

1942.

NEW ZEALAND.

PUBLIC ACCOUNTS

FOR THE

FINANCIAL YEAR 1941-1942.

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, 1942.

REPORT OF THE CONTROLLER AND AUDITOR-GENERAL.

I HAVE the honour to submit my report for the year ended 31st March, 1942, in terms of section 89 of the Public Revenues Act, 1926. Subsections (2) and (3) of this section set out the several headings under which the Controller and Auditor-General is required to present his report to Parliament, and the section reads as follows :—

89. (1) The Treasury shall as soon as practicable after the end of every financial year prepare and send to the Audit Office a statement of the revenue and expenditure of the Public Account during that year.

(2) The Controller and Auditor-General shall forthwith examine that statement, and prepare and sign a report showing—

- (a) The particulars of any discrepancies between such statement and the books of the Treasury :
- (b) Full particulars of every case in which the provisions of this or any other Act, or the regulations or any forms, have not been carried out or adopted, or have in any manner been varied or departed from :
- (c) Every case of failure to deliver or send in accounts or to collect or account for any moneys or stores :
- (d) All sums allowed or disallowed without vouchers or with imperfect vouchers or upon incorrect certificates :
- (e) Any proceeding that may have been taken by or against any person in pursuance of the provisions of this Act or the regulations :
- (f) All unsatisfied surcharges which have been made by the Controller and Auditor-General and all surcharges disallowed by the Minister on appeal :
- (g) In what accounts the Controller and Auditor-General has, with the consent of the Minister, dispensed with a detailed audit :
- (h) Such other information as may be prescribed, or as the Controller and Auditor-General thinks desirable.

(3) The Controller and Auditor-General shall annex or append to the said report copies of all cases laid by him before the Attorney-General for his opinion, together with a copy of the opinion given in every such case.

(4) The Controller and Auditor-General shall lay the said statement, together with his report thereon, before Parliament within fourteen days after the signing of the report if Parliament is then in session, and if not, then within fourteen days after the commencement of the next ensuing session.

In reference to subsection (3), no cases were laid before the Attorney-General, and as to subsection (4), the full Statement of the Revenue and Expenditure of the Public Account is contained in two parliamentary papers—namely, 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 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 latter paper for 1941-42 has already been laid before Parliament, it is necessary for me to present only Part II with this report.

The remaining requirements of the section are satisfied as follows :—

(a) DISCREPANCIES IN THE STATEMENT OF ACCOUNTS.

There are no discrepancies between the statement of accounts and the books of the Treasury.

(b) CASES IN WHICH THE PROVISIONS OF THE LAW HAVE NOT BEEN CARRIED OUT.

The Audit Office in the exercise of its duties is required to see that all financial transactions of the Government are supported by proper legislative authority. As stated in previous reports, circumstances arise, however, 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.

Several cases of this nature arose during the year, and the Audit Office, following past practice, agreed to pass the transactions on receipt of an undertaking that the Government would introduce validating or amending legislation therefor at the earliest opportunity.

In the following cases, the necessary legislation was passed during the financial year :—

Finance Act, 1941, section 8—Advances by way of loan out of the Meat Industry Account in respect of meat held in store as a result of shipping difficulties. (The Meat Marketing Order 1939, Amendment No. 2, provided that payment be made on shipment.)

Finance Act, 1941, section 10—Payment by the Crown direct to the Napier Harbour Board of interest due in respect of land taken in connection with Napier Housing Scheme.

Finance Act, 1941, section 37—Payments to the Hon^ourable Sir Apirana Ngata as a member of the Committee appointed to inquire into matters relating to the East Coast Native Trust Lands.

Finance Act, 1941 (No. 2), section 3 (c)—Payments to members of Parliament by way of travelling-allowances in respect of services as members of the Council of Primary Production.

Marketing Department (Extension of Powers) Order 1939, Amendment No. 3 (Serial No. 1941/92), (pursuant to the Marketing Amendment Act, 1939, section 4), authorizing purchase by Marketing Department of foodstuffs and tobacco.

Meat Marketing Order 1942 (Serial No. 1942/165), fixing the price and terms of payment in respect of meat purchased during the 1941-42 killing season.

My report of last year referred to four cases in which validating legislation had not been passed at the time of the report. This legislation has now been passed as follows :—

Finance Act, 1941, section 9—Payment of harbour dues out of Housing Account.

Finance Act, 1941, section 34—Payment of subsidies for Centennial memorials in anticipation of grants from local authorities.

Finance Act, 1941, section 38—Payments to members of Parliament of certain travelling-expenses in respect of the 1940 session.

Finance Act, 1941, section 40—Payment to a superannuated public servant of full superannuation in addition to payment for special services.

Legislation has yet to be passed in respect of the following transactions :—

(1) The Minister of Finance approved the transfer to the War Expenses Account of surpluses or deficits arising annually from the several marketing pool accounts (except the Dairy Industry Account).

The necessary statutory authority for making the transfers was lacking, and as it was desired that such transfers should appear in the appropriate financial year, the Audit Office agreed to pass the transactions, upon receipt of an assurance by the Minister that validating legislation would be introduced.

(2) In the course of the change-over from the manufacture of butter to cheese (which became essential in order to meet the wartime demands of the United Kingdom) it was found to be necessary to render financial assistance to dairy companies and suppliers, particularly by way of grants towards purchase of new capital equipment. There was no legislative authority for these grants, but the Minister of Marketing gave an undertaking that appropriate legislation would be introduced, and payments thereof have been passed by the Audit Office in anticipation of this legislation.

(c) STATEMENT OF IRREGULARITIES IN CONNECTION WITH PUBLIC MONEYS AND STORES.

It is pleasing to report that defalcations by departmental officers were fewer and that the total amount involved was considerably less than in the previous year.

The largest defalcation occurred in a small post-office under the control of a non-permanent Postmaster who failed to account for savings-bank deposits amounting to £120.

There were 1,330 cases in which recipients of pensions, sustenance, age, and other benefits obtained payment in excess of scale rates by failing to disclose material particulars of their circumstances to the Department concerned. This number represents a reduction of 1,000 cases when compared with the previous year and is the smallest number so far reported by me.

STATEMENT OF IRREGULARITIES IN CONNECTION WITH PUBLIC MONEYS AND STORES—continued.

Nature of Irregularity.	Amount involved.	Action taken, and Result.
Air Department.		
IRREGULARITIES BY PERSONS NOT DEPARTMENTAL OFFICERS.		
Theft of allotment cheques	£ s. d. 6 0 0	Police investigations unsuccessful.
Theft of stores	6 0 0	Police investigations not yet complete.
	Not stated	Police investigations not yet complete.
Army Department.		
IRREGULARITIES BY DEPARTMENTAL OFFICERS.		
Misappropriation of public moneys	28 10 0	Offender tried by field general court-martial: dismissed from the Service and sentenced to twelve months' imprisonment with hard labour.
Misappropriation of public moneys	50 0 0	Offender placed on probation for two years, and ordered to pay £10 towards the cost of prosecution.
Theft of stores and unlawful conversion of departmental motor-car	38 18 2	Offender convicted and sentenced to six months' imprisonment with hard labour.
IRREGULARITIES BY PERSONS NOT DEPARTMENTAL OFFICERS.		
Theft of cash	55 14 0	Police investigations unsuccessful.
Theft of stores	Not stated	Offender convicted of theft. Stores partly recovered.
Marketing Department (Internal Marketing Division).		
IRREGULARITIES BY PERSONS NOT DEPARTMENTAL OFFICERS.		
Theft of postal notes	1 11 8	Police investigations unsuccessful.
Lands and Survey Department.		
IRREGULARITIES BY DEPARTMENTAL OFFICERS.		
Misappropriation of public moneys	3 0 0	Offender convicted and fined £5.
Misappropriation of public moneys	99 13 10	Offender sentenced to two years' probation. Restitution made.
IRREGULARITY BY PERSON NOT DEPARTMENTAL OFFICER.		
Theft of cash	0 10 0	Police investigations unsuccessful. Loss made good by officer responsible for the custody of the money.
Mines Department.		
IRREGULARITIES BY PERSONS NOT DEPARTMENTAL OFFICERS.		
Theft of cash	2 5 0	Police investigations unsuccessful.
Theft of tires	4 10 0	Police investigations unsuccessful.
National Provident Fund.		
IRREGULARITY BY PERSON NOT DEPARTMENTAL OFFICER.		
Fraudulent withdrawal of contributions	40 18 9	Police investigations unsuccessful.
Native Department.		
IRREGULARITY BY PERSON NOT DEPARTMENTAL OFFICER.		
Theft of two tires	Not stated	Police investigations unsuccessful.
Post and Telegraph Department.		
IRREGULARITIES BY DEPARTMENTAL OFFICERS.		
Theft of postal packets	0 5 0	Offender committed to Borstal institution.
Theft of letters	Not stated	Offender convicted, released on probation for three years, and ordered to make restitution.
Theft of letters and postal packets	13 1 7	Offender convicted and placed on probation for twelve months, fined £15, and ordered to make restitution to Department.
Misappropriation of public moneys	120 0 0	Offender sentenced to two years' probation and ordered to repay £20. Amount recoverable under fidelity policy, £100.
Misappropriation of public moneys	2 0 0	Offender committed to the Supreme Court for sentence. Restitution made.
Theft of departmental property and postal parcels	Not stated	Two offenders, one was sentenced to eighteen months' imprisonment with hard labour, and the other was fined £5 or ten days' imprisonment.
IRREGULARITIES BY PERSONS NOT DEPARTMENTAL OFFICERS.		
Theft of mail-bag	2 0 0	Police investigations unsuccessful.
Theft of cash	56 15 3	Police investigations unsuccessful.
Theft of cash, radio licenses, &c.	87 5 4	Two offenders, each sentenced to four years' imprisonment with hard labour.
Theft of cash, stamps, postal notes, &c.	87 15 5	Two offenders, each sentenced to four years' imprisonment with hard labour.
Theft of cash, stamps, postal notes, &c.	163 11 5	Police investigations unsuccessful.
Theft of insured parcel	1,000 0 0	Police investigations unsuccessful. Compensation paid by Department, £2.
Theft of cash, postal notes, and registered letter	77 19 7	Police investigations not yet complete.
Thefts from public-call boxes and stamp-vending machines	121 13 5	Police investigations carried out in respect of each loss.

STATEMENT OF IRREGULARITIES IN CONNECTION WITH PUBLIC MONEYS AND STORES—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.	
Theft of cash and postal stationery ..	182	8	5	Three offenders convicted and sentenced to varying terms of imprisonment. Net loss to Department, £80 11s. 4d.
Attempted fraudulent withdrawal from Post Office Savings-bank	40	0	0	Offender sentenced to imprisonment for twelve months.
Attempted fraudulent withdrawal from Post Office Savings-bank	2	0	0	Offender convicted and admitted to probation for six months.
Fraudulent withdrawal from Post Office Savings-bank	20	0	0	Offender admitted to probation and ordered to make restitution.
Fraudulent negotiation of military pay warrant	16	16	0	Offender committed to Supreme Court for sentence. No loss to Department.
Theft of cash and stamps	2	17	1	Restitution made.
Theft of stores	1	19	3	Police investigations unsuccessful.
Theft of stores	7	17	6	Offender ordered to come up for sentence if called upon within two years and to make restitution to the Department.

