

INCOME ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1923.

	£	s.	d.		£	s.	d.
To Land-tax	32	8	5	By Rent	883	4	0
Rates	185	3	1				
Legal expenses	59	9	0				
General expenses	75	4	0				
Interest	371	18	6				
Management and office expenses	25	0	0				
Balance	134	1	0				
	£883	4	0		£883	4	0

SIR,—

Wellington, 4th October, 1923.

I have the honour to report that I have completed the audit of the accounts of Mangatu Block No. 1 for the year ended 31st March, 1923, also the accounts of Mangatu Blocks 3 and 4 for a similar period, and have pleasure in enclosing copies of same.

Land-tax.—All the land-tax due has been brought into the accounts for the present year. I understand there is a possibility of a large portion of this being recovered from the Land and Income Tax Department.

The balance of loss on Te Paea Tait Estate has now been charged to Capital Account, and Revenue Account has been credited by a similar amount. This amount was originally charged against revenue, and has been held up for some years, but it has been finally decided to capitalize what is known as the Tait losses.

Penal Rates on Taxes.—Amounts of £14 17s. 11d. due to the Waikohu County Council and £6 10s. 3d. due to the Cook County Council, being 10 per cent. penal rates, have been paid by Mangatu No. 1 Block. I understand these payments were made owing to the lack of funds in the hands of the East Coast Commissioner.

You will observe that there is a new account appearing this year—namely, the Mangatahu Farm Account. This was a block that was taken over from the Tullochs, and a sum of £11,052 5s. was paid for improvements on 4,019 acres, being at the rate of £2 15s. per acre.

In these accounts the whole of the capital and income and expenditure is in one combined account. This has been done with the sanction of the Commissioner, as it has been thought inadvisable to make any distinction in this block between the two accounts.

Live-stock.—The live-stock on hand has been taken in at special rates, and not at the usual standard values. This is owing to the fact that it was thought that it would be unfair to write down the stock in the first year to the standard value.

Stock Account.—I have accepted without reservation the figures certified to by Mr. Syme, Farm Superintendent, and by Mr. J. Harvey, Agent for the Native Trustee at Gisborne.

Mangatu Blocks 3 and 4.—These accounts are incorporated in the accounts of Mangatu No. 1 Block, and a separate balance-sheet and Income Account have been prepared, which are enclosed herewith.

Subject to the foregoing remarks, I certify that the accounts as signed by me are, in my opinion, correct.

I am, &c.,

ARTHUR T. CLARKE, Auditor.

The Hon. the Minister of Native Affairs, Wellington.

Approximate Cost of Paper.—Preparation, not given; printing (475 copies), £13.

By Authority: W. A. G. SKINNER, Government Printer, Wellington.—1924.

Price 6d.]