,181	30,847	1,126,370	909,870	94,528	13,337	625,880	7,628	1,288,991	42,301,178	49,956,402

(a) Expenditure on National Development to 31st March, 1940. (b) Unopened Lines. (c) Water-races, pipe-lines, dams, &c. (d) Suspense Account to be written off to redemptions. (e) Departmental Library. (f) Maintenance Account, 1939-40. (g) Incomplete work. (h) Stop-banks, drainage, canals, &c.

J. W. SCOTT, A.R.A.N.Z., Chief Accountant, Public Works Department.

I hereby certify that the Income and Expenditure Accounts and General Balance-sheet have been duly examined and compared with the relative books and documents submitted for audit, and correctly state the position as disclosed thereby, subject to the departmental notes enclosed thereon and to the explanatory notes dealing with departmental accounts generally as appearing at commencement of parliamentary return B-1 [Pt. IV]. The following comment is appended: The deficiency in contributions towards expenditure in connection with the Waihou and Ohinemuri Rivers Improvement Account has not been met by levying a rate as required by section 15, subsection 4 (d), of the Waihou and Ohinemuri Rivers Improvement Act, 1910.—CYRIL G. COLLINS, Controller and Auditor-General.

NATIVE DEPARTMENT.

NATIVE HOUSING ACT, 1935 (PUBLIC WORKS FUND).

STATEMENT OF RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Receipts.</i>		£	<i>Payments.</i>		£
Repayments by Natives .. .. .	..	5,409	Expenditure on dwellings— ..	..	31,095
Deposits against advances .. .. .	..	321	Erections .. .. .	..	4,619
Balance : Withdrawals from Public Works Fund ..	..	33,226	Purchases .. .. .	..	3,024
			Repairs and additions .. .. .	..	218
			Refund of deposits .. .. .	..
		<u>£38,956</u>			<u>£38,956</u>

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Expenditure.</i>		£	<i>Income.</i>		£
Interest on loan capital .. .. .	..	1,799	Interest earned .. .. .	..	1,852
Balance : Excess of income over expenditure ..	..	53			
		<u>£1,852</u>			<u>£1,852</u>

BALANCE-SHEET AS AT 31ST MARCH, 1940.

<i>Liabilities.</i>		£	<i>Assets.</i>		£	£
Loan Capital Account—Public Works Fund .. ..	..	61,573	Loans to Natives—			
Liability to Consolidated Fund—Interest on Loan Capital	..	670	Principal .. .. .	..	63,648	
Sundry deposits against advances .. .. .	..	2,209	Interest due and accrued .. .. .	..	632	
Sundry creditors—						64,280
Departmental .. .. .	..	64	Sundry debtors .. .. .	..		1,986
Miscellaneous .. .. .	..	1,764	Accumulated Profit and Loss Account .. ..	..	67	
		<u>1,828</u>	Less excess of income over expenditure .. ..	..	53	
						14
		<u>£66,280</u>				<u>£66,280</u>

NOTE.—See also separate accounts for Special Housing Fund (Native Department) and explanatory note thereon.

O. N. CAMPBELL, Under-Secretary.

M. J. LAWLESS, A.R.A.N.Z., Accountant.

I hereby certify that the Statement of Receipts and Payments, Income and Expenditure Account, and Balance-sheet have been duly examined and compared with the relative books and documents submitted for audit, and correctly state the position as disclosed thereby, subject to the explanatory notes dealing with departmental accounts generally as appearing at commencement of parliamentary return B.—1 [Pt. IV].—CYRIL G. COLLINS, Controller and Auditor-General.

NATIVE DEPARTMENT—*continued*.

SPECIAL HOUSING FUND.

STATEMENT OF RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 31st MARCH, 1940.

<i>Receipts.</i>				<i>Payments.</i>			
Balances, 1st April, 1939—	£	£		Loans to Natives for dwellings—		£	£
In hands of Maori Land Boards	3,967			Erection	25,267		
In hands of Native Trustee	64,837			Repairs	652		
		68,804		Miscellaneous	64		
Repayments by Natives—						25,983	
Interest	1,934			Expenditure on dwellings (sections 3 and 4 Amendment			
Principal	5,399			Act, 1938): Erection			17
		7,333		Title expenses of gifted land			2
Deposits against advances		911		Balances, 31st March, 1940—			
Deposits in suspense		612		In hands of Maori Land Boards	9,478		
Interest received from Native Trustee		1,173		In hands of Native Trustee	43,353		
						52,831	
							£78,833
		<u>£78,833</u>					<u>£78,833</u>

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31st MARCH, 1940.

<i>Expenditure.</i>				<i>Income.</i>			
Title expenses of gifted land	2			Interest earned on—		£	
Transfer to Housing Fund Account	3,141			Loans	1,970		
				Deposits with Native Trustee	1,173		
		<u>£3,143</u>				<u>£3,143</u>	

HOUSING FUND ACCOUNT.