Public Works Department.

IRREGULARITIES BY DEPARTMENTAL OFFICERS.

Misappropriation of public moneys ..	20	12	4	Offender convicted and sentenced to three years' probation.
Theft of stores	5	10	0	Offender convicted and fined £20.

Railways Department.

IRREGULARITIES BY DEPARTMENTAL OFFICERS.

Theft from booked parcel	Not stated			Offenders fined £5 each and ordered to pay costs.
Misappropriation of public moneys ..	0	15	0	Offender dismissed the Service. Restitution made.
Theft of goods	19	2	0	Offender sentenced to one month's imprisonment with hard labour. Restitution made.
Misappropriation of public moneys ..	3	10	3	Offender convicted and sentenced to twelve months' probation. Restitution made.

IRREGULARITIES BY PERSONS NOT DEPARTMENTAL OFFICERS.

Theft of cash	0	5	7	} Offender sentenced to three years' imprisonment.
Theft of railway tickets, stores, &c. ..	Not stated			
Theft of cash	45	0	0	Police investigations unsuccessful. Officer responsible for the custody of the money called upon to make good the loss.
Theft of cash	1	0	0	Police investigations unsuccessful.
Theft of cash	10	3	1	Two offenders, each sentenced to four years' imprisonment with hard labour.
Theft of tickets	Not stated			Offender sentenced to three years' imprisonment with hard labour.
Theft of cash	0	11	0	Police investigations unsuccessful.
Theft of cash and postal note	7	12	2	Police investigations unsuccessful.
Theft of cash	18	7	2	Police investigations unsuccessful.
Theft of cash	4	10	6	Police investigations not yet complete.

Scientific and Industrial Research Department.

IRREGULARITY BY PERSON NOT DEPARTMENTAL OFFICER.

Loss of departmental moneys stolen from safe	11	16	9	Loss made good by officer responsible for their custody.
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Social Security Department.

IRREGULARITIES BY PERSONS NOT DEPARTMENTAL OFFICERS.

Theft of postal draft (being instalment of war pension)	1	12	6	Offender awaiting trial.
One thousand three hundred and thirty cases in which recipients of pensions, sustenance, age, and other benefits obtained payments in excess of scale rates by failing to disclose material particulars of their circumstances to the Labour, Pensions, or Social Security Departments. (NOTE.—The excess payments to many of the recipients were not all made during 1941–42, but include amounts received by them in previous years.)	17,984	11	4	Proceedings instituted in eleven cases, involving the sum of £862 6s. 5d., resulted in eleven convictions being entered. Fines totalled £159, costs amounted to £11 12s., and restitution of £351 9s. 1d. was ordered by the Court. In a few cases the offenders were sentenced to imprisonment. There were 1,319 other cases involving the sum of £17,322 4s. 11d. Except in a small percentage of cases where the beneficiaries were on active service, deceased, or in straitened circumstances, refunds have been or are being obtained.

Treasury Department.

IRREGULARITY BY PERSON NOT DEPARTMENTAL OFFICER.

Theft of interest warrant	9	0	0	Offender convicted and admitted to probation for twelve months and ordered to make restitution.
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(d) **SCHEDULE OF IMPERFECT VOUCHERS PASSED BY THE AUDIT OFFICE UNDER PROVISIONS OF SECTIONS 73 AND 75, PUBLIC REVENUES ACT, 1926.**

Section 73, which requires the Audit Office to disallow payment of any sum where the voucher for the actual receipt and payment has not been produced, empowers the Minister, on satisfactory evidence being produced that the requisite papers have been lost or destroyed and that it is not possible to obtain or replace them, to authorize the Audit Office to pass the payment.

Section 75 provides that when a voucher produced for payment is defective from the want of any certificate the Audit Office, on proof to its satisfaction that the defect was not due to wilful neglect of the accounting officer and that the sum named in the voucher had been actually and properly paid, may pass the voucher as a sufficient discharge.

The following is a schedule of imperfect vouchers passed by the Audit Office under authority of the two sections mentioned :—

Department and Particulars.	Reason.	Amount.	Total Amount.
Agriculture.			
Compensation under the Stock Act	Voucher lost	£ s. d. 1 10 0	£ s. d.
Wages	Voucher lost	12 2 5	13 12 5
Air.			
Freight charges	Receipts unobtainable	3 10 0	
Pay and allowances	Vouchers lost	175 7 5	
Travelling-expenses	Receipts not obtained	134 13 5	
Uniform allowance	Voucher lost	10 9 11	324 0 9
Army.			
Cable charges	Receipts unobtainable	0 12 0	
Freight charges	Receipts unobtainable	662 6 4	
Pay and allowances	Receipts unobtainable	5 10 0	
Travelling-expenses	Receipts not obtained	31 0 7	699 8 11
Crown Law.			
Travelling-expenses	Receipts not obtained	1 16 0	1 16 0
Customs.			
Travelling-expenses of official representative travelling in the United States of America	Receipts unobtainable	77 9 8	77 9 8
Education.			
Meal allowances	Voucher lost	14 0 6	
Purchase of publications	Receipt unobtainable	0 8 0	
Travelling-expenses	Receipts not obtained	10 13 5	
Wages	Receipts not obtained	9 18 7	35 0 6
Government Insurance.			
Purchase of publications	Vouchers lost	1 2 7	1 2 7
Health.			
Purchase of goods	Receipt not obtained	0 10 0	0 10 0
Industries and Commerce, Tourist and Publicity.			
Bureau charges	Receipts not obtained	0 19 2	
Freight charges	Receipts unobtainable	0 19 11	
Purchase of publications	Voucher lost	0 10 0	
Rent	Receipt unobtainable	26 14 3	
Travelling-expenses	Receipts not obtained	16 6 0	45 9 4
Internal Affairs.			
Freight charges	Receipts unobtainable	44 19 4	
Travelling-expenses	Receipts not obtained	192 11 6	237 10 10
Justice and Prisons.			
Imprest payments	Vouchers lost	40 0 4	40 0 4
Labour.			
Bureau charges	Receipts not obtained	1 3 10	
Salary payments	Vouchers lost	23 11 10	
Subsidy, Scheme 13	Voucher lost	3 10 7	
Travelling-expenses	Receipts not obtained	2 0 0	30 6 3
Land and Income Tax.			
Overtime	Vouchers lost	654 15 9	
Refund of tax	Voucher lost	4 12 6	659 8 3
Lands and Survey.			
Travelling-expenses	Voucher lost	2 14 6	
Wages	Voucher lost	36 17 3	39 11 9
Marine.			
Freight charges	Receipt unobtainable	1 19 0	1 19 0
Mines.			
Wages	Receipts unobtainable	4 0 0	4 0 0
National Commercial Broadcasting.			
Cables	Receipts unobtainable	5 14 1	5 14 1

**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.
National Service.			
Wages	Vouchers lost	98 14 0	98 14 0
Native.			
Fees	Receipts not obtained	1 1 0	
Freight charges	Receipts unobtainable	3 9 5	
Imprest payments	Vouchers lost	109 16 5	
Travelling-expenses	Receipts not obtained	2 4 0	
Wages	Vouchers lost	12 11 9	129 2 7
Navy.			
Imprest payments	Vouchers lost	91 14 2	
Telephone rental	Voucher lost	7 10 0	
Travelling-expenses	Receipts not obtained	1 10 6	100 14 8
Printing and Stationery.			
Freight charges	Receipts unobtainable	10 7 11	10 7 11
Public Works.			
Bureau charges	Receipts not obtained	1 5 1	
Charter Party expenses	Receipts not obtained	83 4 2	
Court costs	Voucher lost	47 5 5	
Freight charges	Receipts unobtainable	96 10 4	
Land compensation	Voucher lost	368 7 0	
Purchase of publications	Receipts not obtained	1 4 6	
Purchase of stores	Voucher lost	197 9 11	
Rates	Voucher lost	24 11 11	
Renovations	Voucher lost	945 0 8	
Subsidies	Voucher lost	245 3 6	
Travelling-expenses	Receipts not obtained	9 17 6	2,020 0 0
Railways.			
Travelling-expenses	Receipt not obtained	0 6 0	0 6 0
Scientific and Industrial Research.			
Purchase of publications	Vouchers lost	3 18 0	
Purchase of stores	Voucher lost	0 4 9	4 2 9
Social Security Fund.			
Benefit payment	Receipt unobtainable	0 16 0	
Medical fees	Voucher lost	3 3 0	3 19 0
State Forests Account.			
Unclaimed earnings	Voucher lost	4 19 0	4 19 0
Transport.			
Bureau charges	Receipts not obtained	6 15 8	
Petty expenses Queen Carnival procession	Receipts not obtained	1 5 4	
Travelling-expenses	Receipts not obtained	3 13 2	11 14 2
Treasury.			
Bureau charges	Receipts not obtained	6 4 6	
Expenses of French nationals	Receipts not obtained	143 7 8	
Telegraphic remittances	Receipts unobtainable	9,761 18 7	
Travelling-expenses	Receipts not obtained	18 11 9	
Travelling-expenses of Washington delegation	Receipts not obtained	305 6 5	10,235 8 11
			£14,836 9 8

(e) PROCEEDINGS TAKEN AGAINST DEFAULTERS AND OTHERS.

Particulars of cases in which proceedings have been taken in pursuance of section 69 of the Public Revenues Act are included in the Statement under paragraph (c) hereof.

The Audit Office is required by the above-mentioned section to take all such steps as it thinks fit to prosecute according to law all defaulters in respect of any public moneys or stores, but the section does not prevent prosecutions in like cases by persons other than the Audit Office. The statement under paragraph (c) includes, therefore, prosecutions which were instituted by the Departments concerned as well as by the Audit Office.

(f) 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 six officers, five of the surcharges being in respect of loss of cash.

Any person surcharged has the right under section 71 of the Public Revenues Act, to appeal to the Minister of Finance, 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. 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.
Army	2	25 0 0	209 0 0	234 0 0
Lands and Survey	1	..	10 0 0	10 0 0
Post and Telegraph	2	6 0 0	14 0 0	20 0 0
Transport	1	..	11 6 10	11 6 10
	6	31 0 0	244 6 10	275 6 10

(g) **DETAILED AUDIT OF ACCOUNTS DISPENSED WITH.**

Section 72 of the Public Revenues Act authorizes the Controller and Auditor-General, with the consent of the Minister, to dispense with a detailed audit of any accounts in circumstances which render a detailed audit unnecessary.

