MAIN HIGHWAYS ACCOUNT—*continued.*

General Balance-sheet as at 31st March, 1927.

LIABILITIES.			Revenue Fund.	Construction Fund.	Total.
		£ s. d.	£ s. d.	£ s. d.	£ s. d.
Accumulated Construction Fund—					
Balance at 31/3/26		251,210 17 2			
Excess of expenditure, 1926–27	£273,758 7 6				
Less "Cost of raising loans," 1925–26, chargeable to revenue	42,007 14 0	231,750 13 6			
			..	19,460 3 8	19,460 3 8
Accumulated Revenue Fund—					
Balance at 31/3/26			645,285 14 5	..	..
Less excess of expenditure over income for 1926–27			2,542 10 11	..	..
			642,743 3 6	..	642,743 3 6
Sundry creditors			109,384 4 7	124,746 8 5	234,130 13 0
Interest accrued on loans			3,319 14 11	..	3,319 14 11
1927–28 motor-registration fees—					
Received during 1926–27			188,500 0 0	..	188,500 0 0
Writings-off in Suspense			30 0 0	54 16 11	84 16 11
			943,977 3 0	144,261 9 0	1,088,238 12 0

ASSETS.			Revenue Fund.	Construction Fund.	Total.
			£ s. d.	£ s. d.	£ s. d.
Cash in Public Account—					
At call			100,039 7 5	65,559 10 6	165,598 17 11
Invested temporarily until required ..			652,900 0 0	5,000 0 0	657,900 0 0
Sundry debtors			12,161 16 4	47,435 16 7	59,597 12 11
Motor-registration fees in hands of Postal Department			78,693 10 0	..	78,693 10 0
Tire-tax in hands of Customs Department ..			7,792 15 1	..	7,792 15 1
Interest due and accrued			11,370 16 6	..	11,370 16 6
Stocks of material, tools, &c.			5,612 12 8	22,471 2 6	28,083 15 2
Stocks, &c., deficits, Suspense Account ..			30 0 0	54 16 11	84 16 11
Roadmen's cottages, huts, and road buildings generally			2,487 5 0	3,740 2 6	6,227 7 6
Furniture, fittings, &c.—		£ s. d.			
Expenditure to 31/3/27 ..		600 5 8			
Depreciation, sales, &c., to 31/3/27		88 6 3			
			511 19 5	..	511 19 5
Plant and equipment—					
For Main Highways Board—					
Expenditure to 31/3/27..		29,576 3 2			
Less depreciation charged to works, and transfers		2,188 12 6			
			27,387 10 8	..	27,387 10 8
Purchased for local bodies—					
Expenditure to 31/3/27..		54,713 1 0			
Less repayments of principal—					
Paid ..	£9,434 14 10				
Due ..	288 16 3				
		9,723 11 1			
			44,989 9 11	..	44,989 9 11
			943,977 3 0	144,261 9 0	1,088,238 12 0

J. J. Gibson, Accountant, Public Works Department.

F. W. Furkert, Chairman, Main Highways Board.

I hereby certify that the Income and Expenditure 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, except that an amount of £42,007 14s. representing charges and expenses of raising loans, which was properly expended from the Construction Fund in the year 1925-26, has now been erroneously included in the expenditure of the Revenue Fund. The transfer of this expenditure from the Construction Fund to the Revenue Fund is contrary to law.—G. F. C. Campbell, Controller and Auditor-General.

Note.—It was considered that sufficient authority for the transfer to the Revenue Fund of the charge of £42,007 14s. for costs of raising loans existed in section 15 (1) (*d*) of the Main Highways Act, 1922. As it has since been held that this section is not applicable, Treasury has concurred with the Department that legislation should be asked for to cover the transaction.

R. E. Hayes, Secretary to the Treasury.