DISCHARGED SOLDIERS SETTLEMENT ACCOUNT—*continued.*

BALANCE-SHEET AS AT 31ST MARCH, 1929—*continued.*

Liabilities.	£ s. d.
Brought forward	20,808,671 10 5
	£20,808,671 10 5

Assets.		£ s. d.
Brought forward		16,838,911 19 6
Per contra—		
Accumulated losses written off under section 22, Finance Act, 1927 (No. 2)—		
Revenue Account—Loss to 31st March, 1928 ..	£ s. d. 1,652,443 17 4	
Reserves Account—		
Losses on abandoned properties, &c. ..	750,000 0 0	
Revaluation reductions, &c.	1,422,315 13 7	
Charges and expenses of raising loans ..	145,000 0 0	
		3,969,759 10 11
		£20,808,671 10 5

J. B. THOMPSON, Under-Secretary for Lands.
J. H. O'DONNELL, Controller of Accounts.

I HEREBY certify that the Statement of Receipts and Payments, 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. The following comments are appended :—

1. The only assets verified are cash in Public Account, imprests outstanding, investments and interest accrued on investments, and the only liability that for debenture loans.

2. There is no statutory authority under section 22 of the Finance Act, 1927 (No. 2), for writing off to Reserve Account, Revaluation Board reductions, remissions, and Revenue Account losses, amounting to £388,879 15s. 6d., determined subsequent to the 5th December, 1927, the date of the passing of that Act. The Treasury advises that this will be remedied by legislation.

3. The accounts do not include a charge for interest for the period from 31st March, 1928, to 31st March, 1929, on the sum of £1,050,000 by which the capital was reduced under the authority of section 22 of the Finance Act, 1927 (No. 2). This position has arisen through a claim that the authority for the writing-off of the amount in question should be antedated to 31st March, 1928. The certified Balance-sheet for the year 31st March, 1928, does not show such amount as written off at that date.—J. H. FOWLER, Deputy Controller and Auditor-General.