The Minister was not requested to exercise his power under this section during the year.

(h) **GENERAL INFORMATION.**

Repayment of the Public Debt.

The following table gives particulars of the amount of securities redeemed under the provisions of the Repayment of the Public Debt Act, 1925, and the total cost of redemption :—

Rate of Interest.	Nominal Value of Securities redeemed.			Total Cost of Redemptions.
	Total to 31st March, 1941.	Year 1941-42.	Total to 31st March, 1942.	
Per Cent.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
1½	459,417 10 0	..	459,417 10 0	459,417 10 0
1½ .. .. .	..	1,760,437 0 0	1,760,437 0 0	1,760,437 0 0
2½	5,000 0 0	..	5,000 0 0	5,000 0 0
2½	199,200 0 0	..	199,200 0 0	199,200 0 0
3	3,838,168 14 8	229,625 0 0	4,067,793 14 8	4,067,793 14 8
3½	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
3½	170,376 7 4	114,335 0 0	284,711 7 4	284,711 7 4
4	3,128,063 5 6	726,700 0 0	3,854,763 5 6	3,843,075 14 7
4½	2,087,460 0 0	17,300 0 0	2,104,760 0 0	2,089,382 5 0
5	5,423,735 0 0	..	5,423,735 0 0	5,423,181 5 0
5½	1,530,990 0 0	..	1,530,990 0 0	1,530,972 10 0
5½	1,033,310 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
	21,490,310 15 11	2,848,397 0 0	24,338,707 15 11	24,287,359 16 1*

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

Transfers from Consolidated Fund to the Public Debt Repayment Account amounted to £2,255,108 9s. 6d. This amount, together with the opening balance of £913,257 13s. 1d., enabled securities valued at £2,848,397, as shown above, to be redeemed. The balance remaining at 31st March amounted to £319,969 2s. 7d., and is available for further redemptions.

In my last report attention was drawn to the absence of any statutory provision for the repayment of securities in respect of the debt of the State Advances Account and it was suggested that some provision for repayment should be made at the earliest opportunity. The Finance Act, 1941 (No. 2), section 2, provides that all moneys received by the Minister of Finance in redemption or repayment of any stock of the State Advances Corporation issued to the Minister under section 38 of the State Advances Corporation Act, 1934-35, or for the sale of such stock shall be paid to Public Account to the credit of Loans Redemption Account and applied towards the repayment of securities. As the stock of the Corporation held by the Treasury exceeds the amount outstanding in respect of the debt of the State Advances Account, this provision for repayment appears to be sufficient.

Reductions during the year—

Decreases during the year—											
Name of Account.						Decrease.					
						£	s.	d.	£	s.	d.
Consolidated Fund—Ordinary Revenue—											
Nauru and Ocean Islands						35,865	0	0			
Miscellaneous						500	0	0			
War Expenses (1914-18)						1,006,035	0	0			
State Advances Corporation						1,898	0	0			
Public Works Fund—											
General Purposes						1,853,512	0	0			
Electric Supply						300,000	0	0			
Land for Settlements						26,600	0	0			
Main Highways						500	0	0			
Samoan Loan Suspense						5,625	0	0			
State Coal-mines						6,320	0	0			
War Expenses (1939)						7,352,506	10	10			
										10,589,361	10 10
Total debt as at 31st March, 1942 (see B.-1 [Pt. III], page 8)										£385,397,732	18 3

The foregoing statement shows that the total public debt has been increased during the year by £35,970,158 7s. 1d.

The long-term debt was increased by £27,742,458 7s. 1d. and the short-term Treasury bills debt by £8,227,700, as shown in the following summary:—

	£	s.	d.	£	s.	d.
Treasury bills as at 31st March, 1941	30,733,300	0	0			
Treasury bills as at 31st March, 1942	38,961,000	0	0			
Increase				8,227,700	0	0
Long-term debt as at 31st March, 1941	318,694,274	11	2			
Long-term debt as at 31st March, 1942	346,436,732	18	3			
Increase				27,742,458	7	1
Increase as at 31st March, 1942				£35,970,158	7	1

Under the Memorandum of Security Agreement £8,243,051 3s. 4d. was borrowed from the United Kingdom Government. This agreement provides for advances to be made to the New Zealand Government for war purposes, and repayment is to be effected at such dates as may be agreed upon. Prior to 31st March, 1942, £5,425,015 14s. 5d. of this amount, as well as the amount of £4,515,661 10s. 5d. which was outstanding at 31st March, 1941, was repaid in London, leaving £2,818,035 8s. 11d. outstanding under the agreement.

National Development Loans Act, 1941.

The above-named Act, which came into force on 1st April last, was placed on the statute-book during the year covered by this report. It makes changes in the procedure by which loan-moneys raised for the purposes of various accounts of the State are made available to those accounts, and in the liability those accounts assume in respect of the loan-moneys they receive. It does not apply to loans raised in anticipation of revenue and paid into Consolidated Fund, nor to moneys borrowed for war purposes and paid into War Expenses Account.

Loans raised by the State are secured on the public revenues, which may be said to be the revenues of the Ordinary Revenue Account of the Consolidated Fund. Although that account is therefore responsible to the lender for payment of interest and repayment of principal, loan-moneys do not find their way into it, but into other accounts authorized by Parliament to make use of borrowed money, such as the Public Works Account, the Electric Supply Account, and the Land for Settlements Account, and where any of these accounts are in receipt of revenue or have an earning-capacity they are required to recoup the Ordinary Revenue Account for charges arising from such payments.

Prior to the passing of the Act under notice loans were raised within parliamentary authority for any separate account named in an authorizing Act, and where such account was liable from its nature to recoup the Consolidated Fund for payments of interest and repayments of principal it did so according to the terms on which the specific loan-moneys received by it were raised. Under the new Act two considerable changes in this procedure are made as noted hereunder—

- (a) Loans-moneys as they are raised are paid to one central account named the National Development Loans Account, and from it they are distributed as required to the various accounts authorized by Parliament to receive loan-moneys. This change is calculated to reduce interest charges arising from separate accounts borrowing in excess of immediate requirements.

- (b) All moneys transferred from the National Development Loans Account to the separate accounts constitute a capital liability of the appropriate account to the Consolidated Fund, but the liability of the separate accounts does not attach to them according to the terms on which the loan-moneys they received were raised. It attaches as to interest at such rate or rates as the Minister of Finance from time to time decides, and, as to repayment other than by way of sinking fund, when, and to the extent, the Minister is satisfied that any account has moneys available for reduction of the capital liability to the Consolidated Fund. These provisions are also made retrospective in respect of loans received by separate accounts prior to the coming into operation of the Act and remaining undischarged at that date.

Audit of Public Stores.

Stores accounts numbering 151 and relating to twenty Government Departments were examined by Audit Inspectors. The inspections showed that accounting systems were well maintained, and disclosed no serious irregularities. In twenty-five cases reports by Public Works Department Inspectors were accepted by Audit as presenting satisfactory evidence that the relative accounts were in order. The foregoing figures are exclusive of audit work performed in connection with Navy, Army, and Air Force stores. This work is dealt with in the War Expenses section of this report.

Audit of Accounts of Local Authorities.

I am again able to report a satisfactory general state of the audit of local authorities accounts.

During the year there were three cases of disqualification of members of local authorities, due to such members having been 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.

There were seven cases of misappropriation of funds by local-body officials, a decrease of four cases as compared with the previous year. In each case the matter was placed in the hands of the police for appropriate action by them. The aggregate sum of all the misappropriations was £3,442 9s. 4d.

The Audit Office dealt with numerous breaches of law relating to the accounts of local authorities, and an adjustment of the accounts or a recovery of the moneys was required in all cases except where a satisfactory explanation was made, or where the special circumstances were such that Audit requirement was waived conditionally on legislation being obtained to validate the irregularities.

The following is a list of the cases where this conditional waiver was granted:—

Auckland Harbour Board ..	..	"Unauthorized" expenditure exceeded by £60 4s. 3d.
Bay of Plenty Hospital Board ..	..	Bank overdraft exceeds the statutory limit.
Bay of Plenty Hospital Board ..	..	Precedent consent of the Governor-General in Council not obtained to the raising of a loan.
Hawke's Bay Rabbit Board ..	..	Wrongful transfer of funds.
Hawke's Bay Rivers Board ..	..	Unlawful payment to a Board member under a disqualifying contract.
Lyttelton Borough Council ..	..	Expenditure incurred prior to the date a loan was authorized wrongly charged to the loan.
Nelson Raspberry Marketing Committee		Unlawful payments of allowances to members of the Committee.
Otorohanga Town Board ..	..	Agreement entered into without lawful authority.
Thames Valley Electric-power Board ..	..	Borrowing after expiration of period stipulated by authorizing Order in Council.
Waipawa Hospital Board ..	..	Grants to nurses in respect of personal effects destroyed by fire.
Wanganui Hospital Board ..	..	Expenditure incurred prior to the date a loan was authorized and wrongly charged to the loan.
Wellington Education Board ..	..	Unlawful payment of £20, representing the cost of a presentation.

The necessary legislation has already been provided in the above cases with the exception of the Auckland Harbour Board, the Hawke's Bay Rabbit Board, the Otorohanga Town Board, and the Thames Valley Electric-power Board.

Two local authorities engaged in pig-raising and eight in the cultivation of vegetables and seed-cropping activities for which there was no authority of law. The Audit Office has taken no action in these cases beyond drawing attention to the position in its certificate on the annual accounts of the local authorities concerned. It is understood that the Department of Internal Affairs is considering the question of promoting legislation to authorize such undertakings and validate past expenditure thereon.

Waterfront Control Commission.

The scheme of control of the Waterfront Control Commission, appointed under the Waterfront Control Commission Emergency Regulations 1940, provides generally that ships' cargo will be loaded or discharged by the Commission at fixed rates of charges payable by the shipping companies concerned, and that the companies will advance to Central Pay Offices at the ports sufficient funds to pay award wages to the watersiders engaged in the work and will pay to the Head Office of the Commission any surplus of those advances remaining after payment of the fixed rates for handling the cargo. The scheme provides, further, that out of the surplus received by the Commission bonuses will be paid to the Central Pay Offices for distribution among watersiders engaged in working the particular cargo. The shipping companies are also required to pay a levy to cover the cost of administering the Central Pay Offices.

Regulation 16 (5) provides that "the accounts and stores (of the Commission) shall be audited by the Audit Office or by an auditor to be appointed for the purpose by the Audit Office."

The accounts of the Head Office of the Commission, which were audited by the Audit Office, and those of the Central Pay Offices, which were audited by auditors appointed by the Audit Office in terms of the regulation, were found to have been kept satisfactorily.

Departmental Balance-sheets.

