

1940.
NEW ZEALAND.

PUBLIC ACCOUNTS

FOR THE

FINANCIAL YEAR 1939-1940.

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, 1940.

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PUBLIC ACCOUNTS, 1939-1940.

THE PUBLIC DEBT OF NEW ZEALAND.

TABLE I.—STATEMENT OF SECURITIES CHARGED ON THE PUBLIC REVENUES OF NEW ZEALAND AND OUTSTANDING ON 31st MARCH, 1940.

	Nominal Amount outstanding.	Due Date.	Annual Charge.		Domicile of Principal.			Remarks.
			Rate of Interest.	Nominal Interest.	When payable.	New Zealand.	London.	
	£ s. d.		%	£		£ s. d.	£ s. d.	£
NEW ZEALAND LOANS ACT, 1932 :— Debentures and Stock ..	1,615 0 0	Various.	..	..	1 Mar. and 1 Sept.	1,615 0 0	..	..
	600 0 0	1 Sept., 1937	5½	33	15 May "	600 0 0	..	..
	2,000 0 0	15 Nov., 1938	4½	90	20 April and 20 Oct.	2,000 0 0	..	..
	200 0 0	20 April, 1939	4½	9	15 Mar. and 15 Sept.	200 0 0	..	..
	500,000 0 0	15 Sept., 1940	3½	16,250	15 June "	500,000 0 0	1,000,000 0 0	..
	1,000,000 0 0	15 Dec., 1940*	4	40,000	15 June "	..	..	..
	5 0 0	15 Dec., 1940	4½	..	15 June "	5 0 0	..	..
	98,445 0 0	1 Mar., 1941	2½	2,707	1 Mar. "	..	98,445 0 0	..
	10,300 0 0	1 July, 1941	4½	464	1 Jan. "	..	..	10,300
	4,613,505 0 0	15 July, 1941†	3	138,405	15 Jan. "	4,613,505 0 0	..	..
7,000 0 0	1 Aug., 1941	4½	315	1 Feb. "	..	..	7,000	
3,001,215 0 0	15 Nov., 1941†	3½	112,546	15 May "	3,001,215 0 0	..	..	
37,000 0 0	1 Mar., 1942	4	1,480	1 Mar. "	37,000 0 0	..	..	
..	1 Feb., 1943	..	..	..	..	..	..	
..	15 Feb., 1943	..	..	..	..	..	..	
1,730,225 0 0§	15 Mar., 1943	3½	60,558	15 Mar. and 15 Sept.	1,730,225 0 0	..	..	
11,948,645 0 0	15 Mar., 1943	4	477,946	15 Mar. "	11,948,645 0 0	..	..	
22,950,755 0 0	..	..	..	..	21,835,010 0 0	1,098,445 0 0	17,300	
Carried forward ..			..	850,803	..			

PUBLIC ACCOUNTS, 1939-1940.

THE PUBLIC DEBT OF NEW ZEALAND.
TABLE 1.—STATEMENT OF SECURITIES CHARGED ON THE PUBLIC REVENUES OF NEW ZEALAND AND OUTSTANDING ON 31st MARCH, 1940.—*continued.*

	Nominal Amount outstanding.	Due Date.	Annual Charge.			Domicile of Principal.			Remarks.
			Rate of Interest.	Nominal Interest.	When payable.	New Zealand.	London.	Australia.	
	£	s. d.	%	£		£	£	£	
Brought forward ..	22,950,755	0 0	..	850,803	..	21,835,010	1,098,445	17,300	
NEW ZEALAND LOANS ACT, 1932									
— <i>continued.</i>									
Debentures and Stock— <i>continued.</i>	7,339,656	4 9	4½	330,284	1 Mar. and 1 Sept.	..	7,339,656	4 9	
	16,000,000	0 0	3½	560,000	1 Jan. „ 1 July	..	16,000,000	0 0	
	199,500	0 0	5	9,975	15 Feb. „ 15 Aug.	..	199,500	0 0	
	7,580,907	11 10	4½	341,141	1 Mar. „ 1 Sept.	..	7,580,907	11 10	
	142,500	0 0	4	5,700	15 Mar. „ 15 Sept.	142,500	..	..	
	9,659,980	1 1	3	289,799	1 April „ 1 Oct.	2,500	9,657,480	1 1	
Carried forward ..	63,873,293	17 8	..	2,387,702	..	21,980,010	41,875,988	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, 1939-1940.

