ADVANCES TO WORKERS BRANCH.

Statement of Liabilities and Assets as at 31st March, 1935.

Liabilities.	£ s. d.	£ s. d.
Sundry loans		12,117,444 10 4
Temporary advances from Settlers Branch		2,875,000 0 0
Liability to Railway Department (railway housing)		9,195 0 0
Advances Suspense Account		7,195 0 0
Fire Loss Suspense Account		2,052 15 0
Income-tax Suspense		1,036 4 6
Sundry creditors		13 3 9
Weekly rental and instalment collections held pending allocations		120,985 8 2
Interest on loans—		
Deferred	51,704 10 9	
Accrued but not due	105,443 12 11	
Overdue on liability to Railway Department	2,383 13 5	
		159,531 17 1
Reserve for bad debts		164,930 14 0
Sinking fund		93,828 3 11
		£15,551,212 16 9

Assets.	£ s. d.	£ s. d.
Investment Account—		
Advances not due	13,880,427 10 5	
Instalments of principal overdue	328,181 11 1	
Principal owing by mortgagors		14,208,609 1 6
Sinking Fund investments held by Advances Office Sinking Fund Account		93,828 3 11
Interest on mortgages—		
Overdue	800,147 6 6	
Accrued	174,728 5 9	
		974,875 12 3
Unregistered Transfers Account (Railway employees)		9,195 0 0
Motor-vehicles		1,469 7 5
Sundry debtors		66 12 10
Half-yearly instalments postponed—		
Interest	578 5 9	
Principal	299 2 1	
		877 7 10
Securities Protection Suspense Account		33,406 16 2
Realization Suspense Account		6,643 1 9
Loan Charges Account		184,446 8 9
Cash in hand and in bank at 31st March, 1935		37,795 4 4
		£15,551,212 16 9

Profit and Loss Account for the Year ended 31st March, 1935.

Dr.	£ s. d.
To Management Expenses Account	18,644 18 8
Loss on realization of securities and doubtful securities written down	52,830 3 4
Depreciation on motor-vehicles	552 2 0
Loan-flotation charges written down	21,649 11 6
Income-tax	1,036 4 6
	£94,713 0 0
To Balance transferred to Reserve for bad debts	6,873 10 10
	£6,873 10 10

Cr.	£ s. d.
By Interest Account: Gross profits	94,713 0 0
	£94,713 0 0
By Income-tax refunded	6,873 10 10
	£6,873 10 10

Interest Account for the Year ended 31st March, 1935.

Dr.	£ s. d.	£ s. d.
To Interest on loans	494,491 8 2	
Less accrued at 31st March, 1934	101,427 19 7	
		393,063 8 7
Interest on amounts temporarily transferred from Settlers Branch		116,950 0 0
Interest on railway expenditure (erection of dwellings)		255 4 5
Interest on loans accrued but not due		105,443 12 11
Balance: Gross profits transferred to Profit and Loss Account		94,713 0 0
		£710,425 5 11

Cr.	£ s. d.	£ s. d.
By Interest on mortgages	597,970 16 3	
Interest on mortgages—		
Overdue at 31st March, 1935	800,147 6 6	
Accrued but not due at 31st March, 1935	174,728 5 9	
	1,572,846 8 6	
Less interest overdue and accrued at 31st March, 1934	862,832 7 10	
		710,014 0 8
Interest on bank balances		87 11 3
Interest on outstanding payments		323 14 0
		£710,425 5 11

Management Expenses Account for the Year ended 31st March, 1935.

Dr.	£ s. d.
To Audit services	225 0 0
Cleaning, lighting, heating, and messenger services	225 0 0
Commission	1,527 17 7
Exchange on and cost of remittances	57 10 4
Fidelity guarantee bonds	90 0 0
Management charges on New Zealand stock and bonds	617 7 6
Motor-vehicle maintenance	1,000 0 0
Post Office services	550 0 0
Postages and telegrams	369 6 7
Printing and stationery	300 0 0
Public Service Superannuation Fund contribution	115 0 0
Rent	600 0 0
Salaries	12,718 0 0
Solicitors' costs and Court costs	134 1 2
Travelling-expenses	75 0 0
Valuation Department: Agency work	350 0 0
	£18,954 3 2

Cr.	£ s. d.
By Cost of preparation of mortgages	23 3 6
Production fees	131 5 0
Release fees	154 1 0
Sundry fees	0 15 0
Balance transferred to Profit and Loss Account	18,644 18 8
	£18,954 3 2

G. E. Miller, Superintendent.
R. Robertson, Accountant.

State Advances Office, Wellington, 17th June, 1935.

I hereby certify that the Balance-sheet and accompanying accounts have been duly examined and compared with the books and documents submitted for audit, and correctly state the position as disclosed thereby, except that the amount of exchange paid in respect of the interest which has been paid in London on the loans of this account has not been charged to the account, but has been borne by the Consolidated Fund.—J. H. Fowler, Deputy Controller and Auditor-General.