

1941.
NEW ZEALAND.

PUBLIC ACCOUNTS

FOR THE

FINANCIAL YEAR 1940-1941.

PART II.

PREPARED BY THE TREASURY DEPARTMENT.

CERTIFIED TO BY THE CONTROLLER AND AUDITOR-GENERAL UNDER THE PUBLIC
REVENUES ACT, 1926.

ALSO

REPORT OF THE CONTROLLER AND AUDITOR-GENERAL.

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PUBLIC ACCOUNTS

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 1941.

REPORT OF THE CONTROLLER AND AUDITOR-GENERAL.

I HAVE the honour to submit my report for the year ended 31st March, 1941, in terms of subsections (2), (3), and (4) of section 89 of the Public Revenues Act, 1926.

The full Statement of the Receipts and Payments of the Public Account is contained in two parliamentary papers—namely, (1) B.-1 [Pt. I], which shows, under main headings, the receipts and payments of the funds and accounts comprising the Public Account, and also shows details of the expenditure under the annual appropriations, Civil List, and the Unauthorized Expenditure Account; and (2) B.-1 [Pt. II], which shows certain of the receipts and payments in greater detail than they are shown in B.-1 [Pt. I]. As the last-mentioned paper for 1940-41 has already been laid before Parliament, it only remains necessary for me now to present Part II.

Repayment of the Public Debt.

The following table gives particulars of the amount of securities redeemed during the year under the provisions of the Repayment of the Public Debt Act, 1925, and also the total of the amount as redeemed to 31st March, 1941 :—

Rate of Interest.	Total to 31st March, 1940.		Nominal Value of Securities.				Total Cost of Redemptions.	
			Year 1940-41.		Total to 31st March, 1941.			
Per cent.	£	s. d.	£	s. d.	£	s. d.	£	s. d.
1½ .. ..	..	..	459,417	10 0	459,417	10 0	459,417	10 0
2½	5,000	0 0	..	..	5,000	0 0	5,000	0 0
2¾ .. ..	..	..	199,200	0 0	199,200	0 0	199,200	0 0
3	3,838,168	14 8	..	..	3,838,168	14 8	3,838,168	14 8
3¼ .. ..	..	..	500,000	0 0	500,000	0 0	500,000	0 0
3½	481,001	8 8	..	..	481,001	8 8	481,001	8 8
3¾	170,376	7 4	..	..	170,376	7 4	170,376	7 4
4	3,108,653	5 6	19,410	0 0	3,128,063	5 6	3,116,375	14 7
4½	2,087,460	0 0	..	..	2,087,460	0 0	2,072,082	5 0
5	5,423,735	0 0	..	..	5,423,735	0 0	5,423,181	5 0
5¼	1,530,990	0 0	..	..	1,530,990	0 0	1,530,972	10 0
5½	1,033,110	0 0	200	0 0	1,033,310	0 0	1,030,894	12 2
6	2,633,588	9 9	..	..	2,633,588	9 9	2,612,292	8 8
	20,312,083	5 11	1,178,227	10 0	21,490,310	15 11	21,438,962	16 1*

* This figure does not include cost of exchange on remittances.

The Public Debt Repayment Account opened with a credit balance of £17,422 18s. 3d. Transfers from the Consolidated Fund in terms of the Repayment of the Public Debt Act, 1925, amounted to £2,074,062 4s. 10d. Securities valued at £1,178,227 10s., as shown above, were redeemed, leaving a balance at 31st March of £913,257 13s. 1d. available for further redemptions.

The New Zealand scheme for the repayment of the public debt constituted under the Repayment of the Public Debt Act, 1925, covers the greater portion of the public debt. The portion not included in the repayment scheme is represented by the following specific classes of debt :—

- (a) Treasury bills securing temporary borrowing in anticipation of revenue. These bills are repaid as soon as sufficient revenue is received :
- (b) Money borrowed for State Advances Account :
- (c) Money borrowed in respect of State Coal-mines Account, Electric Supply Account, Nauru and Ocean Islands Account, and Westport Harbour Account. The activities carried out under these accounts are more or less commercial activities, and the repayment of the borrowed capital is provided for by revenue contributions to sinking funds :
- (d) Loans funded by agreement with the Imperial Government. This debt was being repaid by instalments, but by an arrangement with the Imperial Government payment of all instalments due subsequent to 1st June, 1931, has been suspended :
- (e) Money borrowed for the purpose of making advances to the Samoan Treasury. When these advances are recovered from the Samoan Treasury a similar amount of debt is repaid.

When the Repayment of Public Debt Act, 1925, came into force, provision existed for redemption of loans borrowed for the State Advances Account by means of a sinking fund created out of profits of the State Advances Department, and the moneys of the sinking fund were invested in mortgage and debenture securities.

On the passing of the State Advances Corporation Act, 1934–35, these investment securities were transferred to the State Advances Corporation under authority of that Act, and as consideration for such securities the Corporation issued stock, except in respect of doubtful securities, for which the Corporation accepted contingent liability only.

No statutory provision, however, was made that the sinking fund should continue in existence with the transferred investments replaced by Corporation stock, and that it should continue to receive contributions based on the amount of the State Advances Department loans to be redeemed. Nor was it provided on the passing of the State Advances Corporation Act, 1936, that any amount paid to the Treasury by the Corporation under section 39 thereof in reduction of stock liability, or as profits in terms of section 41, should be applied towards the redemption of the State Advances Department loans, which still form part of the public debt, and which at 31st March, 1941, total some £34,000,000.

I consider that the want of provision for repayment of this debt should be made good at the earliest opportunity.

The following statement shows the amount of loans subject to the Repayment of the Public Debt Act, 1925, and those not subject to the Act, as at 31st March, 1941 :—

		Particulars.			
Debt subject to the Repayment of the Public Debt Act, 1925—					
Ordinary Revenue Account—		£	s. d.	£	s. d.
Discharged Soldiers Settlement Account ..	..	2,871,001	12 0		
Greymouth Harbour Board Account ..	..	148,186	2 7		
Mining Advances Account ..	..	33,569	14 11		
Miscellaneous ..	..	7,423,149	10 8		
Naval Defence Act Account ..	..	812,209	10 0		
Reserve Bank of New Zealand Account ..	..	1,125,012	10 0		
State Advances Corporation Account ..	..	1,032,879	9 0		
War Expenses Account (1914–18) ..	..	37,614,133	0 0		
Public Works Fund—General Purposes Account ..	..	162,803,486	16 7		
Bank of New Zealand Shares Account ..	..	875,000	0 0		
Housing Account ..	..	16,918,945	0 0		
Iron and Steel Industry Account ..	..	4,000	0 0		
Land for Settlements Account ..	..	11,031,325	2 1		
Cheviot Estate Account ..	..	160,918	0 0		
Main Highways Account ..	..	10,950,451	13 5		
State Forests Account ..	..	3,183,958	7 5		
War Expenses Account (1939) ..	..	17,588,205	3 4		
				274,576,431	12 0

Particulars.					
Debt not subject to the Repayment of the Public Debt Act, 1925—					
Loans for which special sinking funds are provided—		£	s.	d.	£ s. d.
State Coal-mines Account		197,451	13	4	
Electric Supply Account		15,470,029	1	0	
Nauru and Ocean Islands Account		249,705	0	0	
Westport Harbour Account		614,250	0	0	
Samoan Loan Suspense Account		76,630	0	0	
					16,608,065 14 4
Funded Debt to the Imperial Government—					
Ordinary Revenue Account—					
Naval Defence Act Account		577,446	11	5	
War Expenses Account (1914–18)		23,320,196	17	0	
Public Works Fund—General Purposes Account		169,109	15	3	
Land for Settlements Account		33,446	6	11	
					24,100,199 10 7
State Advances Account					34,142,877 14 3
Total debt as at 31st March, 1941 (see B.—1 [Pt. III], page 9)					£349,427,574 11 2

Particulars of the Funded Debt to the Imperial Government are shown in Table IV, B.—1 [Pt. III], and particulars of the transactions of the sinking funds of loans which are not subject to the Repayment of Public Debt Act and for which special sinking funds are provided will be found in Tables V and VI, B.—1 [Pt. III].

Increase and Decrease of the Public Debt.

The transactions for the year of the Public Debt Accounts are detailed as follows:—

Total debt as at 31st March, 1940 (see B.—1 [Pt. III], page 9)		£	s.	d.	£ s. d.
		322,907,536	4	3	
Additions during the year—					
Public Works Fund—		£	s.	d.	
General Purposes Account		8,501,285	0	3	
Electric Supply Account		1,757,660	0	0	
Housing Account		5,500,000	0	0	
Iron and Steel Industry Account		4,000	0	0	
Main Highways Account		1,347,975	0	0	
State Coal-mines Account		35,000	0	0	
State Forests Account		345,000	0	0	
War Expenses Account (1939)		18,152,483	4	10	
					35,643,403 5 1
Reductions during the year—					358,550,939 9 4
From Electric Supply Sinking Fund Account		458,830	0	0	
From Loans Redemption Account—					
Ordinary Revenue applied in redemption of the securities of—					
Public Works Fund—General Purposes Account		1,777,120	0	1	
War Expenses Account (1939)		2,340	0	0	
Reparation-moneys applied in redemption		500	0	0	
Main Highways Account moneys applied in redemption		403,625	0	0	
Nauru and Ocean Islands moneys applied in redemption		34,700	0	0	
Samoan Loan Sinking Fund Account moneys applied in redemption		5,370	0	0	
State Coal-mines Account moneys applied in redemption		5,501	13	4	
War expenses Account (1939) moneys applied in redemption		3,647,992	10	0	
General Purposes Account moneys applied in redemption		1,460,000	0	0	
From Housing Account moneys applied in redemption of old Housing Loans		140,000	0	0	
From Public Debt Repayment Account—					
Ordinary Revenue Account—					
Discharged Soldiers' Settlement Account		200	0	0	
Reserve Bank of New Zealand Account		500,000	0	0	
War Expenses Account (1914–18)		19,410	0	0	
Public Works Fund—General Purposes Account		658,617	10	0	
Loans redeemed from loans raised in previous years for redemption		5,680	5	0	
Discount on loans redeemed below par		3,477	19	9	
					9,123,364 18 2
Total debt as at 31st March, 1941 (see B.—1 [Pt. III], page 9)					£349,427,574 11 2

The foregoing statement shows that the total public debt was increased during the year by £26,520,038 6s. 11d.

The long-term debt was increased by £21,191,738 6s. 11d., and the short-term debt (Treasury bills) by £5,328,300, as shown in the following summary :—

	£	s.	d.	£	s.	d.
Long-term debt as at 31st March, 1940	297,502,536	4	3			
Long-term debt as at 31st March, 1941	318,694,274	11	2			
	<hr/>					
Increase				21,191,738	6	11
Treasury bills as at 31st March, 1940	25,405,000	0	0			
Treasury bills as at 31st March, 1941	30,733,300	0	0			
	<hr/>					
Increase				5,328,300	0	0
	<hr/>					
Increase as at 31st March, 1941				£26,520,038	6	11
	<hr/>					

The total debt shown in the foregoing statement does not include a liability of the Government to indemnify the Wellington City Council for its debt in respect of certain loans specified in the Hutt Road Act, 1939. This liability, which at 31st March, 1941, amounted to £266,692, arose as a result of the greater portion of the Hutt Road being vested in the Crown. Against this liability the Public Trustee held at the same date sinking funds amounting to £136,396.

Up to the end of the year £2,528,000 Treasury notes had been issued to secure advances negotiated by the Exports Credits Department of the United Kingdom. All these notes were repaid on 31st March, 1941.

Surplus Credits-in-aid.

Provision is made in section 51 (3), Public Revenues Act, 1926, whereby any surplus in respect of any vote arising from an excess of the moneys actually received as credits-in-aid over the amount of credits-in-aid estimated to be received may, with the approval of the Treasury, be applied for the purposes of that vote. A more detailed reference to this matter was made in my last year's report.

The following schedule shows the amount of surplus credits-in-aid applied during the last ten years :—

	£	s.	d.
Year ended 31st March, 1932	19,611	10	3
Year ended 31st March, 1933	Nil		
Year ended 31st March, 1934	5,505	19	3
Year ended 31st March, 1935	33,341	5	4
Year ended 31st March, 1936	90,969	1	4
Year ended 31st March, 1937	334,648	13	3
Year ended 31st March, 1938	680,742	18	0
Year ended 31st March, 1939	1,602,572	14	0
Year ended 31st March, 1940	2,636,269	19	1
Year ended 31st March, 1941	2,396,794	0	9

Statement of Royalties payable to the Crown and unpaid at 31st March, 1941.

Section 91 (2) of the Public Revenues Act, 1926, reads as follows :—

“ The Controller and Auditor-General shall include in the report to be prepared by him pursuant to section eighty-nine hereof a statement as to all royalties payable to the Crown and for the time being unpaid, setting forth in respect of such royalties :—

“ (a) Name of the person by whom the same are payable ;

“ (b) The amount payable by each such person ; and

“ (c) The steps, if any, that have been taken to recover the said royalties, and if no such steps have been taken, the reason for allowing the said royalties to remain outstanding.”

In the figures hereunder are included all amounts which were shown in the departmental books as owing and unpaid on the 31st March, but following the practice of past years the names of debtors and the steps taken for recovery are omitted.

Department.	Amount unpaid.			Total.		
	£	s.	d.	£	s.	d.
Forestry—						
Auckland Region	391	4	8			
Rotorua Region	72	10	3			
Wellington Region	106	10	1			
Nelson Region	376	7	2			
Westland Region	584	6	6			
Southland Region	0	1	0			
				1,530	19	8
Lands and Survey—						
North Auckland District	973	10	0			
Auckland District	209	16	3			
Taranaki District	0	0	6			
Napier District	102	18	10			
Nelson District	376	18	3			
Canterbury District	59	15	4			
Westland District	536	8	8			
Southland District	0	4	0			
				2,259	11	10
Marine				628	11	8
Mines				4,595	16	6
State Coal-mines				2,194	10	8
Public Works				59	3	10
				£11,268	14	2

Cases in which Provisions of the Law have not been carried out.

The Audit Office, in carrying out the duties which Parliament has imposed upon it, is required to see that legislative authority exists for all the financial transactions of the Government. At times, however, circumstances arise which render it desirable or necessary that public moneys should be expended for purposes for which no specific authority exists, and for which the statutory provisions governing “unauthorized expenditure” or “emergency expenditure” are not available.

In such circumstances the Audit Office, following past practice, has in a number of cases agreed to pass the transactions on receipt of an undertaking that the Government would introduce validating or amending legislation therefor at the earliest opportunity.

The following are instances in which the Audit Office pursued this course of action during the year :—

Public Service Superannuation Act, 1927.

A superannuated public servant was requested to assist the Marine Department by returning to his former position for a short period. As a condition of his taking up duty he stipulated that he should be remunerated during that period at the rate of salary payable to him at the date of his retirement and at the same time receive his superannuation payments unabated. Section 33 of the Public Service Superannuation Act, 1927, provides that a superannuated officer who returns to duty cannot receive salary and superannuation at a combined rate in excess of the rate of salary payable to him at date of retirement, and the Government requested the Audit Office in the particular circumstances of the case to pass an excess sum of £19 6s. 9d. The Audit Office agreed to do so, and this transaction awaits validating legislation.

Housing Act, 1919.

Immediate possession of certain land was required to enable the Public Works Department to proceed with the construction of a sewer in connection with one of the housing schemes, and it was found necessary to arrange settlements with two of the tenants of such land for the loss of their crops growing thereon. The settlement provided for the payment of compensation amounting to £235 in one case, and £120 in the other.

In another instance the sum of £14 12s. was paid as compensation to the owner of a property of which a small portion was entered upon and formed into a street.

There was no authority for these payments to be made, and in each case the expenditure was passed in anticipation of the necessary statutory authority being provided. The legislation appears in the Housing Amendment Act, 1940, sections 3 and 13.

Housing Amendment Act, 1940.

Section 11 of the Housing Amendment Act, 1940, declared the State Advances Corporation to be the agent of the Crown and entitled to all the privileges which the Crown enjoys. This section brought the Housing Construction Branch of the Corporation within the provisions of section 78 (7) of the Harbours Act, 1923, which exempts the Crown from payment of wharfage dues. The Government did not wish to avoid liability for wharfage dues on goods the property of the Housing Construction Branch, and in order to enable the Audit Office to pass payment for such dues the Prime Minister instructed that draft enabling legislation be prepared for submission to Parliament.

Cost-of-living Bonus to Public Servants.

In October, 1940, the Government decided to pay a cost-of-living bonus to public servants. There was no appropriation under which such payment could be made, but the Audit Office agreed to pass the relative vouchers on an assurance being given by the Prime Minister that validating legislation would be introduced. The legislation was enacted in section 6, Finance Act (No. 3), 1940.

Civil List Act, 1920.

Under the Civil List Act, 1920, members of Parliament are entitled to be paid travelling-expenses in respect only of their journeys to the opening of Parliament and to their homes when the session has ended, and such payments cannot lawfully be made after six months from the date when they became payable. The second session of the twenty-sixth Parliament extended over a period of more than six months, and as members, following the usual practice, rendered their claims at the end of the session for expenses incurred in attending the opening of Parliament, such claims were not rendered within the statutory period of six months and could not therefore lawfully be paid. The Prime Minister assured the Audit Office that appropriate legislation would be introduced, and the relative claims were passed accordingly.

New Zealand Centennial Act, 1933.

The New Zealand Centennial Act, 1933, section 19, authorized a subsidy on moneys actually raised for the purpose of establishing memorials. The Government desired to pay conditionally certain subsidies in anticipation of the actual raising of the necessary moneys, and the Audit Office agreed to this procedure upon receiving an undertaking that suitable legislation would be introduced.

Audit of War Expenses.

In the War Expenses Account the net amount of loan-moneys raised during the year was £14,504,491, the proceeds of war taxes totalled £15,745,247, and miscellaneous receipts amounted to £487,709.

From 3rd September, 1939, the date of the outbreak of war, up to the 31st March, 1941, the receipts credited to the account include donations totalling £100,682, and ranging from the "widow's mite" of 4d. to £20,000, and voluntary interest-free loans from £1 to £1,000,000, totalling £2,592,050.

Expenditure in connection with the three fighting services brought to charge during the year amounted to £2,108,898 for the Navy, £17,249,620 for the Army, and £7,487,795 for the Air Force. An amount of £278,592 was accounted for under the head of Civil.

The account opened with a credit balance of £953,379 and closed at 31st March with a credit of £4,428,548. Answers to inquiries made by the Audit Office indicate, however, that at the close of the year the claims not then received from the Imperial Government for equipping and maintaining our forces overseas prior to that date are likely, when they come to hand, to be much in excess of this balance.

During the year the work of the Audit Office in connection with war expenses increased progressively with the Dominion's expanding war activities.

In addition to the officers engaged in Head Office on the audit of vouchers supporting war expenditure, two are continuously employed in auditing the pay, allowances, and allotments of Navy personnel, and five others, who receive assistance from time to time, are engaged permanently at Base Records office in checking the pay, allowances, and allotments of members of the Second New Zealand Expeditionary Force. Two officers are also employed continuously at Army Headquarters on audit work connected with soldiers' pay.

Three Audit Examiners are engaged permanently at Air Force Headquarters on the work of auditing pay, &c., of the personnel of that Force.

To carry out the work of checking the accounts relating to home-defence units and Territorials undergoing intensive training, one member of the staff is stationed at Auckland, two at Waiouru Military Camp, two at Wellington, and two at Burnham Military Camp.

There are also eight members of the staff attached to the New Zealand Expeditionary Force overseas, seven of whom are employed in auditing the records of soldiers' pay and purchases of equipment and supplies in the Middle East, and one is employed on similar duties with the "B" Special Force.

The difficulties which arise in connection with accounting for the pay of an army when it takes the field, and suffers losses of men by death and capture, and also loss of records, can readily be imagined, and the presence of an audit staff at the place where the accounting records are adjusted must assist Audit to obtain the maximum satisfaction which circumstances allow.

In addition to the officers already mentioned who, as indicated, are mainly engaged in auditing the pay, allowances, and allotments of the armed services, Stores Audit Inspectors periodically visit naval bases, military camps, area offices, unit headquarters, and air force stations for the purpose of checking the purchase, receipt, and issue of military stores and equipment.

Army Stores.—The term "stores" as used against this reference does not include foodstuffs. These are dealt with against the reference "Army rations."

The expansion of the Territorial Force, added to the mobilization of the overseas force, has very greatly increased the volume of work entailed in the receipt and issue of equipment and stores. To impose a thorough check on this work would entail the establishment of special audit sections at ordnance depots and mobilization camps, and provision for interim audits at area offices. Trained officers are not available for these purposes, and work has had to be restricted mainly to an investigation of the general state of the accounts at the various depots and camps.

My previous report drew attention to the unsatisfactory state of Army stores accounting, and I am unable to report now that there has been any considerable improvement in the position.

The reports received from my Inspectors are in many cases to the effect that accounts are so inaccurate that the Army authorities are not in a position to satisfy Audit that all stores purchased and not remaining on hand have been applied to military purposes.

The Audit Office recognizes the great difficulties which the Army Department has had to face in building up a stores accounting section round a very small nucleus of trained personnel, and through lack of adequate store accommodation. In an endeavour to remedy the former handicap a senior Audit Officer and three officers of other Departments with stores experience were seconded to the Army Department to instruct and advise accounting officers in stores work. Before their appointment, however, the equipping of Territorials was already well under way, and large quantities of stores had been dealt with in a way which did not ensure a satisfactory accounting. The seconded officers have visited many stores, and, in addition to giving advice and instruction, have adjusted ledger balances to stocks on hand and so given accounting officers a fresh start. These efforts to improve matters have, however, been largely nullified by constant changes in Army personnel due to discharges and transfers to other duties.

Steps have now been taken to obtain greater permanency of personnel, and accommodation is rapidly being improved. Stores auditors, however, suggest that before satisfactory results can be achieved Quartermasters must be granted more time in which to issue clothing and equipment to the men. In the past the time allowed has been too limited to permit of an accurate record of issues being made.

Army Rations.—Soldiers are rationed on a daily-cost basis. The monthly supply accounts examined by Audit show that, with the exception of a few small units, the cost falls within the prescribed allowance. This test and a comparison which has been made of consumption in any camp with the average of all camps in the Dominion indicate a satisfactory accounting for foodstuffs.

Reports appear in the press from time to time of persons convicted of thefts of foodstuffs from the military camps, but these thefts have occurred after the goods have been issued to the cookhouse, at which point control by accounting records ceases.

Army Transport.—To equip Territorial units with motor transport to carry out intensive training the Army Department hired motor-trucks, cars, and cycles, and the hire rates, laid down when annual camps did not extend beyond a fortnight, have proved very costly to the State when camps have extended over periods of three to five months.

In the case of one battalion unnecessary hire charges were incurred through vehicles being held on hire over the Christmas holiday period, and during the early days of a camp when the preliminary training of the men did not require the use of transport to any extent. Compulsory acquisition of the transport required and available is now in operation.

Second New Zealand Expeditionary Force.—A recent report received from the Senior Auditor with the Second New Zealand Expeditionary Force stated that under active-service conditions strict accounting for stores could not operate in divisional units, and that audit work must be confined mainly to the accounts of base depots and hospitals.

Air.—The extra burden of work falling on Audit during the year has been too great to permit of stores inspections being made at all stations. At those stations which were visited it was found that the stores accounting system had not functioned satisfactorily, and from applications to write off stores submitted to Audit from time to time it would appear that a similar position obtained at other stations. Active steps have been taken by the Department towards effecting a remedy.

Navy.—At the annual audit of the Naval store, 130 lines of stock were checked, and a large number of these were found to be at variance with the ledger cards. The ledger postings were found to be some weeks in arrears, and there is not likely to be any improvement in the position until increased staff is made available.

