$\begin{array}{lll} {\bf STATE} & {\bf FOREST} & {\bf SERVICE--} continued, \\ {\bf STATE} & {\bf FORESTS} & {\bf ACCOUNT--} continued. \end{array}$

	BALANCE-SHEET	AS AT 3	1ST MARCH, 1936.		
Liabilities.	£	s. d. j		Assets.	

L	iabilities.	£ s. d.	Assets. £ s. d.
Capital Account		35,669,031 14 8	Land 1,115,036 12 2
Loans-			Standing forests 34,028,189 15 2
Debentures and stock issued	d		Forest improvements— £ s. d.
Rate of Interest Amount of			Demarcation 2,330 5 6
Per Cent, Loan. £ s. d.	c c	1	Roads, tracks, &c 10,498 0 2
	£ s.	α.	Protection improvements 206 12 1
$\frac{3}{219}, \frac{219}{387}, \frac{3}{387}$			13,034 17 9
$\frac{3\frac{1}{2}}{2}$ $\frac{325,000}{125,000}$ 0 0			Departmental property: In-
$3\frac{3}{4}$ 125,000 0 0			digenous forests—
$\frac{4}{51}$ 1,254,845 0 0			Buildings 6,745 8 3
$5\frac{1}{8}$ 1,500 0 0			Field equipment 1,596 0 6
$5\frac{1}{2}$ 10,530 0 0			Office equipment 1,879 11 9
6 1,774 12 10	1 000 000 10 1		Motor-vehicles 1,520 1 6
A.1. C. C. 1:	1,938,036 16 1		Telephone-lines 246 9 10
Advances from Consoli-	05 405 0 4		Fire-fighting equipment 97 9 10
dated Fund: 4 per cent.	87,405 3 4		Photographic equipment 48 17 4
C 1 1''		2,025,441 19 5	Reference library 1,113 8 10
Sundry creditors—			Forest ecology equipment 25 14 9
Consolidated Fund—			Forest entomology equip-
For loans redeemed on	100 550 1 5		ment 104 7 6
conversion	133,759 1 7		Silvicultural management
For interest paid	211,151 14 0		studies equipment 19 9 10
For interest accrued	19,244 9 5		Timber-testing equipment 607 6 0
For National - endow-	74 004 7 7	•	Forest atlas 1,580 12 0
ment revenue	14,934 1 7		Saleable publications 297 16 8
Lands Department—			Miscellaneous 86 14 1
Haurakia State Forest:	0.000 5 0		15,969 8 8
Interest	3,202 5 9		Sundry debtors—
On open accounts—	100 70 17		Departmental 286 1 7
Departmental	499 19 11		Sundry 127,188 14 11
Sundry	10,121 3 10		127,474 16 6
D 0 ID		392,912 16 1	Nurseries and plantations—
Reserves: General Reserve—	744 94C 10 0		Nurseries 22,824 17 4
Indigenous forests	544,246 18 8		Plantations 3,787,124 17 8
Afforestation	518,134 18 8	1,062,381 17 4	Administration expenses
Tinbilita for amounts held		1,002,381 17 4	not yet allocated 7,748 19 11
Liability for amounts held on deposit	3,610 3 11		3,817,698 14 11
on deposit	5,010 5 11		Experimental and research works 2,464 0 6
	1,750 0 0		Tree-seed in stock
on contracts	1,750 0 0	5,360 3 11	Deposit Account— £ s. d.
Whitings of in Champan			Receiver-General's 2,242 7 9
Writings-off in Suspense	• • • • • • • • • • • • • • • • • • • •	1,959 19 0	Other (Forest Clerks') 1,367-16 2
		•	Fixed deposits on contracts 1,750 0 0
			5,360 3 11
			Cash in Public Account 14,565 6 8
			Premium on loan conversion 7,353 10 0
			Charges and expenses of converting loan 7,191 0 0
			Assets in Suspense 1,939 19 0
		£39,157,068 10 5	£39,157,068 10 5

Notes.—(1) Lands and standing forests other than areas purchased have been valued as follows: Prairie value, 5s. per acre; protection, £1 per acre; merchantable forest, £10 per acre; accretions during the year have been brought into the accounts at the prairie value of 5s. per acre. (2) Plantations have been valued at cost plus compound interest, less returns compounded. (3) The liability for advances from the Consolidated Fund is fixed by section 21 of the Finance Act, 1926, and section 3 of the Finance Act, 1927, at £104,250. £87,405 3s. 4d. only is shown as a liability of this account, £16,844 16s. 8d. representing the expenditure on sand-dune reclamation having been transferred without statutory authority to the Crown Lands Account.

A. D. McGavock, Director of Forestry. W. Riach, A.R.A.N.Z., Accountant.

I hereby certify that the Income and Expenditure Account and Balance-sheet have been duly examined and compared with the relative books and documents submitted for audit, and correctly state the position as disclosed thereby, subject to the departmental notes enfaced thereon, and to the explanatory notes dealing with departmental accounts generally as appearing at commencement of parliamentary return B.-1 [Pt. IV]. — J. H. FOWLER, Deputy Controller and Auditor-General.