

1941.
NEW ZEALAND.

PUBLIC ACCOUNTS

FOR THE

FINANCIAL YEAR 1940-1941.

PART III.

PREPARED BY THE TREASURY DEPARTMENT.

CERTIFIED TO BY THE CONTROLLER AND AUDITOR-GENERAL.

ALSO

STATEMENT SHOWING THE PUBLIC DEBT OF THE DOMINION

AS ON THE 31ST MARCH, 1941.

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PUBLIC ACCOUNTS, 1940-1941.

THE PUBLIC DEBT OF NEW ZEALAND.
 TABLE I.—STATEMENT OF SECURITIES CHARGED ON THE PUBLIC REVENUES OF NEW ZEALAND AND OUTSTANDING ON 31ST MARCH, 1941.

	Nominal Amount outstanding.	Due Date.	Rate of Interest.	Annual Charge.		Domicile of Principal.			Remarks.
				Nominal Interest.	When payable.	New Zealand.	London.	Australia.	
	£ s. d.		%	£		£ s. d.	£ s. d.	£	
NEW ZEALAND LOANS ACT, 1932 :—									
Debentures and Stock ..	1,415 0 0	Various.	..	..	..	1,415 0 0	..	..	Unpresented.
	600 0 0	1 Sept., 1937	5½	33	..	600 0 0	..	..	Subject to conversion under New Zealand Debt Conversion Act.
	2,000 0 0	15 Nov., 1938	4½	90	1 Mar. and 1 Sept.	2,000 0 0	..	..
	200 0 0	20 April, 1939	4½	9	15 May " 15 Nov.	200 0 0	..	..
	5 0 0	15 Dec., 1940	4½	..	20 April " 20 Oct.	5 0 0	..	..
	10,300 0 0	1 July, 1941	4½	464	15 June " 15 Dec.	..	..	..
	4,613,505 0 0	15 July, 1941*	3	138,405	1 Jan. " 1 July	4,613,505 0 0	..	..	* Repayable at the option of the Government at par on or after 15th July, 1939, on three months' notice.
	7,000 0 0	1 Aug., 1941	4½	315	15 Jan. " 15 July	..	..	7,000	† Repayable at the option of the Government at par on or after 15th November, 1938, on three months' notice.
	3,001,015 0 0	15 Nov., 1941†	3½	112,538	1 Feb. " 1 Aug.	3,001,015 0 0	..	..
	37,000 0 0	1 Mar., 1942	4	1,480	15 May " 15 Nov.	..	..	..	Option to repay £10,884,628 maturing 1st February, 1963.
	..	1 Feb., 1943	..	..	1 Mar. " 1 Sept.	..	..	..	Option to repay £9,840,855 maturing 15th February, 1946.
	..	15 Feb., 1943	..	..	..	..	..	..	‡ Securities converted under New Zealand Debt Conversion Act, 1932-33, with condition of interest free of income-tax continued up to the interest date coinciding with or next following the pre-conversion maturity date, after which the rate of interest is automatically adjusted to 4 per cent., on the 15th September, 1941.
	1,383,010 0 0†	15 Mar., 1943§	3½	48,405	15 Mar. and 15 Sept.	1,383,010 0 0	..	..	§ Repayable at the option of the Government at par on or after 15th March, 1940, on three months' notice.
	12,275,950 0 0	15 Mar., 1943§	4	491,038	15 Mar. " 15 Sept.	12,275,950 0 0	..	..
Carried forward ..	21,332,000 0 0	..	..	792,777	..	21,314,700 0 0	..	17,300	

PUBLIC ACCOUNTS, 1940-1941.

THE PUBLIC DEBT OF NEW ZEALAND.
 THE PUBLIC REVENUES OF NEW ZEALAND AND OUTSTANDING ON 31st MARCH, 1941—*continued*.

	Nominal Amount outstanding.		Due Date.	Rate of Interest.	Annual Charge.			Domicile of Principal.			Remarks.
	£	s. d.			Nominal Interest.	When payable.	New Zealand	London.	Australia.		
Brought forward ..	21,332,000	0 0	..	% ..	£ 792,777	..	£ ..	..	£ 17,300		
NEW ZEALAND LOANS ACT, 1932											
— <i>continued</i> .											
Debentures and Stock— <i>continued</i> .	7,339,656	4 0	1 Mar., 1944	4½	330,284	1 Mar. and 1 Sept.	7,339,656	4 9	..	..
	12,588,700	0 0	1 Jan., 1940-5*	3½	440,605	1 Jan. " 1 July	12,588,700	0 0	..	..
	199,500	0 0	15 Feb., 1945	5	9,975	15 Feb. " 15 Aug.	..	0 0	199,500	0 0	
	7,580,907	11 10	1 Mar., 1945	4½	341,141	1 Mar. " 1 Sept.	..	11 10	7,580,907	11 10	
	259,025	0 0	15 Mar., 1945	4	10,361	15 Mar. " 15 Sept.	259,025	0 0	..	..
	9,639,980	1 1	1 April, 1945	3	289,799	1 April " 1 Oct.	9,637,480	1 1	..	..
	75,455	17 0	30 June, 1945	3	2,264	30 June " 31 Dec.	..	..	75,455	17 0	
	865,510	0 0	15 July, 1945	3	25,965	15 Jan. " 15 July	..	..	865,510	0 0	
Carried forward ..	59,900,734	14 8	..	..	2,243,171	..	37,366,243	17 8	17,300		

