

13th November, 1947.

The Right Hon. the Minister for Native Affairs,
Wellington.

SIR,—

We report that we have completed the audit of the accounts of the East Coast Native Trust Lands for the year ended 30th June, 1947, and attach a set of the accounts. We have the following comments to make:—

Freehold Property.—We have not inspected the title deeds relative to the properties of the Trust, but have accepted certificates from the mortgagees—namely, the State Advances Corporation—that they are holding certain documents as security for advances. The solicitors to the Trust and the Bank of New South Wales, Gisborne, have certified that they are holding on behalf of the East Coast Commissioner the documents relating to the properties of the Trust which are not subject to mortgage.

The value of the freehold property has been increased by £27,034 2s. 8d. by the purchase of Maraetaha 2A, Sections 2 and 3, from the estate of J. Nolan, having an area of 5,029 acres 2 roods 17 perches.

The estate of J. Nolan farmed an area consisting of a portion of Mangapoiike A and Maraetaha 2A, Sections 2 and 3. When the lease of Mangapoiike A expired, it became necessary to acquire the above property as all the farm buildings were situated thereon and there were no buildings on Mangapoiike A.

Live-stock.—We have accepted the numbers and values of live-stock on stations as at 30th June, 1947, as certified by the farm-managers and Mr. H. Syme, the Farm Supervisor.

Station Improvements.—We refer you to the remarks contained in our report of the 16th October, 1945, wherein we stated that we were of the opinion that a valuation of the improvements on all stations should be made as early as possible and the necessary adjustment recorded in the accounts so that the stations will be on a uniform basis in this direction. We understand that this matter is receiving the attention of the East Coast Commissioner.

Distributions.—We have verified all payments in connection with the following distributions made to beneficiaries during the year ended 30th June, 1947:—

	£	s.	d.
Mangapoiike A	2,604	5	2
Mangapoiike 2D	904	11	7
Mangapoiike 2E	230	0	0
Tahora 2F 2	1,400	3	3
Tahora 2C 1, Section 3	1,222	1	2
Tahora 2C 2, Section 2	453	18	8
Paremata 64, No. 2 Account	793	6	8
Paremata 48	36	1	0
Whaitiri No. 2	213	0	0
Paremata 3	306	0	0
Mangapoiike 2B	1,200	0	0
Tawapata South No 1	1,629	7	6
	<u>£10,992</u>	<u>15</u>	<u>0</u>

In addition to the above distributions, the following sums have also been charged against the blocks concerned:—

	£	s.	d.
Donations	1,385	7	11
Committee fees and expenses	123	10	8