<i>Dr.</i>				<i>Cr.</i>			
Balance, 31st March, 1940	£	£		Balance, 1st April, 1939	£	£	
	105,655			Value of land donated to fund	25		
				Excess of income over expenditure	3,140		
		<u>£105,655</u>				<u>£105,655</u>	

BALANCE-SHEET AS AT 31st MARCH, 1940.

<i>Liabilities.</i>				<i>Assets.</i>			
Special Housing Fund	£	£		Land		£	£
Deposits against advances	105,656			Purchased	375		
Sundry creditors	1,850			Donated	25		
	51					400	
				Buildings completed (2): Principal		108	
				Loans to Natives—			
				Principal	54,144		
				Interest due	35		
				Interest accrued	39		
						54,218	
				Cash balances—			
				In hands of Maori Land Boards	9,478		
				In hands of Native Trustee	43,353		
						52,831	
		<u>£107,557</u>					<u>£107,557</u>

O. N. CAMPBELL, Under-Secretary.

M. J. LAWLESS, A.R.A.N.Z., Accountant.

NOTE.—To enable the Board of Native affairs to fully exercise its powers and functions in respect of Natives who, in the opinion of the Board, are unable to furnish the security required under the Native Housing Acts and for the purpose of assisting the most urgent and necessitous cases, the Government has established a Special Housing Fund consisting of grants totalling £100,000 which have been paid into the Native Trustee's Account for disbursement through the Maori Land Boards as directed by the Board of Native Affairs. All interest, repayments of principal, and other accumulations belong to the fund and may be utilized in granting advances for housing purposes.

I hereby certify that the Statement of Receipts and Payments, the Income and Expenditure Account, and Balance-sheet have been duly examined and compared with the relative books and documents submitted for audit, and correctly state the position as disclosed thereby.—CYRIL G. COLLINS, Controller and Auditor-General.

DEPARTMENT OF AGRICULTURE.

REVENUE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

	Head Office.	Live-stock Division.	Horticul- ture Division.	Dairy Division.	Fields Division.	Animal Research Division.	Total.
<i>Dr.</i>	£	£	£	£	£	£	£
Personal services and locomotion	40,204	142,864	31,094	75,368	50,054	14,736	354,320
General establishment (office rents, printing, &c.) ..	21,451	1,316	607	809	695	114	24,992
Investigation and works for improvement of agricultural knowledge	12	1,117	2,291	10,610	134	..	14,164
Control and destruction of diseases and pests .. ..	..	79,413	779	..	..	..	80,192
Grading, testing, and laboratory services to improve agricultural knowledge and the standard of agricultural exports .. .. .	..	1,329	181	..	..	3,904	5,414
Executive Commission of Agriculture	5,734	..	..	..	..	..	5,734
Carriage of lime and fertilizers	354,664	..	..	..	..	..	354,664
Carriage of farm produce	60,038	..	..	..	..	..	60,038
Assistance to fruit industry .. .. .	..	..	8,544	..	..	..	8,544
Grants to agricultural colleges	27,000	..	..	..	..	..	27,000
Bursaries to students	2,404	..	..	..	..	..	2,404
Compensation under Stock Act .. .. .	..	11,817	..	..	..	..	11,817
Compensation under Slaughtering and Inspection Act ..	..	14,980	..	..	..	..	14,980
Assistance to pig industry .. .. .	..	7,976	..	..	..	..	7,976
Grants: Stallion services .. .. .	..	3,850	..	..	..	..	3,850
Subsidy: Raw materials used in manufacture of super- phosphate	81,510	..	..	..	..	..	81,510
	593,017	264,662	43,496	86,787	50,883	18,754	1,057,599
<i>Cr.</i>	£	£	£	£	£	£	£
Investigation and works for improvement of agricultural knowledge .. .. .	..	..	..	..	..	317	317
Grading, testing, and laboratory services to improve agricultural knowledge and the standard of agricultural exports .. .. .	..	..	..	29,998	1,725	..	31,723
Fees under Fertilizer Act .. .. .	..	..	..	..	427	..	427
Fees under Stock Remedies Act .. .. .	..	401	..	..	..	..	401
Fees under Stallions Act .. .. .	..	72	..	..	..	..	72
Fees under Dairy Industry Act .. .. .	..	2,017	..	365	..	..	2,382
Fees under Stock Act .. .. .	..	763	..	..	..	..	763
Fees under Slaughtering and Inspection Act .. .. .	..	48,359	..	..	..	..	48,359
Fees under Orchard and Garden Diseases Act .. .. .	..	..	5,408	..	..	..	5,408
Fees under Margarine Act .. .. .	..	..	..	4	..	..	4
Fees under Veterinary Surgeons Act .. .. .	..	19	..	..	..	..	19
Purchase of seeds, &c.: Flood area .. .. .	..	..	..	..	3,012	..	3,012
Balance carried down	593,017	213,031	38,088	56,420	45,719	18,437	964,712
	593,017	264,662	43,496	86,787	50,883	18,754	1,057,599
<i>Dr.</i>	£	<i>Cr.</i>					£
Balance	964,711	Rent of buildings					1,268
Depreciation	9,554	Territorial revenue					9
Interest on capital	3,329	Balance carried down					976,317
	£977,594						£977,594
	£						£
Balance brought down	976,318	Profits from special accounts: Rabbit-destruction, poisons, and poison-mixing depots					7
Losses from special accounts: Experimental farms and areas, quarantine-stations, and poultry-station and cattle-dip	4,961	Te Kauwhata Horticultural Station					187
Raukura Animal Research Station	23,771	Balance					1,009,618
Flock House Station	4,762						
	£1,009,812						£1,009,812