* The stock will be redeemed by purchases at or under par exclusive of accrued interest or by half-yearly drawings at par, in sums of £100, commencing 1st July, 1940. The New Zealand Government have undertaken to repay by instalments as set out below the whole of this issue by 1st January, 1945: In the year ending 31st December, 1940, £2,000,000; 1941, £3,500,000; 1942, £3,500,000; 1943, £3,500,000; 1944, £3,500,000. These instalments will be made available by two equal payments in each year on or before the 30th June and the 31st December respectively, commencing 30th June, 1940. During the periods 5th to 20th June and 5th to 20th December in each year commencing in 1940, holders of stock, including holders of stock drawn in accordance with the above provisions, will have the option of converting such stock in sums of £100 as to one-half into New Zealand Government 3½ per cent. stock, 1949-1954, and as to one-half into New Zealand Government 3½ per cent. stock, 1955-1960, at rates to be published from time to time.

PUBLIC ACCOUNTS, 1940-1941.

THE PUBLIC DEBT OF NEW ZEALAND.
 TABLE I.—STATEMENT OF SECURITIES CHARGED ON THE PUBLIC REVENUES OF NEW ZEALAND AND OUTSTANDING ON 31st MARCH, 1941—continued.

	Nominal Amount outstanding.	Due Date.	Rate of Interest	Annual Charge.			Domestic of Principal.			Remarks.
				Nominal Interest.	When payable.	New Zealand.	London.	Australia.		
	£ s. d.		%	£	£ s. d.	£ s. d.	£ s. d.	£		
Brought forward ..	59,900,734 14 8	..	..	2,243,171	22,517,190 17 0	87,366,243 17 8	17,300		
NEW ZEALAND LOANS ACT, 1932—continued.										
Debentures and Stock—continued.	2,090,909 1 9	1 Dec., 1945*	4½	94,090†	..	2,090,909 1 9	..	..	* Repayable at the option of the Government on or after 1st December, 1925, by giving three months' notice in the <i>London Gazette</i> .
	12,886,110 3 9	1 Jan., 1946	5	644,305	1 July	..	..	..	† Interest suspended in terms of agreement with Imperial Government.
	9,840,855 0 0	15 Feb., 1946‡	4	893,634	15 Aug. "	12,886,110 3 9	..	..	‡ Repayable at the option of the Government at par on or after 15th February, 1943, on three months' notice.
	1,233,743 9 0	1 April, 1946	3	37,012	1 April "	..	..	..	§ Repayable at the option of the holders on 14 days' notice.
	424,148 10 0	1 April, 1946§	4	16,966	1 April "	..	..	..	Option to repay £8,963,205 maturing 15th April, 1946.
	..	15 April, 1946	..	..	..	..	..	..
	2,851,050 0 0	15 Sept., 1947	4	114,042	15 Mar. and 15 Sept. "	..	..	..
	1,330,500 0 0	15 Sept., 1947	5	66,525	15 Mar. "	120,000 0 0	..	83,300		
	11,221,608 16 5	1 Nov., 1947	4½	504,972	1 May "	11,221,608 16 5	..	..
	..	1 Mar., 1948	..	..	..	..	..	..
	4,996,690 0 0	30 Nov., 1948	4	199,868	31 May and 30 Nov. "	..	..	..	Option to repay £19,225,465 maturing 1st March, 1958.
	19,500 0 0	1 Jan., 1949	4	420	1 Jan. "	..	..	..
	..	1 Feb., 1949	..	..	10,500 0 0	..	..	..
	8,963,205 0 0	15 April, 1949||	4	358,528	15 April and 15 Oct. "	..	..	..	Option to repay £5,791,201 maturing 1st February, 1954.
	..	15 May, 1949	..	..	..	..	..	..	Repayable at the option of the Government at par on or after 15th April, 1946, on three months' notice.
	7,500,000 0 0	15 Dec., 1949	5	375,000	15 June and 15 Dec. "	..	7,500,000 0 0	..	Option to repay £776,125 3½ per cent. and £1,707,980 ¼ per cent. securities maturing 15th May, 1952.	
	250,000 0 0	15 Dec., 1950	3½	8,750	15 June "	250,000 0 0	..	..
	2,029,000 0 0	1 Feb., 1951	5½	111,595	1 Feb. "	1,230,000 0 0	779,000	..		
Carried forward ..	125,529,054 15 7	..	..	5,168,878	52,214,582 16 0	72,434,871 19 7	879,000		

PUBLIC ACCOUNTS, 1940-1941.

THE PUBLIC DEBT OF NEW ZEALAND.
 TABLE I.—STATEMENT OF SECURITIES CHARGED ON THE PUBLIC REVENUES OF NEW ZEALAND AND OUTSTANDING ON 31st MARCH, 1941—continued.

