

15th September, 1939.

SIR,—

We report that we have completed the audit of the accounts of the Mangatu Block No. 1 for the twelve months ended 30th June, 1939, also the accounts of the Mangatu Blocks Nos. 3 and 4 for the same period. We attach hereto a 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 the certificate from the District Public Trustee that he is holding certain of the documents as security for advances on mortgage. The solicitors to the Trust have also certified that they are holding on behalf of the East Coast Commissioner the documents relating to the Mangatu Blocks which are not subject to mortgage.

Stock.—We have accepted the numbers and values of live-stock on the stations as at 30th June, 1939, as certified to by the Farm Managers and Mr. H. Symes, the Farms Supervisor.

Distributions.—In cases where payments have been made to Natives during the year under review from the Tairāwhiti District Maori Land Board, we have accepted the Board's receipts for 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 of the Natives will be checked by the Government auditors in the course of their audit of the Tairāwhiti District Maori Land Board.

The amount distributed to beneficiaries for the year under review was £8,444 18s. 6d.

Wool unrealized (£6,865 9s. 11d.).—The wool unrealized at the 30th June, 1939, as disclosed by the station accounts, amounts to £8,461. The difference of £1,595 10s. 1d. is represented by advances against wool shipped.

Mutton and Lamb unrealized (£4,974 6s. 1d.). The mutton and lamb unrealized as shown in the Balance-sheet is £4,974 6s. 1d. Details of this amount are as follows :—

	£	s.	d.
Value of mutton and lamb unrealized as per station accounts	5,665	3	0
Add killing charges, &c.	1,661	15	0
	7,326	18	0
Less estimated proceeds pelts and skin wool and portion of meat sold	2,352	11	11
	£4,974	6	1

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.

Approximate Cost of Paper.—Preparation, not given; printing (585 copies), £10.

By Authority: E. V. PAUL, Government Printer, Wellington.—1939.

Price 6d.]