The Revenue Accounts and Balance-sheets for the year 1940-41 prepared in terms of section 57 of the Finance Act, 1932, have been audited. In past years the accounts have appeared in parliamentary paper B.-1 [Pt. IV], but as an economy measure Treasury decided to include in that publication only certain of the 1940-41 accounts, most of the others having been published in the annual reports of the relative Departments.

As a further measure of economy it has been decided to discontinue the preparation of some fifty departmental accounts as from the 1st April, 1941.

Patriotic Funds.

The accounts of Provincial Patriotic Councils, with one exception now under action, have been audited to the 30th September, 1941, and audit reports thereon have been submitted to the Minister of Internal Affairs, as required by regulation. The audit of the balance-sheet of the National Patriotic Fund Board will shortly be completed to the same date, and a copy of these accounts is required by regulation to be laid before Parliament by the Minister.

Marketing Department, Export Division.

It was mentioned in my last report that during the Export Division's financial year ended 31st July, 1940, the Division purchased produce to the value of £54,000,000 and that purchases exceeding £58,000,000 in value had already been made during the 1940-41 season, eleven months of which had then elapsed. Completed accounts are now available for this season and disclose that the value of all produce purchased and exported or held on account of the United Kingdom Government amounted to £62,000,000. These accounts are the first to cover a full year's operations in meat and wool. For the nine months already completed of the 1941-42 season over £56,000,000 has been paid out, the payments for March alone exceeding £11,000,000.

Canteen Board.

The transactions of the Canteen Board increased considerably during the year ended 31st March, 1942, reaching a total turnover of £570,057. In spite of staffing difficulties a steady control has been kept upon the stocks and moneys of the Board. Month by month the Board balances the moneys banked against the value of the stores disposed of as ascertained from the stock records and from stocktaking. These figures have been reconciled satisfactorily in the case of most canteens, the most unsatisfactory case being a shortage of 2·6 per cent. of the turnover for the particular canteen. Most of this shortage was revealed to have taken place during one month of the year, and the Board promptly took appropriate remedial steps. Over all dry canteens the average shortage of cash against stock was 0·241 per cent. of the total turnover. It is not, however, possible to get an equally accurate control over the wet canteen revenues, and an entirely satisfactory system in this regard has yet to be devised.

Social Security (Medical Benefits) Regulations 1941.

Every medical practitioner who has agreed to provide medical benefits in accordance with the above-named regulation is entitled to receive from the Social Security Fund for every person for the time being on his Patients' List a capitation fee at the rate of 15s. per annum, and if any patient whose name is included in the Patients' List removes from his place of residence he is required by the regulations to give notice of such removal in order that, if removal takes him beyond the visiting area of the medical practitioner, payment of capitation may be terminated. It is hardly to be expected that such a requirement will always be observed, especially in present circumstances when large numbers of men leave their homes to take up military duties, and the regulations provide a further means of keeping the Patients' Lists up to date by allowing the removal therefrom of the names of persons in respect of whom a registered letter forwarded by the Medical Officer of Health remains unanswered for a period of six weeks.

The Health Department recognizes the desirability of correcting the Patients' List by the method mentioned, but has not been able to undertake the work, and doubtless, therefore, medical practitioners giving service on a capitation basis are being paid in respect of persons who have removed beyond their areas. In respect of men serving with the forces, the Health Department is now seeking information from the Army, Navy, and Air Departments which will assist it to correct Patients' Lists so far as such men are concerned.

(i) AUDIT OF WAR EXPENSES.**War Expenses Account.**

The substantial expansion of New Zealand's war effort has resulted in a corresponding increase in Audit work, and whilst it has not been possible to provide a proportionate accession to Audit staff the work has been kept reasonably up to date by a necessarily severe elimination of detail examination and by reliance, wherever possible, on departmental checking.

The net amount of loan-moneys paid into the War Expenses Account during the year was £24,416,311, the proceeds of taxes credited to it totalled £21,937,454, miscellaneous receipts were £118,658, and £3,226,000 was transferred from the Consolidated Fund, a grand total of £49,698,423.

Net expenditure brought to charge in connection with the three fighting services amounted to £4,521,876 for the Navy, £30,709,218 for the Army, and £11,201,559 for the Air Force. Under the heading of "Civil" the net charge was £2,089,029, and under miscellaneous heading £68,273, making a grand total of £48,589,955.

In respect of the foregoing figures it will be remembered that the Public Accounts include only cash receipts and payments, and transfers between various accounts. They do not include amounts owing to or by the State at the end of any accounting period. This system of accounting on a cash basis has been found to be the most suitable to the needs of government, and under ordinary conditions it is sufficiently accurate, since estimates of expenditure can be closely adhered to and outstandings tend to be fairly uniform in amount from year to year. Under war conditions, however, as they apply to New Zealand, a cash statement may be far from presenting a complete account of transactions. It does not, for instance, deal with liabilities which may ultimately be required to be met under lend-lease arrangements, nor with payments made on account of the Dominion by the Imperial Government and not yet repaid. Nor does it reveal that certain expenditure is recoverable, such as that on stores supplied to the Eastern Group Supply Council.

Control of War Expenditure.

When Parliament enacted section 2 of the War Expenses Act, 1939, it surrendered to the Executive Government, following the precedent of the war of 1914-18, the parliamentary control over certain expenditure which itemized appropriation provides. The provisions of subsections (2) and (3) of section 2 are as follows:—

(2) Any moneys in the War Expenses Account may, without further appropriation than this section, be expended for defence purposes or for any purposes connected directly or indirectly with any war in which His Majesty may now or at any time hereafter be engaged, whether arising during or after the war.

(3) If any question arises as to whether any purpose is a purpose for which moneys may be expended from the War Expenses Account it shall be determined by the Minister of Finance, and his decision shall be final.

One of the duties of the Audit Office is to see that issues of public moneys are made for purposes authorized by Parliament, and, although the statutory provisions quoted above do not set aside this duty, they give a very wide, though no doubt necessarily wide, authority for any expenditure related to the war effort. The

receipts and payments arising from transactions ancillary to the war effort are shown in total in the War Expenses Account of the annual accounts under the heading of "Civil."

Army Pay.

Close attention has been given to the audit of New Zealand Army pay disbursed both at home and overseas. It is pleasing to be able to report that the work has proceeded very smoothly, is well up to date, and that no irregularities of serious amount have been revealed in the course of it.

Ministry of Supply and Munitions.

The Ministry of Supply and Munitions is composed of the Minister in Charge and several Controllers of supplies and services. The Audit Office is concerned principally with the Indent Division of the Ministry, which procures equipment and stores both for Government Departments and for trading concerns, either by purchase or under the "lease-lend" plan of the Government of the United States of America. The work of the Division has been hampered by a dislocation of the mails and perhaps by lack of trained staff, and the Audit Office found it necessary to inform Treasury that the records were not in an entirely satisfactory state. Steps are being taken to put the position in order.

Eastern Group Supply Council.

Each member Government of the Council is to furnish to the British Ministry of Supply periodic statements showing (a) cash transactions in respect of production under orders issued by the Council, (b) the value of stores despatched to and recoverable from consignee members in accordance with issue orders or directions given by the Council. These statements require to be certified by the Audit Office, and an annual certificate is also required in respect of the stores accounts which each member Government must maintain. The New Zealand Government has not so far claimed any recoveries from other member Governments or from the British Ministry of Supply.

Loss of Field Pay.

In the course of the campaign in Greece some of the New Zealand field cashiers were made prisoner by the enemy, and it became necessary to reconstruct records lost there and in Crete. This reconstruction has proceeded as far as possible, and the results have been audited. The monetary loss ascertained to date which it will be necessary to write off as representing cash unaccounted for or destroyed to prevent its falling into enemy hands amounts to approximately £20,000.

Food Controller's Operations.

During the year the Food Controller, under the control of the Minister of Supply, found it inconvenient to operate through the Internal Marketing Account, and since July, 1941, all transactions have been financed through the War Expenses Account. The greater part of the Controller's expenditure charged to this account was incurred in the purchase of stocks of commodities for supply in the main to the armed forces, both Dominion and Imperial, and in the handling of the stocks represented by these payments an adequate stores system is most desirable. To date the requirements of Audit in this direction have not been met in their entirety, for although an efficient system has been instituted from 1st April, 1942, the stocks for the earlier period have yet to be balanced. The attention of the Food Controller has been drawn to the matter, and it is hoped that in the near future the position will be made satisfactory.

Army Stores.

My two previous reports drew attention to the unsatisfactory state of Army stores accounting, and although I am able to report this year that a decided general improvement has taken place, the position at several stores was such that the Audit Office could not regard it as satisfactory. A matter for concern is that two of the stores were ordnance depots through which pass the bulk of stores purchased by the Army Department. The unsatisfactory position has again been attributed to shortage of experienced staff, and the Department hopes to effect a remedy by changing the establishment from a civil to a military basis, when it should be possible to strengthen the staff with suitable men chosen from those called up for service.

The accounts examined by Inspectors have been mostly those relating to stocks held in store, but application during the year by the Army Department to bring ledger balances into agreement with stocks and to write off charge considerable losses in training and camp equipment indicates that control and custody of stores actually in use also leaves something to be desired.

It has been found also that soldiers' clothing and equipment cards disclose numerous issues of articles in excess of the authorized scale, and unless immediate steps are taken to recover these articles considerable loss may result.

As stated in my last report, three officers of other Departments with stores experience were seconded to the Army Department to act as Army Stores Inspectors, and the foregoing remarks are based partly on reports received from them, for with increased work and loss of staff the Audit Office Inspectors have not been able to undertake annual examination of all accounts. Several stores have not been inspected by either staff during the year.

Army Rations.

All purchases of foodstuffs are made through the Food Controller, who arranges the source of supply and the price to be paid.

Since January the daily cost basis of rationing previously in operation has been discarded and a quantity ration scale introduced. From the system of accounting in force Audit is able to ensure that all foodstuffs purchased are received into store and later issued to cookhouses in accordance with the ration scale. From that point control consists of physical check and supervision which can be carried out only by the authorities constantly on the spot.

Army Transport.

With mechanization of the Army proceeding at a fast rate expenditure on motor-vehicles and stores has reached a very large figure. Vehicles have been properly accounted for, but the accounting for stores for use in connection with them was found to be unsatisfactory as the stock-sheets disclosed many surpluses and deficiencies, when compared with the stock records.

As a check on these stores, which consist of petrol, oil, tires, and accessories, and on the use and efficiency of the vehicles, daily running-sheets and monthly cost returns were required to be prepared in connection with each vehicle. Examination of some of these records by the Audit Office showed that many were incompletely or badly maintained and did not fulfil their purpose. The Audit Office therefore has not been able to satisfy itself that, according to records maintained, vehicles had been run only for army purposes and that expenditure of stores in connection with them was in order. One of the accounts indicated a deficiency of 828 gallons of petrol, but the record of the use of petrol were such that it was not possible to determine whether the recorded shortage was the result only of poor accounting or whether there had been an actual loss resulting from weak supervision and control. A simplified record has been introduced, but its value will depend, no less than did that of the discarded one, on the insistence of the authorities that it be properly maintained. As a supplementary means of control a Provost Traffic Control Force is charged with investigation into the running of army transport and it has authority to hold up any army vehicle and require evidence that it is properly engaged on Army service.