DEPARTMENT OF AGRICULTURE—continued.

EXPERIMENTAL FARMS AND AREAS, QUARANTINE-STATIONS, POULTRY-STATIONS, AND CATTLE-DIP.

WORKING ACCOUNT AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

	Canterbury Sheep In- vestigation.	Mamaku Farm.	Marion Area.	Motuihi Island Quarantine- station.	Somes Island Quarantine- station.	Poultry- station, Wallaceville.	Mohakatino Cattle-dip.	Total.
<i>Dr.</i>	£	£	£	£	£	£	£	£
Stock, 1st April, 1939—								
Livestock .. ..	..	778	14	27	123	445	..	1,387
Farm crops and stores .. ..	..	188	26	23	41	155	17	450
Wages	966	614	419	252	286	543	78	3,157
Purchase of live-stock	1,257	144	..	..	..	5	..	1,406
Launch and steamer services .. ..	..	..	..	43	433	..	..	476
Manures and seeds	244	92	2	..	..	..	..	338
Purchase of foodstuffs	143	14	..	20	360	705	..	1,243
Cartage and sundries	699	153	29	5	34	210	28	1,158
Balance carried down .. ..	..	..	..	..	..	128	..	128
	3,309	1,983	490	370	1,277	2,191	123	9,743
	£	£	£	£	£	£	£	£
Balance brought down	1,512	648	456	201	564	..	2	3,383
Repairs and maintenance	18	15	..	10	33	74	12	162
Management .. ..	..	50	30	25	20	50	5	180
Rent	91	..	60	30	..	6	..	187
Depreciation	57	100	18	20	148	207	48	597
Interest	52	244	6	27	123	92	12	556
Administration	34	17	5	5	18	38	2	120
	1,764	1,074	575	318	906	467	81	5,185
<i>Cr.</i>	£	£	£	£	£	£	£	£
Sales of live-stock	197	265	..	8	35	687	..	1,192
Sales of produce .. ..	..	147	..	..	..	699	..	846
Fees and certificates .. ..	..	..	..	110	511	..	100	721
Sundries .. ..	..	..	..	..	..	5	..	5
Stock, 31st March, 1940—								
Live-stock	1,164	787	12	35	122	618	..	2,737
Farm crops and stores	437	136	23	16	45	182	21	859
Balance carried down	1,511	648	455	201	564	..	2	3,383
	3,309	1,983	490	370	1,277	2,191	123	9,743
	£	£	£	£	£	£	£	£
Balance brought down .. ..	..	..	..	..	..	128	..	128
Rent	52	..	..	..	..	44	..	95
Balance (net losses)	1,712	1,074	575	318	906	295	81	4,962
	1,764	1,074	575	318	906	467	81	5,185

DEPARTMENT OF AGRICULTURE—continued.

RABBIT-DESTRUCTION, POISONS, POISON-MIXING DEPOTS, AND SODIUM CHLORATE.