Contracts.—In my last report I referred to the examination of accounts in connection with the erection of emergency defence buildings under “cost-plus” contracts. Modifications of this form of contract have been introduced with the object of providing contractors with an incentive to urgency or economy.

One useful modification lies in the direction of reviewing a completed contract and fixing the final price in accordance with an investigation of the contractor’s books by Government costing officers. This procedure permits the Government to ascertain more closely the cost of the contractor’s operations, and gives a more accurate result than is yielded when indirect costs are fixed by estimate, as in the simpler type of “cost-plus” contract. This form has been adopted in respect of numerous contracts for the manufacture of warlike stores in New Zealand.

The construction of several vessels has been entrusted to shipbuilding firms under a variation of the “cost-plus” contract whereby a “target” or estimated price is fixed plus an agreed-upon fee. If the contractor is able to introduce economies so that he undercuts the target price he shares in the savings. If, on the contrary, the target price is exceeded no fee in excess of the fee originally agreed upon accrues to the contractor.

The Government is advancing large sums from War Expenses Account by way of interest-bearing loans to finance the erection by freezing companies of emergency cool-storage accommodation. The Audit Office has made arrangements to check the accounts relating to the work qualifying for Government assistance before passing claims for advances.

General.—In his standard work on *Parliamentary Grants*, Durell writes as follows on the subject of war expenditure :—

“The mere availability of vast sums of money, which is a necessary accompaniment of war, is no excuse for greater expenditure than is necessary for the fulfilment of military requirements. But war inculcates what Gladstone calls ‘the spirit of expenditure,’ and the availability increases the temptation to spend, and such temptation increases in proportion as the possibility of a reckoning appears to be distant or unlikely to be strict. The requirements of the military authorities have to be supplied, but they should be supplied in the cheapest manner compatible with efficiency. Those responsible should be particularly on their guard to protect the public purse whenever possible, to be on the watch for extravagance, to resist unscrupulous or even well-meaning but wasteful demands, and to prevent abuses arising under cover of the situation.”

The Audit Office has its part to play in assisting the Administration to combat the tendencies noted by Durell, but how effectively it can play that part must depend very largely upon the staff available after the calls for men made by the fighting forces have been met. This question of staff is more fully dealt with under an appropriate heading at the close of this report.

Audit of Public Stores.

Accounts numbering 339 in the offices of the following Government Departments were examined during the year: Agriculture, Air, Army, Education, Housing, Health, Internal Affairs, Internal Marketing (Canteens), Industries and Commerce, Tourist and Publicity, Justice and Prisons, Lands and Survey, Marine, Mines, Mental Hospitals, Navy, Native, Police, Public Works Department, State Forest, Transport.

Apart from work under the War Expenses Account, all audits are reasonably up to date and no serious irregularities occurred during the year.

Patriotic Funds.

The accounts of the National Patriotic Fund Board and of the Provincial Patriotic Funds established in terms of the Patriotic Purposes Emergency Regulations 1939 are subject to audit by the Audit Office or, in the case of the Provincial Funds, by an auditor appointed by the Audit Office, which has, however,

not elected to make any such appointment. In both cases, too, the Audit Office may appoint an auditor outside its own staff to examine the accounts of authorized collectors, and it has elected to do so in the case of collections made for the National Patriotic Fund Board by a joint committee of the Y.M.C.A. and Salvation Army in connection with the Fighting Services Welfare Appeal, and by the Joint Council of the Order of St. John and New Zealand Red Cross Society in connection with the Sick, Wounded, and Distress Appeal.

The National Patriotic Fund Board is authorized to make grants of money or gifts of chattels to or for the purpose of any approved fund, and, after consultation with the Audit Office, the Board agreed to impose the following conditions in respect of such grants or gifts :—

- (a) That organizations which receive money from the Board to provide capital assets, which assets become the property of the Board, shall account to the Board for their expenditure on such assets, and such expenditure shall be subject to audit by the Audit Office :
- (b) That organizations which receive moneys from the Board for the purpose of assisting to provide comforts and amenities for soldiers shall render accounts showing the net cost of making such provision, and that the Board will base its payments to the organization on such accounts.

The National Patriotic Fund Board is the National Council for the Reclamation of Waste Material established by the Reclamation of Waste Material Emergency Regulations 1940, and the net proceeds of sales are to be distributed amongst the Provincial Patriotic Funds. The Council has established branches and depots throughout the Dominion, and has received, up to 30th June, 1941, some £6,000 from the sale of material. In terms of the regulations the Audit Office has audited the relative accounts.

Funds relating to the war of 1914–18 are still held by a number of organizations whose accounts are audited by public accountants, and by the National Funds Council whose records are checked by the Audit Office.

Departmental Balance-sheets.

The revenue accounts and balance-sheets of Departments for the year 1939–40, prepared in terms of section 57 of the Finance Act, 1932, numbering some one hundred and ten, have been audited with the exception of two which are at present receiving attention.

The books and accounts in general were found to be satisfactorily kept, and the audited accounts appear in parliamentary paper B.—1 [Pt. IV].

Marketing Department Audit.

When, on the outbreak of hostilities, all the resources of the Dominion for the supply of produce were made available to the British Government, the Export Division of the Marketing Department, which for a period of three years had been handling dairy-produce, became the nucleus of the organization necessary for undertaking the bulk purchase and disposal of all primary products.

The Marketing Act, 1936, and the 1937 amending Act, authorized the Department to purchase and sell dairy-produce, fruit, honey, and eggs, and provided for the extension (by Order in Council) of the Department's activities to other foodstuffs.

In 1939 a further amendment to the Marketing Act empowered the Governor-General by Order in Council to authorize the Department to purchase and sell any specified goods, or goods of any specified classes, and on the issue of the necessary authority the Export Division of the Department undertook the purchase and disposal of commodities such as wool, meat, tallow, sheep-skins, and scheelite. The Export Division also entered into contracts for the supply to the War Office of New Zealand foodstuffs, mostly tinned products, for the forces in the Middle East and elsewhere.

The Accounts prepared by the Division for its financial year ended 31st July, 1940, are the first to cover marketing operations under war conditions. Although wool sales for July and August, 1939, were not handled by the Division, and although meat transactions covered a period of eight months only, and transactions in other produce covered shorter periods, the Division's purchases during that year amounted to no less a sum than £54,000,000.

This figure has been exceeded by some £4,000,000 during the eleven months of the current financial year to the 30th June, 1941.

The task of auditing the numerous and varied transactions covered by this huge expenditure falls upon the Audit Office.

War conditions have also been responsible for a considerable expansion in the activities of the Internal Marketing Division, and these also are subject to audit by the Audit Office. The turnover of the various sections of the Division affords some indication of the volume of work involved in that audit.

For the year ended 31st March, 1941, the turnover of the Head Office of the Division, including sales of citrus fruit, bananas, maize, barley, and sundry other commodities, and of the Butter Equalization Account, was £1,700,000, and for the Auckland and Wellington trading branches £1,383,000. The turnover of the Apple and Pear Section for the season which ended on 31st December, 1940, totalled £436,000.

The Hop-marketing Committee, the Nelson Raspberry Committee, and the Canteen Board controlling canteens established for use of the military forces, operate under regulations administered by the Marketing Department, and their transactions are also subject to audit by the Audit Office.

The turnover of the canteens was £86,000 for the period of approximately five months from the date they were established until 31st March, 1940, and for the financial year ended 31st March, 1941, it was £342,000.

The Audit Office has also been required to audit the accounts of the New Zealand Wool Buyers' Association relating to appraisals on account of the Government, the accounts of the Hides Committee, and of the Sheep-skin Controller.

Under the authority of the Meat Exporters' Accounts Emergency Regulations 1940, the Audit Office and a duly appointed public accountant investigated the accounts of meat exporters and freezing companies to determine whether the charges rendered by them in connection with live-stock intended for production of meat for export, or in connection with such meat before its acceptance by the Marketing Department, were fair and reasonable. The report of the investigation was submitted to the Minister of Marketing and the New Zealand Meat-producers' Board, as required by the regulations.

The Audit Office also carried out investigations during the year in conjunction with the Department of Agriculture to ascertain :—

- (a) What was a reasonable charge to be paid freezing companies for the storage of meat awaiting shipment overseas ; and
- (b) What was the cost to certain meat-cannery companies for canning meat which it was proposed to ship overseas under contract with the Ministry of Food.

Audit of Accounts of Local Authorities.

During the year five cases of disqualification of members of local authorities were dealt with by Audit Office. Three of these cases were due to members being concerned or interested in contracts entered into by their respective local authorities in excess of the limits set out in section 3 of the Local Authorities (Members' Contracts) Act, 1934, and the remaining two were of members holding an office or place of profit under or in the gift of the local authorities of which they were members.

The Audit Office dealt with eleven cases of misappropriation of funds by local-body officials during the year, an increase of seven cases as compared with the previous year. In each of nine cases the matter was placed in the hands of the police for the appropriate action by them. In one case no action could be taken owing to the death of the official following upon discovery of the defalcations,

and in another case proceedings were not taken in view of a medical report as to the state of health of the official concerned. The aggregate sum of all the mis-appropriations was £820 5s. 1d., and the largest sum involved in the case of the defalcations of any one official amounted to £260 2s. 8d.

In my previous report attention was drawn to the absence of authority to pay wages of employees, other than "casual" wages, out of Imprest Accounts, and to the difficulties being experienced by most local authorities in obtaining signatures of members to cheques drawn for payment of regular wages on the dates required by the awards in force. It is understood that the Department of Internal Affairs is considering the promotion of legislation to include all wages instead of "casual" wages in the definition of expenditure which may be made from Imprest Accounts, and it would greatly assist the administration of local authorities if such amending legislation were enacted.

Certain land which had been vested in a local authority as an endowment for the improvement and benefit of the district, was taken by the Crown under the Public Works Act, 1928, for the purpose of erecting a post-office. The compensation in respect of the land and the improvements thereon was agreed at £9,000, and was paid to the local authority concerned. The Audit Office raised the question whether, in view of the fact that the land had been vested in the local authority as an endowment, there were any restrictions on the use by the local authority of the compensation moneys.

The question was recently disposed of by way of originating summons when the Supreme Court decided that the land was held by the local authority in trust for a particular purpose within the meaning of section 156 (2) of the Municipal Corporations Act, 1933, and that, therefore, the moneys fell within the provisions of section 92 of the Public Works Act, 1928, and should have been paid to the Public Trustee pending direction of the Supreme Court as to their disposal. The Court further held that until such time as that direction was obtained it was the duty of the local authority to preserve the capital sum of £9,000 and to invest it, if that was reasonably possible, so as to provide income for the general purposes of the local authority.

During the year a local authority paid to two of its employees amounts covering, in each case, the same period in respect of—

- (a) The monetary equivalent of leave on retirement :
- (b) Retiring-allowance from its own pensions fund :
- (c) Salary in respect of re-engagement from the date of the commencement of the leave on retirement.

The Audit Office represented to the local authority that payments (a) and (b) could not properly be made, as in the circumstances of re-engagement there had in fact been no retirement of the employees. These representations were accepted by the local authority, which obtained refunds amounting to £1,215 from the employees.

Schedule A (p. xv) sets out the breaches of law relating to local authorities which the Audit Office dealt with during the year by suitable reference in its certificates to accounts, and also, where necessary, by obtaining an adjustment of the accounts or a recovery of moneys unlawfully expended.

Matters which, although not breaches of law on the part of local authorities, the Audit Office felt called upon to refer to in its certificates are set out in Schedule B (p. xv).

In certain cases, which are set out in Schedule C (p. xvi), an adjustment of the accounts or a recovery of moneys was asked for, but upon assurances being given by the local authorities that application would be made for the introduction of validating legislation, the Audit Office agreed to withhold action on them. The necessary legislation has already been provided in respect of the Mount Roskill Road Board, the Newmarket Borough Council, and the Patea Borough Council.

Schedule A.

Agreements entered into without lawful authority	2
Depreciation in trading accounts, absence or inadequacy of charge for	4
Disqualification of local-body members on account of breaches of law	5
Expenditure without legal authority	13
Expenditure by education authorities out of endowment income without approval of Minister	1
Failure to provide for expenditure for year out of revenue	31
Fidelity securities for staff, absence of	2
Finance Act, 1934, section 20, moneys not dealt with in accordance with	6
Harbours Act, 1923, section 68 : Credit given without security for period in excess of that provided	1
Heavy-traffic license fees not collected in respect of farmers' motor-lorries	3
Hospitals and Charitable Institutions Act, 1926, section 75 (3) : Approval of Minister not obtained to capital expenditure	1
Interest from date prior to receipt of loan-moneys wrongly charged to interest account	17
Investments contrary to law	3
Local Bodies' Loans Act, 1926, offences under—	
(a) Loans raised without lawful authority	4
(b) Loan-moneys expended on purposes other than those authorized in loan authorities	11
(c) Loan-moneys not placed in separate bank account	6
(d) Sinking funds not established and instalments in arrear	2
(e) Debentures made payable on other than authorized dates	21
Moneys not banked as required by law	6
Overdraft without or in excess of statutory authority	23
Purchase on terms or by instalments, and payment of interest thereon	1
Rates, dues, fees, &c., not levied or collected according to law	9
Refunds, rebates, or remissions contrary to law	5
Reserves for depreciation, &c., not invested	5
Reserves created without statutory authority	2
Separate accounts established without lawful authority	6
Social-security-tax stamps not affixed at time of payment of wages or salary	1
Transactions incorrectly included in accounts	1
Travelling expenses, allowances, and remuneration in excess of or without statutory authority	3
Trust-moneys wrongly applied, and other breaches of trustee law	3
“ Unauthorized ” expenditure in excess of legal limits	3
Unlawful transfers between accounts and charging of amounts to wrong accounts	2
Miscellaneous	6
Domain Boards, Scenic Boards, Miscellaneous Boards, under Part I of the Public Reserves, Domains, and National Parks Act, 1928, &c.—	
(a) Borrowing without authority of law and unlawful payment of interest	16
(b) Charging fees for camping-sites and/or parking-places without approval of Minister	6
(c) Expenditure without statutory authority	8
(d) Failure to bank moneys as required by law	27
(e) Granting of leases otherwise than in accordance with section 43, Public Reserves, Domains, and National Parks Act, 1928	12
(f) Reduction of rental without Ministerial approval	2
(g) Miscellaneous	3
Cemetery Trustees—	
(a) Expenditure without statutory authority	3
(b) Failure to keep a Register of Burials as required by law	3
(c) Failure to bank as required by law	5

Schedule B.

Cheques signed in blank form	4
Payments unsupported by receipts and/or vouchers	10
Profit and Loss Account : Balance incorrectly stated	3
Receipts and other items not verified owing to inadequacy or non-production of supporting evidence	12
Stores on hand accepted on the certificates of officers without supporting stores records	5
Unsatisfactory system of accounts—	
(a) Financial	2
(b) Stores	4
Miscellaneous	3

Schedule C.

Blenheim Borough Council	..	Borrowing of moneys after expiration of period stipulated by the Order in Council consenting to the raising of the loan.
Buller County Council	..	Raising loan on terms other than those authorized by the Order in Council consenting to the raising of the loan.
Hauraki Plains County Council	..	Issue of debentures after expiration of period stipulated by the Order in Council consenting to the raising of the loan.
Invercargill City Council	..	Council engaged in vegetable growing.
Kaikoura County Council	..	Unlawful expenditure of loan moneys.
Mt. Roskill Road Board	..	"Unauthorized" expenditure exceeded by £25 15s. 8d.
Napier Harbour Board	..	Personal receipts not obtained from certain employees for wages paid through an agency.
Nelson City Council	..	Issue of debentures after expiration of period stipulated by the Order in Council consenting to the raising of the loan.
Newmarket Borough Council	..	"Unauthorized" expenditure exceeded by £81 18s. 10d.
Oamaru Borough Council	..	"Unauthorized" expenditure exceeded by £4 12s. 10d.
Patea Borough Council	..	Council sold land which it had only power to lease.

Surcharges.

Section 69 of the Public Revenues Act, 1926, provides that the Controller and Auditor-General shall surcharge the person responsible wherever it appears to the Audit Office that public moneys or stores have been lost through the default, neglect, fraud, or error of any servant of the Crown.

In the past year it was found necessary to surcharge ten officers, seven of the surcharges being in respect of damage sustained in accidents involving Government motor-cars or trucks.

Any person surcharged has the right to appeal to the Minister of Finance under section 71 of the Public Revenues Act, and the Minister may thereupon confirm or waive the surcharge as he thinks fit. Each of the surcharges issued during the year was made the subject of an appeal, and all were waived with the exception of one, which was confirmed to the extent of £1 as a nominal penalty. The appended table summarizes the surcharges issued and the results of the appeals:—

Department.	Number of Surcharges.	Upon Appeal.		Total.
		Confirmed.	Waived.	
		£ s. d.	£ s. d.	£ s. d.
Health	1	..	35 8 8	35 8 8
Housing	1	..	3 5 0	3 5 0
Lands and Survey	2	..	9 13 2	9 13 2
Marine	1	..	19 15 6	19 15 6
Public Works	4	1 0 0	195 6 7	196 6 7
Treasury	1	..	105 8 9	105 8 9
	10	1 0 0	368 17 8	369 17 8

Statement of Irregularities in connection with Public Moneys and Stores.

The following comments and the statement which follows them are furnished in terms of section 89 (2) (c) and (e) of the Public Revenues Act 1926:—

Although there has been a decrease in the number of defalcations by departmental officers, the total loss of public moneys and stores under this head shows an increase over the figures published in my previous report. The largest loss occurred in a district office of the Public Works Department and was made possible because certain workmen who were employed in an isolated locality arranged with a departmental officer that he should act as an unofficial banker for varying portions of the wages due to them. Moneys held for these workmen were misappropriated to a total of £1,068, and the officer used £593 of official imprest moneys towards making good the shortage. In view of the trust which had been placed by the workmen in a public official, the Government decided to make good the balance of the loss which would otherwise have fallen on the workmen, and the necessary sum of £475 was provided from public moneys as a charge against "unauthorized."

A postal official misappropriated income-tax receipts to a total of £540, and therefore the taxpayers who had made the payments appeared in the records of the Income-tax Department as being in arrears with tax payments due from them. The defalcations were almost certain to be revealed when the Department followed up collection of such arrears.

A collector of the Internal Marketing Division converted departmental moneys amounting to £466 to his own use, and substituted subsequent collections to conceal his wrongdoing. That he was able to do so exposed a weakness of internal check which has since been remedied.

A Public Trust officer abused his position to convert £350, the property of a client of his Department, to his own use. The loss to the client was, in the circumstances of the case, not strictly a responsibility of the Department, but the Government decided to make it good as a charge against the Departmental Vote.

No practicable system or systems of accounting for moneys can prevent all defalcations, and so long as any thefts are reasonably certain of detection the position can be regarded as satisfactory. Judged by this standard, nothing which occurred during the year under review caused the Audit Office serious disquietude.

STATEMENT.

Nature of Irregularity.	Amount involved.	Action taken, and Result.
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Agriculture Department.

IRREGULARITIES BY PERSONS NOT DEPARTMENTAL OFFICERS.

	£	s.	d.	
Theft of strychnine	2	10	0	Police investigations unsuccessful.
Theft of poultry	1	10	0	Police investigations unsuccessful.

Air Department.

IRREGULARITIES BY DEPARTMENTAL OFFICERS.

Theft of stores	Not stated	Offender disciplined and reduced in rank.
Theft of stores	6 19 4	Offender convicted and fined.

IRREGULARITIES BY PERSONS NOT DEPARTMENTAL OFFICERS.

Theft of equipment	2 0 0	Police investigations unsuccessful.
Theft of cash	44 10 0	Police investigations unsuccessful.

Army Department.

IRREGULARITY BY DEPARTMENTAL OFFICER.

Theft of ammunition	Not stated	Offender charged. Case adjourned.
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IRREGULARITIES BY PERSONS NOT DEPARTMENTAL OFFICERS.

Theft of cash	245 2 1 (sterling)	Offender tried by field court-martial and found guilty; sentenced to six months' imprisonment and reduced in rank. £219 9s. 9d. sterling recovered.
Theft of cash	102 11 9 (sterling)	Investigations proceeding.
Theft of cash	20 0 0	Police investigations unsuccessful.
Misappropriation of public moneys	38 0 7	Offender placed on probation for two years. Restitution made.
Theft of pay warrant	6 6 0	Offender convicted and ordered to come up for sentence if called upon and to make restitution.

Internal Marketing Department.

IRREGULARITIES BY DEPARTMENTAL OFFICERS.

	£	s.	d.	
Misappropriation of departmental moneys	466	3	7	Offender admitted to probation for two years.
Misappropriation of departmental moneys	11	14	6	Offender convicted and ordered to come up for sentence if called upon within twelve months. Restitution made.

STATEMENT—continued.

Nature of Irregularity.	Amount involved.	Action taken, and Result.
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Land and Income Tax Department.

IRREGULARITIES BY DEPARTMENTAL OFFICERS.

Theft of cash	3 10 0	Offender sentenced to one month's imprisonment with hard labour. Restitution made.
Theft of cash	2 8 6	Offender admitted to probation for two years and ordered to make restitution.

IRREGULARITY BY PERSON NOT DEPARTMENTAL OFFICER.

Theft of cash	40 11 9	Matter investigated by police without success.
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Lands and Survey Department.

IRREGULARITIES BY PERSONS NOT DEPARTMENTAL OFFICERS.

Theft of cash	9 1 2	Police investigations unsuccessful.
Loss of cheques and money-order	44 12 5	Police investigations unsuccessful. Payment stopped. No loss to Department.

Mental Hospitals Department.

IRREGULARITY BY PERSON NOT DEPARTMENTAL OFFICER.

Theft of coal	1 7 6	Offender convicted and ordered to come up for sentence when called upon within three months. Coal was ordered to be returned.
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Mines Department.

IRREGULARITY BY PERSON NOT DEPARTMENTAL OFFICER.

Theft of stores	12 18 3	Police investigations not yet complete.
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Native Department.

IRREGULARITY BY PERSON NOT DEPARTMENTAL OFFICER.

Theft of stores	Not stated	Police investigations unsuccessful.
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Post and Telegraph Department.

IRREGULARITIES BY DEPARTMENTAL OFFICERS.

Theft of packets and remittances	18 10 6	Offender convicted and placed on probation for two years and ordered to make restitution.
Theft of cash	5 10 0	Offender placed on probation for two years and ordered to make restitution.
Theft of cash	5 10 0	Offender placed on probation for two years and ordered to make restitution.
Theft of letters	51 10 0	Offender fined £25, placed on probation for three years, and ordered to make restitution.
Theft of registered letters	9 0 0	Offender sentenced to fifteen months' imprisonment with hard labour. Amount recovered.
Theft of cash	540 16 4	Offender sentenced to nine months' imprisonment. Amount recovered.
Theft of letters	30 0 0	Offender sentenced to one month's imprisonment. Amount recovered.
Theft of bank-note, postal notes, and stamps ..	1 8 2	Offender placed on probation for one year and ordered to make restitution.

IRREGULARITIES BY PERSONS NOT DEPARTMENTAL OFFICERS.

Theft of cash	3 16 7	Police investigations not yet complete.
Theft of cash, stamps, and postal notes	176 6 7	Offender sentenced to five years' imprisonment. Loss to Department, £176 6s. 7d.
Fraudulent negotiation of money-order	5 0 0	Offender convicted and placed on probation and ordered to make restitution to Department.
Theft of cash, postal notes, and stamps	136 11 10	Offender sentenced to imprisonment for five years for this and other offences. £6 recovered.
Theft of mail and registered letter	1 0 0	Offender sentenced to three months' hard labour.
Theft of letter	3 0 0	Offender sentenced to three months' imprisonment.
Fraudulent withdrawal from Post-office Savings-bank	8 0 0	For two offences the offender was sentenced to three months' imprisonment with hard labour for each charge, the sentences to be cumulative.
Thefts from public-call boxes and stamp-vending machines	115 8 2	Police investigations resulted in ten offenders being arrested.