	Nominal Amount outstanding.			Due Date.	Rate of Interest.	Annual Charge.			Domicile of Principal.			Remarks.				
	£	s.	d.			Nominal Interest.	When payable.	New Zealand.	London.	Australia.						
Brought forward ..	125,529,054	15	7	..	..	5,168,878	£	s.	d.	£	s.	d.	£	s.	d.	879,600
NEW ZEALAND LOANS ACT, 1932																
—continued.																
Debentures and Stock—continued.	776,125	0	0*	15 May, 1952†	3½	27,164	776,125	0	0	15 May and 15 Nov.	776,125	0	0	..	..	..
	11,707,980	0	0	15 May, 1952†	4	468,319	11,707,980	0	0	15 May, 15 Nov.	11,707,980	0	0	..	..	..
	9,282,606	19	2	1 Oct., 1953 †	†	..	9,282,606	19	2	1 April and 1 Oct.	9,282,606	19	2	..	..	..
	5,791,201	0	0	1 Feb., 1954§	3½	202,692	5,791,201	0	0	1 Feb. " 1 Aug.	5,791,201	0	0	..	..	..
	9,498,775	0	0	15 June, 1955||	4	379,951	9,498,775	0	0	15 June and 15 Dec.	9,498,775	0	0	..	..	..
	12,000,000	0	0	1 July, 1955*	3	360,000	12,000,000	0	0	1 Jan. " 1 July	12,000,000	0	0	..	..	..
	..			15 Oct., 1955	..	..	..			..	..			..	..	..
Carried forward ..	174,585,742	14	9	..	..	6,607,004	83,480,069	15	2	90,226,072	19	7	879,600			

* Securities converted under New Zealand Debt Conversion Act, 1932-33, with condition of interest free of income-tax continued up to the interest date coinciding with or next following the pre-conversion maturity date, after which the rate of interest is automatically adjusted to 4 per cent., as follows: £23,225, 15th May, 1941; £732,900, 15th November, 1941; total, £776,125.

† Repayable at the option of the Government at par on or after 15th May, 1949, on three months' notice.

‡ Option to repay £9,498,775 maturing 15th June, 1955.

§ Option to repay £12,000,000 maturing 1st July, 1955.

|| Option to repay £9,115,989 12s. 4d. maturing 15th January, 1957.

¶ This stock is non-interest bearing to 1st October 1943. Thereafter 2½ per cent. per annum will be paid to 1st October, 1953.

§ Repayable at the option of the Government at par on or after 1st February, 1949, on three months' notice.

|| Option to repay £5,538,110 maturing 31st May, 1958.

| Repayable at the option of the Government at par on or after 15th June, 1952, on three months' notice.

* Repayable at the option of the Government at par on or after 1st July, 1952, on three months' notice.

† Option to repay £4,780,301 maturing 15th October, 1960.

PUBLIC ACCOUNTS, 1940-1941.

TABLE I.—STATEMENT OF SECURITIES CHARGED ON THE PUBLIC DEBT OF NEW ZEALAND, AND OUTSTANDING ON 31ST MARCH, 1941—continued.

Description	Nominal Amount outstanding.			Due Date.	Rate of Interest.	Annual Charge.		Domicile of Principal.			Remarks.	
	£	s.	d.			Nominal Interest.	When payable.	New Zealand.	London.	Australia.		
Brought forward ..	174,585,742	14	9	..	6,607,094	..	£ 83,480,069	s. d. 15 2	£ 90,226,072	s. d. 19 7	£ 879,600	
NEW ZEALAND LOANS ACT, 1932												
Debentures and Stock—continued.	362,450	0	0	1 Jan., 1956	3	10,878	362,450	0 0	..	..	..	Option to repay £1,696,780 maturing 15th January, 1959.
	100,000	0	0	1 Jan., 1956	4	4,000	100,000	0 0	..	..	..	Option to repay £5,000,000 maturing 1st November, 1971.
	..	..	..	15 Jan., 1956	..	..	..	..	..	..	..	* Repayable at the option of the Government at par on or after 15th January, 1953, or three months' notice.
	..	..	..	1 Nov., 1956	..	..	..	..	..	..	..
	9,115,989	12	4	15 Jan., 1957*	3½	319,060	9,115,989	12 4	..	..	..
	1,417,000	0	0	15 Jan., 1957	2½	35,425	1,417,000	0 0	..	..	..
	46,900	0	0	15 Jan., 1957	3	1,467	34,000	0 0	12,900	0 0	..	
	1,080,384	14	11	15 Jan., 1957	3½	37,813	1,080,384	14 11	..	..	..
	93,720	0	0	1 Feb., 1957	3	2,812	93,720	0 0	..	..	..
	1,417,000	0	0	15 May, 1957	2½	35,425	1,417,000	0 0	..	..	..
	5,769,753	13	7	15 May, 1957	3	173,093	5,769,753	13 7	..	..	..
	1,395,086	0	0	15 May, 1957	3½	48,828	1,395,086	0 0	..	..	..
	1,417,000	0	0	15 Aug., 1957	2	35,425	1,417,000	0 0	..	..	..
	5,171,932	14	0	15 Aug., 1957	2½	155,158	5,171,932	14 0	..	..	..
	1,417,000	0	0	15 Aug., 1957	4	84,890	1,417,000	0 0	..	..	..
	2,189,835	3	8	15 Feb., 1958	3½	76,644	2,189,835	3 8	..	..	..
	19,225,465	0	0	1 Mar., 1958†	4½	865,146	19,225,465	0 0	..	..	..	† Repayable at the option of the Government at par on or after 1st March, 1948, on three months' notice.
	5,538,110	0	0	31 May, 1958‡	4	221,524	5,538,110	0 0	..	..	..	‡ Repayable at the option of the Government at par on or after 31st May, 1954, on three months' notice.
	1,417,000	0	0	15 June, 1958	2½	35,425	1,417,000	0 0	..	..	..
	1,521,250	0	0	15 June, 1958	3½	53,243	1,521,250	0 0	..	..	..
	1,417,000	0	0	15 Sept., 1958	2½	35,425	1,417,000	0 0	..	..	..
	1,261,400	0	0	15 Sept., 1958	3½	44,149	1,261,400	0 0	..	..	..
	2,842,000	0	0	15 Dec., 1958	2½	71,050	2,842,000	0 0	..	..	..
	12,676,598	7	6	15 Dec., 1958	3	380,298	12,676,598	7 6	..	..	..
	1,696,780	0	0	15 Jan., 1959§	3½	55,145	1,696,780	0 0	..	..	..	§ Repayable at the option of the Government at par at any time on or after the 15th January, 1956, on three months' notice in the <i>New Zealand Gazette</i> .
	1,170,245	18	7	15 Mar., 1959	3	35,107	1,170,245	18 7	..	..	..
	1,572,260	0	0	15 Mar., 1959	3½	55,029	1,572,260	0 0	..	..	..
	630,640	0	0	15 Mar., 1959	4	25,226	630,640	0 0	..	..	..
	2,980,679	0	0	15 July, 1959	3	89,420	2,980,679	0 0	..	..	..
	380,000	0	0	15 July, 1959	3½	14,250	380,000	0 0	..	..	..
Carried forward ..	262,031,482	19	4	..	..	9,643,719	151,687,444	19 9	109,464,437	19 7	879,600	