WORKING ACCOUNT AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

	Sodium Chlorate.	Frankton Junction Depot.	Canterbury District Poisons.	Wellington District Poisons.	Auckland Dis-tribution, Carbon Bisulphide.	Dominion Distribution, Strychnine.	Total.
<i>Dr.</i>	£	£	£	£	£	£	£
Stock, 1st April, 1939 ..	199	210	4	7	175	1,461	2,056
Wages	4	60	..	..	3	..	67
Purchase of poisons ..	..	..	..	..	..	117	117
Sugar, pollard, &c. ..	..	151	..	..	..	..	151
Sundries .. ..	..	5	..	..	..	..	5
Packing, cartage, &c. ..	6	65	2	2	2	12	89
Transfers (in) .. ..	..	3	40	164	..	..	207
Balance carried down ..	18	42	13	24	8	391	496
	227	536	59	197	188	1,981	3,188
<i>Cr.</i>	£	£	£	£	£	£	£
Sales of poisons, &c. ..	159	204	37	177	124	897	1,597
Transfers (out) .. ..	..	204	..	..	3	..	207
Stock, 31st March, 1940 ..	68	128	22	20	61	1,084	1,384
	227	536	59	197	188	1,981	3,188
<i>Dr.</i>	£	£	£	£	£	£	£
Repairs and maintenance ..	..	2	..	..	..	..	2
Management	6	30	2	15	10	147	210
Depreciation .. ..	..	147	..	..	..	..	147
Interest	5	48	1	..	5	51	110
Administration	2	5	..	2	1	10	20
Balance (profit)	4	..	10	7	..	184	205
	17	232	13	24	16	392	694
<i>Cr.</i>	£	£	£	£	£	£	£
Balance brought down ..	17	42	13	24	8	392	496
Balance (loss) .. ..	..	190	..	..	8	..	198
	17	232	13	24	16	392	694
				£			
Profits				205			
Losses				198			
Net profit				7			

FLOCK HOUSE STATION.

WORKING ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

“Livestock.”

						Stock on Hand. 31st March, 1939.		Purchases.		Total.		Balance. (Profit).
						Number.	Amount.	Number.	Amount.	Number.	Amount.	
<i>Dr.</i>							£		£		£	£
Dairy herd .. ..	..	..	..	..	..	156	793	11	139	167	932	..
Pigs .. ..	..	..	..	..	..	64	121	1	2	65	123	307
Cattle (Run, &c.) ..	..	..	..	..	..	1,277	8,893	..	..	1,277	8,893	2,510
Sheep .. ..	..	..	..	..	..	11,148	15,980	30	288	11,178	16,268	4,288
Poultry .. ..	..	..	..	..	..	54	10	24	7	78	17	..
Horses .. ..	..	..	..	..	..	48	677	..	..	48	677	..
						..	26,474	..	436	..	26,910	7,105
						Sales and Killings.		Stock on Hand.		Total.		Balance (Loss).
						Number.	Amount.	Number.	Amount.	Number.	Amount.	
<i>Cr.</i>							£		£		£	£
Dairy herd .. ..	..	..	..	..	..	44	70	168	861	212	931	1
Pigs .. ..	..	..	..	..	..	128	313	76	116	204	429	..
Cattle (run, &c.) ..	..	..	..	..	..	157	1,142	1,422	10,261	1,579	11,403	..
Sheep .. ..	..	..	..	..	..	4,873	4,390	11,403	16,167	16,276	20,557	..
Poultry .. ..	..	..	..	..	..	9	1	55	11	64	12	5
Horses .. ..	..	..	..	..	..	..	..	52	624	52	624	53
						..	5,916	..	28,040	..	33,956	59

DEPARTMENT OF AGRICULTURE—continued.
FLOCK HOUSE STATION—continued.
WORKING ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940—continued.
“ Working.”

	Dairy Herd.	Pigs.	Cattle, &c.	Sheep.	Poultry.	Horses.	Crops and Pastures.	Hostel.	Total.
<i>Dr.</i>	£	£	£	£	£	£	£	£	£
Wages	280	196	117	661	27	23	830	1,816	3,950
Wages (assessed)	268	125	85	345	8	22	386	1,080	2,319
Stores (purchased)	33	57	8	98	18	27	650	1,225	2,116
Sundries	26	..	6	14	..	58	178	269	552
Home-grown produce .. .. .	..	..	..	..	..	..	400	549	948
Profits	845	..	..	2,685	..	..	..	..	3,530
	1,452	378	216	3,803	53	130	2,444	4,939	13,415
<i>Cr.</i>	£	£	£	£	£	£	£	£	£
Sales (main produce)	1,407	..	..	3,773	33	..	4	..	5,217
Sales (skins, &c.)	45	17	30	30	..	..	..	127	249
Home-grown produce .. .. .	..	..	..	..	..	..	..	..	..
Board .. .. .	..	..	..	..	..	..	..	199	198
Board (assessed) .. .. .	..	..	..	..	..	..	..	2,368	2,368
Losses .. .. .	..	361	186	..	20	130	2,440	2,245	5,383
	1,452	378	216	3,803	53	130	2,444	4,939	13,415

“ General.”

