

Six Months ended 30th SEPTEMBER, 1936, compared with the Six Months ended 30th SEPTEMBER, 1935—*continued.***INVESTMENT ACCOUNT.**

SIX MONTHS ENDED 30TH SEPT., 1935.		EXPENDITURE.	SIX MONTHS ENDED 30TH SEPTEMBER, 1936.	
£	s. d.	Balances at end of Six Months,—	£	s. d.
Dr. 1,128,000	0 0	Cash	Dr. 310,000	0 0
		Investment Account—		
		Securities held		
1,128,000	0 0		310,000	0 0
		Totals		

G. C. RODDA,
Secretary to the Treasury.

B. C. ASHWIN,
Accountant to the Treasury.

The Treasury, Wellington,
2nd November, 1936.

THE foregoing accounts have been examined and are certified with the following exceptions:—

1. As section 16 of the Finance Act, 1927 (No. 2), provides that certain payments are not to be shown as such in the Public Accounts, the total balances of the individual accounts as shown herein are excessive.

2. During the half-year the State Advances Corporation paid to the Minister of Finance the sum of £655,054 18s. 11d., being profits and interest on stock issued. The bulk of this amount is shown in the accounts as a credit in reduction of interest. In the opinion of the Audit Office the whole of the amount should show as receipts in the Ordinary Revenue Account.

NOTE.—This certificate is given subject to the final audit of certain vouchers, which, owing to the post-audit system provided for by the Public Revenues Act, 1926, cannot be completely audited before the date at which the abstract is required by the Act to be certified.

G. F. C. CAMPBELL,
Controller and Auditor-General.

TREASURY NOTE.

(1) The exception referred to in paragraph 1 relates to investments of surplus funds held by some accounts in securities of other accounts. These investments are not regarded by section 16 of the Finance Act, 1927 (No. 2), as payments, and therefore the amounts of investments held at the end of the six months, in conformity with established practice, are included in the balances carried forward as they are readily negotiable and form part of the resources of the holding account.

(2) The amount of £655,054 18s. 11d. in question is credited to Ordinary Revenue Account but not as receipts. The interest and profits arise from mortgages transferred from the State Advances Account. For the most part, in accordance with the Budget and the Estimates for the year that have been laid before Parliament, they are treated as a credit in reduction of interest on that portion of the Public Debt raised for State Advances purposes.

G. C. RODDA,
Secretary to the Treasury.