PUBLIC ACCOUNTS, 1940-1941.

THE PUBLIC DEBT OF NEW ZEALAND.
 TABLE I.—STATEMENT OF SECURITIES CHARGED ON THE PUBLIC REVENUES OF NEW ZEALAND AND OUTSTANDING ON 31st MARCH, 1941—continued.

	Nominal Amount outstanding.		Due Date	Rate of Interest.	Annual Charge.		Domicile of Principal.						Remarks.
	£	s. d.			Nominal Interest.	When payable.	New Zealand.	London.	Australia.				
	£	s. d.		%	£		£	s. d.	£	s. d.	£	s. d.	£
Brought forward ..	262,031,452	19 4	..	..	9,643,719	..	151,687,444	19 9	109,464,437	19 7	879,600	..	
NEW ZEALAND LOANS ACT, 1932													
—continued.													
Debentures and Stock—continued.	1,763,035	14 1	15 Oct., 1959	3	51,091	15 April and 15 Oct.	1,703,035	14 1	..	..	..	..	..
	4,245,535	0 0	15 Nov., 1959	3	127,366	15 May "	4,245,535	0 0	..	..	..	..	..
	264,950	0 0	22 May, 1960	3½	9,273	22 May "	264,950	0 0	..	..	..	..	..
	4,780,301	0 0	15 Oct., 1960*	3½	167,311	15 April "	..	..	4,780,301	0 0	..	..	..
	10,884,628	0 0	1 Feb., 1963†	4	435,385	1 Feb. "	378,638	14 4	10,505,989	5 8	..	..	..
	5,000,000	0 0	1 Nov., 1971‡	5	250,000	1 May "	..	..	5,000,000	0 0	..	..	..
	1,163,480	16 9	Various	..	..	..	1,163,480	16 9	5,000	0 0	..	..	..
Total Debentures and Stock	290,078,413	10 2	..	..	10,684,145	..	159,443,085	4 11	129,755,728	5 3	879,600	..	..
Funding Agreement with Imperial Government	577,446	11 5	1 June, 1945**	..	28,363††	1 June and 1 Dec.	..	..	577,446	11 5	..	..	..
	23,522,752	19 2	1 Dec., 1937**	..	1,164,867††	1 June "	..	..	23,522,752	19 2	..	..	..
Total Funded Debt	24,100,199	10 7½	..	..	1,193,230	..	..	..	24,100,199	10 7	..	..	..
Memoranda of Security	513,195	6 10	15 Oct., 1959	3	15,396	15 April and 15 Oct.	..	..	513,195	6 10	..	..	..
	4,002,466	3 7	15 Aug., 1965	3	120,074	15 April "	..	..	4,002,466	3 7	..	..	..
Total Memoranda of Security	4,515,661	10 5	..	..	135,470	..	..	..	4,515,661	10 5	..	..	..
Treasury bills	5,000,000	0 0	Various	1	50,000	Various	5,000,000	0 0	..	..	..	..	..
	11,926,500	0 0	"	1½	149,081	"	11,926,500	0 0	..	..	..	..	..
	2,146,800	0 0	"	1½	32,202	"	2,146,800	0 0	..	..	..	..	..
	11,525,000	0 0	"	2	230,500	"	11,525,000	0 0	..	..	..	..	..
	135,000	0 0	"	2½	3,375	"	135,000	0 0	..	..	..	..	..
Total Treasury bills	30,733,300	0 0	..	..	465,153	..	30,733,300	0 0	..	..	..	..	..
Carried forward	349,427,574	11 2	..	..	12,478,003	..	190,176,385	4 11	158,371,589	6 3	879,600	..	..