<i>Dr.</i>	£	<i>Cr.</i>	£
Wages and salaries	1,205	Sundries	23
Wages (assessed)	52	Balance carried down	1,509
Stores	85		
Sundries	190		
	£1,532		£1,532
Balance brought down	1,509	“ Live-stock ” profits brought down—	£
“ Live-stock ” losses brought down—	£	Pigs	307
Dairy herd	1	Cattle (run, &c.)	2,510
Poultry	5	Sheep	4,289
Horses	53		7,106
	59	“ Working ” profits brought down—	
“ Working ” losses brought down—		Dairy herd	845
Pigs	362	Sheep	2,685
Cattle (run, &c.)	186		3,530
Poultry	20	Rent of buildings	45
Horses	130	Rent of buildings (assessed)	72
Crops and pastures	2,440		117
Hostel	2,245	Balance being net loss	4,762
	5,383		
Repairs and maintenance	467		
Rent	14		
Depreciation	1,589		
Interest	6,266		
Head Office Administration	228		
	£15,515		£15,515

DEPARTMENT OF AGRICULTURE—continued.
RUAKURA ANIMAL RESEARCH STATION (INCLUDING KARAMU OUT-STATION).
INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

Stock, 1st April, 1939.	Purchases.	Total.	Balance (Profit).	Particulars.	Sales.	Issues.	Stock, 31st March, 1940.	Total.	Balance (Loss).
£	£	£	£	Farm Stores—	£	£	£	£	£
868	2,050	2,918	..	General	13	637	1,406	2,056	862
130	1,363	1,493	..	Homestead .. .. .	..	2	289	291	1,202
448	749	1,197	..	Seeds and manures	10	..	381	391	806
259	1,399	1,658	..	Stock-foods .. .. .	..	..	175	175	1,483
1,705	5,561	7,266	..	Sub-total	23	639	2,251	2,913	4,353
1,026	..	1,026	159	Beef-cattle herd	521	..	664	1,185	..
3,944	76	4,020	2,535	Dairy-cattle herd	2,822	..	3,733	6,555	..
21	..	21	..	Dogs .. .. .	..	..	14	14	7
337	12	349	..	Horses .. .. .	..	..	301	301	48
442	..	442	1,006	Pigs	845	..	603	1,448	..
3,075	1,562	4,637	467	Sheep	1,897	..	3,206	5,103	..
..	..	..	2,687	Board	2,687	..	..	2,687	..
4,555	86	4,641	201	Crops, produce, and pastures	97	..	4,745	4,842	..
..	798	798	..	Electricity and power	27	..	..	27	771
..	637	637	..	Freight and cartage	5	2	..	7	631
130	1,460	1,590	..	Office and management	97	..	138	235	1,355
..	1,167	1,167	..	Repairs and maintenance	2	..	..	2	1,165
..	303	303	9	Rent	313	..	..	313	..
..	9,805	9,805	..	Salaries	114	117	..	231	9,573
..	8,937	8,937	..	Wages	4	531	..	535	8,401
19	..	19	1,103	Wool, hides, and skins	1,106	..	17	1,123	..
15,254	30,404	45,658	8,167		10,560	1,289	15,672	27,521	26,304
		..		Balance carried down .. .. .	..	..	..	18,137	..
		45,658						45,658	

Balance brought down	£ 18,137	Balance (loss)	£ 23,771
Depreciation	1,983		
Assets written off	75		
Interest on capital	3,114		
Head Office administration	462		
	<u>£23,771</u>		<u>£23,771</u>

DEPARTMENT OF AGRICULTURE—continued.
TE KAUWHATA HORTICULTURAL STATION.

WORKING ACCOUNT AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

	General.	Vineyard.	Wine Cellar.	Total.
<i>Dr.</i>	£	£	£	£
Stock, 1st April, 1939	605	120	15,022	15,747
Wages and salaries	807	1,248	1,084	3,139
Inter-section transfers .. .. .	..	219	230	449
Vineyard .. .. .	..	..	2,377	2,377
Sundry expenses	134	112	259	505
Cartage and freight	19	12	668	699
Purchase of sugar .. .. .	..	..	946	946
Purchase of grapes .. .. .	..	..	141	141
Purchase of manures and seeds	25	53	..	78
Purchase of bottles and corks .. .. .	..	..	1,331	1,331
Purchase of cartons, cases, and straws .. .. .	..	..	504	504
Purchase of live-stock	336	..	..	336
Balance carried down .. .. .	..	..	2,692	2,692
	1,926	1,764	25,254	28,944
<i>Cr.</i>	£	£	£	£
Balance brought down	70	1,604	..	1,674
Repairs and maintenance	275	67	106	448
Depreciation	57	94	152	303
Interest	72	57	697	826
Management : Salaries and expenses	87	369	630	1,086
Management : Other charges	44	185	315	544
Balance (net profit) .. .. .	..	..	792	792
	605	2,376	2,692	5,673
<i>Cr.</i>	£	£	£	£
Sales of live-stock	538	..	..	538
Sales of produce and sundries	117	73	16	206
Sales of bulk wine .. .. .	..	..	572	572
Sales of case wine .. .. .	..	..	9,754	9,754
Inter-section transfers	509	..	..	509
Stock, 31st March, 1940	692	87	14,912	15,691
Balance carried down	70	1,604	..	1,674
	1,926	1,764	25,254	28,944
	£	£	£	£
Balance brought down .. .. .	..	..	2,692	2,692
Wine cellar .. .. .	..	2,376	..	2,376
Balance (loss)	605	..	..	605
	605	2,376	2,692	5,673

	£
Profit	792
Loss	605
Net profit	£187

DEPARTMENT OF AGRICULTURE—continued.
BALANCE-SHEET AS AT 31ST MARCH, 1940.