STATEMENT—continued.

Nature of Irregularity.	Amount involved.	Action taken, and Result.
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Post and Telegraph Department—continued.

IRREGULARITIES BY PERSONS NOT DEPARTMENTAL OFFICERS—continued.

	£	s.	d.	
Fraudulent withdrawal from Post Office Savings-bank	3	10	0	Offender ordered to make restitution and to come up for sentence if called upon.
Theft of cash	4	0	9	Police investigations unsuccessful.
Theft of cash	10	10	0	Police investigations proceeding.
Theft of cash, postal notes, and stamps ..	36	17	7	Two offenders were placed on probation for five years and each ordered to pay £30, being costs (£1 18s. 9d.) and damages and restitution (£28 1s. 3d.). A third offender was sentenced to eighteen months' imprisonment.
Theft of cash	8	17	10	Police investigations unsuccessful.
Fraudulent issue of money-order telegram ..	10	0	0	Departmental inquiries unsuccessful. Loss to Department, £10.
Theft of tools	Not stated			Police investigations unsuccessful.

Public Trust Office.

IRREGULARITY BY DEPARTMENTAL OFFICER.

Theft of cash	350	0	0	Offender deceased. Loss to Department, £350.
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Public Works Department.

IRREGULARITY BY DEPARTMENTAL OFFICER.

Misappropriation of— Public moneys	593	3	11	} Offender sentenced to one year and nine months' imprisonment.
Employees' wages	474	19	5	

Railways Department.

IRREGULARITIES BY DEPARTMENTAL OFFICERS.

Theft of cash	10	13	2	Police investigation unsuccessful. Officer in charge called upon to pay £10 13s. 2d.
Attempted fraudulent claim for board and lodging	7	0	0	Offender convicted and ordered to come up for sentence within six months if called upon. No loss to Department.
Theft of cash	12	1	10	Offender admitted to probation for twelve months and ordered to make restitution. No loss to Department.
Theft of cash	1	0	0	Police prosecution proceeding.
Misappropriation of departmental moneys ..	2	15	0	Services dispensed with and police notified. Amount recovered.
Misappropriation of departmental moneys ..	0	15	3	Offender convicted, admitted to probation for twelve months, and ordered to make restitution.
Theft of cash	2	9	0	Police investigations unsuccessful.

IRREGULARITIES BY PERSONS NOT DEPARTMENTAL OFFICERS.

Theft of cash	7	6	9	Police investigations unsuccessful. Amount made good by officer responsible. No loss to Department.
Theft of refreshment-room stocks	1	6	7	Offenders placed on probation for twelve months. Amount recovered.
Theft of cash	0	11	6	Police investigations unsuccessful.
Theft of cash	1	14	2	Police investigations unsuccessful.

Social Security Department.

IRREGULARITY BY DEPARTMENTAL OFFICER.

Failure to account for departmental moneys..	2	5	0	Offender dismissed the Service. Restitution made.
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IRREGULARITIES BY PERSONS NOT DEPARTMENTAL OFFICERS.

Theft of officer's salary	8	15	9	Police investigations unsuccessful.
Theft of benefit-certificate and cash	2	0	0	Police investigations unsuccessful.
Two thousand three hundred and thirty-nine cases in which recipients of pensions, sustenance, age, and other benefits obtained payments in excess of scale rates by failing promptly to disclose material particulars of their circumstances to the Labour or Pensions Departments or to the Social Security Department. (NOTE.—The excess payments to many of the recipients were not all made during 1940–41, but include amounts received by them in previous years)	25,444	5	3	Proceedings were instituted in thirteen cases involving the sum of £263 0s. 8d., whereof thirteen convictions were entered, imprisonment and/or fines totalling £48 and costs, £3, were inflicted, and restitution of £177 8s. 7d. ordered by the Court. There were 2,326 other cases involving the sum of £25,176 4s. 7d. Except in a small percentage of cases where the beneficiaries are on active service, deceased, or in straitened circumstances refunds have been or are being obtained in all cases. In six cases penalties were imposed under section 7 (2) of the Social Security Act, 1938, and these amounted to £32 2s. 9d.

**SCHEDULE OF IMPERFECT VOUCHERS PASSED BY THE AUDIT OFFICE, UNDER
AUTHORITY OF SECTIONS 73 AND 75, PUBLIC REVENUES ACT, 1926.**

Department and Particulars.	Reason.	Amount.	Total Amount.
Agriculture.			
Purchase of publications	Receipts unobtainable	£ s. d. 3 9 8	£ s. d.
Travelling-expenses	Receipts unobtainable	13 7 5	16 17 1
Air.			
Travelling-expenses	Receipts unobtainable	42 19 5	42 19 5
Army.			
Allotment payments	Vouchers lost	2 16 0	
Freight charges	Receipts unobtainable	6 0 6	
Purchase of publications	Receipts unobtainable	0 10 0	
Travelling-expenses	Receipts unobtainable	29 2 9	
Uniform allowance	Voucher lost	25 0 0	
Wages	Vouchers lost	11 2 0	74 11 3
Customs.			
Refund of cost of cable	Receipts unobtainable	1 14 2	
Travelling-expenses of officer in the United Kingdom	Receipts unobtainable	1 15 7	
Travelling-expenses of official representative travelling in Canada and the United States of America	Receipts unobtainable	302 14 0	306 3 9
Education.			
Purchase of goods	Vouchers lost	2 17 3	
Travelling-expenses	Receipts unobtainable	8 8 1	11 5 4
External Affairs.			
Wages and salaries	Vouchers lost	779 4 5	779 4 5
Government Insurance.			
Cost of cables	Vouchers lost by enemy action	0 10 5	
Payment of annuities	Vouchers lost by enemy action	54 16 4	
Purchase of publications	Vouchers lost by enemy action	1 5 0	56 11 9
Health.			
Expenses producing film "Kia Ora"	Receipts not obtained	5 6 4	
Purchase of publications	Receipts unobtainable	0 15 1	
Travelling-expenses	Receipts unobtainable	1 5 0	
Witnesses' expenses	Receipts unobtainable	8 0 0	15 6 5
Immigration.			
Refund: Deposit of landing moneys	Receipts unobtainable	35 0 0	35 0 0
Industries and Commerce, Tourist and Publicity.			
Commission on tours	Receipt unobtainable	0 1 2	
Wages	Vouchers lost	66 7 5	
Travelling-expenses	Receipts unobtainable	2 10 6	68 19 1
Internal Affairs.			
Purchase of publication	Receipt lost	0 6 10	
Purchase of stamps	Receipts unobtainable	0 13 0	
Travelling-expenses of the Minister travelling in the United States of America and Canada	Receipts unobtainable	45 0 0	
Travelling-expenses	Receipts unobtainable	194 19 8	240 19 6
Justice and Prisons.			
Prisoners' earnings	Receipt unobtainable	1 0 0	
Purchase of publications	Receipts unobtainable	2 2 0	
Travelling-expenses	Receipts unobtainable	5 5 2	
Witnesses' expenses	Receipt unobtainable	0 5 3	8 12 5
Labour.			
Travelling-expenses	Receipt unobtainable	0 9 0	0 9 0
Land and Income Tax.			
Refund of income-tax	Receipts unobtainable	7 15 4	
Refund of social-security contribution	Voucher lost	1 1 11	8 17 3
Lands and Survey.			
Compensation	Receipt unobtainable	7 0 0	
Droving charges	Receipts unobtainable	1 2 6	
Travelling-expenses	Receipts unobtainable	1 14 6	9 17 0
Marine.			
Purchase of salmon	Receipt unobtainable	0 10 0	0 10 0
Mental Hospitals.			
Travelling-expenses	Receipt unobtainable	3 11 8	3 11 8

**SCHEDULE OF IMPERFECT VOUCHERS PASSED BY THE AUDIT OFFICE, UNDER
AUTHORITY OF SECTIONS 73 AND 75, PUBLIC REVENUES ACT, 1926—continued.**

Department and Particulars.	Reason.	Amount.	Total Amount.
		£ s. d.	£ s. d.
Native.			
Droving charges	Receipts unobtainable	4 5 3	
Travelling-expenses	Receipts unobtainable	1 11 0	
Wages	Vouchers lost	19 7 6	25 3 9
National Commercial Broadcasting.			
Copyright fee	Voucher lost	5 5 0	5 5 0
Public Works.			
Compensation	Voucher lost	798 4 0	
Freight charges	Voucher lost	30 19 3	
Medical services	Voucher lost	2 0 0	
Purchase of publications	Receipt unobtainable	0 2 1	
Purchase of stores	Voucher lost	23 17 10	
Travelling-expenses	Receipts unobtainable	15 17 6	
Trust Account disbursements	Vouchers destroyed	2,340 7 4	
Wages	Vouchers lost	457 9 10	3,668 17 10
Railways.			
Accident compensation	Voucher lost	176 14 1	
Compensation for damage to goods	Receipt unobtainable	10 0 0	
Purchase of stores	Vouchers lost	25 7 3	
Refund value of unused ticket	Receipt unobtainable	0 8 10	212 10 2
Scientific and Industrial Research.			
Freight charges	Receipt unobtainable	0 10 2	
Petty cash disbursements	Vouchers destroyed by fire	1 14 3	
Purchase of publications	Receipts unobtainable	1 2 5	3 6 10
Social Security Fund.			
Benefit payments	Vouchers lost	619 2 6	
Travelling-expenses	Receipt unobtainable	0 15 0	619 17 6
State Forests Account.			
Purchase of films	Receipts unobtainable	0 7 10	0 7 10
Transport.			
Purchase of slides	Receipts unobtainable	1 7 0	
Travelling-expenses	Receipts unobtainable	8 8 6	9 15 6
Treasury.			
Cost of cables, &c.	Receipts unobtainable	9 8 9	
Refund of unclaimed moneys	Receipts unobtainable	4 0 0	
Refund of maintenance moneys	Receipts unobtainable	9 10 0	22 18 9
			<u>£6,247 18 6</u>

Staff Position under War Conditions.

The Audit Department, in common with all other Departments, has suffered severe losses of staff by reason of the paramount claims of military service. At the close of the financial year forty-one officers, or almost one-fifth of the staff, were absent with the forces, and during the year eight others who are members of the Territorial Force were released for three months' training with their units. The numerical loss of forty-one was made good during the year, but almost entirely by the appointment of cadets and female clerks without previous experience of Audit work.

The loss of trained personnel would cause embarrassment in normal times, but under war conditions, when it coincides with such heavy additional demands on Audit services as have been mentioned in this report, the difficulties of satisfactorily carrying out my statutory functions are accentuated.

To counteract the loss of trained staff, attention has been given to the elimination of detail work wherever possible, and to the institution of test audits. In addition, departmental internal checks have been accepted where they were believed to be functioning efficiently.

It is very satisfactory to be able to report that at the close of the financial year no audits were seriously in arrears.

Roll of Honour.

It is with deep regret that I record the death on active service of the undermentioned officers:—

R. T. Mulligan	Flying Officer, R.A.F.
D. L. Nola	Sergeant Pilot, R.N.Z.A.F.

Conclusion.

It is proper in concluding this report that I should acknowledge the assistance given to me during the year by the officers of the Audit Department. Conditions have not been easy, but Audit Officers have met all the calls made upon them with the utmost loyalty and readiness.

I wish also to acknowledge the advice which I have received from the Law Officers of the Crown on many difficult legal questions.

The relations of the Audit Office with Government Departments throughout the year have been cordial, and it is very satisfactory to find that there is general recognition that the aim of the Audit Office is to assist the smooth and efficient running of the administrative machine within the framework of statutory provisions.

CYRIL G. COLLINS,
Controller and Auditor-General.

Audit Office, Wellington, 6th August, 1941.

APPENDIX.

STATEMENT OF SUMS IRRECOVERABLE BY THE CROWN, AND VALUE OF STORES, ETC., IN RESPECT OF WHICH AUDIT CONCURRENCE HAS BEEN GIVEN FOR THE WRITING-OFF AND DISCHARGE FROM THE PUBLIC ACCOUNT SINCE LAST REPORT.

Department and Particulars.	Reason for writing off.	Value of Stores.	Cash.
<i>Agriculture.</i>			
Value of live-stock	Died, and deficient	£ s. d. 2,668 12 9	£ s. d.
Value of publications	Gratuitously issued	2 9 3	.. .. .
Value of stores	Lost broken, deficient, and unserviceable	88 19 4	.. .. .
Value of stores	Stolen	9 1 0	.. .. .
Value of stores	Loss on realization	18 18 7	.. .. .
Fruit-inspection fees	Debtors unfinancial .. .. .	.. .. .	0 14 9
Herd-testing fees	Account waived .. .. .	.. .. .	0 17 6
Postages	Irrecoverable .. .. .	.. .. .	0 3 3
Repairs to cars damaged in accidents	Nugatory expenditure .. .. .	.. .. .	1 5 0
Sales of produce, Ruakura	Irrecoverable .. .. .	.. .. .	0 4 4
Tuition fees, Ruakura	Debtor unfinancial .. .. .	.. .. .	8 4 2
<i>Audit.</i>			
Value of stores	Unserviceable and obsolete	2 0 0	.. .. .
<i>Customs.</i>			
Value of stores	Unserviceable and obsolete	0 18 6	.. .. .
<i>Education.</i>			
Value of live-stock	Died	217 12 4	.. .. .
Value of stores	Lost, broken, deficient, and unserviceable	143 16 5	.. .. .
Advertising in <i>Education Gazette</i>	Debtors untraceable .. .. .	.. .. .	2 15 6
Rent	Debtors unfinancial .. .. .	.. .. .	65 17 11
Salary overpaid	Irrecoverable .. .. .	.. .. .	0 7 9
Sale of publications	Debtors untraceable .. .. .	.. .. .	0 10 0
<i>Electoral.</i>			
Value of stores	Lost and deficient	1 8 10	.. .. .
<i>External Affairs.</i>			
New Zealand Reparation Estates: Value of land	Loss on realization	46 12 9	.. .. .
Value of stores	Stolen	7 1 9	.. .. .
<i>Health.</i>			
Value of cottage	Destroyed by fire	140 10 0	.. .. .
Value of live-stock	Died	13 17 6	.. .. .
Value of live-stock	Loss on sale	69 2 0	.. .. .
Value of stores	Lost, broken, deficient, and destroyed by fire	776 10 2	.. .. .
Value of stores	Loss on realization	16 18 2	.. .. .
Value of stores	Gratuitously issued	2 6 6	.. .. .
Value of stores	Stolen	6 19 3	.. .. .
Maintenance and treatment	Debtors unfinancial .. .. .	.. .. .	2,545 12 9
Repairs to cars damaged in accidents	Nugatory expenditure .. .. .	.. .. .	285 13 8
Value of sera supplied	Debtors untraceable .. .. .	.. .. .	6 14 4
Value of stamps stolen	Irrecoverable .. .. .	.. .. .	0 5 10
<i>Housing.</i>			
Value of stores	Stolen	1 16 6	.. .. .
Rents and instalments, principal, &c.	Loss on voluntary adjustments .. .. .	.. .. .	1,327 6 8
Share cost of boundary fencing	Irrecoverable .. .. .	.. .. .	63 8 10
<i>Industries and Commerce, Tourist and Publicity.</i>			
Power-station buildings, Okere	Loss on realization	266 0 0	.. .. .
Rotorua store	Loss on realization	1 10 0	.. .. .
Value of live-stock	Died and deficient	19 8 1	.. .. .
Value of stores	Lost, broken, deficient, and unserviceable	1,120 11 11	.. .. .
Value of stores	Loss on realization	7 1 4	.. .. .
Value of stores	Stolen	2 17 3	.. .. .
Accommodation charges, Chateau Tongariro	Debtors untraceable .. .. .	.. .. .	2 4 0
Fees: Industrial Efficiency Act	Waived by the Minister .. .. .	.. .. .	2 0 0
Loss on film "Romantic New Zealand"	Irrecoverable .. .. .	.. .. .	51 11 1
Replacement of lost property	Nugatory expenditure .. .. .	.. .. .	10 7 0
Sales of electric energy	Debtors unfinancial and untraceable .. .. .	.. .. .	16 14 10
Sanatorium fees	Debtors unfinancial .. .. .	.. .. .	80 3 0
Undercharge on passenger ticket	Irrecoverable .. .. .	.. .. .	1 0 0
Water-rates	Irrecoverable .. .. .	.. .. .	4 9 8
<i>Internal Affairs.</i>			
Value of live-stock	Died and deficient	5 11 3	.. .. .
Value of motor-car	Loss on realization	63 12 9	.. .. .
Value of stores	Lost, broken, deficient, and destroyed by fire	53 18 10	.. .. .
Value of stores	Stolen	8 6 2	.. .. .
Advances to stranded New-Zealanders	Debtors unfinancial and untraceable .. .. .	.. .. .	303 5 5

STATEMENT OF SUMS IRRECOVERABLE BY THE CROWN, AND VALUE OF STORES, ETC.—*continued.*

Department and Particulars.	Reason for writing off.	Value of Stores.	Cash.
<i>Internal Affairs—continued.</i>			
Censorship fees	Debtor on active service	£ s. d.	£ s. d.
Cost of equipment supplied	Debtors left the service .. .. .	..	0 8
Cost of duplicate certificate of naturalization	Remitted .. .. .	..	3 7 4
Cost of replacement of property on hire	Nugatory expenditure .. .. .	..	0 10 0
<i>Justice and Prisons.</i>			
Value of live-stock	Died and deficient	1,283 0 5	..
Value of machinery	Loss on realization	87 19 8	..
Value of stores	Lost, broken, and deficient	222 8 2	..
Value of stores	Stolen	31 0 0	..
Fines and Court costs	Debtors deceased .. .. .	..	16 10 0
Repairs to cars damaged in accidents	Nugatory expenditure .. .. .	..	106 7 6
Sales of produce	Debtors unfinancial and untraceable .. .. .	..	3 12 6
<i>Labour.</i>			
Value of alterations to buildings	Loss on transfer to Army Department	129 13 11	..
Value of buildings	Loss on realization	57 0 4	..
Value of stores	Lost, broken and deficient	34 2 1	..
Value of stores	Loss on realization	33 8 10	..
Fares and passage money advanced to workmen	Debtors unfinancial and untraceable .. .. .	..	163 2 3
Penalties and costs for breaches of awards	Debtors unfinancial and untraceable .. .. .	..	29 14 4
Repairs to cars damaged in accidents	Nugatory expenditure .. .. .	..	13 19 9
<i>Land and Income Tax.</i>			
Income-tax	Debtors left New Zealand .. .. .	..	31,602 15 1
<i>Lands and Survey.</i>			
Value of dredges	Loss on realization	6,557 9 7	..
Value of huts	Loss on realization	35 9 6	..
Value of motor-cars	Loss on realization	128 1 7	..
Value of live-stock	Died and deficient	11,296 4 8	..
Value of stores	Lost, broken, and deficient	2,167 6 9	..
Value of stores	Stolen	5 6 0	..
Advances under Discharged Soldiers' Settlement Account	Loss on realization of securities .. .. .	..	9,330 10 4
Advances, land development	Debtors unfinancial .. .. .	..	2,358 4 7
Advances, small farms	Debtors unfinancial .. .. .	..	6,403 15 11
Interest on deferred-payment licenses	Debtors unfinancial .. .. .	..	654 14 8
Legal costs	Debtors unfinancial .. .. .	..	136 1 11
Rent	Debtors unfinancial .. .. .	..	12,789 12 7
Rent, small farms	Debtors unfinancial .. .. .	..	311 16 11
Repairs to cars damaged in accidents	Nugatory expenditure .. .. .	..	11 0 9
Royalties	Debtors unfinancial .. .. .	..	144 7 3
Sale of lithos, &c.	Irrecoverable .. .. .	..	14 3 9
Survey liens	Debtors unfinancial .. .. .	..	51 4 8
Wages of small-farm worker (mail-bag lost)	Nugatory expenditure .. .. .	..	9 1 2
<i>Legislative.</i>			
Value of stores	Lost, broken, and deficient	261 11 8	..
<i>Marine.</i>			
Value of stores	Lost, broken, and deficient	147 3 1	..
Inspection fees	Debtors unfinancial .. .. .	..	45 13 10
Labour charges, Westport Harbour	Nugatory expenditure .. .. .	..	2 12 0
Rents, royalties, &c.	Debtors unfinancial .. .. .	..	564 18 9
Repairs to cars damaged in accidents	Nugatory expenditure .. .. .	..	7 19 2
<i>Mental Hospitals.</i>			
Value of live-stock	Died and deficient	496 7 6	..
Value of stores	Lost, broken, and deficient	2,021 12 3	..
Value of stores	Gratuitously issued	2 12 8	..
Value of stores	Stolen	0 4 7	..
<i>Mines.</i>			
Value of coal shortages	Due to handling and stone	2,172 14 11	..
Value of live-stock	Died	35 12 0	..
Value of stores	Lost, broken, deficient, and loss on realization	253 16 1	..
Court costs	Irrecoverable .. .. .	..	3 2 0
Hire of plant, &c.	Amounts remitted by the Minister and debtors unfinancial .. .. .	..	326 14 10
Rent	Company insolvent .. .. .	..	156 19 4
Repairs to cars damaged in accident	Nugatory expenditure .. .. .	..	35 9 1
Sales of coal, &c.	Debtors unfinancial .. .. .	..	66 13 6
<i>National Commercial Broadcasting.</i>			
Value of Exhibition equipment	Donated to the Government	93 15 7	..
Value of recordings	Gratuitously issued	13 17 9	..
Value of motor-car	Loss on realization	36 4 3	..
Value of stores	Lost, broken, deficient, and destroyed by fire	248 15 6	..
Value of stores	Loss on realization	3 6 8	..
Value of stores	Stolen	1 6 9	..
Compensation for damage to records	Nugatory expenditure .. .. .	..	8 0 1
Radio advertising	Debtors unfinancial .. .. .	..	619 0 0