* Repayable at the option of the Government at par on or after 15th October, 1955, on three months' notice.

† Repayable at the option of the Government at par on or after 1st February, 1943, on three months' notice.

‡ Repayable at the option of the Government at par in whole or in part on or after 1st November, 1956, on three months' notice.

§ The currency of the major portion of this loan is for the duration of the war and six months after.

|| Balance of £27,532,164. Imperial Government advances, funded in terms of section 8, Finance Act, 1922. Details of original loan as funded shown in B-1 [Pt. II], 1921-22.

¶ Details on page II.

** Approximately.

†† Payments suspended in terms of agreement with Imperial Government.

PUBLIC ACCOUNTS, 1940-1941.

THE PUBLIC DEBT OF NEW ZEALAND.
 TABLE I.—STATEMENT OF SECURITIES CHARGED ON THE PUBLIC REVENUES OF NEW ZEALAND AND OUTSTANDING ON 31ST MARCH, 1941—continued.

—	Nominal Amount outstanding.	Due Date.	Rate of Interest.		Annual Charge.		Domicile of Principal.			Remarks.
			%	£ s. d.	When payable.	New Zealand.	London.	Australia.		
Brought forward ..	£ 349,427,574 11 2	..	..	£ 12,478,003	..	£ 190,176,385 4 11	£ 158,371,589 6 3	£ 879,600	
				Amortization Charges.						
				£ 2,260,020*	Repayment of the Public Debt Act, 1925					
				458,700†	Funded Debt ..				* Estimated.	
				7,672‡	State Coal-mines Sinking Fund				† Represents principal repayment also suspended by agreement with Imperial Government.	
				10,859§	Westport Harbour Sinking Fund				‡ Payable from the State Coal-mines Account. Estimated.	
				2,737,251					§ £3,859 sinking fund, 4½ per cent. payable in respect of sinking funds used for redemption; and £7,000 sinking fund, 1 per cent. payable on £700,000 Westport Harbour Loans.	
Total securities charged on the Public Revenues and outstanding at 31st March, 1941	£ 349,427,574 11 2	..	..	£ 15,215,254	..	£ 190,176,385 4 11	£ 158,371,589 6 3	£ 879,600	

By the Repayment of the Public Debt Act, 1925, means are provided whereby the whole of the public debt other than that raised for State Advances purposes and those portions for which separate sinking funds exist will be extinguished in approximately sixty years from the time of coming under the provisions of the Act. The total of loans coming within the provisions of the Repayment of the Public Debt Act, 1925, is £274,576,431 12s. The Public Debt Redemption Fund Capital Account established under this Act comprises investments of sinking funds accumulated under former legislation and now invested with the State Advances Corporation £3,250,000 and the Public Trustee £7,966,688 11s. 2d. The interest on the Redemption Fund capital is paid over to the Consolidated Fund as a set-off against the annual payments made by the latter fund to the Repayment of the Public Debt Account—viz., ½ per cent. of the public debt coming under the provisions of the Act, together with 4 per cent. of the debt redeemed in accordance with the Act.

Sinking funds as indicated exist for the extinction of portions of the debt to which the provisions of the Repayment of the Public Debt Act, 1925, do not apply: The balances of these sinking funds at the 31st March, 1941, were as follows: State Coal-mines Account, £6,320 10s. 4d.; Electric Supply Account, £39,322 12s. 3d.; Westport Harbour Account, £417,114 18s. 7d.; Samoan Loan Suspense Account, £3 1s. 11d.; Nauru and Ocean Islands, £35 11s. 4d.; total, £462,796 14s. 5d.

In addition to the special sinking funds mentioned above, special provision exists for the repayment of that portion of the debt funded by agreement with the Imperial Government, particulars of which are given on page 11. It was estimated that this portion of the debt would under the original agreement be extinguished during the financial year ending on the 31st March, 1958. Payments have been suspended by arrangement with the Imperial Government.

Section 6 of the Hutt Road Act, 1939, provides that the Wellington City Council shall be kept indemnified out of the Main Highways Account from all liability in respect of loans specified in the First Schedule of the Act totalling £276,920. At 31st March, 1941, £266,692 16s. 4d. was outstanding, against which the Public Trustee held sinking funds totalling £136,396 1s. 11d.

TABLE II.—ADVANCES BY THE RESERVE BANK TO THE GOVERNMENT BY WAY OF OVERDRAFT OUTSTANDING ON 31ST MARCH, 1941.

Authority for Advances.	Particulars of Advances.	Account.	Amount.
Marketing Act, 1936, Section 10 ..	Advances in respect of dairy-produce purchased for export and sale	Dairy Industry Account	£ 2,585,491 5 4
Marketing Amendment Act, 1939, Section 5 ..	Advances in respect of meat purchased for export and sale	Meat Industry Account	230,345 15 5
Marketing Amendment Act, 1939, Section 5 ..	Advances in respect of fruit purchased for export and sale	Fruit Industry Account	66,552 12 11
Marketing Amendment Act, 1939, Section 5 ..	Advances in respect of sundry products purchased for export and sale	Sundry Products Account	44,073 6 10
Total advances as at 31st March, 1941			£2,926,463 0 6

PUBLIC ACCOUNTS, 1940-1941.

