

SIR,—

15th October, 1937.

We report that we have completed the audit of the accounts of the Mangatu Block No. 1 for the twelve months ended 30th June, 1937 ; also the accounts of the Mangatu Blocks Nos. 3 and 4 for the same period, and we attach hereto set of the foregoing accounts.

We have the following comments to make :—

Freehold Property.—We have not inspected the title deeds relative to the properties, but have accepted certificates from the Public Trustee and the solicitors to the trust that they are holding them on behalf of the East Coast Commissioner.

Stock Account.—We have accepted the numbers and value of the live-stock on the stations at 30th June, 1937, as certified to by the Farm Managers and Mr. H. Symes, the Farm Superintendent.

In past years a standard value has been adopted for all live-stock on stations. The stud Romney rams, stud Romney ewes, and stud lambs have been valued at £7 7s., £1 1s., and £1 respectively. During the year under review stud Romney rams and stud Romney ewes were purchased for Puketarewa and Kokomoko Stations at prices ranging from 30 guineas to 150 guineas each for rams and £2 2s. to £4 4s. each for ewes.

In the accounts at 30th June, 1937, the basis of valuation of this stock has been—

Stud Romney rams	..	..	..	..	..	..	..	25 guineas each.
Stud Romney ewes	..	..	..	..	..	..	..	2 guineas each.
Stud lambs	..	..	..	..	..	..	..	1 guinea each.

The effect of this valuation is that the stock on Puketarewa and Kokomoko Stations shows an increase of £653 and £241 10s. respectively on the standard values adopted in previous years.

New Stations.—Two new stations are now being operated—Kokomoko Station having been taken over from G. Oman and Tairdale Station from H. Sherratt. Compensation amounting to £3,085 was paid in respect of Tairdale Station.

Distributions.—In cases where payments have been made to the Natives during the year under review through the Tairawhiti District Maori Land Board we have accepted the Board's receipts for the moneys paid to them, but have not checked the individual receipts of the Natives concerned. The same procedure has been adopted as in previous years and the individual receipts from the Natives will be checked by the Government Auditors in the course of their audit of the Tairawhiti District Maori Land Board.

The amount distributed to beneficiaries for the year under review was £12,667 8s. 10d.

Mangatu Nos. 3 and 4.—These accounts are incorporated in the books of No. 1 Block, but separate balance-sheet, Income Account, and statements have been prepared.

Subject to the foregoing remarks, we certify that to the best of our knowledge and belief the accounts signed by us are correct.

We have, &c.,
CLARKE, MENZIES, GRIFFIN, AND CO.,
Public Accountants, Auditors.

The Hon. the Minister for Native Affairs, Wellington, C. 1.

Approximate Cost of Paper.—Preparation, not given ; printing (565 copies), £7 15s.

By Authority: E. V. PAUL, Government Printer, Wellington.—1937.

Price 6d.]