THE PUBLIC DEBT OF NEW ZEALAND.
TABLE I.—STATEMENT OF SECURITIES CHARGED ON THE PUBLIC REVENUES OF NEW ZEALAND AND OUTSTANDING ON 31st MARCH, 1940—continued.

	Nominal Amount outstanding.	Due Date.	Annual Charge.			Domicile of Principal.			Remarks.
			Rate of Interest.	Nominal Interest.	When payable.	New Zealand.	London.	Australia.	
	£ s. d.		%	£		£ s. d.	£ s. d.	£	
Brought forward ..	129,007,299 3 7	..	..	5,293,686	..	51,183,082 4 0	76,944,616 19 7	879,600	
NEW ZEALAND LOANS ACT, 1932									
—continued.									
Debentures and Stock—continued.									
	776,125 0 0*	15 May, 1952†	3½	27,164	15 May and 15 Nov.	776,125 0 0	..	..	* 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; £752,900, 15th November, 1941; total, £776,125.
	11,707,980 0 0	15 May, 1952†	4	468,319	15 May „ 15 Nov.	11,707,980 0 0	..	..	† Repayable at the option of the Government at par on or after 15th May, 1949, on three months' notice.
		15 June, 1952	..	..	..	..	..	..	Option to repay £9,498,775 maturing 15th June, 1955.
		1 July, 1952	..	..	..	..	..	..	Option to repay £12,000,000 maturing 1st July, 1955.
		15 Jan., 1953	..	..	..	..	..	..	Option to repay £9,124,559 12s. 4d. maturing 15th January, 1957.
	5,000,000 0 0	1 Feb., 1954‡	3½	175,000	1 Feb. and 1 Aug.	..	5,000,000 0 0	..	‡ Repayable at the option of the Government at par on or after 1st February, 1949, on three months' notice.
		31 May, 1954	..	..	..	..	..	..	Option to repay £5,538,110 maturing 31st May, 1958.
	9,498,775 0 0	15 June, 1955§	4	379,951	15 June and 15 Dec.	9,498,775 0 0	..	..	§ Repayable at the option of the Government at par on or after 15th June, 1952, on three months' notice.
	12,000,000 0 0	1 July, 1955	3	360,000	1 Jan. „ 1 July	..	12,000,000 0 0	..	Repayable at the option of the Government at par on or after 1st July, 1952, on three months' notice.
		15 Oct., 1955	..	..	..	..	..	..	Option to repay £3,989,100 maturing 15th October, 1960.
Carried forward ..	167,990,179 3 7	..	..	6,704,120	..	73,165,962 4 0	93,944,616 19 7	879,600	

PUBLIC ACCOUNTS, 1939-1940.

THE PUBLIC DEBT OF NEW ZEALAND.
 TABLE 1.—STATEMENT OF SECURITIES CHARGED ON THE PUBLIC REVENUES OF NEW ZEALAND AND OUTSTANDING ON 31st MARCH, 1940—continued.

