

## FUNDED DEBT.

Payments amounting to £1,651,930 have been made during 1923–24 in respect of £27,532,164, loans advanced by the Imperial Government, and which were funded in terms of the agreement dated 6th September, 1922.

The half-yearly payments represent both principal and interest, and the following table shows how the debt has been reduced to £27,098,029 at the 31st March, 1924 :—

| Instalment paid.   |    |    |    | Interest. | Principal. | Balance of Debt outstanding. |
|--------------------|----|----|----|-----------|------------|------------------------------|
|                    |    |    |    | £         | £          | £                            |
| 1st December, 1922 | .. | .. | .. | 684,794   | 141,171    | 27,390,993                   |
| 1st June, 1923     | .. | .. | .. | 681,282   | 144,683    | 27,246,310                   |
| 1st December, 1923 | .. | .. | .. | 677,684   | 143,281    | 27,098,029                   |

The sum of £20,000 has been received from the Imperial Government, being proceeds of sale of material when the battle-cruiser H.M.S. "New Zealand" was broken up. As the original funded debt includes an amount of £963,131, part of the Naval Defence loan raised for the purpose of building this battle-cruiser, it is proposed to apply the £20,000 towards reducing the debt. A further sum of £180,000 has been received from the Public Trustee on account of sinking fund on the same loan, so that a total of £200,000 will be utilized for further reduction of the Imperial funded debt. In terms of the agreement the New Zealand Government has the right at any time, on giving three months' notice, to repay at par any part of the principal. Any such repayment, however, does not affect the amount of the total annual payment of £1,651,930, which continues unchanged until the whole of the principal is repaid, but the outstanding debt is reduced by each repayment.

There is a possibility that I may be able to arrange a reduction in the annual charges as interest rates become easier.

## LOANS FALLING DUE.

Loans falling due during the seven years ending with the year 1931, excluding Imperial debt repayments, are,—

| Year ending 31st March, | London.     | Australia. | New Zealand. | Total.      |
|-------------------------|-------------|------------|--------------|-------------|
|                         | £           | £          | £            | £           |
| 1925 .. ..              | 327,000     | 312,200    | 11,252,307   | 11,891,507  |
| 1926 .. ..              | 80,000      | 18,550     | 14,144,746   | 14,243,296  |
| 1927 .. ..              | 3,900       | 775,100    | 3,838,480    | 4,617,480   |
| 1928 .. ..              | ..          | 185,100    | 6,086,816    | 6,271,916   |
| 1929 .. ..              | 13,000      | ..         | 9,305,485    | 9,318,485   |
| 1930 .. ..              | 30,093,779  | ..         | 5,545,854    | 35,639,633  |
| 1931 .. ..              | ..          | 59,400     | 7,668,970    | 7,728,370   |
|                         | £30,517,679 | £1,350,350 | £57,842,658  | £89,710,687 |

## BANK OF NEW ZEALAND.

The following dividends were received from the Bank of New Zealand during the year 1923–24 :—

|  |          |
|--|----------|
| Preference "A" shares (£500,000) .. .. | 50,000   |
| Preference "B" shares (£625,000) .. .. | 62,500   |
|  | £112,500 |

On the 1st October, 1923, the bank increased its share capital by £1,125,000. In terms of section 12 of the Bank of New Zealand Act, 1920, one-third of the new issue was in preference "B" shares, over which the Government had the first option of purchase.