

## BALANCE-SHEET AS AT 31ST MARCH, 1944

<i>Liabilities</i>		£	£	<i>Assets</i>		£
Authorized capital .. ..	..	..	1,000,000	Mortgages and accrued interest .. ..	..	43,988,232
Stock and debentures .. ..	..	48,014,250		Securities in course of realization .. ..	..	280,410
Accrued interest .. ..	..	257,815		Advances on current account and accrued interest ..	..	274,068
			48,272,065	Government and local-body securities and accrued interest .. ..	..	10,834,029
General Reserve, including (a) £2,753,164 repayable to the State under section 35 of the State Advances Corporation Act, 1934-35; (b) Contribution from War Expenses Account of £19,537 in respect of rehabilitation advances .. ..	..	..	3,841,260	Office furniture, equipment, and motor-vehicles, at cost, less depreciation .. ..	..	19,036
Specific reserves—				Current assets—	£	
Reserve for losses—		£		Sundry debtors .. ..	99,779	
Ex-State .. ..	..	2,309,209		Temporary investments, including accrued interest .. ..	..	300,506
New business .. ..	..	280,000		Lodgments in transit, cash in bank and on hand .. ..	..	341,751
Investment Fluctuation Reserve .. ..	..	120,000				742,036
Reserve for taxes .. ..	..	128,341				
			2,837,550			
Sundry creditors .. ..	..	..	60,165			
Liability to the Crown—						
Surplus for year .. ..	..	20,771				
Interest payable on State's contribution to General Reserve .. ..	..	106,000				
			126,771			
			£56,137,811			£56,137,811

W. G. DENT, B.Com., A.R.A.N.Z., for Chief Accountant.

A. D. PARK, F.I.A.N.Z., F.R.A.N.Z. } Managing Directors.  
T. N. SMALLWOOD

In accordance with the provisions of the State Advances Corporation Act, 1936, we report that we have obtained all the information and explanations we have required in respect of the accounts of the Corporation examined by us, and in respect of the above Balance-sheet, which in our opinion is properly drawn up so as to exhibit a true and correct view of the state of the Corporation's affairs according to the best of our information and the explanations given to us, and as shown by the books of the Corporation.

R. C. BURGESS, F.P.A.N.Z. } Auditors.  
G. D. STEWART, F.P.A.N.Z.

Wellington, N.Z., 19th May, 1944.

## PART II.—HOUSING ACCOUNT

It has been the practice in previous years to submit with the Board's report on the administration of the Housing Account a statement prepared by the Director of Housing Construction relative to the work undertaken by his Department in acquiring land, carrying out subdivisions, and erecting houses, but as from the 31st August, 1943, the Construction Branch was merged in the Ministry of Works, and our comments will therefore be confined to completed dwellings and similar matters. It has been previously pointed out, and it may be reiterated here, that the funds of the Housing Account are entirely separate and distinct from the funds of the Corporation.

*New State Rental Houses, Flats, and Shops.*—The building programme undertaken by the Housing Construction Department has included the erection of houses, blocks of flats, and shops, and although the majority of the schemes are located in the cities and larger towns there are few towns of any size that have not been provided with at least a small number of dwellings or housing units. Each of the Corporation's Branch Managers is responsible for the administration of the new houses erected within his district, and his responsibility commences from the date when the units are handed over by the Construction Branch. The selection of tenants is made by a committee at the Branch Office after the applicants have been graded as to sizes of family, degree of urgency, and the time that the applications have been lodged. Standard rentals have been fixed for all these units varying according to the room space provided. The rental for a house of standard design of four rooms is 26s. per week, and the rental for other types range upward or downward according to size.

To date there has been no difficulty in letting all the houses completed, and judging by the number of applications on hand, and the further cases that are being daily added to the list, there will be difficulty in satisfying even the most urgent cases for some considerable time.

The number of new houses and flats taken over since the inception of the scheme up to 31st March, 1944, was 15,388, and there were 31,816 applications unsatisfied at that date. It has been decided by the Government that preference should be given to the applications of returned servicemen, and 50 per cent. of all available tenancies are held for applicants in this class, but, notwithstanding the granting of priority, there are still 2,678 cases coming within this category awaiting allocations.