ADVANCES TO WORKERS BRANCH—*continued*.

MANAGEMENT EXPENSES ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1936.

Dr.	£ s. d.	*Cr.*	£ s. d.
Audit Office services	150 0 0	Cost of preparation of mortgages	9 6 6
Cleaning, lighting, heating, and messenger services	100 0 0	Commission	2,094 11 11
Management charges on New Zealand stock and bonds	1,851 18 8	Release fees	56 15 0
Motor-vehicles maintenance	327 11 10	Balance transferred to Profit and Loss Account	4,930 4 9
Postages and telegrams	129 1 0		
Post Office services	220 0 0		
Printing and stationery	100 0 0		
Public Service Superannuation Fund contribution	40 0 0		
Rent	260 0 0		
Salaries	3,680 0 0		
Solicitors costs and Court costs	116 11 4		
Sundry fees	40 14 4		
Travelling-expenses	25 0 0		
Valuation Department: Agency work	50 1 0		
	£7,090 18 2		£7,090 18 2

NOTE.—See departmental note on Advances to Settlers Branch.

GEO. G. ROSE, Superintendent.
F. R. JAMIESON, Accountant.

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, subject to the departmental notes enfaced thereon and to the following exceptions: (1) 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; (2) the Mortgage Corporation stock should not appear in the Balance-sheet as an investment of the Superintendent. It is vested in the Minister of Finance to whom the stock was issued in exchange for mortgage securities transferred to the Corporation in terms of the Mortgage Corporation of New Zealand Act, 1934–35; (3) contingent liability of the Mortgage Corporation should not appear among the assets of the Superintendent as it is not the property of the Superintendent. In terms of the legislation, so long as this liability exists, the surplus profits of the Corporation are payable to the Public Account and not to the State Advances Account; (4) the Profit and Loss Account is overstated to the extent of the interest on the Corporation stock and of the profits of the Corporation which have been paid to the Public Account in accordance with the statute.—G. F. C. CAMPBELL, Controller and Auditor-General.