

SMALL FARMS SCHEME—continued

BALANCE SHEET AS AT 31ST MARCH, 1944

<i>Liabilities</i>		<i>Assets</i>	
	£		£
Capital—		Land—	
National development	2,143,084	Leased	88,798
Land for Settlements Account	62,066	Unleased	7,218
Consolidated Fund	39,000	Purchase-price of areas being developed including value of Crown and other land set aside	508,289
	2,244,150		604,305
Subsidies—		Blocks under development—	
Employment Promotion Fund	469,264	Gross capital expenditure on development	1,873,372
Consolidated Fund	543,379	Expenditure on live-stock and farm workings	258,707
	1,012,643	Chattels (including store buildings)	51,634
Loan from Social Security Fund	3,161		2,186,713
Land donated	423	Loan to Napier Harbour Board: Ahuriri Lagoon	33,446
Land set aside for small farms: Crown lands	67,790	Accrued Interest	5,542
Education endowment lands	3,475		38,988
	71,265	Water-supply schemes: Headworks	10,368
Rent accrued: Crown Lands Account	139	Advances to small-farm occupiers—	
Creditors—		Current Account—	£
Rent	108	Improvements	29,407
Miscellaneous (departmental, &c.)	10,234	Stock and chattels	54,883
	10,342		84,290
Water Supply Account: Maintenance Payments in advance—		Instalment mortgages	334,496
Rent	205		418,786
Principal—	£	Advances under sharemilking agreements	3,215
Instalment mortgages	177	Realization Account: Leased areas in course of realization	30,164
Sharemilkers' loans	72	Losses on blocks disposed of (not finalized)	59,385
	249	Debtors—	
Interest—		Rents	1,736
Instalment mortgages	351	Principal—	£
Share-milkers' loans	6	Instalment mortgages	1,093
Current Account	38	Sharemilkers' loans	439
	395		1,532
Water levies	41	Interest—	
	890	Instalment mortgages	2,675
Accrued interest on capital on blocks being developed	258,707	Sharemilkers' loans	86
Rent Adjustment Account	1,042	Current Account	2,334
Writings-off in Suspense	15,605		5,095
Capital Reserve: Special assets taken over at book value	39,453	Water levies	414
Treasury Adjustment Account	266,032	Miscellaneous (departmental, &c.)	4,466
			13,243
		Deposits held by dairy companies	1,243
		Less Reserve	309
			934
		Interest Adjustment Account	4,662
		Interest unrecovered on development expenditure	258,707
		Losses in Suspense Account	15,605
		Subsidies in respect of blocks disposed of—	
		Employment Promotion Fund	51,349
		Consolidated Fund	24,251
			75,600
		Revenue Account: Balance carried forward	304,341
			£4,025,016
	£4,025,016		£4,025,016

NOTE.—(a) Profits or losses from farming operations on blocks under development are included in the Revenue Account only when the final position is ascertained on realization of the block; (b) interest on expenditure on blocks under development has been credited to Revenue Account only to the extent that trading results have enabled it to be met. The balance has been credited to the Balance-sheet item, "Accrued interest on capital on blocks being developed, £258,707."

R. G. MACMORRAN, Under-Secretary for Lands.
G. I. BRESOX, 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 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) it is unlikely that the realizable value of certain properties is equal to the development expenditure thereon; (3) the audit of the accounts of the Nelson, Otago, and Westland Land Districts is not yet completed. —J. P. RUTHERFORD, Controller and Auditor-General.