	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.	£		
Brought forward ..	167,990,179 3 7	..	..	6,704,120	..	73,165,962 4 0	93,944,616 19 7	879,600		
NEW ZEALAND LOANS ACT, 1932										
—continued.										
Debentures and Stock—continued.										
	362,450 0 0	1 Jan., 1956	3	10,873	1 Jan. and 1 July	362,450 0 0	..	..		Option to repay £5,000,000 maturing 1st November, 1971.
	100,000 0 0	1 Jan., 1956	4	4,000	1 Jan. „ 1 July	100,000 0 0	..	..		* Repayable at the option of the Government at par on or after 15th January, 1953, on three months' notice.
	..	1 Nov., 1956	..	..	..	..	..	..		
	9,124,559 12 4	15 Jan., 1957*	3½	319,360	15 Jan. and 15 July	9,124,559 12 4	..	..		
	1,417,060 0 0	15 Jan., 1957	2½	35,425	15 Jan. „ 15 July	1,417,000 0 0	..	..		
	46,900 0 0	15 Jan., 1957	3	1,407	15 Jan. „ 15 July	34,000 0 0	12,900 0 0	..		
	670,084 14 11	15 Jan., 1957	3½	23,453	15 Jan. „ 15 July	670,084 14 11	..	..		
	93,720 0 0	1 Feb., 1957	3	2,812	1 Feb. „ 1 Aug.	93,720 0 0	..	..		
	1,417,000 0 0	15 May, 1957	2½	35,425	15 May „ 15 Nov.	1,417,000 0 0	..	..		
	5,769,753 13 7	15 May, 1957	3	173,093	15 May „ 15 Nov.	5,769,753 13 7	..	..		
	1,535,086 0 0	15 May, 1957	3½	53,728	15 May „ 15 Nov.	1,535,086 0 0	..	..		
	1,417,000 0 0	15 Aug., 1957	2½	35,425	15 Feb. „ 15 Aug.	1,417,000 0 0	..	..		
	5,171,932 14 0	15 Aug., 1957	3	155,158	15 Feb. „ 15 Aug.	5,171,932 14 0	..	..		
	2,122,260 0 0	15 Aug., 1957	4	84,890	15 Feb. „ 15 Aug.	2,122,260 0 0	..	..		
	1,417,000 0 0	15 Feb., 1958	2½	35,425	15 Feb. „ 15 Aug.	1,417,000 0 0	..	..		
	2,189,835 3 8	15 Feb., 1958	3½	76,644	15 Feb. „ 15 Aug.	2,189,835 3 8	..	..		
	19,225,465 0 0	1 Mar., 1958†	4½	865,146	1 Mar. „ 1 Sept.	..	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	31 May „ 30 Nov.	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	15 June „ 15 Dec.	1,417,000 0 0	..	..		
	1,521,250 0 0	15 June, 1958	3½	53,243	15 June „ 15 Dec.	1,521,250 0 0	..	..		
	1,417,000 0 0	15 Sept., 1958	2½	35,425	15 Mar. „ 15 Sept.	1,417,000 0 0	..	..		
	1,261,400 0 0	15 Sept., 1958	3½	44,149	15 Mar. „ 15 Sept.	1,261,400 0 0	..	..		
	2,842,000 0 0	15 Dec., 1958	2½	71,050	15 June „ 15 Dec.	2,842,000 0 0	..	..		
	4,317,372 10 5	15 Dec., 1958	3	129,521	15 June „ 15 Dec.	4,317,372 10 5	..	..		
	1,170,245 18 7	15 Mar., 1959	3	35,107	15 Mar. „ 15 Sept.	1,170,245 18 7	..	..		
	1,572,260 0 0	15 Mar., 1959	3½	55,029	15 Mar. „ 15 Sept.	1,572,260 0 0	..	..		
	630,640 0 0	15 Mar., 1959	4	25,226	15 Mar. „ 15 Sept.	630,640 0 0	..	..		
	2,980,679 0 0	15 July, 1959	3	89,420	15 Jan. „ 15 July	2,980,679 0 0	..	..		
	380,000 0 0	15 July, 1959	3½	14,250	15 Jan. „ 15 July	380,000 0 0	..	..		
Carried forward ..	245,118,183 11 1	..	..	9,425,753	..	131,055,601 11 6	113,182,981 19 7	879,600		

PUBLIC ACCOUNTS, 1939-1940.

THE PUBLIC DEBT OF NEW ZEALAND.
TABLE I.—STATEMENT OF SECURITIES CHARGED ON THE PUBLIC REVENUES OF NEW ZEALAND AND OUTSTANDING ON 31st MARCH, 1940—continued.