TABLE III.—LOANS GUARANTEED BY THE GOVERNMENT.
CONTINGENT LIABILITY OUTSTANDING ON 31ST MARCH, 1941.

LOANS GUARANTEED.	AUTHORITY FOR GOVERNMENT GUARANTEE.	AMOUNT OUTSTANDING.	DUE DATE.	RATE.		ACCUMULATED SINKING FUND.	REMARKS.
				Int.	S.F.		
LOANS OF LOCAL AUTHORITIES.							
Auckland City Council (Grey Lynn Borough Loan)	Local Bodies' Loans Amendment Act, 1908	{ £ 32,500 } { 12,500 }	{ 18 Aug., 1942 } { 18 Aug., 1941 }	{ 4½ } { 4½ }	1	£ 28,842 16 4	Under subsec. (6) of sec. 10 of Local Bodies' Loans Amendment Act, 1908, one-half of the sinking fund is payable by the Treasury.
Christchurch City Council	Local Bodies' Loans Amendment Act, 1908	..	3 Dec., 1942	4½	1½	9,201 6 9	
Cambridge Borough Council	Local Bodies' Loans Amendment Act, 1908	..	30 April, 1942	4½	1	3,220 12 0	
Levin Borough Council	Local Bodies' Loans Amendment Act, 1908	..	19 June, 1942	4½	1½	16,808 15 2	
Fort Chalmers Borough Council	Local Bodies' Loans Amendment Act, 1908	..	1 July, 1942	4½	1	2,290 6 7	
Tairāpe Borough Council	Local Bodies' Loans Amendment Act, 1908	..	1 Aug., 1942	4½	1	15,337 13 7	
Auckland City Council (Electric-power Extension Loan)	Local Bodies' Loans Act, 1913, Part IV	..	16 Mar., 1942	6½	2½	393,086 1 0	
Harelock North Town Board	Local Bodies' Loans Act, 1913, Part IV	{ 19,425 } { 1,650 }	{ 1 July, 1947 } { 1 July, 1948 }	4½	1½	13,791 16 9	
Tū Puke Town Board	Local Bodies' Loans Act, 1913, Part IV	..	1 Jan., 1948	4½	1½	1,211 12 10	
Wanganui Hospital Board	Local Bodies' Loans Act, 1913, Part IV, and Hospitals and Charitable Institutions Amendment Act, 1926 (No. 2)	..	1 April, 1943	6½	2½	7,613 2 3	
Oamaru Harbour Board	Finance Act, 1937, sec. 42	..	1 April, 1952	4	Nil	1,123 13 4	Repayable by half-yearly instalments.
Total Local Authorities Loans		730,674					
STATE ADVANCES CORPORATION STOCK AND DEBENTURES.							
Special Series	State Advances Corporation Act, 1936, sec. 25	..	1 Aug., 1960	3½	..	..	..
"	"	..	1 Aug., 1963	3½	..	..	..
"	"	..	1 Aug., 1966	3½	..	..	..
"	"	..	1 Aug., 1969	3½	..	..	..
"	"	..	1 Aug., 1972	3½	..	..	..
"	"	..	1 Aug., 1975	3½	..	..	..
"	"	..	1 Aug., 1978	3½	..	..	..
Series "A"	"	..	1 Aug., 1978	3½	..	..	..
Series "B"	"	..	1 Sept. 1955-60	3½	..	..	..
	"	..	1 June, 1944	3½	..	..	..
Total State Advances Corporation Loans		46,769,910					

PUBLIC ACCOUNTS, 1940-1941.

TABLE IV.—PARTICULARS OF THE PUBLIC DEBT FUNDED IN TERMS OF FINANCE ACT, 1922, SECTION 8.

	Amount of Debt funded.	Total Debt repaid to 31st March, 1941.	Amount of Funded Debt outstanding at 31st March, 1941.		Interest.	Annual Charge.		When payable.
			£	£		Repayment of Debt.	Total.	
Finance Act, 1922, sec. 8:—								
Advances from the Imperial Government funded in terms of the above Act on the basis of an annuity of 6 per cent. interest at the rate of £4 19s. 5-88d. per cent. per annum.								
Public Revenues Amendment Act, 1914, sec. 8 (War Expenses)	2,087,411	237,040	1,880,371	..	..	..	124,045	1 June and 1 Dec.
Public Revenues Amendment Act, 1915, sec. 5 (War Expenses)	8,105,992	929,395	7,176,597	..	..	..	486,360	1 June " 1 Dec.
Finance Act, 1916, sec. 35	4,736,842	543,104	4,193,738	..	..	..	284,212	1 June " 1 Dec.
War Purposes Loan Act, 1917	4,830,000	553,785	4,276,215	..	..	..	289,800	1 June " 1 Dec.
Finance Act, 1918, sec. 10	6,690,000	756,725	5,933,275	..	..	..	396,000	1 June " 1 Dec.
Total War Loans	26,340,245	3,020,049	23,320,196	..	..	..	1,580,417	
Naval Defence Act, 1909	983,131	385,684	577,447	..	..	..	57,787	1 June and 1 Dec.
Aid to Public Works and Land Settlement Act, 1910	191,010	21,900	169,110	..	..	..	11,460	1 June " 1 Dec.
Land for Settlements Act, 1908	37,778	4,332	33,446	..	..	..	2,266	1 June " 1 Dec.
Totals	27,532,164	3,431,965	24,100,199	..	..	*	1,651,930*	

* Annual instalment of principal and interest £1,651,929 16s. 8d., but all instalments subsequent to 1st June, 1931, have been suspended. The amount of interest and repayment of debt varies with each instalment, and details will again be shown when payment of instalments is resumed.