	Experimental Farms and Area. Quarantine-station, Poultry-station, and Cattle-dip.	Rabbit Destruction, Poisons, and Poison-mixing Depots.	Ruakura Animal Research Station.	Te Rauwhata Horticultural Station.	Flock House Station.	Other than "Special" Undertakings.	Total.
<i>Liabilities.</i>							
Capital (includes Public Works Fund capital, £335,175 18s.)	£ 15,520	£ 2,357	£ 81,902	£ 21,733	£ 158,276	£ 99,252	£ 379,040
Sundry creditors—							
General	265	7	561	494	226	34,089	35,642
Departmental	69	7	301	73	34	45,793	46,277
Amounts received in advance	18	..	137	..	..	4,454	4,454
Writings-off Reserve .. .. .	..	..	17	..	..	2,818	2,835
Treasury Adjustment Account	4,808	.. 8	23,250	..	4,946	909,462	942,474
Profit and Loss Account .. .. .	..	7	..	187	..	..	194
	20,680	2,386	106,168	22,487	163,482	1,095,713	1,410,916
<i>Assets.</i>							
Land	£ 2,318	£ 300	£ 35,926	£ 113	£ 87,397	£ 14,961	£ 141,015
Permanent improvements	8,423	664	25,451	3,981	37,909	28,340	104,768
Furniture, fittings, and fixtures	21	1	1,296	19	1,059	3,329	5,725
Libraries	2	..	79	11	3	3,016	3,111
Technical instruments and equipment	161	..	1,154	11	9	8,035	9,370
Mechanical office appliances .. .. .	..	..	65	16	12	56	149
Implements and tools	878	8	2,069	1,875	1,571	2,519	8,920
Transport	120	..	190	..	755	6,412	7,477
Establishment expenses .. .. .	..	..	..	..	167	..	167
National Development Account : Grants to Massey and Lincoln Agri- cultural Colleges for buildings, &c. .. .. .	..	..	..	..	..	20,872	20,872
Live-stock	2,737	..	8,521	611	28,040	493	40,402
Farm crops and stores	859	1,384	7,151	15,096	1,347	11,219	37,056
Sundry debtors—							
General	152	1	272	59	444	16,349	17,277
Departmental	47	28	..	16	..	976	1,067
Amounts paid in advance .. .. .	..	..	..	8	..	..	8
Profit and Loss Account	4,962	..	23,771	..	4,762	976,318	1,099,813
Writings-off Suspense .. .. .	..	..	17	..	..	2,818	2,835
Treasury Adjustment Account .. .. .	..	..	..	671	..	..	671
Deposits .. .. .	..	..	206	..	7	..	213
	20,680	2,386	106,168	22,487	163,482	1,095,713	1,410,916

L. C. SCOTT, Accountant, Department of Agriculture, Wellington.

I hereby certify that the Revenue Account, Working Account, Profit and Loss Accounts, and Balance-sheet have been duly examined and compared with the relative books and documents submitted for audit, and correctly state the position as disclosed thereby, subject to the explanatory notes dealing with departmental accounts generally as appearing at commencement of parliamentary return B.-1 [Pt. IV].—CYRIL G. COLLINS, Controller and Auditor-General.

NEW ZEALAND REPARATION ESTATES.
TRADING ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

Debit.

Item.	Rubber.	Copra.	Cocoa.	Sundries.	Total.
	£	£	£	£	£
Stock at 1st April, 1939	679	6,164	2,849	48	9,740
Production	2,819	14,423	11,698	147	29,087
Expenses	942	4,267	963	72	6,244
Profit	2,952	974	..	287	4,213
Totals	7,392	25,828	15,510	554	49,284

Credit.

