H - 26.

Balance-sheet. On the 31st March the total assets of the fund, which include provision for the outstanding accounts, amounted to £3,209,585 Os. 8d. The balance-sheet appended gives full particulars as to the liabilities and assets.

Investment of the Fund. The total investments of the fund at each rate of interest were as follows:

New Zealand Gove	£	s.	đ.	\mathfrak{L}	8.	d.				
$3\frac{1}{2}$ per cent					327,214	0	6			
4 per cent.					702,715	10	()			
								1,029,929	10	6
Mortgage Corporat stock	ion of l	New Zea	land inscr	ribed						
3^3_8 per cent.								50,000	0	0
Debenture securiti	es									
$3\frac{1}{2}$ per cent.					251,194	2	9			
$4\frac{1}{4}$ per cent.					429,275	3	6			
5 per cent.*					1,980	0	0			
6 per cent.*					22,500	0	()			
-								704,949	6	3
Mortgage securitie	s									
3 per cent.					20,000	0	0			
$3\frac{1}{2}$ per cent.					4,000	0	()			
$4\frac{1}{8}$ per cent.					32,891	2	8			
$4\frac{\tilde{1}}{4}$ per cent.					469,036	9	3			
$4\frac{i}{2}$ per cent.					487,610	10	5			
$4rac{5}{4}$ per cent.					3,561	15	()			
5 per cent.					15,290	10	()			
6 per cent.†					010 505		1			
6½ per cent.†					7 010		8			
24 J.								1,252,769	4	1
								£3,037,648	··	10

^{*}Interest on and from 1st April, 1933, 20 per cent. lower than the rate prescribed by the securities or reflectest on and from 1st April, 1955, 20 per cent. lower than the rate presented by the securities of the rate of $4\frac{1}{4}$ per cent. per annum, whichever rate is the higher—Section 5, Local Authorities Interest Reduction and Loans Conversion Act, 1932-33.

†Subject to a reduction of 20 per cent., but not to be reduced below the rate of 5 per cent. per annum—Part III, National Expenditure Adjustment Act, 1932.

A special payment into the fund was made by Treasury (amounting to £16,268-16s, 11d.), being the amount of the reduction in the interest-rate of the two classes of securities.

The above total includes £23,973 10s. 6d. invested on Stipendiary Magistrates' account.

The average rate of interest earned for the financial year on the mean funds was £4 5s. 2d. per cent., a reduction of 9s. 11d. per cent. as compared with the previous year. In this connection it must be understood that the amount of interest due and outstanding and interest accrued but not due at the balance date is taken into account in arriving at the before-mentioned rate. Reference to the balance-sheet discloses that the sum of £12,913 2s. 7d. is overdue on mortgage securities. The Courts, acting under the powers contained in the Mortgagors and Lessees Rehabilitation Act, 1936, have written off during the year arrears of interest totalling £9,438 16s. 5d., whilst the Board, acting under the provisions of section 77 of the same Act, has written off £566 5s. 9d.

Operations of the Fund.—The following comparative statement shows the operations of the fund (to the nearest pound) as disclosed in the Revenue Accounts and Balance-sheets for the twelve-year period ended 31st March, 1939:-

Year.				Expenditure.								
		Contributions,		Interest on			ĺ					
		Employees.	Govern- ment, &c.	Invest- ments.	Arrears of Contribu- tions.		Refunds.	Pensions.	Adminis- tration Expenses.	Miscel- laneous.	Accumu- lated Funds.	
		£	£	£	£	£	E	£	£	£	£	
1927-28	٠.	249,301	100,955	146,351	439	504	50,193	338,138	7,932	2,124	2,528,454	
1928-29		253,593	101,130	147,040	332	269	44,234	351,396	8,070	1,176	2,625,943	
1929-30		263,424	201,707	154,612	146	405	50,107	367,496	8,158	2,472	2,818,004	
1930-31		271,423	102,289	162,888	264	422	[40,754]	381,243	8,418	8,775	2,917,154	
1931-32		190,347	102,757	168,453	238	486	48,552	431,922	8,650	2,277	2,888,034	
1932 - 33		226,420	141,038	166,814	447	302	45,345	472,288	7,620	387	2,897,415	
1933-34		228,650	144,129	157,200	651	4,464	37,551	486,925	7,180	1,287	2,899,564	
1934-35		238,844	149,766	153,333	185	19,086	40,065	488,836	7,429	6,997	2,917,452	
1935 – 36		256,249	148,512	151,599	176	8,770	44,804	494,988	7,250	1,477	2,934,240	
1936-37		306,292	164,668	142,831	689	2,551	45,644	498,677	7,150	1,901	2,997,898	
1937 – 38		344,583	175,544	137,751	327	323	53,454	515,044	7,543	8,201	3,072,185	
1938 – 39		370,400	244,114	130,688	227	1,347	64,220	527,726	7,691	20,314	3,199,010	
					<u> </u>		<u> </u>					