Accrued interest on capital on blocks being developed	311,917	Interest—			
Rent Adjustment Account	1,016	Instalment mortgage	2,077		
Writings-off in Suspense	11,111	Share-milkers' loans	51		
Capital Reserve: Special assets taken over at book value	39,453	Current Account	1,891		
Treasury Adjustment Account	450,349			4,019	
		Water levies		754	
		Miscellaneous (departmental, &c.)		5,405	
					12,989
		Deposits held by dairy companies		1,238	
		Less Reserve		307	
					931
		Rent Adjustment Account			322
		Interest Adjustment Account			4,689
		Interest unrecouped on development expenditure			311,917
		Losses in Suspense Account			11,111
		Subsidies in respect of blocks disposed of—			
		Employment Promotion Fund		105,753	
		Consolidated Fund		32,799	
					138,552
		War Expenses Account concessions: Rent			81
		Revenue Account: Balance carried forward			366,286
	£5,090,908				£5,090,908

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, £311,917."

G. I. Beeson, Chief Accountant
R. G. Macmorran, Under-Secretary for Lands.

I hereby certify 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 enfaced 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 Otago Land District is not yet completed.—J. P. Rutherford, Controller and Auditor-General.