Air Stores.

It was mentioned in my last report that the stores system had not functioned satisfactorily, and, in order to bring ledgers into agreement with actual stocks, Treasury and Audit gave provisional authority to the writing off of deficiencies.

As regards the year's work under review, six reports were received, three of which disclosed a reasonably satisfactory position, but in the three other cases work was of such a standard that it did not result in a satisfactory record being maintained of what stocks should be on hand.

The Department has recently instituted a system of continuous stocktaking, and it is hoped that the early investigation of any discrepancies will ensure a closer accounting.

Navy Stores.

My report of last year stated that at the Naval Base a large number of stock lines checked were at variance with the ledger and that ledger postings were in arrears. An improvement in the position was not anticipated until increased staff was made available, and as the increase did not eventuate the position remains unchanged.

In a recent memorandum the Naval Secretary advised me that strong recommendations have recently been made to the Public Service Commissioner for more and better staff, and he has asked whether the right type of storekeeping staff might be available in Departments not actively connected with the war effort. It is to be feared that at this stage departmental staffs have been so depleted by calls to the armed Services that men from that source will not be available.

Defence Purchase Division.

For the purpose of co-ordinating purchases of stores for the armed Services and ensuring that such purchases are bought to the best advantage the Treasury Department established a Defence Purchase Division.

Following on the state of emergency which arose towards the close of last year, the Army Department found that it required urgently large quantities of a variety of stores mainly connected with motor transport. Considering that the machinery of the Defence Purchase Division operated too slowly to permit of the stores being purchased in the time available, the Army Department proceeded to make its own purchases which, in some instances, were made without competitive quotation.

Financial Arrangements, Middle East.

The cost of maintaining the 2nd New Zealand Expeditionary Force overseas falls on New Zealand, and in order to simplify accounting procedure it has been agreed between the Imperial and New Zealand Governments that the former should meet all costs of maintenance and charge New Zealand a daily capitation rate. This agreement dates from 1st December, 1940, and, although agreed to in principle, the actual rate or charge has not yet been definitely fixed.

Motor-vehicles Impressment.

Regulation 10 (2), Impressment Emergency Regulations 1939, referring to valuation of motor-vehicles impressed, states, *inter alia*, "In no case shall such assessment of value exceed the price paid by the owner, less a reasonable sum for depreciation." Examination of payment vouchers showed that this regulation had been disregarded in 103 cases and indicated that payments of a total of £1,580 8s. 3d. had been made in excess of the amounts paid by the owners. Explanation of this apparent overpayment was asked for some weeks ago, but is not yet to hand.

In addition to the vehicles bought under the impressment regulations many were purchased for Army needs by negotiation with the owners. In the opinion of the Audit Office purchases in this manner should not have been made, as the safeguard of Regulation 10 (2), previously referred to, was not thereby provided.

Contracts.

In former reports the subject of "cost-plus" contracts has been mentioned, with particular reference to their use in defence construction contracts, and this type of contract is still in operation, although it has defects which have evoked criticism in many places where it has been used. The circumstances in which these contracts find favour include:—

- (a) Where the time element is of great importance:
- (b) Where productive capacity is so limited that every productive unit, efficient or otherwise, must be pressed into service:
- (c) Where lack of production experience makes the accurate estimation of likely costs difficult or impossible.

Amongst its defects are the following:—

- (1) The contractor receives his percentage to cover overhead and profit irrespective of results or cost:
- (2) The more the cost is inflated, the greater the fee received by the contractor:
- (3) Incentives to speed, and to economy in the use of labour and materials are lacking:
- (4) The limitation of profit to a percentage on capital employed offers no reward for special effort; neither does it penalize inefficiency or negligence.

The "cost-plus" system was applied during the year principally to building operations, shipbuilding and ship-repair, and munitions-manufacture. In respect of ship-repair work and munitions-manufacture, standardized contract forms have been devised, but the Audit Office understands that Departments have not made use of them despite the desirability of ensuring that contractors should know what expenses the Crown is prepared to allow or disallow. There is very considerable diversity in the methods at present adopted for assessing overhead and profit allowances, and it is desirable that they be placed on a uniform basis for each manufacturing group.

In respect of ship-repair, the Audit Office was not given the opportunity it would have wished to check expenditure as it proceeded, and as regards munitions contracts the data on which the Government Costing Officers based the prices agreed upon is not available in suitable form for ready investigation by Audit.

The target price or target cost contracts in connection with ship-building mentioned in my last report have now been completed, but the Department concerned advises that owing to material changes in design the final costs were approximately double the target price. The aim, therefore, was wide of the mark, and the value of fixing a target was altogether discounted. The Audit Office was, however, able to satisfy itself as to the expenditure which the contractors had incurred. An extra fee to be settled by negotiation is to be paid to the contractors on account of the excess cost.

Since the recent appointment of the Commissioner of Defence Construction, building contracts have been arranged upon the basis of schedules of quantities prepared by quantity surveyors and priced by reference to master schedules based on agreements between the Commissioner and the Master Builders' Association. Provision is made for the contractor to claim adjustments of schedules arising from circumstances of a particular contract, and the contract price is arrived at by adding to the priced schedule 5 per cent. for profit and a further $2\frac{1}{2}$ per cent. to cover overhead expenses. Timber requirements are arranged and paid for by the State Forest Service under a procedure which allows the contractor the agreed percentages upon the assessed value of timber incorporated in the works.

(j) MONEY OR STORES WRITTEN OFF.

Section 3 (3), Public Revenues Act, 1926.

The above section provides that no moneys or stores may be finally written off and discharged from Public Account without the authority of Parliament.

It has been the past practice to include an appendix to the Controller and Auditor-General's report a complete statement of all moneys and stores in respect of which Audit concurrence has been given since the last report for their writing off and discharge from the Public Account.

The statement has invariably been one of considerable length, and, in the present circumstances, it is shown in an abridged form, by including therein only the more important items (see Appendix, page xix).

(k) ROYALTIES.

Section 91 (2), Public Revenues Act, 1926.

Since 1927 the Controller and Auditor-General has included in his report to Parliament a statement of royalties due to the Crown but unpaid at the close of the financial year. The statement has been presented in terms of section 91 (2) of the Public Revenues Act, 1926, although the names of individual debtors have not been published as the section requires. The amount of royalties outstanding at the end of any financial year is relatively not considerable, and they come under review in the ordinary course of departmental audits. The Audit Office has been advised that legislation dispensing with the necessity for publishing any statement of royalty debts will be introduced at the first opportunity, and in anticipation of the passing of this legislation no royalty statement appears in this report.

ROLL OF HONOUR.

It is with deep regret that I record the death on active service of the under-mentioned Audit officers :—

G. B. Casey	..	..	Gunner, Anti-aircraft Regiment.
W. T. Everist	..	..	Pilot Officer, R.N.Z.A.F.

CONCLUSION.

The staff of the Audit Department has continued to render loyal and efficient service under increasingly difficult conditions, and officers of other Departments have shown willingness to give due consideration to Audit representations.

I acknowledge also the valuable advice I have received from the Law Officers of the Crown on difficult legal questions affecting Audit.

CYRIL G. COLLINS,
Controller and Auditor-General.

Audit Office, 19th August, 1942.

APPENDIX.

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

Department and Particulars.	Reason for writing off.	Value of Stores.	Cash.
		£ s. d.	£ s. d.
<i>Agriculture.</i>			
Value of live-stock	Died and deficient	2,450 8 0	..
Value of stores	Lost, broken, &c., and loss on sale ..	518 7 4	..
<i>Education.</i>			
Value of live-stock	Died and deficient	179 7 1	..
Value of stores	Lost, broken, &c.	213 12 7	..
Maintenance orders	Debtors unfinancial and untraceable ..	..	9,775 17 5
<i>Health.</i>			
Value of stores	Lost, broken, &c., and loss on sale ..	175 10 0	..
Maintenance and treatment	Debtors unfinancial and untraceable ..	..	1,457 5 6
<i>Housing.</i>			
Value of stores	Lost, broken, &c.	662 10 9	..
Rents	Debtors unfinancial .. .. .	..	2,033 4 5
<i>Industries and Commerce, Tourist and Publicity.</i>			
Value of stores	Lost, broken, &c.	1,732 15 7	..
<i>Internal Affairs.</i>			
New Zealand Centennial Exhibition shares ..	Company in liquidation .. .. .	..	30,949 0 0
<i>Justice and Prisons.</i>			
Value of live-stock	Died and destroyed	688 11 7	..
Value of stores	Lost, deficient, &c.	1,068 1 0	..
<i>Labour.</i>			
Fares and passage-money advanced to workmen	Debtors unfinancial and untraceable ..	..	2,269 15 2
<i>Land and Income Tax.</i>			
Income-tax	Debtors unfinancial and untraceable ..	..	3,449 8 5
<i>Lands and Survey.</i>			
Value of live-stock	Live-stock died and deficient	11,784 11 9	..
Value of stores	Lost, broken, &c.	808 0 7	..
Advances, Discharged Soldiers' Settlement Account	Loss on realization .. .. .	..	8,497 16 10
Advances, land-development	Debtors unfinancial .. .. .	..	1,324 3 5
Advances, small farms	Debtors unfinancial .. .. .	..	4,403 17 0
Interest, deferred-payment license	Debtors unfinancial .. .. .	..	386 18 3
Rent	Debtors unfinancial .. .. .	..	4,067 12 7
Rent, small farms	Debtors unfinancial .. .. .	..	1,110 18 0
Royalties	Debtors unfinancial .. .. .	..	388 3 8
<i>Legislative.</i>			
Value of stores	Lost and deficient	180 6 3	..
<i>Marine.</i>			
Value of stores	Lost, broken, &c.	213 18 7	..
Light dues	Vessels in distress .. .. .	..	286 1 0
<i>Mental Hospitals.</i>			
Value of live-stock	Died	571 8 8	..
Value of stores	Lost, broken, &c.	1,733 11 2	..
<i>Mines.</i>			
Value of stores	Loss due to handling and stone	421 10 10	..
Value of stores	Lost, deficient, and loss on sale	2,001 10 3	..
Rents, royalties	Debtors unfinancial .. .. .	..	2,545 2 1
<i>National Commercial Broadcasting.</i>			
Value of stores	Lost, deficient, &c.	266 15 6	..
Radio advertising	Debtors unfinancial .. .. .	..	481 5 4
<i>National Service.</i>			
Value of stores	Loss on sale	1,654 9 0	..
<i>Native.</i>			
Value of live-stock	Died and destroyed	2,938 0 8	..
Value of stores	Lost, deficient, &c.	701 9 1	..
<i>Post and Telegraph.</i>			
Value of stores	Lost, deficient, &c.	1,098 13 6	..
Toll accounts	Debtors unfinancial .. .. .	..	464 3 10
<i>Primary Products Marketing.</i>			
Value of stores	Deficient	115 13 2	..
Sale of produce	Debtors unfinancial .. .. .	..	192 14 2
<i>Printing and Stationery.</i>			
Value of stores	Lost, deficient, &c.	389 12 11	..
<i>Public Trust.</i>			
Advances on mortgages	Loss on realization .. .. .	..	38,773 4 1