Item.	Rubber.	Copra.	Cocoa.	Sundries.	Total.
	£	£	£	£	£
Proceeds from sales	6,931	18,554	6,509	515	32,509
Refunds of duty	283	800	208	..	1,291
Stock at 31st March, 1940	178	6,474	8,740	39	15,431
Loss .. .. .	..	..	53	..	53
Totals	7,392	25,828	15,510	554	49,284

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Dr.</i>	£	£	<i>Cr.</i>	£	£
Salaries	3,305		Profits from trading—		
Less amount recovered from banana scheme	600		Copra	857	
		2,705	Rubber	2,951	
Residential and Head Office buildings—			Hides	287	
Maintenance	1,484				4,095
Yard maintenance	392		Less loss on cocoa trading	53	
Rates, taxes, and insurance	475				4,042
		2,351	General income—		
General expenses—			Rents	2,874	
Audit fees	224		Interest	339	
General expenses	332				3,213
Indenture Niue labour	67		Head Office sundry earnings—		
Leapuni water-supply: Maintenance	13		Commission	200	
London general expenses	101		Plantation stores	1,528	
Motor-car hires	8		Viavase water-supply	16	
Office furniture: Maintenance	21		Weighbridge earnings	3	
Plantation leased expenses	45		Sundries	10	
Policing	59				1,757
Postages and radios	178		Profits on realization of sundry assets	6	
Printing and stationery	89		Bad debts recovered	60	
Running-expenses, General-Manager's car	319		Bad debts reserve: Amount written back	61	
Survey fees	56		Profit on tomato venture	6	
		1,512	Motor-boats—		
Depreciation .. .. .	..	1,209	“ Taumafai ”	774	
Losses on working accounts—	£		“ Tausala ”	347	
Carpenters' shop	5				1,121
Engineering shop	27		Yard labour	252	
Paint-shop	14		Sales of meat, less stock decreases	2,265	
Slipway	41		Less yard meat	25	
		87			2,240
Beetle research	327		Plantation sundry earnings—		
Wellington Office overhead	739		Aleisa	143	
Motor-lorry losses on working	372		Central Group and Lafi	368	
Remissions—			Mulifanua	163	
Rent	236		Vaitele	72	
Interest	10		Vailele	83	
Decrease in horses and donkeys .. .. .	..	721			829
	£				
Tuvao maintenance	431				
Less bananas exported, &c.	51				
		380			
Profit transferred to Profit and Loss Appropriation Account	2,938				
		£13,587			£13,587

PROFIT AND LOSS APPROPRIATION ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Dr.</i>	£	<i>Cr.</i>	£
Plantation Renewals Account	1,000	Balance	38,172
Balance	40,110	Profit and Loss Account	2,938
	£41,110		£41,110

BALANCE-SHEET AS AT 31ST MARCH, 1940.

[illegible]

I hereby certify that the Profit and Loss Account, Trading Account, and Balance-sheet have been duly examined and compared with the relative books and documents submitted for audit, and correctly state the position as disclosed thereby.—CYRIL G. COLLINS, Controller and Auditor-General.

STATE IRON AND STEEL DEPARTMENT.

SURVEY AND PROSPECTING EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

<i>Dr.</i>						£	<i>Cr.</i>						£
Salaries .. .. .	..	..	..	..	..	5,089	Balance carried down .. .. .	..	..	..	..	..	29,541
Audit fees .. .. .	..	..	..	..	..	28							
Books, maps, &c. ..	..	..	..	..	..	39							
Fuel, light, power ..	..	..	..	..	..	36							
Office cleaning .. ..	..	..	..	..	..	47							
Office fittings .. ..	..	..	..	..	..	3							
Postages, telegrams, &c.	..	..	..	..	..	50							
Printing and stationery	..	..	..	..	..	43							
Rent .. .. .	..	..	..	..	..	248							
Consultants fee .. ..	..	..	..	..	..	4,000							
Survey and other preliminary work—						£							
(a) Onekaka .. ..	..	..	..	..	..	18,016							
(b) Taranaki .. ..	..	..	..	..	..	293							
						18,309							
Telephone services, &c. ..	..	..	..	..	..	59							
Travelling allowances and expenses	..	..	..	..	..	136							
Depreciation .. .. .	..	..	..	..	..	1,453							
Miscellaneous .. .. .	..	..	..	..	..	1							
						£29,541							£29,541
						£							£
Expenditure to 31st March, 1939 .. ..	..	..	..	..	..	26,841	Balance, 31st March, 1940 .. .. .	..	..	..	..	..	56,382
Expenditure for year ended 31st March, 1940	..	..	..	..	..	29,541							
						£56,382							£56,382

BALANCE-SHEET AS AT 31ST MARCH, 1940.