STATEMENT OF SUMS IRRECOVERABLE BY THE CROWN, AND VALUE OF STORES, ETC.—*continued.*

Department and Particulars.	Reason for writing off.	Value of Stores.	Cash.
<i>National Service.</i>			
Value of stores	Lost, broken, and deficient	£ s. d. 44 4 3	£ s. d.
Value of stores	Loss on realization	5 5 5	.. .. .
Blankets, boots, &c., advanced to workmen	Debtors untraceable .. .. .	.. .. .	4 4 3
Fares, advances to workmen	Debtors untraceable .. .. .	.. .. .	17 0 8
<i>Native.</i>			
Value of live-stock	Died and deficient	4,270 2 6	.. .. .
Value of motor-car	Unserviceable	31 10 0	.. .. .
Value of stores	Lost, broken, and destroyed by fire	511 2 2	.. .. .
Value of stores	Stolen	11 4 0	.. .. .
Capital cost, land drainage	Irrecoverable .. .. .	.. .. .	247 11 10
Fees	Irrecoverable .. .. .	.. .. .	0 10 0
Interest on mortgages	Remitted .. .. .	.. .. .	329 7 4
Replacement cost of damage to private property	Nugatory expenditure .. .. .	.. .. .	187 13 9
Sale of fencing-material, &c.	Irrecoverable .. .. .	.. .. .	35 17 2
<i>Police.</i>			
Value of stores	Lost, broken, and deficient	35 4 4	.. .. .
<i>Post and Telegraph.</i>			
Value of equipment	Stolen	199 0 9	.. .. .
Value of safe	Stolen	24 10 0	.. .. .
Value of stores	Lost, broken, and destroyed by fire	2,888 10 9	.. .. .
Directory advertising	Debtors unfinancial and untraceable .. .. .	.. .. .	70 11 7
Fraudulent manipulation of stamp-vending machines and telephone-box receipts	Irrecoverable .. .. .	.. .. .	28 9 10
Repairs to cars damaged in accidents	Nugatory expenditure .. .. .	.. .. .	2,257 15 3
Telephone connections and other services	Debtor unfinancial and untraceable .. .. .	.. .. .	224 2 5
Toll accounts	Debtor unfinancial and untraceable .. .. .	.. .. .	360 16 7
<i>Primary Products Marketing.</i>			
Value of stores	Broken, deficient, and unserviceable	6 1 10	.. .. .
Sales of produce	Debtors unfinancial .. .. .	.. .. .	326 13 4
Net amount of defalcation	Irrecoverable .. .. .	.. .. .	462 18 11
<i>Printing and Stationery.</i>			
Value of stores	Lost in transit	205 4 2	.. .. .
Exchange, &c.	Irrecoverable .. .. .	.. .. .	0 9 5
<i>Public Service Superannuation.</i>			
Advances on mortgage	Loss on realization .. .. .	.. .. .	663 6 10
Allowances overpaid	Irrecoverable .. .. .	.. .. .	0 18 4
<i>Public Trust.</i>			
Value of furniture	Loss on realization	82 6 5	.. .. .
Value of stores	Unserviceable	7 12 10	.. .. .
Value of stores	Stolen	0 2 8	.. .. .
Advances on mortgage	Loss on realization .. .. .	.. .. .	4,668 16 4
<i>Public Works.</i>			
Value of electric irons	Donated to Patriotic Committee	26 6 1	.. .. .
Value of buildings	Loss on demolition	386 10 2	.. .. .
Value of huts	Destroyed by fire	291 0 0	.. .. .
Value of live-stock	Died	27 12 9	.. .. .
Value of machinery and plant	Destroyed	265 0 0	.. .. .
Value of stores	Lost, broken, deficient, and destroyed by fire	7,178 6 1	.. .. .
Value of stores	Loss on realization	714 17 11	.. .. .
Value of stores	Stolen	493 2 6	.. .. .
Value of timber taken over	Deficient	490 2 9	.. .. .
Holiday pay overpaid	Irrecoverable .. .. .	.. .. .	60 11 9
Interest and sinking fund on loan	Company in liquidation .. .. .	.. .. .	31 12 5
Rents and hire of plant	Debtors unfinancial .. .. .	.. .. .	261 11 1
Repairs to motor-vehicles, &c., damaged in accident	Nugatory expenditure .. .. .	.. .. .	359 1 0
Sale of electric energy	Debtors unfinancial .. .. .	.. .. .	5 18 7
Southland electric-power energy	Debtors unfinancial .. .. .	.. .. .	202 16 3
Southland electric-power installations	Debtors unfinancial .. .. .	.. .. .	6 17 8
Southland electric-power rates	Debtors unfinancial .. .. .	.. .. .	4,372 15 7
Value of goods and fares advanced	Debtors unfinancial .. .. .	.. .. .	12 10 7
Water rates	Remitted by the Minister .. .. .	.. .. .	1,244 1 5
<i>Railways.</i>			
Value of stores	Lost, broken, deficient, and destroyed by fire	8,183 6 4	.. .. .
Value of stores	Stolen	313 12 5	.. .. .
Value of vehicles	Destroyed by fire	3,468 9 7	.. .. .
Advertising	Debtors unfinancial .. .. .	.. .. .	62 1 2
Freight charges	Debtors unfinancial .. .. .	.. .. .	185 13 2
Interest	Remitted under agreement .. .. .	.. .. .	187 0 11
Rents	Debtors unfinancial .. .. .	.. .. .	526 7 7
Refund of change paid to wrong person	Nugatory expenditure .. .. .	.. .. .	1 9 8
<i>Scientific and Industrial Research.</i>			
Value of stores	Unserviceable	0 12 7	.. .. .
Cash lost by fire	Irrecoverable .. .. .	.. .. .	2 10 0
Repairs to car damaged in accident	Nugatory expenditure .. .. .	.. .. .	2 0 0

STATEMENT OF SUMS IRRECOVERABLE BY THE CROWN, AND VALUE OF STORES, ETC.—*continued.*

Department and Particulars.	Reason for writing off.	Value of Stores.	Cash.
		£ s. d.	£ s. d.
<i>Social Security.</i>			
Value of stores	Lost, broken, and unserviceable	5 8 5	.. .. .
Advances, Unemployment Fund	Company in liquidation .. .. .	.. .. .	660 0 0
Age-benefits overpaid	Debtor unfinancial .. .. .	.. .. .	297 19 0
Contributions under Scheme 5	Debtor unfinancial .. .. .	.. .. .	392 7 10
Excess sustenance	Debtors convicted and fined, and un- financial and untraceable .. .. .	.. .. .	426 11 3
Fares and equipment advanced	Debtors unfinancial and untraceable .. .. .	.. .. .	79 4 4
Fines	Debtors deceased .. .. .	.. .. .	1 1 9
Funeral expenses	Irrecoverable .. .. .	.. .. .	13 2 10
Salary overpaid	Debtor on active service .. .. .	.. .. .	0 8 3
Sickness and invalidity benefits overpaid	Debtors unfinancial .. .. .	.. .. .	342 15 1
Unemployment benefits overpaid	Debtors unfinancial .. .. .	.. .. .	231 17 1
War veterans' benefits overpaid	Debtors unfinancial .. .. .	.. .. .	201 9 8
Widows' benefits overpaid	Debtors unfinancial .. .. .	.. .. .	133 15 9
<i>Stamp Duties.</i>			
Value of stores	Lost, broken, and unserviceable	129 0 11	.. .. .
Amusement-tax	Debtors unfinancial .. .. .	.. .. .	353 5 4
License duty	Claims abandoned .. .. .	.. .. .	3,072 14 11
<i>State Forest Service.</i>			
Value of grass-seed	Gratuitously issued	1 8 0	.. .. .
Value of publications	Gratuitously issued	3 5 0	.. .. .
Value of live-stock	Died	5 0 0	.. .. .
Value of stores	Lost, broken, deficient, and destroyed by fire	869 11 3	.. .. .
Value of stores	Loss on realization	129 7 5	.. .. .
Repairs to car damaged in accident	Nugatory expenditure .. .. .	.. .. .	3 8 3
Sale of timber	Debtors unfinancial and claims abandoned .. .. .	.. .. .	607 2 4
<i>State Iron and Steel.</i>			
Value of stores	Stolen	0 18 6	.. .. .
<i>Transport.</i>			
Value of stores	Lost	0 11 6	.. .. .
Value of stores	Stolen	0 10 0	.. .. .
Passenger and continuous goods licenses	Irrecoverable .. .. .	.. .. .	52 11 6
Repairs to cars damaged in accidents	Nugatory expenditure .. .. .	.. .. .	54 3 2
<i>Treasury.</i>			
Advances, general purposes relief	Debtors unfinancial .. .. .	.. .. .	1,155 1 5
Advances, Hawke's Bay earthquake	Debtors unfinancial .. .. .	.. .. .	2,794 14 3
Advances, repatriation	Debtors unfinancial .. .. .	.. .. .	1,067 8 7
Advances, State Advances loans	Remitted by Adjustment Commission .. .. .	.. .. .	5,283 18 10
Land settlement and finance associations	Deficiency on winding up .. .. .	.. .. .	1,439 18 5
<i>War Expenses Account.</i>			
Air—			
Value of airframes and engines	Destroyed in crashes	62,174 4 9	.. .. .
Value of armoury	Destroyed in crashes	199 2 6	.. .. .
Value of equipment	Destroyed in crashes	1,313 1 11	.. .. .
Value of petrol	Lost by evaporation	696 7 2	.. .. .
Value of stores	Lost, broken, deficient, and unserviceable	2,895 14 3	.. .. .
Value of stores	Stolen	44 6 4	.. .. .
Compensation for damage to private property	Nugatory expenditure .. .. .	.. .. .	76 0 0
Deficiency in official stamps	Irrecoverable .. .. .	.. .. .	2 12 1
Freight charges	Nugatory expenditure .. .. .	.. .. .	1 0 0
Repairs to cars damaged in accidents	Nugatory expenditure .. .. .	.. .. .	98 16 3
Army—			
Value of equipment	Gratuitously issued to Australian Govern- ment	35,669 15 0	.. .. .
Value of equipment	Stolen	135 17 1	.. .. .
Value of stores	Lost, broken, deficient, and destroyed by fire	5,440 0 6	.. .. .
Value of stores	Stolen	26 19 2	.. .. .
Value of stores	Gratuitously issued	30 3 11	.. .. .
Allotments overpaid	Debtors unfinancial and untraceable .. .. .	.. .. .	380 8 0
Compensation for damage to private pro- perty	Nugatory expenditure .. .. .	.. .. .	18 0 3
Deficiency in Imprest Account	Officers on active service .. .. .	.. .. .	3 0 0
Kit deficiencies	Debtors unfinancial and untraceable .. .. .	.. .. .	53 3 1
Mess accounts overdrawn	Irrecoverable .. .. .	.. .. .	3 18 11
Overpayments of company	Irrecoverable .. .. .	.. .. .	20 12 8
Repairs to vehicles damaged in accidents	Nugatory expenditure .. .. .	.. .. .	20 15 8
Unexpired portion of uniform grant	Irrecoverable .. .. .	.. .. .	15 5 5
Value of land	Dedicated for roading .. .. .	.. .. .	2 12 6
Value of stores ordered but not required	Nugatory expenditure .. .. .	.. .. .	32 14 0
Navy—			
Value of clothing	Issued at less than cost	1,076 11 8	.. .. .
Value of provisions	Issued at less than cost	338 3 11	.. .. .
Value of stores	Lost, deficient, and unserviceable	7 16 6	.. .. .
		174,996 8 10	107,608 3 8
		£282,604 12 6	

PUBLIC ACCOUNTS, 1940-1941.

STATEMENT of the REVENUE of the CONSOLIDATED FUND (ORDINARY REVENUE ACCOUNT) for the FINANCIAL YEAR ended 31st MARCH, 1941.

TAXATION :—	Receipts.		Refunds.		Net Revenue.	
	£	s. d.	£	s. d.	£	s. d.
CUSTOMS	8,995,585	5 2	217,828	6 2	8,777,756	19 0
BEER DUTY	1,648,718	10 1	46,688	12 8	1,602,029	17 5
SALES TAX	3,544,390	6 1	41,856	18 2	3,502,533	7 11
FILM-HIRE TAX	120,283	13 9	25,309	19 11	94,973	13 10
GOLD-EXPORT DUTY	108,968	2 9	52	18 9	108,915	4 0
HIGHWAYS,—						
Tire-tax	63,922	8 3	41	5 4	63,881	2 11
Fees and Fines (Section 4 (3), Transport Law Amendment Act, 1939)	573,927	2 9	448	5 6	573,478	17 3†
Petrol-tax	1,992,087	3 9	247,861	11 5*	1,744,225	12 4
Mileage-tax and Penalties (Motor-vehicles Amendment Act, 1934-35, Section 4 (6)—						
Electrically-propelled Motor-vehicles	111	18 9	1	3 8	110	15 1
Other Motor-vehicles	28,144	1 8	16,084	0 11	12,060	0 9
	2,658,192	15 2	264,436	6 10	2,393,756	8 4
STAMP AND DEATH DUTIES,—						
Adhesive Stamps	305,683	12 9	250,458	15 2	55,224	17 7
Duty on Instruments	393,765	8 1	3,154	6 0	390,611	2 1
Estate Duty	437,295	2 8	437,295	2 8	†	
Succession Duty	126,035	11 3	126,035	11 3	†	
Gift Duty	64,820	10 9	64,820	10 9	†	
Fines and Penalties	1,642	2 10	21	12 10	1,620	10 0
Impressed Stamps	234,826	2 1	1,277	15 11	233,548	6 2
Licenses to Companies	92,175	13 0	674	9 4	91,501	3 8
Sharebrokers' Licenses	1,517	10 0	6	5 0	1,511	5 0
Duties payable by Racing Clubs	785,576	7 10	59	14 7	785,516	13 3
Amusements-tax	92,714	15 5	14	15 10	92,699	19 7
Lottery Duty	24,074	12 0	..	..	24,074	12 0
Overseas Passenger Duty	14,951	1 5	0	10 0	14,950	11 5
Miscellaneous	4,900	8 11	14	15 10	4,885	13 1
Receipts under Section 4, Mortgagees' Indemnity (Workers' Charges) Act, 1927	1,634	11 0	0	8 0	1,634	3 0
	2,581,613	10 0	883,834	13 2	1,697,778	16 10
LAND-TAX	1,046,365	3 8	86,947	8 4	959,417	15 4
INCOME-TAX	15,880,677	2 10	160,187	6 0	15,720,489	16 10
MISCELLANEOUS.—						
Residue, Mileage-tax and Penalties under Motor-vehicles Amendment Act, 1934-35, Section 4 (6) (b)	16,080	0 11	..	..	16,080	0 11
TOTAL, TAXATION	36,600,874	10 5	1,727,142	10 0	34,873,732	0 5
Carried forward	36,600,874	10 5	1,727,142	10 0	34,873,732	0 5

£ s. d.

* Rebates in respect of motor-spirits used otherwise than as fuel for motor-vehicles, in terms of section 6 of the Customs Amendment Act, 1939 247,861 11 5

† £573,478 17s. 3d. of this amount consists of fees, fines, &c., which are not taxation.

‡ Transferred to War Expenses Account in terms of Finance Act, 1940, Section 8 (1) (c).

PUBLIC ACCOUNTS, 1940-1941.

STATEMENT of the REVENUE of the CONSOLIDATED FUND (ORDINARY REVENUE ACCOUNT) for the FINANCIAL YEAR ended 31st MARCH, 1941—continued.

	Receipts.			Refunds.			Net Revenue.		
	£	s.	d.	£	s.	d.	£	s.	d.
Brought forward	36,600,874	10	5	1,727,142	10	0	34,873,732	0	5
INTEREST :—									
ON CAPITAL LIABILITY, WORKING RAILWAYS (interest at £4 5s. per cent. on the total amount of capital moneys deemed to be expended in respect of the railways, as provided by Order in Council under the Government Railways Act, 1926)—									
Year 1940-41	2,746,543	14	2						
Less reduction made in terms of Finance Act, 1930 (No. 2), Section 14.. .. .	1,051,900	3	4						
	1,694,643	10	10				1,694,643	10	10
ON CAPITAL LIABILITY, POSTAL AND TELEGRAPH (interest as determined under section 95 of the Post and Telegraph Act, 1928, at £4 5s. per cent. on the amount of the capital liability as at 1st April, 1940, together with interest at the rate of £2 2s. 6d. per cent. on the net amount applied for the purposes of the Department out of the Public Works Fund during the year)—									
Year 1939-40 (balance)	14,543	3	0						
Year 1940-41 (on account)	650,456	17	0						
	665,000	0	0				665,000	0	0
ON THE PUBLIC DEBT REDEMPTION FUND (details on separate statement)	396,519	14	10				396,519	14	10
ON OTHER PUBLIC MONEYS (details on separate statement)	529,183	16	11	500	16	3	528,683	0	8
TOTAL, INTEREST	3,285,347	2	7	500	16	3	3,284,846	6	4
OTHER RECEIPTS :—									
REGISTRATION AND OTHER FEES,—									
Air Navigation Act, 1931	171	0	0	6	17	6	164	2	6
Animals Protection and Game Act, 1921-22	7	0	0				7	0	0
Animals Protection and Game Act, 1921-22 (Part III)	5,325	9	8	1	19	0	5,323	10	8
Apprentices Act, 1923	51	3	0	0	2	0	51	1	0
Arms Act, 1920	2,604	12	6	0	5	0	2,604	7	6
Births, Deaths, and Marriages	29,442	2	11	7	15	8	29,434	7	3
British Nationality and Status of Aliens (in New Zealand) Act, 1928	110	18	6	22	0	0	88	18	6
By-laws Act, 1910	3	3	0				3	3	0
Cemeteries Act, 1908	68	9	6	8	12	0	59	17	6
Cinematograph Films Act, 1928	2,844	15	3	42	13	6	2,802	1	9
Coal-mines Act, 1925	168	2	0	6	12	0	161	10	0
Crown Grant Fees	9	0	6	8	0	0	1	0	6
Customs Act, 1913	12,441	9	11	389	13	8	12,051	16	3
Dairy Industry Act, 1908	2,648	0	0	4	0	0	2,644	0	0
Dentists Act, 1936	700	17	3	6	10	0	694	7	3
Distillation Act, 1908	94	0	0	2	0	0	92	0	0
Education Act, 1914	5	5	0				5	5	0
Electrical Wiremen's Registration Act, 1925	1,010	18	5	34	11	9	976	6	8
Engineers Registration Act, 1924	45	16	0	4	4	0	41	12	0
Explosive and Dangerous Goods Act, 1908	8,108	5	11	179	13	9	7,928	12	2
Factories Act, 1921-22	4,618	9	0	1	6	0	4,617	3	0
Fertilizers Act, 1927	393	7	0	6	0	0	387	7	0
Finance Act, 1915 (Part III), (Beer Duty)	1,318	11	4	55	0	0	1,263	11	4
Fisheries Act, 1908	1,717	4	8	16	0	0	1,701	4	8
Friendly Societies Act, 1909	3	9	0				3	9	0
Health Act, 1920	13	5	0				13	5	0
Hospitals and Charitable Institutions Act, 1926	690	12	11	1	0	0	689	12	11
Industrial Conciliation and Arbitration Act, 1925	379	8	0	4	0	0	375	8	0
Industrial Efficiency Act, 1936	19,204	0	11	248	0	0	18,956	0	11
Inspection of Machinery Act, 1928	22,782	13	8	58	6	0	22,724	7	8
Land Agents Act, 1921-22	8,291	12	6	751	11	3	7,540	1	3
Licensing Act, 1908	44	0	0				44	0	0
Life Insurance Act, 1908	0	15	0				0	15	0
Margarine Act, 1908	3	0	0				3	0	0
Masseurs Registration Act, 1920	270	7	0	5	5	8	265	1	4
Meat Act, 1939	61,521	10	8	7	10	0	61,514	0	8
Carried forward	187,112	16	0	1,879	8	9	185,233	7	3
Carried forward	39,886,221	13	0	1,727,643	6	3	38,158,578	6	9

PUBLIC ACCOUNTS, 1940-1941.

STATEMENT of the REVENUE of the CONSOLIDATED FUND (ORDINARY REVENUE ACCOUNT) for the FINANCIAL YEAR ended 31st MARCH, 1941—continued.

	Receipts.			Refunds.			Net Revenue.		
	£	s.	d.	£	s.	d.	£	s.	d.
Brought forward	39,886,221	13	0	1,727,643	6	3	38,158,578	6	9
OTHER RECEIPTS—continued.									
Brought forward	187,112	16	0	1,879	8	9	185,233	7	3
REGISTRATION AND OTHER FEES—continued.									
Medical Practitioners Act, 1914	455	15	2	6	12	6	449	2	8
Mining Act, 1926	596	6	10	5	2	0	591	4	10
Money-lenders Act, 1908	1,921	5	0	33	15	0	1,887	10	0
Motor-vehicles Act, 1924	47	19	6	..	..	..	47	19	6
Native Land Act, 1931	8	8	0	..	..	..	8	8	0
Native Land Amendment and Native Land Claims Adjustment Act, 1926, Section 14 (Taupo Waters)—									
Fees, Licenses, and Camp-sites	2,894	3	0	1	14	0	2,892	9	0
Fines and Penalties	117	4	6	108	13	6	8	11	0
New Zealand Loans Act, 1932	286	9	6	..	..	..	286	9	6
Nurses and Midwives Registration Act, 1925	9,526	10	8	15	2	3	9,511	8	5
Opticians Act, 1928	217	19	6	33	10	0	184	9	6
Orchard and Garden Diseases Act, 1928	11,912	17	8	5	17	8	11,907	0	0
Patents, Designs, and Trade-marks Act, 1921-22	12,594	7	0	30	3	0	12,564	4	0
Petroleum Act, 1937	27	10	0	..	..	..	27	10	0
Plumbers Registration Act, 1912	510	12	2	3	15	6	506	16	8
Poisons Act, 1934	232	2	0	1	15	6	230	6	6
Public Safety Conservation Act, 1932	38	10	0	6	0	0	32	10	0
Sales Tax Act, 1932-33	512	0	0	..	..	..	512	0	0
Second-hand Dealers Act, 1908	367	0	0	..	..	..	367	0	0
Servants' Registry Offices Act, 1908	13	10	0	..	..	..	13	10	0
Stallions Act, 1938	26	5	0	..	..	..	26	5	0
Stock Act, 1908	860	8	0	4	5	0	856	3	0
Stock Remedies Act, 1934	69	6	0	5	3	0	64	3	0
Stone-quarries Act, 1910	63	10	0	1	0	0	62	10	0
Timber-floating Act, 1908	5	10	0	..	..	..	5	10	0
Tobacco Act, 1908	1,425	5	0	..	..	..	1,425	5	0
Tramways Act, 1908	76	5	0	..	..	..	76	5	0
Transport Licensing Act, 1931	47,985	12	5	928	9	2	47,057	3	3
Valuation of Land Act, 1925	32,722	3	2	98	14	6	32,623	8	8
Veterinary Surgeons Act, 1926	2	2	0	..	..	..	2	2	0
Weights and Measures Act, 1925	10,208	18	10	7	11	0	10,201	7	10
	322,838	11	11	3,176	12	4	319,661	19	7
TERRITORIAL REVENUE,—									
Rents, Royalties, and Miscellaneous Receipts from lands—									
Agricultural Department	3	5	8	..	..	..	3	5	8
Air Department	286	12	11	13	11	0	273	1	11
Army Department	1,931	2	2	44	7	3	1,886	14	11
Customs Department	1	0	0	..	..	..	1	0	0
Education Department	309	16	6	24	15	1	285	1	5
Health Department	3	10	0	..	..	..	3	10	0
Internal Affairs Department	23	6	8	..	..	..	23	6	8
Justice and Prisons Department	450	0	0	..	..	..	450	0	0
Lands and Survey Department—									
Crown lands	388,962	19	1	4,687	1	3	384,275	17	10
Hauraki Plains lands	6,648	12	11	229	10	7	6,419	2	4
Swamp Drainage lands	386	10	7	..	..	..	386	10	7
Small-farms Scheme	5,990	9	8	963	6	10	5,027	2	10
Miscellaneous Fees	3,245	3	2	743	3	9	2,501	19	5
Marine Department	209	17	6	..	..	..	209	17	6
Mental Hospitals Department	505	0	0	..	..	..	505	0	0
Mines Department	15,719	1	2	160	15	6	15,558	5	8
Police Department	95	10	6	..	..	..	95	10	6
Public Works Department	511	16	4	56	16	8	454	19	8
Amounts transferred from State Forests Account in terms of section 39 (2) of the Forests Act, 1921-22	16,150	15	10	..	..	..	16,150	15	10
	441,434	10	8	6,923	7	11	434,511	2	9
Carried forward	764,273	2	7	10,100	0	3	754,173	2	4
Carried forward	39,886,221	13	0	1,727,643	6	3	38,158,578	6	9

PUBLIC ACCOUNTS, 1940-1941.

STATEMENT of the REVENUE of the CONSOLIDATED FUND (ORDINARY REVENUE ACCOUNT) for the FINANCIAL YEAR ended 31st MARCH, 1941—*continued*.