ABRIDGED 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>Public Works.</i>			
Value of stores	Lost, deficient, &c.	4,618 13 1	..
Sales of stores	Debtors unfinancial .. ..	..	329 15 9
Water rates	Remitted .. .. .	..	1,109 4 6
<i>Railways.</i>			
Value of stores	Deficient, &c.	2,168 17 3	..
Advertising	Debtors unfinancial .. ..	..	459 7 9
Rent	Debtors unfinancial .. ..	..	571 17 6
<i>Social Security Fund.</i>			
Benefits, pensions, and allowances overpaid..	Debtors unfinancial .. ..	..	1,136 7 3
<i>Stamp Duties.</i>			
Gift duty	Irrecoverable .. .. .	..	242 1 0
Interest on death duty	Irrecoverable .. .. .	..	144 8 2
License duty	Abandoned .. .. .	..	609 14 6
Succession duty.. .. .	Irrecoverable .. .. .	..	962 4 9
<i>State Fire Insurance.</i>			
Agreement for sale and purchase	Loss on realization .. ..	..	2,262 0 0
New Zealand Centennial Exhibition shares ..	Company in liquidation .. ..	..	250 0 0
<i>State Forest Service.</i>			
Value of stores	Deficient, &c.	174 7 3	..
<i>Treasury.</i>			
Advances, employment promotion	Debtors unfinancial .. ..	..	850 0 0
Advances, flax industry	Debtors unfinancial .. ..	..	4,225 14 0
Advances, general purposes relief	Debtors unfinancial .. ..	..	862 6 6
Advances, Hawke's Bay earthquake	Debtors unfinancial .. ..	..	3,679 8 6
Advances, kauri-gum control	Debtors unfinancial .. ..	..	2,941 4 10
Advances, repatriation	Debtors unfinancial .. ..	..	2,935 13 0
<i>War Expenses.</i>			
Air—			
Value of stores	Lost, deficient, &c.	13,278 1 4	..
Army—			
Value of stores	Issued gratuitously	292 4 0	..
Value of stores	Lost, broken, deficient	28,622 13 6	..
Value of stores	Stolen	201 12 6	..
Allotments overpaid	Debtors unfinancial and untraceable .. ..	..	306 1 7
Kit deficiencies	Irrecoverable .. .. .	..	119 7 0
Pay and allowances overpaid	Debtors unfinancial and untraceable .. ..	..	233 7 10
Value of cash lost and imprest deficiencies	Irrecoverable .. .. .	..	291 17 5
Value of cash stolen	Irrecoverable .. .. .	..	152 2 9
Navy—			
Value of stores	Lost, broken, &c., and loss on sale	20,051 4 9	..

PUBLIC ACCOUNTS, 1941-1942.

STATEMENT of the REVENUE of the CONSOLIDATED FUND (ORDINARY REVENUE ACCOUNT) for the FINANCIAL YEAR ended 31st MARCH, 1942.

TAXATION :—	Year Ended 31st March, 1942.			
	£	s.	d.	£ s. d.
CUSTOMS .. .. .	..	..	..	8,101,988 10 9
BEER DUTY .. .. .	..	..	..	1,686,232 10 5
SALES TAX .. .. .	..	..	..	3,546,219 13 8
FILM-HIRE TAX .. .. .	..	..	..	99,962 3 4
HIGHWAYS .. .. .	..	..	..	2,340,759 10 11*†
STAMP AND DEATH DUTIES,—				
Adhesive Stamps	183,579	2	2	
Duty on Instruments	349,081	9	9	
Fines and Penalties	2,140	5	1	
Impressed Stamps	222,561	11	10	
Licenses to Companies	92,537	0	0	
Shareholders' Licenses	1,384	4	6	
Duties payable by Racing Clubs	749,278	13	8	
Amusements-tax	94,415	0	1	
Lottery Duty	20,639	13	6	
Overseas Passenger Duty	17,077	14	8	
Miscellaneous	3,270	5	2	
Receipts under Section 4, Mortgagees' Indemnity (Workers' Charges) Act, 1927	1,505	1	0	
LAND-TAX .. .. .	..	..	..	1,737,470 1 5
INCOME-TAX .. .. .	..	..	..	1,009,287 19 0
MISCELLANEOUS .. .. .	..	..	..	16,511,548 1 10
TOTAL, TAXATION .. .. .	..	..	..	128,476 18 7
Carried forward .. .. .	..	..	..	35,161,945 9 11
	..	..	..	35,161,945 9 11

* 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, amounted to £358,455 19s. 10d.

† £611,488 11s. 11d. of this amount consists of fees, fines, &c., which are not taxation.

PUBLIC ACCOUNTS, 1941-1942.

STATEMENT of the REVENUE of the CONSOLIDATED FUND (ORDINARY REVENUE ACCOUNT) for the FINANCIAL YEAR ended 31st MARCH, 1942—*continued*.

	Year Ended 31st March, 1942.			
	£	s.	d.	£ s. d.
Brought forward .. .. .	..	..	..	35,161,945 9 11
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 1941-42	£	s.	d.	
	2,756,146	8	8	
Less reduction made in terms of Finance Act, 1930 (No. 2), Section 14	873,842	15	9	
	1,882,303	12	11	
Less amount due and unpaid	62,303	12	11	
	..	..	..	1,820,000 0 0
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, 1941, 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 1940-41 (balance)	£	s.	d.	
	11,510	12	6	
Year 1941-42 (on account)	655,685	7	6	
	..	..	..	667,196 0 0
ON THE PUBLIC DEBT REDEMPTION FUND (details on separate statement) ..	..	..	..	396,566 6 5
ON OTHER PUBLIC MONEYS (details on separate statement) .. .. .	..	..	..	582,602 0 8
TOTAL, INTEREST .. .. .	..	..	..	3,466,364 7 1
OTHER RECEIPTS :—				
REGISTRATION AND OTHER FEES,—				
Air Navigation Act, 1931	162	7	9	
Animals Protection and Game Act, 1921-22	6	0	0	
Animals Protection and Game Act, 1921-22 (Part III)	7,755	10	9	
Apprentices Act, 1923	31	15	0	
Arms Act, 1920	2,048	14	11	
Births, Deaths, and Marriages	25,539	17	0	
British Nationality and Status of Aliens (in New Zealand) Act, 1928 ..	8	0	0	
By-laws Act, 1910	3	3	0	
Cemeteries Act, 1908	54	12	0	
Cinematograph Films Act, 1928	3,578	8	0	
Coal-mines Act, 1925	172	1	0	
Crown Grant Fees	Dr. 10	0	6	
Customs Act, 1913	13,152	4	10	
Dairy Industry Act, 1908	2,397	19	6	
Dentists Act, 1936	679	17	6	
Distillation Act, 1908	144	0	0	
Electrical Wiremen's Registration Act, 1925	867	9	3	
Engineers Registration Act, 1924	19	6	0	
Explosive and Dangerous Goods Act, 1908	5,517	17	0	
Factories Act, 1921-22	4,613	5	9	
Fertilizers Act, 1927	355	0	6	
Finance Act, 1915 (Part III), (Beer Duty)	1,306	4	5	
Fisheries Act, 1908	1,370	5	7	
Friendly Societies Act, 1909	6	0	6	
Health Act, 1920	8	15	0	
Hospitals and Charitable Institutions Act, 1926	667	9	10	
Industrial Conciliation and Arbitration Act, 1925	403	6	8	
Industrial Efficiency Act, 1936	2,108	7	6	
Inspection of Machinery Act, 1928	23,173	16	4	
Land Agents Act, 1921-22	7,646	4	3	
Licensing Act, 1908	46	0	0	
Life Insurance Act, 1908	0	5	0	
Margarine Act, 1908	3	0	0	
Masseurs Registration Act, 1920	163	17	1	
Meat Act, 1939	60,328	10	6	
Carried forward	164,329	11	11	
Carried forward .. .. .	..	..	..	38,628,309 17 0

PUBLIC ACCOUNTS, 1941-1942.

STATEMENT of the REVENUE of the CONSOLIDATED FUND (ORDINARY REVENUE ACCOUNT) for the FINANCIAL YEAR ended 31st MARCH, 1942—*continued*.

	Year ended 31st March, 1942.			
	£	s.	d.	£ s. d.
Brought forward				38,628,309 17 0
OTHER RECEIPTS— <i>continued</i> .				
Brought forward	164,329	11	11	
REGISTRATION AND OTHER FEES— <i>continued</i> .				
Medical Practitioners Act, 1914	353	13	0	
Mining Act, 1926	538	3	2	
Money-lenders Act, 1908	1,237	10	0	
Motor-vehicles Act, 1924	39	2	0	
Native Land Act, 1931	8	8	0	
Native Land Amendment and Native Land Claims Adjustment Act, 1926, Section 14 (Taupo Waters)—				
Fees, Licenses, and Camp-sites	2,459	16	4	
Fines and Penalties	21	17	0	
New Zealand Loans Act, 1932	186	18	6	
Nurses and Midwives Registration Act, 1925	2,902	13	6	
Opticians Act, 1928	125	8	0	
Orchard and Garden Diseases Act, 1928	7,781	1	10	
Patents, Designs, and Trade-marks Act, 1921-22	12,474	0	8	
Petroleum Act, 1937	9	7	0	
Plumbers Registration Act, 1912	490	0	0	
Poisons Act, 1934	187	15	8	
Public Safety Conservation Act, 1932	40	0	0	
Sales Tax Act, 1932-33	439	0	6	
Second-hand Dealers Act, 1908	415	10	0	
Servants' Registry Offices Act, 1908	10	10	0	
Stallions Act, 1938	30	8	6	
Stock Act, 1908	635	9	6	
Stock Remedies Act, 1934	41	8	0	
Stone-quarries Act, 1910	77	5	0	
Timber-floating Act, 1908	5	0	0	
Tobacco Act, 1908	1,433	4	4	
Tramways Act, 1908	180	5	0	
Transport Licensing Act, 1931	44,985	12	5	
Valuation of Land Act, 1925	31,848	6	2	
Veterinary Surgeons Act, 1926	4	4	0	
Weights and Measures Act, 1925	8,486	5	9	
				281,777 15 9
TERRITORIAL REVENUE,—				
Rents, Royalties, and Miscellaneous Receipts from lands—				
Agricultural Department	25	5	0	
Air Department	412	9	11	
Army Department	1,417	13	9	
Customs Department				
Education Department	237	16	2	
Health Department	1	10	0	
Internal Affairs Department	18	6	8	
Justice and Prisons Department	412	10	0	
Lands and Survey Department—				
Crown Lands	371,261	17	2	
Hauraki Plains lands	6,162	4	1	
Swamp Drainage lands	372	4	3	
Small-farms Scheme	3,311	11	10	
Miscellaneous Fees	1,877	11	1	
Marine Department	190	8	4	
Mental Hospitals Department	508	0	0	
Mines Department	15,739	18	11	
Police Department	125	15	0	
Public Works Department	665	15	9	
				402,740 17 11
Carried forward				684,518 13 8
Carried forward				38,628,309 17 0

PUBLIC ACCOUNTS, 1941-1942.

