

true position after allowing for depreciation, which has not been taken into account prior to this date. Action is also being taken to deal with the arrears of rent which have accumulated over a period of some years. After these adjustments have been made it will be possible to show the net returns.

In the Balance-sheet there is an item "Dwellings in course of erection or completed under new housing scheme, £1,089,227 5s. 6d." This represents the total expenditure to 31st March, 1938, on the dwellings which have been or are being erected under direction of the Housing Construction Branch, and it is proposed as soon as the final accounts for each contract are closed off to transfer the cost of properties to an asset account entitled "New dwellings let."

"Freehold land, £332,062 18s. 4d." and "Construction Branch preliminary expenses, £60,607 1s. 6d." are also items representing cost of land and services, respectively, incurred in connection with the new properties, and appropriate transfers will be made to "New dwellings let" at the proper time.

The revenue and cost of maintenance, supervision, and the interest charges in respect of these assets will be separately assessed annually.

5. *Statutory Returns.*—The following information is submitted as required by section 35 of the Housing Act, 1919 :—

- (a) Money expended during the year ended 31st March, 1938, in acquiring land and preparing same for dwellings amounted to £270,611 13s. 3d., representing expenditure in the following localities :—

	£	s.	d.		£	s.	d.
Ashburton ..	1,180	3	5	Mosgiel ..	822	6	7
Auckland ..	35,887	7	11	Napier ..	1,517	6	2
Blenheim ..	1,783	2	2	Nelson ..	1,300	0	0
Cambridge ..	926	11	8	New Plymouth ..	3,563	17	5
Christchurch ..	19,371	6	10	Oamaru ..	1,979	6	1
Dunedin ..	17,859	2	0	Pahiatua ..	802	2	1
Dannevirke ..	1,247	3	1	Palmerston North ..	2,398	10	0
Dargaville ..	1,234	9	7	Stratford ..	984	6	3
Eltham ..	302	4	1	Taihape ..	619	10	5
Feilding ..	2,305	17	1	Tauranga ..	1,179	13	10
Gisborne ..	3,333	7	0	Te Awamutu ..	1,274	6	7
Greymouth ..	561	14	1	Thames ..	709	10	1
Hamilton ..	3,981	7	9	Timaru ..	5,040	2	6
Hastings ..	8,807	7	4	Wanganui ..	4,590	11	0
Hawera ..	1,214	8	0	Westport ..	289	17	2
Invercargill ..	4,244	6	10	Whakatane ..	1,088	18	7
Lower Hutt ..	22,110	8	1	Whangarei ..	67	3	9
Marton ..	2,112	2	5	Wellington ..	105,615	2	8
Masterton ..	2,354	6	6	Other towns ..	4,770	6	7
Morrinsville ..	1,181	19	8				

- (b) Money expended in the erection of dwellings during the year ended 31st March, 1938, amounted to £1,089,227 5s. 6d.

- (c) The amount outstanding on 323 dwellings sold under agreements for sale and purchase is £136,474, and in respect of 810 dwellings let to tenants £500,312. At the close of the year arrears in respect of dwellings sold amounted to £13,604 and in respect of rented dwellings £8,892. In addition to the above-mentioned 810 dwellings, there were under administration 360 houses erected during the year under the new housing scheme the final cost of which is approximately £377,000. (NOTE.—Up to 31st July, 1938, 1,094 new houses had been handed over to the Corporation for administration.)

A. D. PARK, Chairman of Directors.
T. N. SMALLWOOD, Deputy Chairman of Directors.
G. A. LEWIN } Directors.
B. C. ASHWIN }