	Receipts.		Refunds.		Net Revenue.	
	£	s. d.	£	s. d.	£	s. d.
Brought forward	39,886,221	13 0	1,727,643	6 3	38,158,578	6 9
OTHER RECEIPTS—<i>continued</i>.						
Brought forward	764,273	2 7	10,100	0 3	754,173	2 4
EXTERNAL AFFAIRS,—						
New Zealand Reparation Estates	59,668	6 2	35	0 0	59,633	6 2
Export of Bananas from Samoa	116,747	18 10	36	18 11	116,710	19 11
	176,416	5 0	71	18 11	176,344	6 1
JUSTICE,—						
Court Fees, Fines, and Bankruptcy Commission ..	169,162	18 10	8,796	5 7	160,366	13 3
MARINE,—						
Pilotage Rates and Harbour Fees	1,280	18 1	..	..	1,280	18 1
Shipping and Seamen Act, 1908	92,074	2 6	274	6 5	91,799	16 1
Rents of Foreshores, Royalties, &c.	3,330	15 2	11	5 3	3,319	9 11
Sale of Oysters under Fisheries Act, 1908	8,038	3 6	0	2 6	8,038	1 0
Rents from Toheroa Areas	371	0 0	..	..	371	0 0
Westport Harbour	46,740	7 0	44	3 11	46,696	3 1
	151,835	6 3	329	18 1	151,505	8 2
PROFITS OF TRADING INSTITUTIONS,—						
Post and Telegraph Department—						
Post Office Savings-bank profits received from the Post Office Account in terms of section 95 (1) (c), Post and Telegraph Act, 1928—						
For year 1939-40 (On Account)	20,000	0 0	..	..	20,000	0 0
Profits other than Post Office Savings-bank profits received from the Post Office Account in terms of section 95 (1) (d), Post and Telegraph Act, 1928—						
For year 1938-39 (On Account)	30,000	0 0	..	..	30,000	0 0
Public Trust Office—						
Half of profits credited in terms of section 24 (1) of the Finance Act, 1929—						
For year 1939-40	8,489	8 0	..	..	8,489	8 0
Reserve Bank of New Zealand—						
Profits credited in terms of section 36 (c), Reserve Bank of New Zealand Act, 1933—						
For year 1939-40	361,363	6 10	..	..	361,363	6 10
	419,852	14 10	..	..	419,852	14 10
NATIVE,—						
Fees collected in Stamps under the provisions of the Native Land Act, 1931	4,738	6 2	..	..	4,738	6 2
PRINTING AND STATIONERY,—						
General Receipts	296,973	3 2	5,067	17 11	291,905	5 3
STAMP DUTIES,—						
Land Registry and Deeds Register Office Fees ..	64,145	11 9	0	10 8	64,145	1 1
TOURIST AND HEALTH RESORTS,—						
Receipts in respect of Reserves under the Tourist and Health Resorts Control Act, 1908	112,692	9 2	126	10 4	112,565	18 10
MISCELLANEOUS (details on separate statement) ..	131,664	5 3	356	6 11	131,307	18 4
RECOVERIES ON ACCOUNT OF EXPENDITURE OF PREVIOUS YEARS (details on separate statement)	12,587	14 1	470	10 7	12,117	3 6
RECOVERIES ON ACCOUNT OF UNAUTHORIZED EXPENDITURE OF PREVIOUS YEARS (details on separate statement) ..	336	17 3	10	0 0	326	17 3
TOTAL, OTHER RECEIPTS	2,304,678	14 4	25,329	19 3	2,279,348	15 1
TOTAL REVENUE	42,190,900	7 4	1,752,973	5 6	40,437,927	1 10

PUBLIC ACCOUNTS, 1940-1941.

STATEMENT of INTEREST on the PUBLIC DEBT REDEMPTION FUND for the FINANCIAL YEAR ended 31st MARCH, 1941.

REPAYMENT OF THE PUBLIC DEBT ACT, 1925, SECTION 12 (a) :—		£	s.	d.
Interest earned by the capital moneys of the Public Debt Redemption Fund held by—				
Public Trustee .. .. .	.. .. .	286,832	4	10
State Advances Office .. .. .	.. .. .	169,687	10	0
		396,519	14	10

STATEMENT of INTEREST on OTHER PUBLIC MONEYS for the FINANCIAL YEAR ended 31st MARCH, 1941.

INTEREST ON OTHER PUBLIC MONEYS :—	£	s.	d.	£	s.	d.	£	s.	d.
On investments made in respect of the—									
Deposits Account .. .. .	..	..	..	9,671	10	5			
Loans Redemption Account .. .. .	..	..	..	1,121	19	6			
Ordinary Revenue Account .. .. .	..	..	..	19,122	9	7			
Bank of New Zealand Shares Account: Dividends transferred to Ordinary Revenue Account in terms of section 8 (3), Finance Act, 1926—									
Dividend on 500,000 £1 preference A shares ..	50,000	0	0						
Final dividend on 1,375,000 £1 preference B shares for year ended 31st March, 1940	68,750	0	0						
Interim dividend on 1,375,000 £1 preference B shares for year ended 31st March, 1941	31,250	0	0						
Half-yearly dividend on 234,375 £1 C long-term mortgage shares to 31st March, 1940	7,031	5	0						
Half-yearly dividend on 234,375 £1 C long-term mortgage shares to 30th September, 1940	7,031	5	0						
				164,062	10	0			
Public Works Fund, General Purposes Account ..	..	..	..	9,160	6	0			
Public Account Cash Balance Investment Account ..	..	..	..	17,311	2	1			
Receiver-General's Deposit Account .. .. .	..	..	..	3,892	2	4			
Reserve Fund Account .. .. .	..	..	..	44,415	10	3			
Silver and Bronze Coin Account .. .. .	..	..	..	19,804	15	1			
War Expenses Account, 1939 .. .. .	..	..	..	9,665	8	0			
							298,227	13	3
On £1,226,000 appropriated out of Public Works Fund and paid to Main Highways Account in terms of paragraph (b), section 16, Main Highways Act, 1922—									
Finance Act, 1930, section 36 .. .. .	..	..	..				61,300	0	0
On amount due from the Public Works Fund—General Purposes Account, in terms of section 38 (3), Native Land Amendment Act, 1936, on account of Native Land Development (on account) .. .. .	..	..	..				63,417	3	8
On loan of £400,000 to the Rural Intermediate Credit Board, year ended 30th June, 1940 .. .. .	..	..	..				8,000	0	0
On loans to earthquake sufferers in terms of section 49, Hawke's Bay Earthquake Act, 1931 .. .. .	..	..	..				232	5	7
On loans to earthquake sufferers—Pahiatua earthquake .. .. .	..	..	..				17	10	2
On loans to sufferers—Wairarapa storm .. .. .	..	..	..				2	5	0
On loans to local bodies under Local Bodies' Loans Act, 1908 .. .. .	..	..	..				52,724	16	2
On loans to Samoan Treasury in terms of section 33, Samoa Act, 1921 .. .. .	..	..	..				3,370	17	9
On loan to Taieri River Trust in terms of section 3, Taieri River Improvement Amendment Act, 1939 ..	..	..	..				2,550	0	0
On loans under section 26, Agriculture (Emergency Powers) Act, 1934 .. .. .	..	..	..				1,658	4	0
On miscellaneous advances—									
For erection of hostels, &c.—									
Auckland Grammar School	25	0	0						
New Plymouth High School	379	10	5						
Timaru High School	320	17	0						
Wairarapa High School	40	10	0						
Whangarei High School	13	2	6						
				778	19	11			
Carried forward .. .. .	..	..	..	778	19	11	491,500	15	7

PUBLIC ACCOUNTS, 1940-1941.

STATEMENT of INTEREST on OTHER PUBLIC MONEYS for the FINANCIAL YEAR ended 31st MARCH, 1941—*continued*.

	£	s.	d.	£	s.	d.	£	s.	d.
Brought forward .. .. .	..	..	..	778	19	11	491,500	15	7
INTEREST ON OTHER PUBLIC MONEYS—<i>continued</i>.									
On miscellaneous advances—<i>continued</i>.									
For Native Land Settlement Account—Survey liens ..	..	..	..	624	18	3			
From Vote "Agriculture," to various agricultural associations .. .. .	..	..	..	30	18	6			
To Cook Islands Fruit Account .. .. .	..	..	..	689	12	10			
To discharged soldiers under Repatriation Act, 1918 ..	..	..	..	33	5	8			
To Eastbourne Borough Council for drainage works ..	..	..	..	214	17	6			
To Egmont National Park Board .. .. .	..	..	..	9	12	7			
To Land Settlement Associations—									
Anland	334	2	6						
Blairgowrie	382	9	7						
Bruce	81	16	1						
Chastleton	99	0	2						
Clifton Grove	237	4	8						
Eiffelton	434	0	0						
Glencairn	309	9	3						
Gleniffer	109	8	10						
Hari Hari	98	10	1						
Kelman	150	0	0						
Lake Alice	156	2	5						
Matamau	510	2	6						
Melville Downs	255	1	8						
Nikau Grange	262	16	2						
Otaikarangi	61	17	2						
Otauri	327	10	3						
Owersby	296	6	7						
Quiltowen	204	14	0						
Trentham	343	17	8						
Waitohi Downs	203	18	6						
Wentnor	181	17	8						
				5,040	5	9			
To Lower Clutha River Trust .. .. .	..	..	..	87	11	1			
To Maori Gold Mining Co., Ltd. .. .. .	..	..	..	32	6	11			
To Maori Land Boards, under section 340, Native Land Act, 1931 .. .. .	..	..	..	21	2	2			
To Mount Cook and Southern Lakes Tourist Co., Ltd. (lease of Hermitage, Mount Cook) .. .. .	..	..	..	849	11	2			
To Opotiki Borough Council .. .. .	..	..	..	15	15	0			
To Rotorua Golf Club .. .. .	..	..	..	114	13	1			
To Taupiri Drainage Board (protective works) .. .. .	..	..	..	3	16	3			
To Y.M.C.A.—									
For purchase of cinemas .. .. .	..	..	..	12	1	3			
For purchase of radio sets .. .. .	..	..	..	6	5	0			
To Westhaven Coal Co. .. .. .	..	..	..	13	5	7			
Under the Native Housing Act, 1935 .. .. .	..	..	..	2,530	17	5			
Under the Native Land Act, 1931, section 521 (2) .. .. .	..	..	..	2,177	4	0			
Under the Native Land Amendment Act, 1936—									
Section 48 .. .. .	..	..	..	378	18	1			
Under the Small-farm Plan .. .. .	..	..	..	18,209	18	0			
Under the Village-homestead Settlement Scheme .. .. .	..	..	..	171	5	1			
							32,047	1	1
Miscellaneous interest on—									
Amount due to Scientific and Industrial Research Department .. .. .	..	..	..	0	17	6			
Balance of—									
Post-office Savings-bank Accounts used by Child Welfare Branch, Education Department .. .. .	..	..	..	2	9	8			
Commonwealth Savings-bank Account, Pacific Islands Force .. .. .	..	..	..	2	2	10			
Debentures under the Hutt Road Act, 1915 .. .. .	..	..	..	2,445	0	0			
Deposits by High Commissioner .. .. .	..	..	..	52	15	10			
Mortgages due to Reparation Estates .. .. .	..	..	..	271	3	9			
Purchase-moneys in connection with sales of land and buildings—									
Education Department	47	18	3						
Department of Lands and Survey	91	16	3						
Police Department	32	8	6						
Public Works Department	107	10	1						
				279	13	1			
Purchase-moneys in connection with sales of plant—									
Public Works Department .. .. .	..	..	..	55	19	10			
Crown's proportion of Greymouth Harbour Board special coal rate: Credited as interest on sums of £114,439 ls. and £27,000 in terms of section 12 of the Greymouth Harbour Board Act, 1884 .. .. .	..	..	..	2,025	1	6			
							5,135	4	0
							£528,683	0	8

PUBLIC ACCOUNTS, 1940-1941.

STATEMENT of OTHER RECEIPTS, MISCELLANEOUS, for the FINANCIAL YEAR ended 31st MARCH, 1941.

	£	s.	d.	£	s.	d.	£	s.	d.
LEGISLATIVE DEPARTMENT :—									
Hire of typewriters						2	5	10	
TREASURY DEPARTMENT :—									
Conscience-money	107	9	0						
Exchange, commission, discount, &c. ..	82	14	6						
Unclaimed moneys—									
Under Public Revenues Act, 1926, section 30—									
Courts of Law Trust	60	12	11						
Forest Clerks' deposits	25	1	7						
Gaolers' deposits	1	9	8						
Goldfields deposits	13	5	6						
Labour deposits	504	7	11						
Land revenue deposits	111	11	0						
Maori Land Board deposits	496	15	7						
Marine deposits	8	12	8						
Probation Officers' deposits	17	17	0						
Receiver-General's deposits	4	19	6						
Under Public Revenues Act, 1926, section 95—									
General estates	932	1	5						
Bankruptcy Act, 1908	622	9	2						
Rating Act, 1925	124	14	7						
Unclaimed land balances	24	16	0						
Surplus cash—Not identified	6	2	6						
Transfers from Deposits Account—									
Distribution of Wool Profits	2,414	12	2						
Miscellaneous, &c.	51	3	1						
Unclaimed earnings	1,506	16	5						
Unpresented cheques	362	10	8						
Dividends unclaimed for over 10 years—									
N.Z. Government stock	76	4	8						
Excess cash at Government offices ..	15	10	11						
Money found by or handed to police officers, &c., not claimed	25	14	7						
Money found in Government institutions ..	3	8	11						
Money found on prisoner (confiscated) ..	0	4	6						
Unclaimed balances—Native Trustee ..	5	0	0						
Bank of England fractions of interest ..	151	15	2						
Donations to the Consolidated Fund ..	802	6	7						
Duty on scrap gold and jewellers' sweepings ..	1,835	8	7						
Forfeited deposits—									
Land revenue deposits	72	11	0						
Mines Department	5	0	0						
Oversea Passengers Emergency Regulations 1939 ..	100	0	0						
Parliamentary candidates	40	0	0						
Receiver-General's deposits	52	9	0						
Miners' rights, &c. : Fiord County	0	19	0						
Moneys forfeited under Finance Emergency Regulations 1940 (No. 2)	263	1	9						
New Zealand Government's share of profits from Bank of International Settlements	4	16	8						
Profit on sale of New Zealand Government stock ..	20,000	0	0						
Surplus funds, Waitangi Land Settlement Association ..	58	0	0						
							30,992	14	2
CUSTOMS DEPARTMENT :—									
Fines under Immigration Restriction Act, 1908 ..	300	0	0						
Rents of buildings	78	0	0						
Sale of goods seized by Customs	44	12	1						
							422	12	1
LAND AND INCOME TAX DEPARTMENT :—									
Unclaimed moneys—									
Under Unclaimed Moneys Act, 1908, section 6, and Finance Act, 1932, section 30							2,947	2	5
STAMP DUTIES DEPARTMENT :—									
Amounts received under Companies Act, 1933, section 283 ..							923	10	11
DEPARTMENT OF INTERNAL AFFAIRS :—									
Fees and fines, Rotorua Acclimatization District ..	119	4	0						
Fees for—									
Camp sites, licenses, &c.	64	6	6						
Slipway	8	8	0						
Storage of powder	1,414	14	9						
Passport fees	648	16	5						
Rents of buildings	318	6	0						
Sale of—									
Fishing and game licenses, Rotorua Acclimatization District ..	3,740	7	0						
Godwit licenses	5	0	0						
Publications	55	9	6						
Waste paper	20	11	2						
							6,395	3	4
Carried forward							41,683	8	9

PUBLIC ACCOUNTS, 1940-1941.

STATEMENT of OTHER RECEIPTS, RECOVERIES on ACCOUNT of EXPENDITURE of PREVIOUS YEARS, for the FINANCIAL YEAR ended 31st MARCH, 1941.

Ordinary Revenue Account.

	£	s.	d.	£	s.	d.	£	s.	d.
LEGISLATIVE DEPARTMENT :—									
Sale of—									
Publications	12	19	8						
Surplus and obsolete stores	15	9	5						
							28	9	1
TREASURY DEPARTMENT :—									
Repayment of loans to agricultural associations ..	133	0	0						
Sale of surplus and obsolete stores	4	14	0						
							137	14	0
CUSTOMS DEPARTMENT :—									
Sale of surplus and obsolete stores							35	6	7
LAND AND INCOME TAX DEPARTMENT :—									
Sale of surplus and obsolete stores							45	3	7
STAMP DUTIES DEPARTMENT :—									
Sale of surplus and obsolete stores							26	16	8
PUBLIC SERVICE COMMISSIONER'S OFFICE :—									
Sale of surplus and obsolete stores							7	10	0
DEPARTMENT OF INTERNAL AFFAIRS :—									
Sale of surplus and obsolete stores							510	12	3
DEPARTMENT OF EXTERNAL AFFAIRS :—									
Sale of surplus and obsolete stores							178	8	4
MARINE DEPARTMENT :—									
Sale of surplus and obsolete stores							295	7	2
DEPARTMENT OF LABOUR :—									
Passages of immigrant artisans	2,774	11	11						
Sale of surplus and obsolete stores	185	14	10						
							2,960	6	9
NATIVE DEPARTMENT :—									
Sale of surplus and obsolete stores							651	1	4
VALUATION DEPARTMENT :—									
Sale of surplus and obsolete stores							23	0	4
ELECTORAL DEPARTMENT :—									
Sale of surplus and obsolete stores							0	9	6
DEPARTMENT OF JUSTICE AND PRISONS :—									
Sale of surplus and obsolete stores							218	6	4
POLICE DEPARTMENT :—									
Sale of surplus and obsolete stores							1,262	5	6
PUBLIC WORKS DEPARTMENT :—									
Recovery part cost river erosion protective works, Otaki ..							12	10	0
DEPARTMENT OF LANDS AND SURVEY :—									
Repayment of loan—Egmont National Park Board ..	160	0	0						
Sale of surplus and obsolete stores	290	16	0						
							450	16	0
Carried forward							6,844	3	5

PUBLIC ACCOUNTS, 1940-1941.

STATEMENT of OTHER RECEIPTS, RECOVERIES on ACCOUNT of EXPENDITURE of PREVIOUS YEARS, for the FINANCIAL YEAR ended 31st MARCH, 1941—*continued*.Ordinary Revenue Account—*continued*.

	£	s.	d.	£	s.	d.	£	s.	d.
Brought forward	6,844	3	5			
DEPARTMENT OF AGRICULTURE :— Sale of surplus and obsolete stores	181	17	10			
DEPARTMENT OF INDUSTRIES AND COMMERCE, TOURIST AND PUBLICITY :— Instalments on account of advance to Rotorua Golf Club Recoveries on account of defalcations Sale of surplus and obsolete stores				165	4	6			
				149	10	2			
				3,421	16	4			
				3,736	11	0			
DEPARTMENT OF SCIENTIFIC AND INDUSTRIAL RESEARCH :— Sale of surplus and obsolete stores	24	11	0			
MINES DEPARTMENT :— Sale of surplus and obsolete stores	86	13	1			
DEPARTMENT OF HEALTH :— Sale of— Land and buildings Surplus and obsolete stores				450	0	0			
				463	7	5			
				913	7	5			
EDUCATION DEPARTMENT :— Sale of surplus and obsolete stores	329	8	9			
NATIONAL PROVIDENT AND FRIENDLY SOCIETIES DEPARTMENT :— Sale of surplus and obsolete stores	0	11	0			
							12,117	3	6
UNAUTHORIZED EXPENDITURE OF PREVIOUS YEARS.									
TREASURY DEPARTMENT :— Refund of war-risk insurance on departmental purchases shipped from United Kingdom to New Zealand	173	14	7			
DEPARTMENT OF INTERNAL AFFAIRS :— Refund on account of— Administration expenses: Patriotic Purposes Emergency Regulations Unexpended portion of grant to Right Hon. P. Fraser and party in connection with visit to United Kingdom Amount remitted to New Zealand Insurance Co., Bombay, for assistance to stranded New Zealanders Evacuation expenses: High Commissioner's staff, London				20	16	1			
				92	5	8			
				4	10	11			
				35	0	0			
				152	12	8			
SOCIAL SECURITY DEPARTMENT :— Refund on account of overpayment Christmas bonus, 1939	0	10	0			
							326	17	3
							£12,444	0	9

PUBLIC ACCOUNTS, 1940-1941.

STATEMENT of the DISBURSEMENTS of the CONSOLIDATED FUND (Ordinary Revenue Account) under SPECIAL ACTS of the LEGISLATURE, and of RECOVERIES in respect of such DISBURSEMENTS, for the FINANCIAL YEAR ended 31st MARCH, 1941.

Debt Services—Interest.

Nature of Security.	Maturity Date.	Rate per Cent.	Gross Interest due and charged to Ordinary Revenue Account for Year ended 31st March, 1941.		
			£	s.	d.
Stock	15th September, 1940	3½	8,125	0	0
Debentures	15th December, 1940	4	29,071	0	0
Stock	1st March, 1941	2¾	4,583	9	2
Debentures	1st July, 1941	4½	463	10	0
Stock and Debentures	15th July, 1941	3	138,405	3	0
Debentures	1st August, 1941	4½	315	0	0
Stock and Debentures	15th November, 1941	3¾	112,555	6	4
Stock	1st March, 1942	4	1,480	0	0
Stock	15th March, 1943	3½	60,557	17	6
Stock	15th March, 1943	4	477,931	2	4
Stock	1st March, 1944	4½	330,284	10	6
Stock	1st January, 1940-45	3½	516,224	14	9
Debentures	15th February, 1945	5	9,975	0	0
Stock	1st March, 1945	4½	341,140	16	8
Stock	15th March, 1945	4	9,237	8	7
Stock	1st April, 1945	3	239,799	8	0
Stock	30th June, 1945	3	90	5	1
Stock	1st January, 1946	5	644,305	10	2
Stock and Debentures	15th February, 1946	4	393,634	14	6
Stock	1st April, 1946	3	36,822	4	7
Stock	1st April, 1946	4	17,339	17	4
Stock	15th September, 1947	4	114,042	0	0
Debentures	15th September, 1947	5	66,525	0	0
Stock	1st November, 1947	4½	504,972	7	10
Stock	30th November, 1948	4	179,686	3	10
Stock	1st January, 1949	4	420	0	0
Stock and Debentures	15th April, 1949	4	358,531	11	9
Stock	15th December, 1949	5	375,000	0	0
Stock	15th December, 1950	3½	8,750	0	0
Stock and Debentures	1st February, 1951	5½	111,595	0	0
Stock	15th May, 1952	3½	27,164	7	6
Stock	15th May, 1952	4	468,319	4	0
Stock	1st February, 1954	3½	182,623	15	9
Stock and Debentures	15th June, 1955	4	379,903	14	9
Stock	1st July, 1955	3	360,000	0	0
Stock and Debentures	1st January, 1956	3	10,873	10	0
Stock	1st January, 1956	4	4,000	0	0
Stock	15th January, 1957	2½	35,425	0	0
Stock and Debentures	15th January, 1957	3	1,407	0	0
Stock and Debentures	15th January, 1953-57	3½	319,240	11	8
Stock	15th January, 1957	3½	29,383	11	4
Stock	1st February, 1957	3	2,811	12	0
Stock	15th May, 1957	2½	35,425	0	0
Stock	15th May, 1957	3	173,092	12	2
Stock	15th May, 1957	3½	52,499	13	1
Stock	15th August, 1957	2½	35,425	0	0
Stock	15th August, 1957	3	155,157	19	8
Stock	15th August, 1957	4	84,890	8	0
Stock	15th February, 1958	2½	35,425	0	0
Stock	15th February, 1958	3½	76,644	4	8
Stock	1st March, 1958	4½	865,145	18	6
Stock	31st May, 1954-58	4	218,763	5	9
Stock	15th June, 1958	2½	35,425	0	0
Stock	15th June, 1958	3½	53,243	15	0
Stock	15th September, 1958	2½	35,425	0	0
Stock	15th September, 1958	3½	44,149	0	0
Stock	15th December, 1958	2½	71,050	0	0
Stock	15th December, 1958	3	148,046	2	6
Stock	15th March, 1959	3	35,107	7	6
Stock	15th March, 1959	3½	55,029	2	0
Stock	15th March, 1959	4	25,225	12	0
Stock	15th July, 1959	3	89,420	7	4
Stock	15th July, 1959	3½	14,250	0	0
Memoranda of Security	15th October, 1959	3	6,841	13	4
Carried forward .. .. .	.. .. .	..	9,308,698	10	5

PUBLIC ACCOUNTS, 1940-1941.