STATEMENT of the REVENUE of the CONSOLIDATED FUND (ORDINARY REVENUE ACCOUNT) for the FINANCIAL YEAR ended 31st MARCH, 1942—*continued*.

	Year ended 31st March, 1942.			
	£	s.	d.	£ s. d.
Brought forward .. .. .	..	..	..	38,628,309 17 0
OTHER RECEIPTS— <i>continued</i> .				
Brought forward .. .. .	..	..	..	684,518 13 8
EXTERNAL AFFAIRS,—				
New Zealand Reparation Estates	91,715	9	11	
Export of Bananas from Samoa	73,492	12	9	165,208 2 8
JUSTICE,—				
Court Fees, Fines, and Bankruptcy Commission .. .. .	..	..	..	169,555 9 0
MARINE,—				
Pilotage Rates and Harbour Fees	1,100	9	0	
Shipping and Seamen Act, 1908	73,986	9	8	
Rents of Foreshores, Royalties, &c.	2,713	2	3	
Sale of Oysters under Fisheries Act, 1908	8,907	10	10	
Rents from Toheroa Areas	372	0	0	
Westport Harbour	45,124	19	5	132,204 11 2
PROFITS OF TRADING INSTITUTIONS,—				
Post and Telegraph Department—				
For year 1939-40 (On Account) .. .. .	..	..	..
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—	£	s.	d.	
For year 1938-39 (Balance)	8,115	4	0	
For year 1939-40	227,847	12	9	235,962 16 9
Public Trust Office—				
Half of profits credited in terms of section 24 (1) of the Finance Act, 1929—				
For year 1940-41	8,536	11	1	
Reserve Bank of New Zealand—				
Profits credited in terms of section 36 (c), Reserve Bank of New Zealand Act, 1933—				
For year 1940-41	344,942	4	6	
Native Trust Office—				
One-third of Profits credited in terms of section 49, Native Trustee Act, 1930—	£	s.	d.	
1936-37	2,442	1	10	
1937-38	1,918	12	4	
1938-39	2,193	13	2	
1939-40	2,077	3	2	8,631 10 6
NATIVE—				
Fees collected in Stamps under the provisions of the Native Land Act, 1931 .. .. .	..	..	..	598,073 2 10
PRINTING AND STATIONERY,—				
General Receipts .. .. .	..	..	..	310,761 2 9
STAMP DUTIES,—				
Land Registry and Deeds Register Office Fees .. .. .	..	..	..	60,211 2 0
TOURIST AND HEALTH RESORTS,—				
Receipts in respect of Reserves under the Tourist and Health Resorts Control Act, 1908 .. .. .	..	..	..	99,709 12 2
MISCELLANEOUS (details on separate statement) .. .. .	..	..	..	139,640 16 11
RECOVERIES ON ACCOUNT OF EXPENDITURE OF PREVIOUS YEARS (details on separate statement) .. .. .	..	..	..	248,805 17 0
RECOVERIES ON ACCOUNT OF UNAUTHORIZED EXPENDITURE OF PREVIOUS YEARS (details on separate statement) .. .. .	..	..	..	Dr. 1 0 0
TOTAL, OTHER RECEIPTS .. .. .	..	..	..	2,612,649 0 0
TOTAL REVENUE .. .. .	..	..	..	41,240,958 17 0

PUBLIC ACCOUNTS, 1941-1942.

STATEMENT of INTEREST on the PUBLIC DEBT REDEMPTION FUND for the FINANCIAL YEAR ended 31st MARCH, 1942.

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	..	..	..	..	..	..	..	..	..	286,878	16 5
State Advances Office	..	..	..	..	..	..	..	..	..	109,687	10 0
										£396,566	6 5

STATEMENT of INTEREST on OTHER PUBLIC MONEYS for the FINANCIAL YEAR ended 31st MARCH, 1942.

		£	s.	d.	£	s.	d.	£	s.	d.
INTEREST ON OTHER PUBLIC MONEYS :—										
On investments made in respect of the—										
Deposits Account	..	..	..	..	8,602	17	4			
Loans Redemption Account	..	..	..	..	75	0	0			
Ordinary Revenue Account	..	..	..	..	36,746	5	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	..	45,000	0	0						
Final dividend on 1,375,000 £1 preference B shares for year ended 31st March, 1941	..	31,250	0	0						
Interim dividend on 1,375,000 £1 preference B shares for year ended 31st March, 1942	..	23,437	10	0						
Half-yearly dividend on 234,375 £1 C long-term mortgage shares to 31st March, 1941	..	7,031	5	0						
Half-yearly dividend on 234,375 £1 C long-term mortgage shares to 30th September, 1941	..	6,328	2	6						
					113,046	17	6			
Public Works Fund, General Purposes Account	..				34,493	2	10			
Public Account Cash Balance Investment Account	..				20,045	13	10			
Receiver-General's Deposit Account	..				3,865	8	1			
Reserve Fund Account	..				27,622	4	8			
Silver and Bronze Coin Account	..				12,256	17	0			
War Expenses Account, 1939	..				14,935	15	10			
								271,690	2	8
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 £464,315 15s. 2d., Net Profits of the Cheviot Estate Account in terms of section 19 (4) of the Finance Act, 1930 (No. 2)										
	..							37,139	16	8
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)										
	..							84,041	12	10
On value of Crown Lands declared to be subject to the Land for Settlements Act, 1925, and former Land for Settlements Acts—Land Laws Amendment Act, 1929, section 47—										
1940-41	..				8,477	12	0			
1941-42	..				8,477	12	0			
On loan of £400,000 to the Rural Intermediate Credit Board, year ended 30th June, 1941										
	..							16,955	4	0
On loans to earthquake sufferers in terms of section 49, Hawke's Bay Earthquake Act, 1931										
	..							12,000	0	0
On loans to earthquake sufferers—Pahiatua earthquake										
	..							231	16	10
On loans to sufferers—Wairarapa storm										
	..							16	10	1
On loans to local bodies under Local Bodies' Loans Act, 1908										
	..							1	18	4
On loans to Samoan Treasury in terms of section 33, Samoa Act, 1921										
	..							50,150	7	11
On loan to Taieri River Trust in terms of section 3, Taieri River Improvement Amendment Act, 1939										
	..							3,137	4	11
On loans under section 26, Agriculture (Emergency Powers) Act, 1934										
	..							2,550	0	0
On miscellaneous advances—										
For erection of hostels, &c.—								1,579	18	9
New Plymouth High School	..	303	12	4						
Timaru High School	..	106	19	0						
Wairarapa High School	..	42	0	0						
					452	11	4			
Carried forward	..				452	11	4	540,794	13	0

PUBLIC ACCOUNTS, 1941-1942.

STATEMENT of INTEREST on OTHER PUBLIC MONEYS for the FINANCIAL YEAR ended 31st MARCH, 1942—continued.

	£ s. d.	£ s. d.	£ s. d.
Brought forward .. .. .	..	452 11 4	540,794 13 0
INTEREST ON OTHER PUBLIC MONEYS—continued.			
On miscellaneous advances—continued.			
For Native Land Settlement Account—Survey liens ..	..	1,173 3 5	
From Vote "Agriculture," to various agricultural associations .. .. .	..	26 4 6	
To Cook Islands Fruit Account .. .. .	..	523 14 5	
To discharged soldiers under Repatriation Act, 1918 ..	..	32 11 0	
To Eastbourne Borough Council for drainage works ..	..	208 5 0	
To Egmont National Park Board .. .. .	..	4 5 4	
To Gabriel's Gully Blue Spur Goldmining Co., Ltd. ..	..	24 0 0	
To Hospital Boards—			
Buller	10 13 0		
Nelson	39 18 11		
Waikato	90 3 5		
Wanganui	69 12 2		
Westland	21 1 8		
		231 9 2	
To Land Settlement Associations—			
Angland	170 8 9		
Blairgowrie	381 8 9		
Bruce	59 11 7		
Chastleton	171 13 7		
Clifton Grove	589 7 9		
Eiffelton	360 0 0		
Glencairn	265 17 7		
Gleniffer	106 8 9		
Hari Hari	98 10 2		
Kelman	166 0 0		
Lake Alice	133 13 5		
Matamau	467 3 0		
Melville Downs	241 9 6		
Nikau Grange	199 4 4		
Otaikarangi	61 17 2		
Otauri	354 8 11		
Owersby	259 5 2		
Quiltowen	219 2 0		
Trentham	114 19 4		
Waitohi Downs	200 15 6		
Wentnor	177 7 7		
		4,798 12 10	
To Lower Clutha River Trust .. .. .	..	84 18 10	
To Maori Gold Mining Co., Ltd. .. .. .	..	134 2 2	
To Maori Land Boards, under section 340, Native Land Act, 1931 .. .. .	..	73 3 9	
To Matakia Dredging Co., Ltd. .. .. .	..	24 5 3	
To Mount Cook and Southern Lakes Tourist Co., Ltd. (lease of Hermitage, Mount Cook) .. .. .	..	1,596 14 11	
To Opotiki Borough Council .. .. .	..	12 0 3	
To Point Elizabeth Coal Co., Ltd. .. .. .	..	11 19 7	
To Rotorua Golf Club .. .. .	..	54 4 3	
To Y.M.C.A.—			
For purchase of cinemas .. .. .	..	6 3 9	
For purchase of radio sets .. .. .	..	6 5 0	
To Westhaven Coal Co. .. .. .	..	11 13 4	
Under the Native Housing Act, 1935 .. .. .	..	3,790 0 7	
Under the Native Land Act, 1931, section 521 (2) ..	..	2,839 19 0	
Under the Native Land Amendment Act, 1936—			
Section 48 .. .. .	..	405 17 3	
Under the Small-farm Plan .. .. .	..	19,966 16 6	
Under the Village-homestead Settlement Scheme ..	..	130 5 8	
			36,623 7 1
Miscellaneous interest on—			
Balance of Post-office Savings-bank Accounts used by			
Child Welfare Branch, Education Department. ..	..	4 4 9	
Debentures under the Hutt Road Act, 1915 .. .. .	..	2,400 0 0	
Deposits by High Commissioner .. .. .	..	19 16 3	
Mortgages due to Reparation Estates .. .. .	..	182 7 4	
Penal interest—Loan repayments by local bodies ..	..	60 14 6	
Purchase-moneys in connection with sales of land and buildings—			
Education Department .. .. .	..	59 19 5	
Department of Lands and Survey .. .. .	..	72 7 2	
Police Department .. .. .	..	92 17 1	
Public Works Department .. .. .	..	214 9 4	
			3,106 15 10
Crown's proportion of Greymouth Harbour Board special coal rate: Credited as interest on sums of £114,439 1s. and £27,000 in terms of section 12 of the Greymouth Harbour Board Act, 1884 .. .. .	..	..	2,077 4 9
			£582,602 0 8

PUBLIC ACCOUNTS, 1941-1942.