PUBLIC ACCOUNTS, 1940-1941.

TABLE V.—STATEMENT of SINKING FUNDS ACCRUED to the 31st MARCH, 1941, in respect of various Loans.

	£	s.	d.	£	s.	d.
PUBLIC DEBT :—						
Samoan Loan Sinking Fund,—						
Funds held in Deposits Account, Samoan Loan Sinking Fund Account..	..			3	1	11
Electric Supply Sinking Fund,—						
Funds held in Electric Supply Sinking Fund Account—						
North Island Scheme	25,110	9	11			
South Island Scheme	14,212	2	4			
				39,322	12	3
Westport Harbour Loans Sinking Fund,—						
Funds held by the Public Trustee .. .. .	..			417,114	18	7
				456,440	12	9

TABLE VI.—STATEMENT of the RECEIPTS and DISBURSEMENTS of the SINKING

RECEIPTS.	£	s.	d.	£	s.	d.
SAMOAN LOAN SINKING FUND :—						
Accumulation held on 31st March, 1940,—						
In Deposits Account, Samoan Loan Sinking Fund Account			1	11	11
Contribution by Samoan Treasury			5,371	10	0
				5,373	1	11
ELECTRIC SUPPLY SINKING FUND :—						
Accumulation held on 31st March, 1940,—						
In Electric Supply Sinking Fund Account—						
North Island Scheme			2,107	19	6
South Island Scheme			10,540	0	8
Transfer from Electric Supply Account in accordance with section 12 of the State Supply of Electrical Energy Act, 1917,—						
North Island Scheme			418,552	3	4
South Island Scheme			66,802	8	9
Interest on Investments—						
North Island Scheme			129	7	1
South Island Scheme			20	12	11
				498,152	12	3
WESTPORT HARBOUR LOANS SINKING FUND :—						
Finance Act, 1928, section 13,—						
Accumulated funds as at 31st March, 1940			391,516	12	2
Subsection (4) (a)—Contribution for the financial year 1940-41			7,000	0	0
Subsection 4 (d)—Contribution at the rate of 4½ per cent. per annum in respect of Sinking Funds used to 31st March, 1940, to redeem debentures			3,858	15	0
Interest on Investments			14,764	11	5
				417,139	18	7

PUBLIC ACCOUNTS, 1940-1941.

FUNDS during the FINANCIAL YEAR ended 31st MARCH, 1941.

DISBURSEMENTS.		£	s.	d.
SAMOAN LOAN SINKING FUND :—				
Loans redeemed in terms of section 4 of the Finance Act, 1932 (No. 2)		5,370	0	0
Accumulation held in Deposits Account, Samoan Loan Sinking Fund Account, on 31st March, 1941		•	3	1 11
		<u>5,373</u>	<u>1</u>	<u>11</u>
ELECTRIC SUPPLY SINKING FUND :—				
Securities redeemed in terms of section 23 (1) of the Finance Act, 1928		458,830	0	0
Accumulation held in Electric Supply Sinking Fund Account on 31st March, 1941,—				
North Island Scheme		25,110	9	11
South Island Scheme		14,212	2	4
		<u>498,152</u>	<u>12</u>	<u>3</u>
WESTPORT HARBOUR LOANS SINKING FUND :—				
Finance Act, 1928, section 13,—				
Annual fee for administering fund			25	0 0
Accumulation held by the Public Trustee on 31st March, 1941		417,114	18	7
		<u>417,139</u>	<u>18</u>	<u>7</u>

PUBLIC ACCOUNTS, 1940-1941.

TABLE VII.—TRANSACTIONS IN CONNECTION WITH THE PUBLIC DEBT IN THE YEAR ENDED 31st MARCH, 1941.