STATEMENT of the DISBURSEMENTS and RECOVERIES under SPECIAL ACTS of the LEGISLATURE—*continued*.Debt Services—Interest—*continued*

Nature of Security.	Maturity Date.	Rate per Cent.	Gross Interest due and charged to Ordinary Revenue Account for Year ended 31st March, 1941.		
			£	s.	d.
Brought forward .. .. .	.. .. .	..	9,308,698	10	5
Stock	15th October, 1959	3	51,091	1	6
Stock	15th November, 1959	3	127,366	1	0
Stock	22nd May, 1960	3½	4,637	10	0
Stock	15th October, 1960	3½	147,242	5	9
Stock	1st February, 1963	4	435,385	2	2
Stock	1st November, 1971	5	250,000	0	0
Treasury Notes	Various	4½	59,321	2	8
Floating Debt— <i>i.e.</i> , Treasury Bills .. .. .	.. .. .	..	561,782	16	2
Temporary Transfers; Public Revenues Act, 1926, section 40 .. .. .	.. .. .	..	5,476	14	3
Gross interest charged to Ordinary Revenue Account for year ended 31st March, 1941			10,951,001	3	11
<i>Less</i> amounts recovered			2,798,415	7	11
Net amount of interest charged to Ordinary Revenue Account for year ended 31st March, 1941			£8,152,585	16	0

Domicile of Gross Interest paid, 1940-41.

(Nominal Amounts.)

	£	s.	d.
London	5,312,137	7	10
London paid in New Zealand	109,200	11	5
Australia	47,788	10	0
New Zealand	5,481,874	14	8
	<u>£10,951,001</u>	<u>3</u>	<u>11</u>

PUBLIC ACCOUNTS, 1940-1941.

STATEMENT of the DISBURSEMENTS of the CONSOLIDATED FUND (Ordinary Revenue Account) under SPECIAL ACTS of the LEGISLATURE and of RECOVERIES in respect of such DISBURSEMENTS for the FINANCIAL YEAR ended 31st MARCH, 1941.

Debt Services.

	Gross Amount charged to Ordinary Revenue Account.		Recoveries.		Net Amount charged to Ordinary Revenue Account.	
	£	s. d.	£	s. d.	£	s. d.
Interest (details as shown in foregoing statement) ..	10,951,001	3 11	2,798,415	7 11	8,152,585	16 0
AMORTIZATION OF DEBT.						
Sinking Fund.						
FINANCE ACT, 1928, SECTION 13 :—						
Westport Harbour Act, 1920,—						
Westport Harbour Board Act, 1884—						
Sinking Fund in respect of loans raised by Westport Harbour Board—						
Annual payment in terms of section 13 (4) (a) ..	7,000	0 0	..	..	7,000	0 0
Amount paid in terms of section 13 (4) (d), being 4½ per cent. in respect of £85,750 paid by the Public Trustee to 31st March, 1940, for redemption of loans	3,858	15 0	..	..	3,858	15 0
Total, Sinking Fund	10,858	15 0	..	..	10,858	15 0
Repayment of the Public Debt Act, 1925.						
REPAYMENT OF THE PUBLIC DEBT ACT, 1925 :—						
Section 11 (a),—						
Amount transferred to the Public Debt Repayment Account, being contribution for the year 1940-41 of ½ per cent. on the public debt within the meaning of the Act outstanding at 31st March, 1940 (½ per cent. on £249,344,651 lls. 9d.)	1,246,723	5 2	..	..	1,246,723	5 2
Amount transferred to the Public Debt Repayment Account, being contribution of ½ per cent. on £20,312,083 5s. 11d., debt redeemed under the Act to 31st March, 1940	101,560	8 11	..	..	101,560	8 11
Section 11 (b),—						
Amount transferred to the Public Debt Repayment Account, being contribution of 3½ per cent. on £20,312,083 5s. 11d., debt redeemed under the Act to 31st March, 1940	710,923	2 5	..	..	710,923	2 5
Amount transferred to the Public Debt Repayment Account, being contribution of 3½ per cent. on £1,178,227 10s., debt redeemed under the Act during the year 1940-41, computed from the dates of redemption to 31st March, 1941	14,855	8 4	..	..	14,855	8 4
Total, Repayment of the Public Debt Act, 1925	2,074,062	4 10	..	..	2,074,062	4 10
Transfer to Loans Redemption Account.						
PUBLIC REVENUES ACT, 1926, SECTION 135 (4) :—						
Transfer from Ordinary Revenue Account for redemption of loans—						
Public Works Fund: General Purposes Account ..	1,693,301	3 6	..	..	1,693,301	3 6
Main Highways Account	1,073	19 4	..	..	1,073	19 4
War Expenses Account (1939)	2,340	0 0	..	..	2,340	0 0
	1,696,715	2 10	..	..	1,696,715	2 10
ADMINISTRATION AND MANAGEMENT.						
NEW ZEALAND LOANS ACT, 1932, SECTION 62 (3) :—						
Stamp duty on transfers of New Zealand Consolidated Stock	1,208	10 0	..	..	1,208	10 0
Less amounts recovered from—	£	s. d.				
Electric Supply Account	42	11 6				
Land for Settlements Account	2	13 6				
	..	..	45	5 0	1,163	5 0
NEW ZEALAND LOANS ACT, 1932, SECTION 61 :—						
Charges and expenses of raising loans—						
Fresh issues—						
Public Works Fund—General Purposes Account ..	4,819	15 2	..	..	4,819	15 2
Issues in renewal and conversion—						
Public Works Fund—General Purposes Account ..	628	8 0	..	..	628	8 0
Finance Act, 1932, Section 55—						
Exchange on remittance beyond New Zealand—						
Public Works Fund—General Purposes Account	4,136	11 5	..	..	4,136	11 5
	9,584	14 7	..	..	9,584	14 7
Carried forward	10,793	4 7	45	5 0	10,747	19 7
Carried forward	14,732,637	6 7	2,798,415	7 11	11,934,221	18 8

PUBLIC ACCOUNTS, 1940-1941.

DISBURSEMENTS and RECOVERIES under SPECIAL ACTS of the LEGISLATURE—*continued*Debt Services—*continued*.

	Gross Amount charged to Ordinary Revenue Account.		Recoveries.		Net Amount charged to Ordinary Revenue Account.	
	£	s. d.	£	s. d.	£	s. d.
Brought forward	14,732,637	6 7	2,798,415	7 11	11,934,221	18 8
Brought forward	10,793	4 7	45	5 0	10,747	19 7
ADMINISTRATION AND MANAGEMENT—<i>continued</i>.						
NEW ZEALAND LOANS ACT, 1932 :—						
Section 24 (1),—						
Amount paid Bank of England for half years ended 30th April, 1940, and 31st October, 1940, for management of New Zealand loans—						
Consolidated Stock	39,142	8 7				
Amount paid to the Reserve Bank of New Zealand for year ended 31st March, 1941, for management of New Zealand Government loans						
	16,226	6 10				
<i>Less</i> amounts recovered from—						
	£	s. d.				
Electric Supply Account	2,802	6 11				
Land for Settlements Account	814	11 6				
Main Highways Account	164	9 8				
State Coal-mines Account	15	7 0				
State Forests Account	62	2 6				
			3,858	17 7	51,509	17 10
Total, Administration and Management	66,162	0 0	3,904	2 7	62,257	17 5
PAYMENTS ON GUARANTEED LOANS.						
LAND SETTLEMENT FINANCE ACT, 1909 :—						
Section 13 (1),—						
Interest and principal in arrear made good under Government guarantee						
<i>Less</i> Repayment by Associations under sub-section (5)—						
Lake Alice Land Settlement Association			22	2 4		
			22	2 4		
					Cr. 22	2 4
LOCAL BODIES' LOANS AMENDMENT ACT, 1908 :—						
Section 10,—						
Subsidies on instalments of sinking fund—						
Cambridge Borough Council, due 30th April, 1940	25	0 0				
Christchurch City Council, due 31st March, 1941	71	5 0				
Grey Lynn Borough Council, due 1st April, 1940	225	0 0				
Levin Borough Council, due 1st April, 1940	135	0 0				
Port Chalmers Borough Council, due 31st March, 1941	17	10 0				
Taihape Borough Council, due 1st April, 1940	106	5 0				
Taihape Borough Council, due 31st March, 1940	18	15 0				
Taihape Borough Council, due 31st March, 1941	18	15 0				
	617	10 0			617	10 0
Total, Payments on Guaranteed Loans	617	10 0	22	2 4	595	7 8
TOTAL, DEBT SERVICES	14,799,416	16 7	2,802,341	12 10	11,997,075	3 9

PUBLIC ACCOUNTS, 1940-1941.

STATEMENT of the DISBURSEMENTS of the CONSOLIDATED FUND (Ordinary Revenue Account) under SPECIAL ACTS of the LEGISLATURE and RECOVERIES in respect of such DISBURSEMENTS for the FINANCIAL YEAR ended 31st MARCH, 1941.

Other Services.

Act.	Gross Amount charged to Ordinary Revenue Account.		Recoveries.		Net Amount charged to Ordinary Revenue Account.	
	£	s. d.	£	s. d.	£	s. d.
GRANTS AND SUBSIDIES.						
Payment to Racing Clubs of Proportion of Totalizator Duty.						
FINANCE ACT (No. 2), 1935, SECTION 17 :— Refunds to racing clubs of proportion of totalizator duty						
	46,966	15 9	..		46,966	15 9
Subsidies to Superannuation Funds.						
FINANCE ACT, 1940 :— Section 10,—						
Government Railways Superannuation Fund ..	70,500	0 0				
Public Service Superannuation Fund	16,500	0 0				
Teachers' Superannuation Fund	113,000	0 0				
	200,000	0 0	..		200,000	0 0
Miscellaneous Grants and Subsidies.						
LAND ACT, 1924 :— Sections 139 and 358,— Amount paid by Receivers of Land Revenue into Local Bodies' Deposit Accounts for payment to local authorities in respect of rents, royalties, &c. ("thirds," "fourths," and "halves")— Territorial revenue						
	5,070	2 7	..		5,070	2 7
WAIHOU AND OHINEMURI RIVERS IMPROVEMENT ACT, 1910, SECTION 17 (4) (d), AND APPROPRIATION ACT, 1916, SECTION 27 :— Contributions towards interest and cost of administration and maintenance of Waihou and Ohinemuri Rivers Improvement Works,— On account of year 1939-40						
	1,622	8 2	..		1,622	8 2
TOTAL GRANTS AND SUBSIDIES ..	253,659	6 6	..		253,659	6 6
SALARIES AND HONORARIA.						
Legislative.						
CIVIL LIST ACT, 1920 :— Part III, Section 16,— Speakers of both Houses and Chairmen of Committees						
	2,745	0 0				
Part III, Section 17,— Members of the Legislative Council ..						
	10,874	6 8				
Members of the House of Representatives						
	29,299	19 2				
Part IV, Section 22,— Officers of Legislative Council and House of Representatives						
	1,850	0 0				
	44,769	5 10				
	44,769	5 10	..		44,769	5 10
Carried forward	44,769	5 10	..		44,769	5 10
Carried forward	253,659	6 6	..		253,659	6 6

PUBLIC ACCOUNTS, 1940-1941.

DISBURSEMENTS and RECOVERIES under SPECIAL ACTS of the LEGISLATURE—*continued.*Other Services—*continued.*

Act.	Gross Amount charged to Ordinary Revenue Account.	Recoveries.	Net Amount charged to Ordinary Revenue Account.
	£ s. d.	£ s. d.	£ s. d.
Brought forward	253,659 6 6	..	253,659 6 6
SALARIES AND HONORARIA—<i>continued.</i>			
Brought forward	44,769 5 10	..	44,769 5 10
Justice.			
JUDICATURE AMENDMENT ACT, 1920 :—			
Section 3,—			
The Judges—			
The Chief Justice—			
Myers, Sir M., P.C., G.C.M.G., K.B., salary, 1 April, 1940, to 31 March, 1941	2,183 0 9		
The Puisne Judges—			
Ostler, H. H., salary, 1st April, 1940, to 31 March, 1941	2,000 0 0		
Smith, D. S., salary, 1 April, 1940 to 31 March, 1941	2,000 0 0		
Blair, A. W., salary, 1 April, 1940, to 31 March, 1941	2,000 0 0		
Kennedy, R., salary, 1 April, 1940, to 31 March, 1941	2,000 0 0		
Fair, A., salary, 1 April, 1940, to 31 March, 1941	2,000 0 0		
Callan, J. B., salary, 1 April, 1940, to 31 March, 1941	2,000 0 0		
Northcroft, E. H., salary, 1 April, 1940, to 31 March, 1941	2,000 0 0		
Johnston, H. F., salary, 1st April, 1940, to 31 March, 1941	2,000 0 0		
	18,183 0 9		18,183 0 9
Other Salaries.			
INDUSTRIAL CONCILIATION AND ARBITRATION ACT, 1925 :—			
Section 64,—			
Judge of the Arbitration Court—			
Tyndall, A., salary, 1 April, 1940, to 31 March, 1941	2,000 0 0		
INDUSTRIAL CONCILIATION AND ARBITRATION AMENDMENT ACT (No 2), 1937, SECTION 2, AND INDUSTRIAL CONCILIATION AND ARBITRATION AMENDMENT ACT (No. 3), 1937, SECTION 2 :—			
Judge of the Arbitration Court—			
Hunter, W. J., salary, 1 April, 1940, to 31 March, 1941	2,000 0 0		
PUBLIC REVENUES ACT, 1926 :—			
Section 6,—			
Controller and Auditor-General—			
Collins, C. G., Salary, 1 April, 1940, to 31 March, 1941	1,300 0 0		
PUBLIC SERVICE ACT, 1912, SECTION 8, AND APPROPRIATION ACT, 1925, SECTION 20 (1) (a) :—			
Public Service Commissioner—			
Mark, T., salary, 1 April, 1940, to 31 March, 1941	1,500 0 0		
FINANCE ACT, 1940 :—			
Section 11 (1),—			
Members of War Cabinet—			
Right Hon. J. G. Coates, salary, 16 July, 1940, to 31 March, 1941	830 6 5		
Hon. A. Hamilton, salary, 16 July, 1940, to 31 March, 1941	830 6 5		
	8,460 12 10	..	8,460 12 10
TOTAL, SALARIES AND HONORARIA	71,412 19 5	..	71,412 19 5
Carried forward	325,072 5 11	..	325,072 5 11

PUBLIC ACCOUNTS, 1940-1941.

DISBURSEMENTS and RECOVERIES under SPECIAL ACTS of the LEGISLATURE—continued.

Other Services—continued.

Act.	Gross Amount charged to Ordinary Revenue Account.		Recoveries.		Net Amount charged to Ordinary Revenue Account.	
	£	s. d.	£	s. d.	£	s. d.
Brought forward	325,072	5 11	..	..	325,072	5 11
HIGHWAYS.						
Tire-tax, Fees, and Fines transferred to Main Highways Account.						
FINANCE ACT, 1927 (No. 2):—						
Section 24 (2),—						
Transfer to Main Highways Account—	£	s. d.				
Tire-tax	62,887	19 2				
TRANSPORT LAW AMENDMENT ACT, 1939—						
Section 4 (3),—						
Transfer to Main Highways Account—						
Motor-vehicles fees, fines, &c. ..	573,472	15 11				
	636,360	15 1				
Tax on Motor-spirits transferred to Main Highways Account.						
MOTOR-SPIRITS TAXATION ACT, 1927, SECTION 9 (1) (a):—						
Allocation of residue after deduction of expenses,*—						
92 per cent. of residue for period 1 April, 1940, to 31 March, 1941	1,581,792	19 7				
					1,581,792	19 7
Tax on Motor-spirits paid to Boroughs.						
MOTOR-SPIRITS TAXATION ACT, 1927:—						
Section 9 (1) (b),—						
Allocation of residue after deduction of expenses,*—						
Residue paid to Borough Councils—						
8 per cent. for period 1 January, 1940, to 31 December, 1940	144,222	17 11				
					144,222	17 11
Motor-vehicles : Mileage-tax and Penalties.						
<i>Mileage-tax and Penalties transferred to Main Highways Account.</i>						
MOTOR-SPIRITS TAXATION ACT, 1927, SECTION 9 (1) (a), AND MOTOR-VEHICLES AMENDMENT ACT, 1934-35:—						
Section 4 (6) (a), Electrically-propelled motor-vehicles	£	s. d.				
	101	17 10				
Section 4 (6) (b), Other motor-vehicles	11,095	4 8				
	11,197	2 6				
<i>Mileage-tax and Penalties paid to Boroughs.</i>						
MOTOR-SPIRITS TAXATION ACT, 1927, SECTION 9 (1) (b), AND MOTOR-VEHICLES AMENDMENT ACT, 1934-35:—						
Section 4 (6) (a), Electrically-propelled motor-vehicles	£	s. d.				
	9	9 10				
Section 4 (6) (b), Other motor-vehicles	1,124	14 3				
	1,134	4 1				
	12,331	6 7				
Expenses of collecting and making Refunds.						
FINANCE ACT, 1927 (No. 2):—						
Section 24 (3),—						
Transfer to the credit of Vote, Customs, in respect of the expenses incidental to the collection of tire-tax ..	993	3 9				
					12,331	6 7
MOTOR-SPIRITS TAXATION ACT, 1927:—						
Section 7,—						
Expenses of collecting tax on motor-spirits paid to the credit of Vote, Customs, for the period 1 January, 1940, to 31 December, 1940 ..						
	£	s. d.				
	20,347	15 5				
Expenses of refunding tax on motor-spirits paid to the Post Office for the period 1 January, 1940, to 31 December, 1940						
	4,537	13 0				
	24,885	8 5				
	25,878	12 2				
					25,878	12 2
TOTAL, HIGHWAYS	2,400,586	11 4			2,400,586	11 4
Carried forward	2,725,658	17 3			2,725,658	17 3

* No deduction has been made in respect of any expenses incidental to the allocation of the residue.

PUBLIC ACCOUNTS, 1940-1941.

DISBURSEMENTS and RECOVERIES under SPECIAL ACTS of the LEGISLATURE—*continued.*Other Services—*continued.*

Act.	Gross Amount charged to Ordinary Revenue Account.		Recoveries.		Net Amount charged to Ordinary Revenue Account.	
	£	s. d.	£	s. d.	£	s. d.
Brought forward	2,725,658	17 3	..	..	2,725,658	17 3
EXCHANGE.						
FINANCE ACT, 1932 :—						
Section 55,—						
Exchange on remittances of public moneys to or from any country beyond New Zealand	3,422,858	10 2	1,019,497	7 9	2,403,361	2 5
TOTAL, EXCHANGE	3,422,858	10 2	1,019,497	7 9	2,403,361	2 5
ADVANCES.						
<i>On Account of other Governments.</i>						
FINANCE ACT, 1930 (No. 2) :—						
Section 7,—						
Advances made on behalf of other Governments—						
Canada	46	19 10	42	6 10	4	13 0
Commonwealth	25,435	14 2	25,374	12 2	61	2 0
Falkland Islands	22	4 2	..	..	22	4 2
Federated Malay States.. .. .	84	5 9	80	11 9	3	14 0
Fiji	1,591	10 0	328	14 11	1,262	15 1
Imperial Government	156,749	16 4	48,227	8 5	108,522	7 11
Indian Government	64	15 3	2	2 0	62	13 3
Kenya .. .. .	..	..	24	6 11	Cr. 24	6 11
Sarawak .. .. .	..	..	74	16 3	Cr. 74	16 3
Tanganyika Territory .. .. .	..	..	234	19 9	Cr. 234	19 9
TOTAL, ADVANCES	183,995	5 6	74,389	19 0	109,605	6 6
OTHER SPECIAL ACTS.						
PENSIONS						
JUDICATURE ACT, 1908 :—						
Sections 12-14,—						
Superannuation allowances—						
Stringer, Sir T. W., 1 April, 1940, to 31 March, 1941	750	0 0	..	..	..	..
Herdman, Sir A. L., 1 April, 1940, to 31 March, 1941	1,083	6 8	..	..	..	..
Reed, Sir John, 1 April, 1940, to 31 March, 1941	916	13 4	..	..	..	..
TOTAL, PENSIONS	2,750	0 0	..	..	2,750	0 0
Carried forward	2,750	0 0	..	..	2,750	0 0
Carried forward	6,332,512	12 11	1,093,887	6 9	5,238,625	6 2

PUBLIC ACCOUNTS, 1940-1941.

DISBURSEMENTS and RECOVERIES under SPECIAL ACTS of the LEGISLATURE—*continued.***Other Services—*continued.***

Act.	Gross Amount charged to Ordinary Revenue Account.	Recoveries.	Net Amount charged to Ordinary Revenue Account.
	£ s. d.	£ s. d.	£ s. d.
Brought forward	6,332,512 12 11	1,093,887 6 9	5,238,625 6 2
OTHER SPECIAL ACTS—<i>continued.</i>			
Brought forward	2,750 0 0	..	2,750 0 0
MISCELLANEOUS.			
APPROPRIATION ACT, 1926 :—			
Section 15,—			
Travelling-expenses of His Excellency the Governor-General and staff in excess of amount provided under the Civil List Act, 1920	3,936 19 9	4 19 5	3,932 0 4
FINANCE ACT (No. 3), 1934 :—			
Section 8,—			
Interest on income-tax paid in advance	25,419 1 1	..	25,419 1 1
NATIVE PURPOSES ACT, 1931 :—			
Section 51,—			
Seventeenth annual payment to Arawa District Trust Board for the benefit of the Arawa Tribe	6,000 0 0	..	6,000 0 0
Section 54,—			
Fourteenth annual payment to Tuwharetoa Trust Board for benefit of Tuwharetoa Tribe in connection with Lake Taupo claims	3,000 0 0	..	3,000 0 0
PUBLIC REVENUES ACT, 1926 :—			
Section 151,—			
Free issue of official postage-stamps to members of the House of Representatives and to members of the Legislative Council	2,894 17 0	..	2,894 17 0
TOTAL, MISCELLANEOUS	41,250 17 10	4 19 5	41,245 18 5
TOTAL, OTHER SPECIAL ACTS	44,000 17 10	4 19 5	43,995 18 5
TOTAL, OTHER SERVICES	6,376,513 10 9	1,093,892 6 2	5,282,621 4 7

PUBLIC ACCOUNTS, 1940-1941.

STATEMENT of the DISBURSEMENTS of the CONSOLIDATED FUND (Ordinary Revenue Account) under the RURAL INTERMEDIATE CREDIT ACT, 1927, Section 16.

ADVANCES TO THE RURAL INTERMEDIATE CREDIT BOARD.

