

2nd November, 1949.

The Right Hon. the Minister for Maori Affairs,
Wellington.

SIR,—

We report that we have completed the audit of the accounts of the East Coast Maori Trust lands for the year ended 30th June, 1949, and attach a set of the accounts.

We have the following comments to make :—

Freehold Property.—We have not inspected the title deeds relative to the properties of the Trust, but have accepted certificates from the mortgagees—namely, the State Advances Corporation—that they are holding certain documents as security for advances. The solicitors to the Trust and the Bank of New South Wales, Gisborne, have certified that they are holding on behalf of the East Coast Commissioner, the documents relating to the properties of the Trust which are not subject to mortgage.

Live-stock on Stations.—We have accepted the numbers and values of live-stock on stations as at 30th June, 1949, as certified by the Farm-managers together with either Mr. H. Symes, the Farm Supervisor, or Mr. G. Newlands.

In connection with Pakowhai Station, breeding-ewes and wethers have been valued at cost and not at the lower standard values. This involves a sum of £568 10s.

Station Improvements.—It is anticipated that valuations for all blocks in the Trust will soon be available, and that adjustments will be made in the accounts for the year ending 30th June, 1950, to record the value of improvements on each station.

Distributions.—We have verified all payments made to beneficiaries during the year ended 30th June, 1949.

The following amounts have been credited to the Distribution Account during the year under review :—

	£	s.	d.
Pakowhai	374	0	0
Maraetaha No. 2, Section 3 and 6	2,349	0	0
Onenui	1,629	7	6
Mangapoike A	5,208	10	6
Mangapoike 2E	460	0	0
Mahurangi	1,200	0	0
Tahora 2c 1, Section 3	1,222	1	3
Tahora 2F, Section 2	1,400	3	3
Paremata 48	72	2	1
Whaitiri	319	10	0
	£14,234	14	7

In addition to the above allocation for distributions, the accounts disclose that the following amounts have been charged to various blocks :—

	£	s.	d.
Donations	3,418	19	1
Committee fees and expenses	945	19	1

Special Reserve.—We have referred to this Account in our reports covering the years ended on the 30th June, 1944, to 30th June, 1948, both inclusive.

During the year under review a complete analysis of the Mangaotane Station Account has been made covering all transactions since the reversion of the Mangatu 5 and 6 Blocks to the East Coast Commissioner.

As a result of this analysis, all profits earned have been transferred to Special Reserve, which now amounts to £19,891 3s., this sum including the £3,000 referred to in our report of 2nd November, 1944.