—	Nominal Amount outstanding.	Due Date.	Rate of Interest.	Annual Charge.		Domicile of Principal.			Remarks.
				Nominal Interest.	When payable.	New Zealand.	London.	Australia.	
Brought forward ..	£ s. d. 245,118,183 11 1	..	% ..	9,425,753	..	£ s. d. 131,055,601 11 6	£ s. d. 113,182,981 19 7	£ 879,600	
New Zealand Loans Act, 1932									
—continued.									
Debentures and Stock—continued.									
	1,703,035 14 1	15 Oct., 1959	3	51,091	15 April and 15 Oct.	1,703,035 14 1	..	..	* Repayable at the option of the Government at par on or after 15th October, 1955, on three months' notice.
	4,245,535 0 0	15 Nov., 1959	3	127,366	15 May "	4,245,535 0 0	..	..	
	3,989,100 0 0	15 Oct., 1960*	3½	139,619	15 April "	..	3,989,100 0 0	..	
	10,884,628 0 0	1 Feb., 1963†	4	435,385	1 Feb. "	378,638 14 4	10,505,989 5 8	..	† Repayable at the option of the Government at par on or after 1st February, 1943, on three months' notice.
	5,000,000 0 0	1 Nov., 1971‡	5	250,000	1 May "	..	5,000,000 0 0	..	‡ Repayable at the option of the Government at par in whole or in part on or after 1st November, 1956, on three months' notice.
	1,381,854 8 6	Various ..§	free	..	..	1,376,854 8 6	5,000 0 0	..	§ The currency of the major portion of this loan is for the duration of the war and six months after.
Total Debentures and Stock	272,322,336 13 8	..	..	10,429,214	..	138,759,665 8 5	132,683,071 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	..	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.
	23,522,752 19 2	1 Dec., 1957**	..	1,164,867††	1 June "	..	23,522,752 19 2	..	
Total Funded Debt	24,100,199 10 7¶	..	..	1,193,230	..	..	24,100,199 10 7	..	¶ Details on page 11.
	1,080,000 0 0	Various ..	4½	48,600	20 June and 31 Dec.	..	1,080,000 0 0	..	** Approximately.
Treasury notes	1,080,000 0 0	..	..	48,600	..	..	1,080,000 0 0	..	†† Payments suspended in terms of agreement with Imperial Government.
Treasury bills	5,000,000 0 0	Various	1	50,000	Various	5,000,000 0 0	..	..	
	2,310,000 0 0	"	1½	28,875	"	2,310,000 0 0	..	..	
	5,000,000 0 0	"	2	100,000	"	5,000,000 0 0	..	..	
	1,085,000 0 0	"	2½	27,125	"	1,085,000 0 0	..	..	
	12,010,000 0 0	"	3	360,300	"	12,010,000 0 0	..	..	
Total Treasury bills	25,405,000 0 0	..	..	566,300	..	25,405,000 0 0	..	..	
Carried forward ..	322,907,536 4 3	..	..	12,237,344	..	164,164,665 8 5	157,863,270 15 10	879,600	

PUBLIC ACCOUNTS, 1939-1940.

THE PUBLIC DEBT OF NEW ZEALAND.

TABLE I.—STATEMENT OF SECURITIES CHARGED ON THE PUBLIC REVENUES OF NEW ZEALAND AND OUTSTANDING ON 31ST MARCH, 1940—continued—

	Nominal Amount outstanding.	Due Date.	Annual Charge.		Domicile of Principal.			Remarks.
			Rate of Interest.	Nominal Interest.	When payable.	New Zealand.	London.	Australia.
Brought forward ..	£ 322,907,536 4 3	..	% ..	£ 12,237,344 Amortization Charges.	..	£ 164,164,665 8 5	£ 157,863,270 15 10	£ 879,600
				2,077,225*	Repayment of the Public Debt Act, 1925	..	..	* Estimated.
				458,700†	Funded Debt	..	..	† Represents principal repayment also suspended by agreement with Imperial Government.
				6,000‡	State Coal-mines Sinking Fund	..	..	‡ Payable from the State Coal-mines Account. Estimated.
				10,859§	Westport Harbour Sinking Fund	..	..	§ £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.
				2,552,784		..	..	
Total securities charged on the Public Revenues and outstanding at 31st March, 1940	£ 322,907,536 4 3	..	..	£ 14,790,128	..	£ 164,164,665 8 5	£ 157,863,270 15 10	£ 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 £249,344,651 11s. 9d. 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.; total, £11,216,688 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, 1940, were as follows: State Coal-mines Account, £5,502 3s. 8d.; Electric Supply Account, £12,648 0s. 2d.; Westport Harbour Account, £391,516 12s. 2d.; Samoan Loan Suspense Account, £1 11s. 11d.; Nauru and Ocean Islands, 16s. 11d.; total, £409,669 4s. 10d.

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.

TABLE II.—ADVANCES BY THE RESERVE BANK TO THE GOVERNMENT BY WAY OF OVERDRAFT OUTSTANDING ON 31ST MARCH, 1940.

