

STATE FOREST SERVICE—*continued*

STATE FORESTS ACCOUNT

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1944

General Revenue Account

<i>Expenditure</i>		£	<i>Income</i>		£	£
Salaries and contributions to Public Service			Timber—			
Superannuation Fund		22,479	Royalties		9,045	
General management of indigenous forests—		£	Sales		117,974	
Postages, cables, stationery, &c.		2,522	Trespass		222	
Forest reconnaissance, timber cruising, &c. ..		13,983				127,241
Legal expenses		66	Leases—			
Office rent, heating, lighting, and cleaning ..		2,016	Grazing		1,546	
Transportation expenses and maintenance of motor-vehicles		2,329	Sawmill sites		277	
Travelling and transfer expenses		4,136	Miscellaneous		128	
Maintenance of buildings and departmental property		437				1,951
Contingencies		24	License and transfer fees		261	
		25,513	Fees for inspections		2,621	
Forest-fire prevention: Fire-fighting wages, &c. ..		912	Administration expenses (Forests Amendment Act, 1926)		1,169	
Research and educational: Silvicultural management studies and timber products testing		790	Miscellaneous revenue		3,653	
Miscellaneous—		£	Managed forests—			
Annual rent, Olanewainuku		74	Omahuta: Profit and royalty		23,354	
Payment of special rates		49	Whirinaki: Profit and royalty		12,467	
Work of other Departments		1,239				
Bad debts		14				
		1,376				
Managed Forest: Puketi, maintenance of		637				
Depreciation		4,687				
Timber-control expenses (to be recovered)		13,297				
Balance carried down		103,026				
		£172,717				£172,717

Allocation of Revenue Account

<i>Dr.</i>	£	<i>Cr.</i>	£
Consolidated Fund—		Balance from General Revenue Account	
National Endowment Account revenue (Forests Act, section 39 (2)		16,196	103,026
Local bodies: Fifths of revenue (Finance Act, 1924, section 17)		15,350	
General Reserve		71,575	95
		£103,121	£103,121

Nurseries and Plantations: Interest and Miscellaneous

<i>Dr.</i>	£	<i>Cr.</i>	£
Loss on Westland Nursery		11	Interest on commercial projects
Interest payable		145,078	Net interest payable capitalized
		£145,089	£145,089

BALANCE-SHEET AS AT 31ST MARCH, 1944

<i>Liabilities</i>		£	<i>Assets</i>		£
Capital Account		36,411,029	Land		1,632,193
Loans from Treasury		3,607,438	Standing forests		34,028,190
Advances from Consolidated Fund		87,405	Forest improvements, roads, demarcation, &c. ..		6,904
Sundry creditors—			Plantations		6,550,956
Consolidated Fund for—		£	Regeneration areas		63,181
Interest paid		1,072,016	Managed forests		71,343
Loans redeemed on conversion		141,554	Utilization plant		392,428
National endowment		20,196	Departmental property, indigenous forests: Buildings, equipment, motor-vehicles, reference library, stores, &c.		16,150
On open accounts		53,371	Sundry debtors		113,100
		1,287,137	Cash in Public Account		30,698
Reserves, general		1,963,141	Net interest payable, capitalized as from 1st April, 1940		440,744
Amounts held in deposit		9,768	Administration expenses not yet allocated		11,163
Reserve for assets in suspense		11,749	Cash held in Deposit Accounts		9,768
			Assets in suspense		11,749
		£43,377,667			£43,377,667

NOTES.—(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 to 31st March, 1940, less returns compounded to 31st March, 1940. (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.

ALEX. R. ENTRICAN, Director of Forestry.
R. J. MUIR, A.R.A.N.Z., Accountant.

I hereby certify that the Working Accounts, Profit and Loss 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, 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].—J. P. RUTHERFORD, Controller and Auditor-General.