LOCAL AUTHORITIES BRANCH.

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

Liabilities.	£ s. d.
Sundry loans	2,778,690 15 7
Loan-moneys: Unexpected balance under section 72, Local Bodies' Loans Act, 1926 ..	3,987 12 10
Hawke's Bay Rehabilitation: Loan-moneys received from Treasury	235,938 12 1
Temporary advances from Settlers Branch ..	285,000 0 0
Sundry creditors: Treasury (Hawke's Bay rehabilitation principal repayments)	20 0 0
Suspense Account	217 4 10
Income-tax Suspense Account	2,449 19 7
Conversion premiums, in accordance with section 13 of the Local Authorities Interest Reduction and Loan Conversion Act, 1932–33	618 12 8
Interest on loans accrued but not due ..	11,580 15 7
Sinking Fund	200,223 9 8
	£3,518,727 2 10

Assets.	£ s. d.	£ s. d.
Investment Account—		
Advances not due ..	2,883,653 10 3	
Instalments of principal overdue	6,159 9 9	
Principal owing by local bodies ..		2,889,813 0 0
Hawke's Bay rehabilitation advances ..		235,938 12 1
Sinking Fund investments held by Advances Office Sinking Fund Account		200,223 9 8
Interest on debentures—	£ s. d.	
Overdue	7,395 9 10	
Accrued	25,333 14 4	
		32,729 4 2
Interest postponed		72 13 11
Interest paid in advance		0 7 10
Loan Charges Account		24,646 12 6
Profit and Loss Account		121,125 0 5
Cash in hand and in bank at 31st March, 1935 ..		14,178 2 3
		£3,518,727 2 10

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

Dr.	£ s. d.	*Cr.*	£ s. d.
To Management Expenses Account	1,745 8 10	By Interest Account: Gross profits	10,854 8 10
Loan-flotation charges written down	1,116 10 4	Annual proportion conversion premiums ..	25 15 6
Income-tax	2,449 19 7		
Balance: Net profits for the year	5,568 5 7		
	£10,880 4 4		£10,880 4 4
	£ s. d.		£ s. d.
To Balance at 31st March, 1934	127,242 12 8	By Income-tax refunded	549 6 8
		Net profits for the year	5,568 5 7
		Balance	121,125 0 5
	£127,242 12 8		£127,242 12 8

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

Dr.	£ s. d.	£ s. d.
To Interest on loans	101,225 2 5	
Less accrued at 31st March, 1934	11,580 15 7	
		89,644 6 10
Interest on loans accrued but not due ..		11,580 15 7
Interest on temporary advances from Settlers Branch		700 0 0
Balance: Gross profits transferred to Profit and Loss Account		10,854 8 10
		£112,779 11 3

Cr.	£ s. d.	£ s. d.
By Interest on debentures ..	103,350 15 10	
Less overdue and accrued at 31st March, 1934 ..	29,127 12 8	
		74,223 3 2
Interest on bank balances		10 10 7
Interest on temporary advances to Settlers Branch		5,816 13 4
Interest on debentures—	£ s. d.	
Overdue at 31st March, 1935	7,395 9 10	
Accrued but not due at 31st March, 1935	25,333 14 4	
		32,729 4 2
		£112,779 11 3

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

Dr.	£ s. d.	*Cr.*	£ s. d.
To Audit Office services	50 0 0	By Balance transferred to Profit and Loss Account	1,745 8 10
Cleaning, lighting, heating, and messenger services	30 0 0		
Management charges: New Zealand stock and bonds	149 8 10		
Postages and telegrams	40 0 0		
Post Office services	60 0 0		
Printing and stationery	75 0 0		
Public Service Superannuation Fund contribution	50 0 0		
Rent	80 0 0		
Salaries	1,211 0 0		
	£1,745 8 10		£1,745 8 10

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.