Date of Advance.	Term.	Date on which Repayment is due.	Date from which Interest becomes payable.	Two-thirds of Advance (in Cash) for the Purpose of carrying on Business under the Act.		One-third of Advance to be credited to the Rural Intermediate Credit Redemption Fund in Terms of Section 17 (1).		Total Advance in Terms of Section 16.	
	Years.			£	s. d.	£	s. d.	£	s. d.
June 30, 1928..	20	June 29, 1948..	June 30, 1938	3,400	0 0	1,700	0 0*	5,100	0 0
June 30, 1928..	20	June 29, 1948..	" "	10,000	0 0	5,000	0 0*	15,000	0 0
July 31, 1928..	20	July 30, 1948..	" "	10,000	0 0	5,000	0 0*	15,000	0 0
Aug. 15, 1928..	20	Aug. 14, 1948..	" "	5,000	0 0	2,500	0 0*	7,500	0 0
Aug. 21, 1928..	20	Aug. 20, 1948..	" "	5,000	0 0	2,500	0 0*	7,500	0 0
Sept. 13, 1928..	20	Sept. 12, 1948..	" "	5,000	0 0	2,500	0 0*	7,500	0 0
Oct. 3, 1928..	20	Oct. 2, 1948..	" "	5,000	0 0	2,500	0 0*	7,500	0 0
Oct. 8, 1928..	20	Oct. 7, 1948..	" "	10,000	0 0	5,000	0 0*	15,000	0 0
Oct. 19, 1928..	20	Oct. 18, 1948..	" "	10,000	0 0	5,000	0 0*	15,000	0 0
Nov. 8, 1928..	20	Nov. 7, 1948..	" "	5,000	0 0	2,500	0 0*	7,500	0 0
Dec. 21, 1928..	20	Dec. 20, 1948..	" "	5,000	0 0	2,500	0 0*	7,500	0 0
April 10, 1929..	20	April 9, 1949..	" "	5,000	0 0	2,500	0 0*	7,500	0 0
May 16, 1929..	20	May 15, 1949..	" "	5,000	0 0	2,500	0 0*	7,500	0 0
May 27, 1929..	20	May 26, 1949..	" "	5,000	0 0	2,500	0 0*	7,500	0 0
June 4, 1929..	20	June 3, 1949..	" "	5,000	0 0	2,500	0 0*	7,500	0 0
June 27, 1929..	20	June 26, 1949..	" "	8,000	0 0	4,000	0 0*	12,000	0 0
June 28, 1929..	20	June 27, 1949..	" "	30,000	0 0	15,000	0 0*	45,000	0 0
Aug. 28, 1929..	20	Aug. 27, 1949..	" "	10,000	0 0	5,000	0 0*	15,000	0 0
Sept. 16, 1929..	20	Sept. 15, 1949..	" "	10,000	0 0	5,000	0 0*	15,000	0 0
Oct. 3, 1929..	20	Oct. 2, 1949..	" "	10,000	0 0	5,000	0 0*	15,000	0 0
Oct. 24, 1929..	20	Oct. 23, 1949..	" "	10,000	0 0	5,000	0 0*	15,000	0 0
Nov. 5, 1929..	20	Nov. 4, 1949..	" "	10,000	0 0	5,000	0 0*	15,000	0 0
April 16, 1930..	20	April 15, 1950..	" "	5,000	0 0	2,500	0 0*	7,500	0 0
May 1, 1930..	20	April 30, 1950..	" "	20,000	0 0	10,000	0 0*	30,000	0 0
May 30, 1930..	20	May 29, 1950..	" "	20,000	0 0	10,000	0 0*	30,000	0 0
June 17, 1930..	20	June 16, 1950..	" "	20,000	0 0	10,000	0 0*	30,000	0 0
June 30, 1930..	20	June 29, 1950..	" "	20,270	0 0	10,130	0 0*	30,400	0 0
Total amount advanced prior to 31st March, 1931 ..				£266,670	0 0	£133,330	0 0*	£400,000	0 0

* Securities issued in lieu of cash, in terms of subsection (4) of section 17.

NOTE.—In terms of the Rural Intermediate Credit Act, 1927, the amounts advanced and outstanding at any time shall not exceed in the aggregate the sum of £400,000. Every advance shall be free of interest for the period of ten years immediately succeeding the date on which the first such advance is made. After the expiration of the said period of ten years interest shall be payable half-yearly, at such rate as the Minister of Finance shall from time to time determine.

STATEMENT of BALANCES OUTSTANDING on 31st MARCH, 1941, in respect of PAYMENTS MADE from the CONSOLIDATED FUND on behalf of OTHER GOVERNMENTS.

Name of Government.	Balance outstanding at 31st March, 1940.	
	£	s. d.
Canada	50	13 0
Commonwealth of Australia	14,629	1 3
Falkland Islands	22	4 2
Federated Malay States	7	18 0
Fiji	1,311	17 6
Imperial Government—General Advances	146,026	17 8
India	64	15 3
Total	£162,113	6 10

NOTE.—Details of transactions are shown on page 18.

STATEMENT of IMPRESTS of the CONSOLIDATED FUND (Ordinary Revenue Account) OUTSTANDING as at the 31st MARCH, 1941, showing the SERVICES for which they were issued.

CONSOLIDATED FUND :—		£	s. d.
Ordinary Revenue Account,—			
Votes—			
Customs .. .. .	.. .. .	261	13 3
External Affairs .. .. .	.. .. .	20,649	16 5
Labour .. .. .	.. .. .	55	18 3
Maintenance of Public Works and Services .. .. .	.. .. .	46,811	0 0
Lands and Survey .. .. .	.. .. .	988	14 5
Industries and Commerce, Tourist and Publicity .. .. .	.. .. .	2,375	9 2
Mines .. .. .	.. .. .	69	13 8
Transport .. .. .	.. .. .	12	12 4
Education .. .. .	.. .. .	0	1 7
War and other Pensions .. .. .	.. .. .	7,572	1 11
R. M. Sunley's Deposit Account .. .. .	.. .. .	3	2 3
General Imprest .. .. .	.. .. .	30,744	18 4
General Services .. .. .	.. .. .	199,081	13 4
Total .. .. .	.. .. .	£308,626	14 11

PUBLIC ACCOUNTS, 1940-1941.

SUMMARY of DEPOSITS ACCOUNT for the FINANCIAL YEAR ended 31st MARCH, 1941.

Deposit Accounts.	Balances on 1st April, 1940.			Receipts.			Payments and Transfers.			Balances on 31st March, 1941.		
	£	s.	d.	£	s.	d.	£	s.	d.	£	s.	d.
Royal New Zealand Air Force	30	0	11	491	18	5	307	15	10	214	3	6
Canteen Profits				7,763	3	10	4,297	13	10	3,465	10	0
Cook Islands Fruit Account	18,539	16	4	73,747	4	9	72,690	19	11	19,596	1	2
Deposits on Contracts	99	18	6	6,535	18	3	6,221	1	3	414	15	6
Distribution of Wool Profits	2,414	12	2				2,414	12	2			
Education Reserves Act, 1928—												
Sales of Land under section 27—												
Primary Education Endowments	42,507	0	1	3,592	2	8				46,099	2	9
Secondary Education Endowments—												
Auckland Provincial District	728	18	7	20	0	0				748	18	7
Taranaki Provincial District	264	14	0							264	14	0
Hawke's Bay Provincial District	24	7	2							24	7	2
Otago Provincial District	346	0	0							346	0	0
Primary Education Endowment Deposit Account				111,594	10	2	72,162	9	3	39,432	0	11
Secondary Education Endowment Deposit Account—												
Auckland Provincial District	1,085	2	11	3,482	4	8	3,409	13	3	1,157	14	4
Taranaki Provincial District	598	10	3	1,381	12	2	1,460	5	9	519	16	8
Wellington Provincial District	1,826	16	9	3,213	11	3	3,433	12	0	1,606	16	0
Hawke's Bay Provincial District	498	18	0	2,024	4	3	1,717	7	1	805	15	2
Nelson Provincial District	63	8	5	686	8	7	505	8	11	244	8	1
Marlborough Provincial District	34	5	2	58	10	8	62	9	11	30	5	11
Otago Provincial District	877	10	9	1,775	7	1	1,784	0	9	868	17	1
General Assembly Library Fund	10	0	0	55	0	0	65	0	0			
General Purposes Relief Account	20,079	9	0	4,235	19	6	1,926	16	10	22,388	11	8
Gold Duty Suspense Account	387	16	9	359	16	6	387	16	9	359	16	6
Greymouth and Hokitika High School Acts, 1883	266	16	7	<i>Dr.</i> 5	6	4	158	15	3	102	15	0
Hides Emergency Regulations	34	0	9	18,836	14	3	17,136	5	5	1,734	9	7
Honey-export Control Act, 1924	31	19	4	616	15	4	447	15	3	200	19	5
Hospitals and Charitable Institutions Act, 1926	320	9	4	877	8	3	886	13	4	311	4	3
Hunter Soldiers' Assistance Trust Account	2,613	18	8	1,092	5	8	1,041	7	9	2,664	16	7
Immigration Restriction Act, 1908	4,160	0	0	1,712	10	0	2,170	0	0	3,702	10	0
Imperial Pensions	35,447	11	4	203,975	0	0	195,715	10	0	43,707	1	4
Interest on Cash Balance Investments Account				33,506	14	5	17,311	2	1	16,195	12	4
Kauri-gum Industry Account	50	6	6	967	10	1	1,017	16	7			
King George V Memorial Fund Deposit Account	171,171	9	1	5,198	14	4	18,864	6	6	157,505	16	11
Land Agents Act, 1921-22, section 7	500	0	0	500	0	0				1,000	0	0
Local Bodies' Account—												
Goldfields revenue	2,118	9	8	16,722	6	6	16,680	12	2	2,160	4	0
Gold duty	393	7	9	4,508	6	0	4,888	7	3	13	6	6
Fees and fines	9,035	0	0	20,979	10	0	17,823	0	0	12,191	10	0
Endowment of land	2,437	11	2	3,931	15	3	2,825	9	1	3,543	17	4
Stamp duty on interest	6	15	0				6	15	0			
Marine Insurance (War Risks) Fund				34,327	15	3	9,000	0	0	25,327	15	3
Meat Act, 1939				7,450	6	11	6,556	12	3	893	14	8
Meat-export Control Act, 1921-22	7	12	6				7	12	6			
Mining Act, 1926	204	19	8	164	15	10	133	3	11	236	11	7
Miscellaneous	37,643	2	3	1,112,193	7	4	992,036	7	8	157,800	1	11
Money-order Settlement Account	6,516	17	2	84,628	6	2	69,567	13	8	21,577	9	8
Navy Office Deposit Account	738	4	9	15,362	2	2	13,570	0	3	2,530	6	8
Nelson Rifle Prize Fund	1,133	19	2	39	9	2	38	0	0	1,135	8	4
Nelson Rifle Prize Fund Investment	<i>Dr.</i> 1,000	0	0							<i>Dr.</i> 1,000	0	0
New Zealand Educational Institute	0	16	6	132	5	6	133	2	0			
New Zealand Reparation Estates	78	10	0	545	15	6	453	3	0	171	2	6
New Zealand University Endowment—												
Westland	4,147	16	11	243	5	9	5	4	8	4,385	18	0
North Island Experimental Dairy School	11,608	2	3	755	3	9	584	5	2	11,779	0	10
Official Assignees' Balances	28,438	19	11	7,558	14	8	9,000	0	0	26,997	14	7
Orchard-tax Act, 1927	574	18	5	2,078	10	8	1,909	10	0	743	19	1
Payments through the High Commissioner	44,120	8	2	341,766	2	6	343,547	16	2	42,338	14	6
Promotion of Health Fund	625	12	2	13,390	5	2	11,859	1	7	2,156	15	9
Public Service Association Account	70	5	10	4,203	16	7	4,142	7	8	131	14	9
Receipts by the High Commissioner for Payment in New Zealand	20,417	16	3	68,016	14	1	71,569	7	0	16,865	3	4
Receiver-General's Deposit Account	146,000	0	0	42,550	0	0				188,550	0	0
Regimental Funds				12,097	4	4	9,440	16	4	2,656	8	0
Remittances to Immigrants	140	11	11	6	3	0	135	6	11	11	8	0
Remittances to R.N.Z.A.F. Personnel				2,569	1	11	482	3	9	2,086	18	2
Remittances to Soldiers				177,379	2	2	128,990	7	9	48,388	14	5
Remittances from Soldiers Overseas				266	15	10				266	15	10
Reserve Bank Investment Account	1,203,325	0	0							1,203,325	0	0
Samoan Loan Sinking Fund Account	1	11	11	5,371	10	0	5,370	0	0	3	1	11
Samoan Notes Security Account	27,000	0	0	1,080	0	0	1,080	0	0	27,000	0	0
Samoan Treasury Account	40,888	19	3	48,177	8	0	40,812	19	7	48,253	7	8
Silver and Bronze Coin Account	1,048,661	2	7	100,500	0	0	29,451	15	8	1,119,709	6	11
State Advances Corporation Investment Account	890,418	9	0							890,418	9	0
Taranaki Scholarship Endowment Account	432	5	4	944	1	10	1,368	10	5	7	16	9
Tauranga Educational Endowment Reserves Act, 1896				344	6	1	344	6	1			
Tobacco Research Association Account				818	3	1	818	3	1			
Trustee Act, 1908	8,329	10	4	194	5	0				8,523	15	4
Unclaimed Earnings	1,763	15	1	2,329	3	2	2,570	3	9	1,522	14	6
Unpresented Cheques	445	11	8	1,163	10	4	605	10	9	1,003	11	3
Victoria College Endowments Deposit Account	28	10	0	20	0	0	41	7	6	7	2	6
Wheat Research Levies	17	1	8	2,596	18	11	2,549	18	9	64	1	10
Wool Industry Promotion Act, 1936	3,877	9	4	20,681	11	6	21,901	4	2	2,657	16	8
Wool Manufacturers' Research Account	365	4	9	1,369	19	3	1,190	14	8	544	9	4
TOTALS	3,846,028	5	8	2,647,753	17	11	2,251,087	15	10	4,242,694	7	9

PUBLIC ACCOUNTS, 1940-1941.

STATEMENT of RECEIPTS and DISBURSEMENTS under the Trustee Act, 1908, to 31st MARCH, 1941, with Particulars of the BALANCE at CREDIT in the DEPOSIT ACCOUNT on that Date. (Published in Terms of Section 72 of the Trustee Act, 1908.)

RECEIPTS.		DISBURSEMENTS.		BALANCE at CREDIT		
1940.	1941.	1941.	1941.	1941.	1941.	
September 23	October 24	January 31	March 31	March 31	March 31	
£	s.	d.	£	s.	d.	
Balance on 1st April, 1940	Balances on 31st March, 1941—	93	10	0
Estate of John Gray	Estate of Susan Smallwood	414	3	3
" Julia Sarah Major	" Mary McKay	43	3	10
" Harold Oliver Pine	" William Tatley	45	1	5
			" Barthia Wilkie	287	11	1
			" Robert Miller	22	4	7
			" Paora Parau and W. R. Miller	23	0	0
			" Francis Humphreys Heighway	46	12	5
			" George Moore	2,414	0	0
			" Richard Galway	836	13	9
			" John Burk	74	7	10
			" Geoffrey Arthur Harney	44	15	3
			" John Hewitt	162	12	0
			" Mark Earl	150	0	0
			" Edward Thurlow Field	24	8	1
			" Michael McKey	1,124	12	8
			" Martha Robinson	38	17	11
			" John Bealy	49	17	1
			" Ernest Groomie Gresham	23	1	8
			" Bartholomew Hannan	185	2	10
			" Patrick O'Rourke	191	3	1
			" William Patrick Molloy	103	3	0
			" William A. Chandler	1	19	1
			" George Brown	46	10	8
			" George Baker	737	11	2
			" Duncan McLean	168	0	11
			" John Stephen Barrett	20	18	5
			" Eliza Birrell	18	2	10
			" Joseph Newzil	293	3	7
			" Margaret Pilling	23	1	6
			" John Gray	144	2	8
			" Julia Sarah Major	47	16	4
			" Harold Oliver Pine	2	6	0
			" Moanatairi Extended Gold-mining Co.	16	7	8
			" Direct Supply Co., Ltd., Auckland (in liquidation)	33	5	10
			" Wellington-Manawatu Railway Co., Ltd.	95	9	8
			" Inglewood Oil-boring and Prospecting Co., Ltd.	21	5	0
			" Southland Woolen Mills, Ltd. (in liquidation)	38	2	4
			" William Baker Fisher Bush Nursing Fund Trust	417	9	11
				8,523	15	4
			Total	£8,523	15	4

PUBLIC ACCOUNTS, 1940-1941.

PUBLIC WORKS FUND.—GENERAL PURPOSES ACCOUNT.

STATEMENT of RECOVERIES on ACCOUNT of EXPENDITURE of PREVIOUS YEARS, for the FINANCIAL YEAR ended 31st MARCH, 1941.

	£	s.	d.	£	s.	d.	£	s.	d.
EDUCATION DEPARTMENT :—									
Refund of amounts overclaimed on school buildings ..	..			270	4	11			
JUSTICE AND PRISONS DEPARTMENT :—									
Sale of land and buildings .. .. .	..			22	0	0			
DEPARTMENT OF LABOUR :—									
Recovery of immigration passage-money .. .. .	..			88	5	11			
DEPARTMENT OF LANDS AND SURVEY :—									
Recovery of Native Land Settlement expenditure—									
Survey liens	1,639	11	1						
Repayment of—									
Advances in respect of village-homestead settlement lands ..	23	0	0						
Part of capital cost of drainage works	107	15	1						
Principal, well-boring, Hauraki Plains Settlement Account ..	1	2	3						
Sale of land and buildings	70	0	0						
				1,841	8	5			
NATIVE DEPARTMENT :—									
Repayment of advances—									
To Maori Land Boards, under section 340, Native Land Act, 1931	26	12	10						
To Native Trustee, under section 521, Native Land Act, 1931	5,250	8	8						
Under section 48, Native Land Amendment Act, 1936 ..	105	11	5						
Sale of surplus and obsolete stores	10	7	6						
				5,393	0	5			
POLICE DEPARTMENT :—									
Sale of land and buildings .. .. .	..			349	11	6			
PUBLIC WORKS DEPARTMENT :—									
Instalments on loans to—									
Eastbourne Borough Council	154	4	10						
Taupiri Drainage Board	105	11	9						
Otanomomo-Lower Clutha River Board	54	0	8						
Inter-Wanganui River Trust	50	0	0						
Refund of overpayment of subsidies to local bodies ..	326	0	0						
Sale of—									
Land and buildings	2,948	0	5						
Surplus and obsolete stores	57	10	5						
				3,695	8	1			
							£11,659	19	3

PUBLIC WORKS FUND.—GENERAL PURPOSES ACCOUNT.

STATEMENT of IMPRESTS of the PUBLIC WORKS FUND (GENERAL PURPOSES ACCOUNT) OUTSTANDING as at the 31st MARCH, 1941, showing the SERVICES for which they were issued.

	£	s.	d.
PUBLIC WORKS FUND :—			
General Purposes Account—			
Vote —Telegraph Extension	18,690	10	7
—Small Farms Development	2,537	18	3
—Native Land Settlement	237	7	1
—Linen Flax Development	177	1	6
R. M. Sunley's Deposit Account	500,000	0	0
General Services	22,795	19	10
	£544,438	17	3

PUBLIC WORKS FUND.—ELECTRIC SUPPLY ACCOUNT.

STATEMENT of RECOVERIES on ACCOUNT of EXPENDITURE of PREVIOUS YEARS, for the FINANCIAL YEAR ended 31st MARCH, 1941.

	£	s.	d.
Sale of land and buildings	52	10	0

PUBLIC ACCOUNTS, 1940-1941.

PUBLIC WORKS FUND.—ELECTRIC SUPPLY ACCOUNT.

STATEMENT of DISBURSEMENTS for the YEAR ended 31st MARCH, 1941.

	Gross.		Credits.		Net.	
	£	s. d.	£	s. d.	£	s. d.
NOTE:—						
Development of Water-power	2,371,764	10 2	67,432	11 2	2,304,331	19 0
Unauthorized Expenditure— Services not provided for	208	7 3	..	..	208	7 3
	2,371,972	17 5	67,432	11 2	2,304,540	6 3
Public Revenues Act, 1926, section 40— Temporary transfers from other accounts repaid ..	175,000	0 0	..	..	175,000	0 0
INTEREST AND OTHER CHARGES ON LOANS AND CAPITAL LIABILITY:—						
State Supply of Electrical Energy Act, 1917, section 12— Transfer to Electric Supply Sinking Fund Account—						
North Island scheme	418,552	3 4	..	..	418,552	3 4
South Island scheme	66,802	8 9	..	..	66,802	8 9
	485,354	12 1	..	..	485,354	12 1
Public Revenues Act, 1926, section 40— Interest on temporary transfers from other accounts ..	2,024	19 11	..	..	2,024	19 11
Finance Act (No. 2), 1932, section 5 (2)— Transfer to Consolidated Fund in respect of interest payable on capital liability	382,818	15 6	..	..	382,818	15 6
New Zealand Loans Act, 1932, section 62 (4)— Recoupment of stamp duty on transfers of New Zealand Consolidated Stock	42	11 6	..	..	42	11 6
New Zealand Loans Act, 1932, section 24 (2)— Recoupment to Consolidated Fund of management charges on New Zealand Government securities ..	2,802	6 11	..	..	2,802	6 11
New Zealand Loans Act, 1932, section 61— Charges and expenses of raising loans—new issues ..	14,918	10 11	..	..	14,918	10 11
	887,961	16 10	..	..	887,961	16 10
Land and Income Tax Amendment Act, 1940, section 4— Income-tax	292,452	19 3	..	..	292,452	19 3
Social Security charge	21,797	14 11	..	..	21,797	14 11
National Security tax	21,797	14 11	..	..	21,797	14 11
	£3,770,983	3 4	£67,432	11 2	£3,703,550	12 2

PUBLIC ACCOUNTS, 1940-1941.

LAND FOR SETTLEMENTS ACCOUNT.

STATEMENT of RECOVERIES on ACCOUNT of EXPENDITURE of PREVIOUS YEARS, for the FINANCIAL YEAR ended 31st MARCH, 1941.

	£	s.	d.
Recovery of administration expenses wrongly charged to Hutt Valley Land Settlement Account		8	1
Sale of surplus and obsolete stores	14	0	0
	£22	1	0

STATEMENT of the RECEIPTS of LAND FOR SETTLEMENTS ACCOUNT for the YEAR ended 31st MARCH, 1941.

	£	s.	d.	£	s.	d.
SALES AND CAPITAL RECEIPTS :—						
<i>Sales of Land,—</i>						
Estates	292,292	8	9			
Hutt Valley Lands Settlement Act, 1925, Section 11 (1)	14,614	7	0			
Land Laws Amendment Act, 1929, Section 8 (1)—Receipts from land developed under Section 6 of the Act	6,629	10	0			
Land Act, 1924, Section 208—Capital value of land	5,204	1	0			
Land Act, 1924, Section 20—Crown lands	339,805	18	7			
<i>Repayment of Advances,—</i>						
Deteriorated Lands Act, 1925, Section 12 (5)	207	7	3			
Land Laws Amendment Act, 1929—						
Section 8 (1)—						
Receipts in respect of advances under Section 7 of the Act	20,915	8	6			
Section 16—						
Receipts in respect of advances under Section 14 of the Act	7,365	1	0			
Land for Settlements Act, 1925, Section 47—Finance Act, 1932 (No. 2), Section 14	84	8	4			
				687,118	10	5
RENTS AND INTEREST :—						
<i>Rents, &c.,—</i>						
<i>Receipts derived from estates—</i>						
Rents	372,561	6	1			
Interest on sales	23,085	16	7			
Hutt Valley Lands Settlement Act, 1925, Section 11 (1)—						
Rents	482	12	5			
Interest on sales	4,787	9	9			
Land Laws Amendment Act, 1929—						
Section 8 (1)—						
Receipts from lands developed under Section 6 of the Act—						
Rents	6,040	6	4			
Interest on sales	942	12	4			
<i>Interest on Advances,—</i>						
Deteriorated Lands Act, 1925, Section 12 (5)	246	2	4			
Land Laws Amendment Act, 1929—						
Section 8 (1)—						
Receipts in respect of advances under Section 7 of the Act	9,729	1	5			
Section 16—						
Receipts in respect of advances under Section 14 of the Act	1,779	12	5			
Land for Settlements Act, 1925, Section 47—						
Finance Act, 1932 (No. 2), Section 14	179	3	5			
				419,834	3	1
SALES OF PRODUCE, LIVE-STOCK, AND MISCELLANEOUS RECEIPTS :—						
<i>Estates,—</i>						
Miscellaneous	857	6	0			
<i>Land Laws Amendment Act, 1929,—</i>						
Section 6—						
Seasonal farming receipts	30,546	13	9			
Miscellaneous receipts	899	5	7			
Section 13—						
Seasonal farming receipts	70,920	0	5			
Miscellaneous receipts	9,552	5	3			
				112,775	11	0
FINANCE ACT, 1932 (No. 2), SECTION 6 :—						
Transfer from Public Works Fund (General Purposes Account) of cost of acquisition and development costs of areas required for Soldier Settlement under the Small Farms Amendment Act, 1940				226,110	11	7
RECOVERIES ON ACCOUNT OF EXPENDITURE OF PREVIOUS YEARS						
				22	1	0
INTEREST ON INVESTMENTS						
				17,968	14	4
Total				£1,463,829	11	5

PUBLIC ACCOUNTS, 1940-1941.

