

Live-stock.—We have accepted the numbers and values of live-stock on stations as at 30th June, 1946, as certified by the Farm-managers and Mr. H. Symes, the Farm Supervisor.

Station Improvements.—We refer you to the remarks contained in our report of the 16th October, 1945, wherein we stated that we were of the opinion that a valuation of the improvements on all stations should be made as early as possible and the necessary adjustment recorded in the accounts so that the stations will be on a uniform basis in this direction.

Distributions.—We have verified all payments in connection with the following distributions made to beneficiaries during the year ended 30th June, 1946 :—

					£	s.	d.
Pakowhai Station	..	..	..	..	374	0	0
Maraetaha 2, Sections 3 and 6	..	..	..	..	2,349	0	0
Paremata 48	..	..	..	..	43	4	0
					£2,766	4	0

In addition to the above distributions, the following sums have also been paid and charged against the blocks concerned :—

					£	s.	d.
Donations	..	..	..	..	1,463	16	11
Committee fees and expenses	..	..	..	..	432	3	4

Special Reserve (£3,047 14s. 10d.).—In view of the Court order as contained in the judgment delivered on the 9th November, 1944, and confirmed by the Appellate Court in its judgment on the 17th May, 1945, it becomes necessary for us to amend our remarks under this heading, which have been previously reported on the 2nd November, 1944, and 16th October, 1945. The position in connection with this account is now as follows :—

The sum of £3,000 was transferred from “Bad Debts Reserve” to the credit of Mangaotane Station, which comprises Mangatu Nos. 5 and 6 Blocks. This amount of £3,000 was originally credited to Bad Debts Reserve when Mangatu Nos. 5 and 6 reverted to the East Coast Commissioner under special circumstances some years ago. It is unnecessary here to recapitulate those circumstances.

The position of the Special Reserve Account at the 30th June, 1946, is as follows :—

Mangaotane Station—					£	s.	d.
Amount transferred to Special Reserve, 30th June, 1944					2,926	4	4
Amount transferred to Special Reserve, 30th June, 1945					2,481	6	9
Adjustment on account of Court order transferred to Special Reserve	..	..	..	..	60	11	0
					5,468	2	1
Amount transferred from Special Reserve, 30th June, 1946	..	..	..	..	2,420	7	3
As per Balance-sheet, 30th June, 1946	..				£3,047	14	10

In view of the involved circumstances which preceded the creation of the Reserve of £3,000, we are of the opinion that the appropriations referred to above should be considered by you so that if you see fit your approval, and any other consents which may be required by law, may be obtained.

General Reserve Account.—As a result of the Court order referred to above, this account, after being credited with interest charged to certain advance accounts, has been liquidated by transferring the balance to sundry creditor blocks.