	Outstanding.				Increase.	
	31st March, 1940 (Nominal Amount).		31st March, 1941 (Nominal Amount).		£	s. d.
External debt—	£	s. d.	£	s. d.	£	s. d.
London	157,863,270	15 10	158,371,589	6 3	508,318	10 5
Australia	879,600	0 0	879,600	0 0		
Internal debt—						
Long-term debt	138,759,665	8 5	159,443,085	4 11	20,683,419	16 6
Floating debt	25,405,000	0 0	30,733,300	0 0	5,328,300	0 0
	322,907,536	4 3	349,427,574	11 2	26,520,038	6 11
DETAILS OF ABOVE.						
External debt—						
1. London—						
Increases—						
New issues for capital works—						
Public Works Fund: General Purposes Account	903,550	0 0				
Public Works Fund: Electric Supply Account	362,660	0 0				
Main Highways Account	3,975	0 0				
			1,270,185	0 0		
New issues for War Expenses Account			6,266,231	10 5		
New issues to cover costs, charges, and expenses (premiums on conversions of 1940-45 stock)			62,202	0 0		
					7,598,618	10 5
Decreases—						
Redemptions from—						
Public Debt Repayment Account	199,200	0 0				
Sinking Funds: Electric Supply	456,160	0 0				
Loans Redemption Account	3,550,462	10 6				
			4,205,822	10 6		
Renewals and conversions to internal floating debt			2,884,477	9 6		
					7,090,300	0 0
Increase					£508,318	10 5
Internal debt—						
2. Long-term debt—						
Increases—						
New issues for capital works—						
Public Works Fund: General Purposes Account	5,778,815	0 0				
Public Works Fund: Electric Supply Account	765,000	0 0				
Iron and Steel Industry Account	4,000	0 0				
Main Highways Account	801,000	0 0				
State Coal-mines Account	25,000	0 0				
State Forests Account	130,000	0 0				
			7,503,815	0 0		
New issues: War Expenses Account			10,746,251	14 5		
New issues for redemptions			5,000	0 0		
Issues in renewal and conversion of floating debt			3,245,000	0 0		
					21,500,066	14 5
Decreases—						
Redemption from—						
Public Debt Repayment Account			519,610	0 0		
Sinking Funds—						
Electric Supply	2,670	0 0				
State Coal-mines	5,501	13 4				
Samoan Loans	5,370	0 0				
Nauru and Ocean Islands	34,700	0 0				
			48,241	13 4		
Loans Redemption Account			108,795	4 7		
Housing Account			140,000	0 0		
					816,646	17 11
Increase					£20,683,419	16 6
3. Floating debt—						
Increases—						
New issues for capital works—						
Public Works Fund: General Purposes Account	1,297,200	0 0				
Public Works Fund: Electric Supply Account	630,000	0 0				
Main Highways Account	543,000	0 0				
State Coal-mines Account	10,000	0 0				
State Forests Account	215,000	0 0				
			2,695,200	0 0		
New issues for War Expenses Account			1,140,000	0 0		
New issues for Housing			5,500,000	0 0		
New issues to cover costs, charges, expenses, and exchange on redemptions 1940-45 stock, London			459,518	0 3		
New issues for conversion of long-term external debt			2,880,999	9 9		
					12,675,717	10 0
Decreases—						
Redemptions from—						
Public Debt Repayment Account	459,417	10 0				
Loans Redemptions Account	3,643,000	0 0				
			4,102,417	10 0		
Conversions to long-term internal debt			3,245,000	0 0		
					7,347,417	10 0
Increase					£5,328,300	0 0

NOTES.—(1) For details of redemptions from Public Debt Repayment Account, see parliamentary paper B.—2. (2) Money for new issues was borrowed at the following rates: $1\frac{1}{4}$ per cent., £879,473 1s. 3d.; $1\frac{1}{2}$ per cent., £779,800; 2 per cent., £7,235,444 19s.; $2\frac{1}{2}$ per cent., £500,000; $2\frac{3}{4}$ per cent., £100,755; 3 per cent., £12,934,627 7s. 5d.; $3\frac{1}{4}$ per cent., £1,696,780; $3\frac{1}{2}$ per cent., £377,202; 4 per cent., £616,525; $4\frac{1}{2}$ per cent., £1,448,000; interest free, £1,210,195 17s. 5d.; free to 1st October, 1943, thereafter $2\frac{1}{2}$ per cent. to 1st October, 1953, £7,864,600; total £35,643,403 5s. 1d. (3) Former shareholders of Reserve Bank and State Advances Corporation who now hold 4-per-cent. stock have the option of requiring redemption of such stock on giving fourteen days' notice. £5,000 was borrowed during the year at 3 per cent., and from this sum and the balance of £7,843 15s. brought forward from the previous year, redemptions totalling £10,680 5s. were effected, leaving a balance of £2,163 10s. unused at the 31st March, 1941.

PUBLIC ACCOUNTS, 1940-1941.

TABLE VIII.—ALLOCATION OF THE PUBLIC DEBT AS AT 31ST MARCH, 1941, ACCORDING TO THE EXPENDITURE APPEARING IN THE DEPARTMENTAL BALANCE-SHEETS PREPARED IN TERMS OF SECTION 57 OF THE FINANCE ACT, 1932.

	£
Railways	74,398,199
Hydro-electric Schemes	15,470,029
Post and Telegraph Services	16,571,205
Public Buildings, Schools, and Sites	18,607,300
Roads and Highways	39,577,856
Harbours and Lighthouses	2,198,798
State Forests	3,183,959
Housing	16,918,945
Land Settlement and Improvement	27,695,285
Shares in Bank of New Zealand	875,000
Shares in Reserve Bank of New Zealand	1,125,013
Investment in State Advances Corporation	38,046,759
Share in Nauru and Ocean Island Phosphates	249,705
Development of Mining	1,037,640
Tourist Resorts	768,303
Immigration	2,817,204
War and Defence (including £17,588,205 in respect of present war)	80,409,891
Miscellaneous Assets and Services	7,955,214
Cash and Investments in hand	1,521,270
	£349,427,575
	£349,427,575

B. C. ASHWIN,

Secretary to the Treasury.

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

The Treasury, Wellington, 14th July, 1941.

Examined and found correct.

CYRIL G. COLLINS,

Controller and Auditor-General.

Audit Office, 16th July, 1941.

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