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	£ 2,600,231 0 3
Marketing Amendment Act, 1937, Section 9 ..	Advances in respect of primary products purchased for sale	Internal Marketing Account	221,949 7 0
Marketing Amendment Act, 1939, Section 5 ..	Advances in respect of meat purchased for export and sale	Meat Industry Account	584,372 8 9
Marketing Amendment Act, 1939, Section 5 ..	Advances in respect of fruit purchased for export and sale	Fruit Industry Account	64,930 10 5
Marketing Amendment Act, 1939, Section 5 ..	Advances in respect of sundry products purchased for export and sale	Sundry Products Account	55,156 18 3
Total advances as at 31st March, 1940	..	..	£3,526,640 4 8

PUBLIC ACCOUNTS, 1939-1940.

TABLE III.—LOANS GUARANTEED BY THE GOVERNMENT.
CONTINGENT LIABILITY OUTSTANDING ON 31ST MARCH, 1940.

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	£ 27,420 15 6	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	8,752 5 8	
Cambridge Borough Council	Local Bodies' Loans Amendment Act, 1908	..	30 April, 1942	4½	1	3,061 17 8	
Levin Borough Council	Local Bodies' Loans Amendment Act, 1908	..	19 June, 1942	4½	1½	16,067 1 6	
Port Chalmers Borough Council	Local Bodies' Loans Amendment Act, 1908	..	1 July, 1942	4½	1	2,160 19 9	
Taihape Borough Council	Local Bodies' Loans Amendment Act, 1908	..	1 Aug., 1942	4½	1	14,843 10 3	
Auckland City Council (Electric-power Extension Loan)	Local Bodies' Loans Act, 1913, Part IV	..	16 Mar., 1942	5½	2½	368,613 0 8	..
Havelock North Town Board	Local Bodies' Loans Act, 1913, Part IV	{ 19,425 } 1,650	{ 1 July, 1947 } 1 July, 1948	4½ 5	1½	13,034 1 9	..
Te Puke Town Board	Local Bodies' Loans Act, 1913, Part IV	..	1 Jan., 1948	4½	1½	1,145 18 7	..
Wanganui Hospital Board	Local Bodies' Loans Act, 1913, Part IV, and Hospitals and Charitable Institutions Amendment Act, 1920 (No. 2)	..	1 April, 1943	6½	2½	7,192 0 4	..
Oamaru Harbour Board	Finance Act, 1937, sec. 42 ..	..	1 April, 1952	4	Nil	1,043 14 7	Repayable by half-yearly instalments.
	Total Local Authorities Loans	736,806					
STATE ADVANCES CORPORATION STOCK AND DEBENTURES.							
Special Series ..	State Advances Corporation Act, 1936, sec. 25	..	1 Aug., 1960	3½	..	..	..
" ..	"	7,845,750	1 Aug., 1963	3½	..	..	..
" ..	"	6,500,000	1 Aug., 1966	3½	..	..	..
" ..	"	6,500,000	1 Aug., 1969	3½	..	..	..
" ..	"	6,500,000	1 Aug., 1972	3½	..	..	..
" ..	"	6,500,000	1 Aug., 1975	3½	..	..	..
" ..	"	430,000	1 May, 1940	3	..	..	..
" " A "	"	..	1 Sept. 1955-60	3½	..	..	..
Series " B "	"	..	1 June, 1944	3½	..	..	..
	Total State Advances Corporation Loans	44,201,150					

PUBLIC ACCOUNTS, 1939-1940.

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, 1940.	Amount of Funded Debt outstanding at 31st March, 1940.	Annual Charge.			When payable.
				Interest.	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)	2,067,411	237,040	1,830,371	..	..	124,945	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	6,600,000	756,725	5,843,275	..	..	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	963,131	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, 1939-1940.

TABLE V.—STATEMENT of SINKING FUNDS ACCRUED to the 31st MARCH, 1940, in respect of various Loans.

