

£1,357 11s. 6d., whilst we owe the sum of £3,818 10s. 2d., our principal creditor being the New Zealand Government Advances Account. This position has arisen through a large fall in revenue, which was £5,164 13s. 8d. less in actual cash than was received for the previous year. In Customs duties alone we received £3,572 14s. 1d. less than for the previous year. There was a large drop in copra duties (£463 10s 10d.) and High Court fees and fines (£347 12s. 3d.). The fall in revenue can be almost solely attributed to the heavy storm of the 1st April, 1926, mentioned in last annual report, which greatly affected the export of fruit, and correspondingly imports and Customs duties. On the expenditure side the storm reparation has been responsible for a considerable increase, even over the £1,000 granted from New Zealand. On the other hand, with increasing activities in various directions, such as medical services, education, superannuation, public works, &c., the yearly expenditure is steadily increasing. Prospects in regard to finance for the coming year are not bright, as the orange crop is again a very small one, and we are still faced with large expenditure on account of the heavy rains in December last, mentioned under the heading of "Meteorological."

Details of revenue and expenditure for the year ended the 31st March, 1927, are set out hereunder :—

Statement of Revenue and Expenditure for the Year ended 31st March, 1926.

Revenue.				Expenditure.			
	£	s.	d.		£	s.	d.
Balance as at 31st March, 1926	5,343	11	9	Aitutaki—Salaries	615	0	0
Grant from New Zealand on account of				Aitutaki Wharf	355	17	2
losses by storms	1,000	0	0	Atiu—Salaries	60	17	6
Ammunition (profit on sales)	36	15	1	Audit Account	131	12	8
Benzine (profit on issues)	7	5	11	Agricultural classes	29	6	4
Copra export duty	1,760	8	10	Atiu cargo-shed	7	10	0
Customs duties	10,166	3	0	Contingencies	1,179	5	7
Cinema licenses	15	0	0	Courts	1,251	19	9
Cartage shooks	54	1	2	Dental Department	173	19	8
Diving licenses	8	0	0	Education	1,252	2	3
Dog-tax	159	5	0	Experimental farm	298	4	10
Education, Northern Group	235	15	3	Freezer	334	0	7
Fruit-inspection fees	1,047	10	2	Furniture	515	7	1
Film-censorship fees	12	5	9	Freezer—New building	1,643	15	1
High Court fees and fines	1,127	1	6	Fruit-storage shed	101	19	9
Hall licenses	8	0	0	Government buildings	1,005	11	7
Liquor (profit on sales)	189	18	7	Governor-General's visit	549	12	3
Marriage fees	43	1	0	Hospital	3,303	7	11
Motor fees	125	10	0	Hospital—New building	389	1	6
Native Land Court fees	146	14	6	House—Assistant Medical Officer	96	10	8
Passport fees	21	13	0	Lepers	541	0	0
Post-office box rents	8	3	6	Lunatics	130	11	2
Rents	270	16	8	Mangaia—Salaries	501	0	0
Road rates	96	0	6	Manihiki and Rakahanga—Salaries	277	10	0
Shipping fees	4	16	0	Mauke—Salaries	346	0	0
Stamp sales	1,306	12	0	Mitiaro—Salaries	83	0	0
Stock, P.W.D. (profit on issues)	0	18	6	Penrhyn—Salaries	320	0	0
Trading licenses	776	10	0	Police	1,104	6	6
Water rates	439	8	0	Post-office	329	4	9
Wireless	35	17	6	Printing	31	7	3
				Prisoners	129	10	11
				Public works	750	11	5
				Pukapuka—Salaries	400	6	4
				Resident Commissioner's Office	1,569	9	6
				Roads, bridges, culverts, and foreshore	1,824	8	0
				Subsidy, flying-foxes and rats	132	14	10
				Superannuation	250	2	8
				Telephones	3	3	7
				Treasury and Customs	681	1	1
				Trucks	246	7	2
				Water	577	12	5
				Whare Manuhiri	361	10	5
				Total expenditure	23,886	0	2
				Fruit-case accounts, written off	417	6	7
					24,303	6	9
				Balance as below	143	16	5
	£24,447	3	2		£24,447	3	2

PARTICULARS OF BALANCE.						£	s.	d.
Cash in hand	..	..	..	..	..	272	17	3
Cash in bank	..	..	..	..	..	33	9	8
Cash in hands of Resident Agents	..	..	..	..	..	41	6	9
Stocks on hand	..	..	..	..	..	2,257	1	5
						£	s.	d.
Amounts due by C.I.A.	..	..	..	..	..	3,818	10	2
Less amounts due to C.I.A.	..	..	..	..	..	1,357	11	6
						2,460	18	8
Balance as above	..	..	..	..	..	£143	16	5