

**RURAL ADVANCES BRANCH**—*continued*.**MANAGEMENT EXPENSES ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1936.**

| <i>Dr.</i>                                         | £             | s.        | d.        | <i>Cr.</i>                                        | £             | s.        | d.        |
|----------------------------------------------------|---------------|-----------|-----------|---------------------------------------------------|---------------|-----------|-----------|
| Audit Office services .. .. .                      | 90            | 0         | 0         | Cost of preparation of mortgages .. .. .          | 3             | 2         | 0         |
| Cleaning and messenger services .. .. .            | 50            | 0         | 0         | Commission .. .. .                                | 13            | 1         | 3         |
| Postages and telegrams .. .. .                     | 79            | 18        | 4         | Release fees .. .. .                              | 5             | 2         | 6         |
| Post Office services .. .. .                       | 100           | 0         | 0         | Sundry fees .. .. .                               | 2             | 18        | 8         |
| Printing and stationery .. .. .                    | 70            | 0         | 0         | Balance transferred to Profit and Loss Account .. | 4,559         | 6         | 6         |
| Public Service Superannuation Fund contribution .. | 20            | 0         | 0         |                                                   |               |           |           |
| Rent .. .. .                                       | 100           | 0         | 0         |                                                   |               |           |           |
| Salaries .. .. .                                   | 3,495         | 2         | 7         |                                                   |               |           |           |
| Solicitors' costs and Court costs .. .. .          | 172           | 5         | 10        |                                                   |               |           |           |
| Travelling-expenses .. .. .                        | 30            | 0         | 0         |                                                   |               |           |           |
| Valuation Department: Agency work .. .. .          | 376           | 4         | 2         |                                                   |               |           |           |
|                                                    | <u>£4,583</u> | <u>10</u> | <u>11</u> |                                                   |               |           |           |
|                                                    |               |           |           |                                                   | <u>£4,583</u> | <u>10</u> | <u>11</u> |

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

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.