PUBLIC DEBT :—	£	s.	d.	£	s.	d.
Samoan Loan Sinking Fund,—						
Funds held in Deposits Account, Samoan Loan Sinking Fund Account..	..			1	11	11
Electric Supply Sinking Fund,—						
Funds held in Electric Supply Sinking Fund Account—						
North Island Scheme	2,107	19	6			
South Island Scheme	10,540	0	8	12,648	0	2
Westport Harbour Loans Sinking Fund,—						
Funds held by the Public Trustee	..			391,516	12	2
				404,166	4	3

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

RECEIPTS.	£	s.	d.	£	s.	d.
STATE COAL-MINES SINKING FUND :—						
Accumulation held on 31st March, 1939,—						
In State Coal-mines Sinking Fund Account	..			11,767	3	8
				11,767	3	8
SAMOAN LOAN SINKING FUND :—						
Accumulation held on 31st March, 1939,—						
In Deposits Account, Samoan Loan Sinking Fund Account	..			1	14	11
Contribution by Samoan Treasury	..			5,129	17	0
				5,131	11	11
ELECTRIC SUPPLY SINKING FUND :—						
Accumulation held on 31st March, 1939,—						
In Electric Supply Sinking Fund Account—						
South Island Scheme	..			10,321	2	3
Transfer from Electric Supply Account in accordance with section 12 of the State Supply of Electrical Energy Act, 1917,—						
North Island Scheme	..			530,169	13	9
South Island Scheme	..			54,961	0	11
Interest on Investments—						
North Island Scheme	..			162	15	8
South Island Scheme	..			16	17	6
				595,631	10	1
WESTPORT HARBOUR LOANS SINKING FUND :—						
Finance Act, 1928, section 13,—						
Accumulated funds as at 31st March, 1939	..			367,076	6	6
Subsection (4) (a)—Contribution for the financial year 1939-40	..			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, 1939, to redeem debentures	..			3,858	15	0
Interest on Investments	..			13,606	10	8
				391,541	12	2

PUBLIC ACCOUNTS, 1939-1940.

FUNDS during the FINANCIAL YEAR ended 31st MARCH, 1940.

DISBURSEMENTS.										£	s.	d.
STATE COAL-MINES SINKING FUND :—												
Securities redeemed in terms of section 22 (2) of the Finance Act, 1928	..	..	..	..	..	..	..	..	..	11,765	0	0
Finance Act, 1939 (No. 2), section 3 (4)—												
Balance transferred to Loans Redemption Account	..	..	..	..	..	..	..	..	..	2	3	8
										11,767	3	8
SAMOAN LOAN SINKING FUND :—												
Loans redeemed in terms of section 4 of the Finance Act, 1932 (No. 2)	..	..	..	..	..	..	..	..	..	5,130	0	0
Accumulation held in Deposits Account, Samoan Loan Sinking Fund Account, on 31st March, 1940	..	..	..	..	..	..	..	..	..	1	11	11
										5,131	11	11
ELECTRIC SUPPLY SINKING FUND :—												
Securities redeemed in terms of section 23 (1) of the Finance Act, 1928	..	..	..	..	..	..	..	..	..	570,983	9	11
Advances to Southland Electric-power Board repaid	..	..	..	..	..	..	..	..	..	12,000	0	0
Accumulation held in Electric Supply Sinking Fund Account on 31st March, 1940,—												
North Island Scheme	..	..	..	..	..	..	..	..	..	2,107	19	6
South Island Scheme	..	..	..	..	..	..	..	..	..	10,540	0	8
										595,631	10	1
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, 1940	..	..	..	..	..	..	..	..	..	391,516	12	2
										391,541	12	2

PUBLIC ACCOUNTS, 1939-1940.

TABLE VII.—TRANSACTIONS IN CONNECTION WITH THE PUBLIC DEBT IN THE YEAR ENDED 31st MARCH, 1940.

										Outstanding.				Increase.	
										31st March, 1939 (Nominal Amount).					
										£	s. d.	£	s. d.	£	s. d.
External debt—										156,853,016	7 2	157,863,270	15 10	1,010,254	8 8
London										879,600	0 0	879,600	0 0	..	
Australia															
Internal debt—										129,712,655	16 0	138,759,665	8 5	9,047,009	12 5
Long-term debt										16,525,000	0 0	25,405,000	0 0	8,880,000	0 0
Floating debt															
										303,970,272	3 2	322,907,536	4 3	18,937,264	1 1

DETAILS OF ABOVE.