<i>Liabilities.</i>						£	£	<i>Assets.</i>						£
Grant from Employment Promotion Fund ..	..	..	..	..	..	65,500		Hutments, plant, and equipment, Onekaka ..	..	..	..	..	..	1,845
Less expenditure to 31st March, 1940, on	..	..	..	..	..			Equipment, Taranaki .. .. .	..	..	..	..	..	47
survey and prospecting .. .. .	..	..	..	..	..	56,382	9,118	Motor vehicles and tractors .. .. .	..	..	..	..	..	741
								Office furniture and equipment .. ..	..	..	..	..	..	686
Creditors—								Typewriters .. .. .	..	..	..	..	..	35
Departmental .. .. .	..	..	..	..	..	123		Library .. .. .	..	..	..	..	..	68
Sundry .. .. .	..	..	..	..	..	304	427	Goods in transit .. .. .	..	..	..	..	..	124
								Stores, tools, &c. .. ..	..	..	..	..	..	400
Writings-off in Suspense .. .. .	..	..	..	..	..		43	Assets in Suspense .. .. .	..	..	..	..	..	43
								Debtors—						£
								Departmental .. .. .	..	..	..	..	..	1
								Sundry .. .. .	..	..	..	..	..	1,475
														1,476
								Cash in bank .. .. .	..	..	..	..	..	4,065
								Cash in transit .. .. .	..	..	..	..	..	58
						£9,588								£9,588

F. A. BRIDGES, for Accountant.
W. BROMLEY, Secretary.

I hereby certify that the Survey and Prospecting Expenditure Account and Balance-sheet have been duly examined and compared with the books and documents submitted for audit, and correctly state the position as disclosed thereby.—CYRIL G. COLLINS, Controller and Auditor-General.

DEFENCE.
INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1940.

—	Army.	Navy.	Air.	Civil and General.	Total.	—	Army.	Navy.	Air.	Civil and General.	Total.
<i>Expenditure.</i>						<i>Income.</i>					
Pay, stores, &c. ..	£ 2,386,824	£ 927,232	£ 1,087,674	£ 35,220	£ 4,436,950	War taxation ..	£ ..	£ ..	£ ..	£ 2,181,835	£ 2,181,835
Depreciation ..	44,393	16,905	70,073	..	131,371	Transfer of unexpended balances of appropriations in terms of section 2 (4) (d), War Expenses Act, 1939 ..	..	..	..	2,287,826	2,287,826
Interest on Capital ..	189,216	33,246	86,352	..	308,834	Donations ..	..	..	..	24,348	24,348
						Miscellaneous receipts ..	4,816	6,392	101,638	112,846	112,846
						Excess of expenditure over income	2,615,617	971,011	1,142,461	Dr. 4,458,789	270,300
	2,620,433	977,403	1,244,099	35,220	4,877,155					35,220	4,877,155

BALANCE-SHEET AS AT 31ST MARCH, 1940.

—	Army.	Navy.	Air.	Civil and General.	Total.	—	Army.	Navy.	Air.	Civil and General.	Total.
<i>Liabilities.</i>						<i>Assets.</i>					
Capital—						Land, buildings, stores, &c. ..	£ 5,821,367	£ 940,233	£ 3,091,547	£ 391	£ 9,853,538
Consolidated Fund and War Expenses Account ..	5,790,160	940,233	2,683,717	953,771	10,367,881	Sundry debtors ..	12,077	221	721	..	13,019
Public Works Fund ..	..	..	487,345	..	487,345	Sundry assets ..	4,720	..	..	20	4,740
Employment Promotion Fund ..	..	9,282	..	..	9,282	Assets in suspense ..	39,039	908	7,142	..	47,089
						Deposits in Public Account and with Public Trustee ..	1,134	106,268	..	..	107,402
Value of gift assets ..	..	..	17,330	..	10,864,508	Cash in War Expenses Account ..	Cr. 2,139,942	Cr. 822,078	Cr. 894,017	953,380	953,380
Sundry creditors ..	523,679	139,872	152,320	877	17,330	Treasury Adjustment Account ..	2,615,617	971,011	1,142,461	4,459,646	603,609
Amounts held on deposit ..	1,134	106,268	..	..	816,748	Income and Expenditure Account				Cr. 4,458,789	270,300
Writings-off Reserve ..	39,039	908	7,142	..	107,402						
	6,354,012	1,196,563	3,347,854	954,648	11,853,077						

NOTES.—(1) The above Income and Expenditure Account and Balance-sheet are abridged summaries of accounts prepared by the Army, Navy, and Air Departments and for the Civil Subdivision of War Expenses Account.
(2) In the case of the Army and Air Departments, the values of stocks on hand have been estimated, no detailed stock-sheets being available. In the case of the Navy, the value of stocks on hand is the total of stocks shown on detailed stock-sheets.
(3) In respect of the Army Department, the costs of divisional equipment, overseas war stores, and transport of troops overseas due to the Imperial Government were not assessed at 31st March, 1940, and no provision therefor has been made in the accounts.

I hereby certify that the Income and Expenditure Account and Balance-sheet have been duly examined and compared with the relative books and documents submitted for audit, and correctly state the position as disclosed thereby, subject to the departmental notes enclosed thereon and to the explanatory notes dealing with departmental accounts generally as appearing at commencement of parliamentary return B.—1 [Pt. IV].—CYRIL G. COLLINS, Comptroller and Auditor-General.

A. R. F. MACKAY, Accountant to the Treasury.