scheme. It is anticipated that applications of this type will show a steady increase during the next few years. During the year under review, loans were granted involving a sum of £10,409, and the total loans outstanding at the end of the year amounted to £19,482.

DISCOUNTING OF PROMISSORY NOTES

Bills discounted by the Board during the year totalled £286, and the investments at the end of the year under this heading amounted to £138

REVENUE ACCOUNTS AND BALANCE-SHEET

The accounts for the year ended 30th June, 1944, are being submitted by separate reference in terms of section 38 of the Act.

Investments of the Redemption Fund show an increase of approximately £5,000 on the previous year's figures. Advances to associations have decreased by £30,000, but there is an increase in the Part III loans of £13,500.

The amount now held by the Board in temporary investments, Government securities, and cash balances, aggregating £196,371, represents an increase of £25,375 on last year's figures.

Expenditure for the year shows little variation, the main items being interest on loan capital, £12,000, and management expenses, £2,044. Revenue derived from the investment of funds available for the Board's normal lending activities has been augmented by the transfer of £4,948 from the Redemption Fund Income Account in terms of section 17 (3) (*a*) of the Rural Intermediate Credit Act.

We again desire to record our appreciation of the valuable assistance rendered by the members of district boards and association directors, who have been responsible for the management of the bulk of the lending business.

A. D. PARK
T. N. SMALLWOOD } Joint Managing Directors.

RURAL INTERMEDIATE CREDIT BOARD

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30TH JUNE, 1944

Dr.	£	*Cr.*	£
Management expenses	2,044	Interest on advances to associations	4,169
Travelling-expenses	8	Interest on advances to farmers	448
District board members' fees	7	Discount on bills discounted	12
General expenses	15	Interest on Government securities	4,328
Audit fees	75	Interest on short-term investment	219
Interest paid to Treasury	12,000	Sundries	25
		Transfer from Redemption Fund Income	4,948
	£14,149		£14,149

BALANCE-SHEET AS AT 30TH JUNE, 1944

Liabilities	£	£
Establishment grant from Consolidated Fund	10,000	
Less expenditure to date	7,765	
		2,235
Advances from Consolidated Fund for preliminary expenses of associations		850
Advances from Consolidated Fund under section 16		400,000
Rural Intermediate Credit Redemption Fund: Accumulated interest on investments and share of profits		120,711
Rural Intermediate Credit Reserve		19,511
Reserve (premiums on conversion of Redemption Fund investments)		1,137
Sundry creditors		11,545
		£555,989

Assets	£	£
Investments of the Rural Intermediate Credit Redemption Fund and premiums on conversion: Government securities at cost and interest accrued		255,182
Advances to associations for preliminary expenses		58
Advances to associations	86,534	
Less reserve	1,679	
		84,855
Advances to farmers	19,482	
Less reserve	991	
		18,491
Bills discounted	138	
Less rebate of interest	5	
		133
Overdue interest on advances		6
Accrued interest on advances		847
Sundry debtors		46
Government securities and accrued interest		157,864
Short-term investment and accrued interest		25,115
Cash at bank and in transit		13,392
		£555,989

A. D. PARK, F.I.A.N.Z., F.R.A.N.Z.
T. N. SMALLWOOD } Joint Managing Directors.
W. G. DENT, B.COM., A.R.A.N.Z., for Chief Accountant.

I hereby certify that the Balance-sheet and accompanying accounts have been duly examined and compared with the relative books and documents submitted for audit, and correctly state the position as disclosed thereby. C. G. COLLINS, Controller and Auditor-General.

Approximate Cost of Paper.—Preparation, not given; printing (567 copies), £3.

By Authority: E. V. PAUL, Government Printer, Wellington.—1944.

Price 3d.]