External debt—

1. London—

Increases—

New issues for capital works—

	£	s. d.	£	s. d.	£	s. d.
Public Works Fund : General Purposes Account	2,480,245	0 0				
Public Works Fund : Electric Supply Account	93,500	0 0				
Main Highways Account	500,500	0 0				

3,074,245 0 0

New issues for War Expenses Account

109,200 0 0

3,183,445 0 0

Decreases—

Redemptions from—

Loans Redemption Account	165,323	18 0				
Renewals and conversions to internal floating debt	1,389,450	0 0				
Renewals to internal long-term debt	618,416	13 4				

2,173,190 11 4

Increase

£1,010,254 8 8

Internal debt—

2. Long-term debt—

Increases—

New issues for capital works—

Public Works Fund : General Purposes Account	5,175,576	4 1				
Public Works Fund : Electric Supply Account	560,738	9 11				
Main Highways Account	182,388	15 11				
State Coal-mines Account	25,000	0 0				

5,943,703 9 11

New issues : War Expenses Account

1,726,854 8 6

New issues for redemptions

35,000 0 0

New issues to cover costs, charges, and expenses of conversions

94,922 15 1

Issues in conversion of floating debt

4,500,000 0 0

Issues in renewal of external debt

618,416 13 4

12,918,897 6 10

Decreases—

Redemptions from—

Public Debt Repayment Account	328,217	9 6				
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Sinking Funds—

	£	s. d.				
Electric Supply	570,983	9 11				
State Coal-mines	11,765	0 0				
Samoan Loans	5,130	0 0				
Nauru and Ocean Islands	33,445	0 0				

621,323 9 11

Loans Redemption Account

47,346 15 0

996,887 14 5

Long-term securities converted to floating debt (Treasury bills)

2,875,000 0 0

3,871,887 14 5

Increase

£9,047,009 12 5

3. Floating debt—

Increases—

New issues for capital works—

Public Works Fund : General Purposes Account	1,710,000	0 0				
Public Works Fund : Electric Supply Account	185,000	0 0				
Main Highways Account	1,925,000	0 0				
State Forests Account	400,000	0 0				

4,220,000 0 0

New issues for War Expenses Account

1,250,000 0 0

New issues for Housing

5,100,000 0 0

New issues to cover costs, charges, and expenses on renewals of external debt

95,550 0 0

New issues for conversion of long-term debt

4,264,450 0 0

14,930,000 0 0

Decreases—

Redemptions from—

Public Debt Repayment Account	1,550,000	0 0				
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Conversions to long-term debt

4,500,000 0 0

6,050,000 0 0

Increase

£8,880,000 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: 1½ per cent., £1,860,000; 2 per cent., £1,000,000; 2½ per cent., £1,585,000; 2¾ per cent., £98,445; 3 per cent., £5,869,553 9s. 11d.; 3½ per cent., £182,200; 4 per cent., £8,607,422 15s. 1d.; 4½ per cent., £1,080,000; interest free, £1,381,854 8s. 6d.; total, £21,614,475 13s. 6d. (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. £35,000 was borrowed during the year at 3 per cent. to meet such redemptions, which totalled £33,510 15s. 0d., the balance £1,489 5s. 0d., together with £6,354 10s. 0d., brought forward from the previous year leaves £7,843 15s. 0d. unused at the 31st March, 1940.

PUBLIC ACCOUNTS, 1939-1940.

TABLE VIII.—ALLOCATION OF THE PUBLIC DEBT AS AT 31ST MARCH, 1940, ACCORDING TO THE EXPENDITURE APPEARING IN THE DEPARTMENTAL BALANCE SHEETS PREPARED IN TERMS OF SECTION 57 OF THE FINANCE ACT, 1932.

	£
Railways	72,452,539
Hydro-electric Schemes	14,171,199
Post and Telegraph Services	15,968,317
Public Buildings, Schools, and Sites	17,975,954
Roads and Highways	38,415,108
Harbours and Lighthouses	2,163,657
State Forests	2,838,958
Housing	11,558,945
Land Settlement and Improvement	26,968,914
Shares in Bank of New Zealand	875,000
Shares in Reserve Bank of New Zealand	1,628,669
Investment in State Advances Corporation	38,048,983
Share in Nauru and Ocean Island Phosphates	284,405
Development of Mining	1,080,438
Tourist Resorts	746,202
Immigration	3,317,292
War and Defence (including £3,086,054 in respect of present war)	65,917,296
Miscellaneous Assets and Services	7,572,294
	£
Cash and Investments in hand	1,288,991
Less exchange	365,625
	923,366
	£322,907,536

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, 25th June, 1940.

Examined and found correct.

CYRIL G. COLLINS,
Controller and Auditor-General.

Audit Office, 26th June, 1940.