STATEMENT of the DISBURSEMENTS of LAND FOR SETTLEMENTS ACCOUNT for the YEAR ended 31st MARCH, 1941.

	£	s.	d.	£	s.	d.
VOTE :—						
Land for Settlements .. .. .	..			379,731	7	6
INTEREST AND OTHER CHARGES ON LOANS AND CAPITAL LIABILITY :—						
Finance Act, 1932 (No. 2), Section 5 (2)—						
Transfer to Consolidated Fund in respect of interest payable on capital liability	291,976	4	4			
New Zealand Loans Act, 1932—						
Section 24 (2)—						
Recoupment to Consolidated Fund of management charges of New Zealand Government securities	814	11	6			
Section 62 (4)—						
Recoupment of Stamp Duty on Transfers of 4½ per cent. 1944 Stock ..	2	13	6			
				292,793	9	4
EXPENDITURE CHARGED ON PROCEEDS OF SALES OF LANDS :—						
<i>Crown Lands—Sales under Land Act, 1924, Section 20—</i>						
Land Act, 1924, Section 139—						
“Thirds” and “Fourths” paid to Local Bodies’ Deposit Account from proceeds of sales of Crown lands	249	4	0			
Finance Act, 1932 (No. 2), Section 6—						
Transfer to Small Farms Account of the value of its interest in land now declared Crown lands under Section 49, Land for Settlements Act, 1925, and Section 10 (1), Land Laws Amendment Act, 1935 ..	320	0	0			
Land Act, 1924, Section 20 (3)—						
Public Reserves, Domains, and National Parks Act, 1928, Section 41 (2)—						
Expenditure on purchase of lands for the purpose of domains, and on the improvement and development of domains	431	0	0			
Land Laws Amendment Act, 1930, Section 5 (3), and Land for Settlements Act, 1925, Section 49 (1)—						
Settlement lands converted into ordinary Crown lands	3,612	5	8			
Reserves and other Lands Disposal Act, 1934, Section 14 (2)—						
Acquisition of land for a public domain	780	0	0			
Native Purposes Act, 1934, Section 3 (2)—						
Acquisition of Native land	475	2	4			
				5,867	12	0
Total .. .. .	..			£678,392	8	10

PUBLIC ACCOUNTS, 1940-1941.

STATEMENT of the RECEIPTS of LOANS REDEMPTION ACCOUNT for the YEAR ended 31st MARCH, 1941.

	£	s.	d.	£	s.	d.
NEW ZEALAND LOANS ACT, 1932 :—						
<i>Section 14,—</i>						
Securities issued in conversion of loans—						
Stock—						
Ordinary Revenue Account—Reserve Bank of New Zealand—						
To mature 1st April, 1946	5,000	0	0			
Public Works Fund—General Purposes Account—						
To mature 15th January, 1957	395,000	0	0			
To mature 15th December, 1958	1,260,000	0	0			
Main Highways Account—						
To mature 15th December, 1958	945,000	0	0			
State Coal-mines Account—						
To mature 15th December, 1958	10,000	0	0			
State Forests Account—						
To mature 15th December, 1958	170,000	0	0			
War Expenses Account—						
To mature 1st October, 1953	1,421,181	19	2			
				4,206,181	19	2
Treasury Bills—						
Public Works Fund—General Purposes Account—						
To mature : Various	12,370,999	9	9			
Public Works Fund—Electric Supply Account—						
To mature : Various	25,000	0	0			
Main Highways Account—						
To mature : Various	2,025,000	0	0			
State Forests Account—						
To mature : Various	300,000	0	0			
				14,720,999	9	9
Securities issued in renewal of loans—						
Stock—						
Public Works Fund—General Purposes Account—						
To mature 15th December, 1958				860,000	0	0
Treasury Bills—						
Public Works Fund—General Purposes Account—						
To mature : Various	43,211,500	0	0			
Public Works Fund—Electric Supply Account—						
To mature : Various	880,000	0	0			
Main Highways Account—						
To mature : Various	11,520,000	0	0			
State Coal-mines Account—						
To mature : Various	10,000	0	0			
State Forests Account—						
To mature : Various	1,675,000	0	0			
War Expenses Account—						
To mature : Various	4,090,000	0	0			
				61,386,500	0	0
Securities issued to cover costs, charges, and expenses of paying off and renewing loans—						
Treasury Bills—						
Public Works Fund—General Purposes Account—						
To mature : Various				459,518	0	3
<i>Section 15,—</i>						
Securities issued in conversion of loans—						
Stock—						
Public Works Fund—General Purposes Account—						
To mature 1st February, 1954	760,100	0	0			
To mature 15th October, 1960	760,100	0	0			
				1,520,200	0	0
Securities issued to cover costs, charges, and expenses of conversion—						
Stock—						
Public Works Fund—General Purposes Account—						
To mature 1st February, 1954	31,101	0	0			
To mature 15th October, 1960	31,101	0	0			
				62,202	0	0
Carried forward				83,215,601	9	2

PUBLIC ACCOUNTS, 1940-1941.

STATEMENT of the RECEIPTS of LOANS REDEMPTION ACCOUNT—*continued.*

	£	s.	d.	£	s.	d.
Brought forward				83,215,601	9	2
NEW ZEALAND LOANS ACT, 1932—<i>continued.</i>						
<i>Section 40 (6),—</i>						
Ordinary Stock issued in replacement of Death Duty Stock—						
Ordinary Revenue Account—State Advances Account—						
To mature 15th February, 1946	270	0	0			
To mature 15th April, 1949	8,575	0	0			
To mature 15th June, 1955	8,575	0	0			
Ordinary Revenue Account—War Expenses—						
To mature 15th July, 1941	100	0	0			
To mature 15th March, 1943	5,045	0	0			
To mature 15th February, 1946	8,910	0	0			
To mature 15th May, 1952	39,690	0	0			
Public Works Fund—General Purposes Account—						
To mature 15th November, 1941	1,200	0	0			
To mature 15th June, 1955	8,270	0	0			
Main Highways Account—						
To mature 15th February, 1946	5,910	0	0			
To mature 15th April, 1949	10,260	0	0			
To mature 15th June, 1955	1,435	0	0			
				98,240	0	0
<i>Section 57,—</i>						
Stock issued in exchange for Debentures—						
Ordinary Revenue Account—War Expenses—						
To mature 15th July, 1941	100,300	0	0			
Public Works Fund—General Purposes Account—						
To mature 15th November, 1941	2,900	0	0			
To mature 15th February, 1946	20,295	0	0			
To mature 15th April, 1949	18,585	0	0			
To mature 15th June, 1955	13,295	0	0			
To mature 15th January, 1957	8,800	0	0			
				164,175	0	0
Stock issued in exchange for Death Duty Stock—						
Public Works Fund: General Purposes Account—						
To mature 15th June, 1955				100	0	0
Death Duty Stock issued in exchange for Ordinary Stock—						
War Expenses Account (Interest free)—						
To mature: Various				1,500	0	0
Securities issued in exchange for Interest-free Stock—						
War Expenses Account				3	5	0
NEW ZEALAND DEBT CONVERSION ACT, 1932-33:—						
<i>Section 16,—</i>						
Ordinary Stock issued in replacement of Tax-free Stock—						
Ordinary Revenue Account—War Expenses—						
To mature 15th March, 1943				347,215	0	0
PUBLIC REVENUES ACT, 1926, SECTION 135:—						
<i>Subsection (2),—</i>						
Amount received on account of New Zealand's share of German reparations						
				1,443	12	4
<i>Subsection (4),—</i>						
Repayment of capital moneys advanced under the Repatriation Act, 1918						
	2,625	12	9			
Amount transferred from Ordinary Revenue Account for redemption of General Purposes Account securities						
	1,693,301	3	6			
Amount transferred from Ordinary Revenue Account for redemption of Main Highways securities						
	1,073	19	4			
Amount transferred from Ordinary Revenue Account for redemption of War Expenses securities (1939)						
	2,340	0	0			
Amount transferred from Samoan Loan Sinking Fund for the redemption of securities issued in respect of Samoan Loan Suspense Account						
	5,370	0	0			
Amount received from Public Works Fund: General Purposes Account for redemption of General Purposes securities						
	1,460,000	0	0			
Amount received from Main Highways Account for redemption of Main Highways securities						
	184,475	0	0			
Amount received from War Expenses Account for redemption of War Expenses securities (1939)						
	3,647,992	10	0			
Amount received from the British Phosphate Commission for the redemption of Nauru and Ocean Islands securities						
	34,700	1	3			
Amount received for redemption of State Advances securities						
	361	3	5			
Amount received from State Coal-mines Account for redemption of State Coal-mines securities						
	6,320	0	0			
Amount received in respect of sales of national-endowment lands in Waihi Drainage District under the Swamp Drainage Amendment Act, 1926, and the Finance Act, 1932, Section 15 (6)						
	4	5	2			
				7,038,563	15	5
Total				£90,866,842	1	11

PUBLIC ACCOUNTS, 1940-1941.

STATEMENT of the DISBURSEMENTS of LOANS REDEMPTION ACCOUNT for the YEAR ended 31st MARCH, 1941.

	£	s.	d.	£	s.	d.
NEW ZEALAND LOANS ACT, 1932:—						
<i>Section 14,—</i>						
Securities converted—						
Debtures—						
Public Works Fund—General Purposes Account—						
To mature 15th December, 1940	500,000	0	0			
Main Highways Account—						
To mature 15th December, 1940	500,000	0	0			
				1,000,000	0	0
Stock—						
Ordinary Revenue Account—Reserve Bank of New Zealand—						
To mature 1st April, 1946	8,656	5	0			
Ordinary Revenue Account—State Advances Corporation of New Zealand—						
To mature 1st April, 1946	2,024	0	0			
Public Works Fund—General Purposes Account—						
To mature 1st January, 1945	1,880,999	9	9			
To mature 15th December, 1958	395,000	0	0			
War Expenses Account (interest free)—						
To mature: Various	1,421,181	19	2			
				3,707,861	13	11
Treasury Bills—						
Public Works Fund—General Purposes Account—						
To mature: Various	11,250,000	0	0			
Public Works Fund—Electric Supply Account—						
To mature: Various	25,000	0	0			
Main Highways Account—						
To mature: Various	2,470,000	0	0			
State Coal-mines Account—						
To mature: Various	10,000	0	0			
State Forests Account—						
To mature: Various	470,000	0	0			
				14,225,000	0	0
Loans renewed at maturity—						
Treasury Bills—						
Public Works Fund—General Purposes Account—						
To mature: Various	44,071,500	0	0			
Public Works Fund—Electric Supply Account—						
To mature: Various	880,000	0	0			
Main Highways Account—						
To mature: Various	11,520,000	0	0			
State Coal-mines Account—						
To mature: Various	10,000	0	0			
State Forests Account—						
To mature: Various	1,675,000	0	0			
War Expenses Account—						
To mature: Various	4,090,000	0	0			
				62,246,500	0	0
<i>Section 15,—</i>						
Securities converted—						
Stock—						
Public Works Fund—General Purposes Account—						
To mature 1st January, 1945				1,520,200	0	0
Premiums on conversion—						
Public Works Fund—General Purposes Account						
				62,202	0	0
<i>Section 40 (6).—</i>						
Death Duty Stock replaced by Ordinary Stock—						
Ordinary Revenue Account—State Advances Account—						
To mature 15th February, 1946	270	0	0			
To mature 15th April, 1949	8,575	0	0			
To mature 15th June, 1955	8,575	0	0			
Ordinary Revenue Account—War Expenses Account—						
To mature 15th July, 1941	100	0	0			
To mature 15th March, 1943	5,045	0	0			
To mature 15th February, 1946	8,910	0	0			
To mature 15th May, 1952	39,690	0	0			
Public Works Fund—General Purposes Account—						
To mature 15th November, 1941	1,200	0	0			
To mature 15th June, 1955	8,270	0	0			
Main Highways Account—						
To mature 15th February, 1946	5,910	0	0			
To mature 15th April, 1949	10,260	0	0			
To mature 15th June, 1955	1,435	0	0			
				98,240	0	0
Carried forward				82,860,003	13	11

PUBLIC ACCOUNTS, 1940-1941.

STATEMENT of the DISBURSEMENTS of LOANS REDEMPTION ACCOUNT—*continued.*

	£	s.	d.	£	s.	d.
Brought forward				82,860,003	13	11
NEW ZEALAND LOANS ACT, 1932—<i>continued.</i>						
<i>Section 57,—</i>						
Securities exchanged for Ordinary Stock—						
Debentures—						
Ordinary Revenue Account—War Expenses—						
To mature 15th July, 1941	100,300	0	0			
Public Works Fund—General Purposes Account—						
To mature 15th November, 1941	2,900	0	0			
To mature 15th February, 1946	20,295	0	0			
To mature 15th April, 1949	18,585	0	0			
To mature 15th June, 1955	13,295	0	0			
To mature 15th January, 1957	8,800	0	0			
				164,175	0	0
Death Duty Stock—						
Public Works Fund—General Purposes Account—						
To mature 15th June, 1955				100	0	0
Securities exchanged for Death Duty Stock—						
War Expenses Account (interest free)—						
To mature: Various				1,500	0	0
Securities exchanged for Interest-free Stock—						
War Expenses Account				3	5	0
<i>Section 58,—</i>						
Securities redeemed before maturity—						
Stock—						
Ordinary Revenue Account—Nauru and Ocean Islands Account—						
To mature 15th January, 1957	34,700	0	0			
Public Works Fund—General Purposes Account—						
To mature 1st January, 1945	6,599	6	9			
To mature 15th December, 1958	85,902	9	7			
State Coal-mines Account—						
To mature 15th December, 1958	5,501	13	4			
War Expenses Account—						
To mature 1st October, 1953	485	0	0			
Samoa Loan Suspense Account—						
To mature 15th December, 1958	5,370	0	0			
				138,558	9	8
Interest-free Stock—						
War Expenses Account—						
To mature: Various				2,307	10	0
Treasury Bills—						
Public Works Fund—General Purposes Account—						
To mature: Various	950,000	0	0			
Main Highways Account—						
To mature: Various	250,000	0	0			
War Expenses Account—						
To mature: Various	1,610,000	0	0			
				2,810,000	0	0
Treasury Notes—						
Public Works Fund—General Purposes Account—						
To mature: Various	1,684,595	0	0			
Main Highways Account—						
To mature: Various	4,475	0	0			
War Expenses Account—						
To mature: Various	382,770	0	0			
				2,071,840	0	0
Memoranda of Security—						
War Expenses Account—						
To mature 15th October, 1959				1,472,000	0	0
Securities redeemed at maturity—						
Interest-free Stock—						
War Expenses Account—						
To mature: 15 March, 1941				80	0	0
Death Duty Stock matured under Section 40 (3)—						
Main Highways Account—						
To mature 15th January, 1957	6,150	0	0			
War Expenses Account—						
To mature 1st October, 1953	2,690	0	0			
				8,840	0	0
Treasury Bills—						
Public Works Fund—General Purposes Account—						
To mature: Various	510,000	0	0			
Main Highways Account—						
To mature: Various	143,000	0	0			
War Expenses Account—						
To mature: Various	180,000	0	0			
				833,000	0	0
<i>Section 61,—</i>						
Charges and expenses of raising loans—						
Issues in renewal and conversion—						
Finance Act, 1932, Section 55—						
Exchange of remittances beyond New Zealand—						
Public Works Fund—General Purposes Account				459,518	0	3
NEW ZEALAND DEBT CONVERSION ACT, 1932-33, SECTION 16—						
Tax-free Stock replaced by Ordinary Stock—						
Ordinary Revenue Account—War Expenses—						
To mature 15th March, 1943				347,215	0	0
PUBLIC REVENUES ACT, 1926, SECTION 135 (3)—						
Reparation-moneys applied in redemption of securities—						
Securities redeemed at maturity—						
Death Duty Stock matured under section 40 (3), New Zealand Loans Act, 1932—						
Ordinary Revenue Account—War Expenses—				500	0	0
To mature 15th March, 1943						
Total				91,169,640	18	10

PUBLIC ACCOUNTS, 1940-1941.

MAIN HIGHWAYS ACCOUNT.

STATEMENT of RECOVERIES on ACCOUNT of EXPENDITURE of PREVIOUS YEARS,
for the FINANCIAL YEAR ended 31ST MARCH, 1941.

	£	s.	d.
Adjustment of subsidy on rates paid to local authorities under section 28, Finance Act, 1934 (No. 3), &c.	179	7	9
Refunds of overpayments of subsidies to local authorities	174	0	0
Sale of land and buildings	105	5	2
	£458 12 11		

SOCIAL SECURITY FUND.

STATEMENT of RECOVERIES on ACCOUNT of EXPENDITURE of PREVIOUS YEARS,
for the FINANCIAL YEAR ended 31ST MARCH, 1941.

	£	s.	d.
Sale of surplus and obsolete stores	481	1	5

STATE COAL-MINES ACCOUNT.

STATEMENT of RECOVERIES on ACCOUNT of EXPENDITURE of PREVIOUS YEARS,
for the FINANCIAL YEAR ended 31ST MARCH, 1941.

	£	s.	d.
Sale of surplus and obsolete stores	2,603	8	11

STATEMENT of DISBURSEMENTS of STATE COAL-MINES ACCOUNT for the YEAR ended
31ST MARCH, 1941.

	Gross.		Credits.		Net.	
	£	s. d.	£	s. d.	£	s. d.
VOTE :—						
State Coal-mines	494,509	12 7	2,623	15 8	491,885	16 11
INTEREST AND OTHER CHARGES ON LOANS AND CAPITAL LIABILITY :—						
New Zealand Loans Act, 1932, Section 24 (2),— Recoupment to Consolidated Fund of management charges on New Zealand Government securities	15	7 0	..	..	15	7 0
Finance Act (No. 2), 1932, Section 5 (2),— Transfer to Consolidated Fund in respect of interest payable on capital liability	4,466	17 6	..	..	4,466	17 6
Public Revenues Act, 1926, Section 40,— Interest on temporary transfers from other accounts	57	10 8	..	..	57	10 8
	4,539	15 2	..	..	4,539	15 2
SOCIAL SECURITY CHARGE	534	4 10	..	..	534	4 10
NATIONAL SECURITY TAX	534	4 10	..	..	534	4 10
AMORTIZATION OF DEBT :—						
Finance Act (No. 2), 1939, Section 3,— Transfer to Loans Redemption Account—						
Section 3 (1) (a)	5,000	0 0	..	..	5,000	0 0
Section 3 (1) (b)	1,100	0 0	..	..	1,100	0 0
Section 3 (1) (c)	220	0 0	..	..	220	0 0
	6,320	0 0	..	..	6,320	0 0
PUBLIC REVENUES ACT, 1926, SECTION 40,— Temporary transfers from other accounts repaid	20,000	0 0	..	..	20,000	0 0
	£526,437	17 5	2,623	15 8	£523,814	1 9

PUBLIC ACCOUNTS, 1940-1941.

STATE FORESTS ACCOUNT.

STATEMENT of RECOVERIES on ACCOUNT of EXPENDITURE of PREVIOUS YEARS
for the FINANCIAL YEAR ended 31st MARCH, 1941.

Sale of surplus and obsolete stores	£ s. d. 3,835 5 8
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STATEMENT of DISBURSEMENTS of STATE FORESTS ACCOUNT for the YEAR ended
31st MARCH, 1941.

	Gross.	Credits.	Net.
	£ s. d.	£ s. d.	£ s. d.
VOTE:—			
State Forest Service	548,257 17 1	48,267 15 2	499,990 1 11
Unauthorized expenditure— Services not provided for	90 10 0	..	90 10 0
	548,348 7 1	48,267 15 2	500,080 11 11
INTEREST AND OTHER CHARGES ON LOANS AND CAPITAL LIABILITY:—			
New Zealand Loans Act, 1932, Section 24 (2),— Recoupment to Consolidated Fund of management charges on New Zealand Government securities ..	62 2 6	..	62 2 6
Public Revenues Act, 1926, Section 40,— Interest on temporary transfers from other accounts ..	849 6 4	..	849 6 4
	911 8 10	..	911 8 10
FORESTS ACT, 1921-22, SECTION 39 (2):—			
Transfer to Consolidated Fund of National-endowment Revenue	16,150 15 10	..	16,150 15 10
FINANCE ACT, 1936, SECTION 24 (1):—			
Transfer to Working Railways Account	1,566 19 2	..	1,566 19 2
PUBLIC REVENUES ACT, 1926, SECTION 40:—			
Temporary transfers from other accounts repaid ..	100,000 0 0	..	100,000 0 0
	£666,977 10 11	£48,267 15 2	£618,709 15 9

STATEMENT of TEMPORARY TRANSFERS between ACCOUNTS within the PUBLIC ACCOUNT in terms
of Section 40 of the PUBLIC REVENUES ACT, 1926, during the FINANCIAL YEAR ended 31st MARCH,
1941.

Transfer to	Transfer from	Date of Transfer.	Rate of Interest.	Balance outstanding at 31st March, 1940.	Amount of Transfer.	Repayment due.	Amount repaid.	Date repaid.
Public Works Fund— Electric Supply Account	Ordinary Revenue Account ..	..	Per Cent. 2	£ 50,000	£ ..	18/7/40	£ 50,000	18/7/40
"	Land for Settlements Account ..	..	2	25,000	..	29/6/40	25,000	29/6/40
"	" ..	..	2	50,000	..	28/9/40	50,000	18/9/40
"	" ..	..	2	50,000	..	11/10/40	50,000	18/9/40
"	" ..	10/10/40	1½	..	100,000	9/10/41	..	..
"	" ..	31/12/40	1¼	..	25,000	30/12/41	..	..
Main Highways Account	Public Works Fund—General Purposes Account	31/3/41	1½	..	150,000	30/3/42	..	..
State Coal-mines Account	Deposits Account	20/12/40	1¼	..	20,000	19/12/41	20,000	14/3/41
State Forests Account ..	Public Works Fund—General Purposes Account .. .. .	..	2	50,000	..	4/12/40	50,000	4/12/40
"	" ..	4/12/40	1¼	..	50,000	3/12/41	50,000	14/3/41
War Expenses Account ..	Ordinary Revenue Account ..	6/8/40	2	..	200,000	5/8/41	200,000	23/12/40
"	Public Works Fund—General Purposes Account .. .. .	..	2	200,000	..	4/1/41	200,000	6/8/40
"	" ..	28/8/40	2	..	300,000	27/8/41	200,000	31/12/40
				£425,000	£845,000		£995,000	31/3/41

B. C. ASHWIN,
Secretary to the Treasury.A. R. F. MACKAY, M.Com. (N.Z.), Ph.D. (Lond.),
Accountant to the Treasury.

Examined and found correct.

29th July, 1941.

CYRIL G. COLLINS,
Controller and Auditor-General,
29th July, 1941.

By Authority: E. V. PAUL, Government Printer, Wellington.—1941.