STATEMENT of OTHER RECEIPTS, MISCELLANEOUS, for the FINANCIAL YEAR ended 31st MARCH, 1942.

	£	s.	d.	£	s.	d.	£	s.	d.
LEGISLATIVE DEPARTMENT :—									
Hire of typewriters	1	11	8		
TREASURY DEPARTMENT :—									
Conscience-money	123	5	2			
Unclaimed moneys—									
Under Public Revenues Act, 1926, section 30—									
Courts of Law Trust	84	14	2			
Forests Clerks' deposits	4	18	5			
Gaolers' deposits	0	2	6			
Labour deposits	255	6	7			
Land revenue deposits	104	3	0			
Marine deposits	7	6	2			
Probation Officers' deposits	46	14	8			
Under Public Revenues Act, 1926, section 95—									
General estates	2,039	9	5			
Bankruptcy Act, 1908	775	2	0			
Rating Act, 1925	157	18	11			
Unclaimed land balances	156	12	6			
Surplus cash—Not identified	13	16	8			
Transfers from Deposits Account—									
Miscellaneous, &c.	42	16	8			
Unclaimed earnings	1,102	5	2			
Unpresented cheques	579	8	7			
Dividends unclaimed for over 10 years—									
N.Z. Government stock	42	2	8			
Excess cash at Government offices	0	0	1	Dr.		
Money found by or handed to police officers, &c., not claimed	32	4	3			
Money found in Government institutions	10	17	10			
Money found on prisoner (confiscated)	1	8	2			
Unallocated credits—State Advances Corporation of New Zealand	438	14	5			
Unclaimed balances—Native Trustee	39	5	6			
Unclaimed deposits—Southland Electric-power Supply	0	12	4			
Unclaimed moneys—Maori Land Boards	105	9	8			
Bank of England fractions of interest	137	7	8			
Cash seized in gaming raids	3	12	2			
Donations to the Consolidated Fund	6	12	6			
Duty on scrap gold and jewellers' sweepings	1,827	15	10			
Forfeited deposits—									
Immigration Restriction Act, 1908	210	0	0			
Land revenue deposits	1	3	0			
Overseas Passengers Emergency Regulations 1939	950	0	0			
Parliamentary candidates	30	0	0			
Surplus funds, Waitangi Land Settlement Association	57	0	10			
							9,388	7	4
CUSTOMS DEPARTMENT :—									
Rents of buildings	71	10	0			
Sale of goods seized by Customs	197	8	0			
							268	18	0
LAND AND INCOME TAX DEPARTMENT :—									
Unclaimed moneys—									
Under Unclaimed Moneys Act, 1908, section 6, and Finance Act, 1932, section 30	12,584	10	6
STAMP DUTIES DEPARTMENT :—									
Amounts received under Companies Act, 1933, section 283	22	2	8
DEPARTMENT OF INTERNAL AFFAIRS :—									
Fees and fines, Rotorua Acclimatization District	116	10	0			
Fees for—									
Camp sites, licenses, &c.	70	8	0			
Slipway	10	10	0			
Storage of powder	1,693	6	0			
Passport fees	379	4	7			
Rents of buildings	335	14	8			
Sale of—									
Fishing and game licenses, Rotorua Acclimatization District	3,416	13	5			
Publications	37	3	1			
Waste paper	12	0	2			
							6,071	9	11
Carried forward	28,337	0	1

PUBLIC ACCOUNTS, 1941-1942.

STATEMENT of OTHER RECEIPTS, RECOVERIES on ACCOUNT of EXPENDITURE of PREVIOUS YEARS, for the FINANCIAL YEAR ended 31st MARCH, 1942.

Ordinary Revenue Account.

	£	s.	d.	£	s.	d.	£	s.	d.
LEGISLATIVE DEPARTMENT :—									
Sale of—									
Publications	7	4	9						
Surplus and obsolete stores	60	17	4						
						68	2	1	
TREASURY DEPARTMENT :—									
Repayment of loans to agricultural associations ..	129	3	4						
Sale of surplus and obsolete stores	10	0	0			139	3	4	
CUSTOMS DEPARTMENT :—									
Sale of surplus and obsolete stores .. .. .	..					34	15	10	
LAND AND INCOME TAX DEPARTMENT :—									
Sale of surplus and obsolete stores .. .. .	..					99	11	2	
STAMP DUTIES DEPARTMENT :—									
Sale of surplus and obsolete stores .. .. .	..					2,520	11	8	
PUBLIC SERVICE COMMISSIONER'S OFFICE :—									
Sale of surplus and obsolete stores .. .. .	..					10	7	2	
DEPARTMENT OF INTERNAL AFFAIRS :—									
Sale of surplus and obsolete stores .. .. .	..					55	11	6	
DEPARTMENT OF EXTERNAL AFFAIRS :—									
Sale of surplus and obsolete stores .. .. .	..					701	16	6	
MARINE DEPARTMENT :—									
Sale of surplus and obsolete stores .. .. .	..					1,774	16	6	
DEPARTMENT OF LABOUR :—									
Recovery of passage moneys—									
Immigrant artisans	1,122	1	3						
Nominated immigrants	6	10	0						
Sale of surplus and obsolete stores	104	11	6			1,233	2	9	
NATIVE DEPARTMENT :—									
Sale of surplus and obsolete stores .. .. .	..					622	1	3	
VALUATION DEPARTMENT :—									
Sale of surplus and obsolete stores .. .. .	..					20	10	2	
ELECTORAL DEPARTMENT :—									
Sale of surplus and obsolete stores .. .. .	..					1	0	0	
NATIONAL SERVICE DEPARTMENT :—									
Sale of surplus and obsolete stores .. .. .	..					29	3	9	
DEPARTMENT OF JUSTICE AND PRISONS :—									
Sale of surplus and obsolete stores .. .. .	..					414	17	8	
POLICE DEPARTMENT :—									
Sale of surplus and obsolete stores .. .. .	..					112	4	0	
PUBLIC WORKS DEPARTMENT :—									
Recovery of value of stocks transferred to War Expenses Account .. .. .	..					233,998	15	7	
DEPARTMENT OF LANDS AND SURVEY :—									
Recovery of bad debt written off in previous years, Discharged Soldiers Settlement Account	0	5	0						
Repayment of loan—Egmont National Park Board ..	60	0	0						
Sale of surplus and obsolete stores	807	8	1			867	13	1	
Carried forward .. .. .	..					242,704	4	0	

PUBLIC ACCOUNTS, 1941-1942.

STATEMENT of OTHER RECEIPTS, RECOVERIES on ACCOUNT of EXPENDITURE of PREVIOUS YEARS, for the FINANCIAL YEAR ended 31st March, 1942—*continued*.Ordinary Revenue Account—*continued*.

	£	s.	d.	£	s.	d.	£	s.	d.
Brought forward .. .. .	..	..	..	242,704	4	0			
DEPARTMENT OF AGRICULTURE :—									
Sale of surplus and obsolete stores .. .. .	..	..	..	371	7	7			
DEPARTMENT OF INDUSTRIES AND COMMERCE, TOURIST AND PUBLICITY :—									
Instalments on account of advance to Rotorua Golf Club		86	6	8					
Sale of surplus and obsolete stores	3,395	0	7						
				3,481	7	3			
DEPARTMENT OF SCIENTIFIC AND INDUSTRIAL RESEARCH :—									
Sale of surplus and obsolete stores .. .. .	..	..	..	358	10	0			
MINES DEPARTMENT :—									
Sale of surplus and obsolete stores .. .. .	..	..	..	651	0	11			
TRANSPORT DEPARTMENT :—									
Sale of surplus and obsolete stores .. .. .	..	..	..	215	10	0			
DEPARTMENT OF HEALTH :—									
Sale of surplus and obsolete stores .. .. .	..	..	..	752	6	0			
MENTAL HOSPITALS DEPARTMENT :—									
Sale of surplus and obsolete stores .. .. .	..	..	..	12	10	0			
EDUCATION DEPARTMENT :—									
Sale of surplus and obsolete stores .. .. .	..	..	..	258	7	4			
NATIONAL PROVIDENT AND FRIENDLY SOCIETIES DEPARTMENT :—									
Sale of surplus and obsolete stores .. .. .	..	..	..	0	13	11			
							248,805	17	0
UNAUTHORIZED EXPENDITURE OF PREVIOUS YEARS.									
DEPARTMENT OF INTERNAL AFFAIRS :—									
Evacuation expenses : High Commissioner's staff, London .. .. .	..	..	..	Dr. 5	0	0			
SOCIAL SECURITY DEPARTMENT :									
Refund on account of overpayment Christmas bonus, 1940	..	..	..	4	0	0			
							Dr. 1	0	0
							£248,804	17	0

PUBLIC ACCOUNTS, 1941-1942.

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, 1942.

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, 1942.		
			£	s.	d.
Debentures	1st July, 1941	4½	231	15	0
Stock and Debentures	15th July, 1941	3	69,202	11	6
Debentures	1st August, 1941	4½	157	10	0
Stock and Debentures	15th November, 1941	3½	84,634	17	10
Stock	1st March, 1942	4	1,480	0	0
Stock	15th March, 1943	3½	24,202	13	6
Stock	15th March, 1943	4	245,519	0	0
Stock	1st March, 1944	4½	330,284	10	6
Stock	1st January, 1940-45	3½	404,236	0	0
Debentures	15th February, 1945	5	4,987	10	0
Stock	1st March, 1945	4½	341,140	16	8
Stock	15th March, 1945	4	10,469	4	2
Stock	1st April, 1945	3	289,799	8	0
Stock	30th June, 1945	3	4,592	8	8
Stock	15th July, 1945	3	54,842	15	0
Stock	1st January, 1946	5	644,305	10	2
Stock and Debentures	15th February, 1946	4	393,634	4	0
Stock	1st April, 1946	3	37,086	5	5
Stock	1st April, 1946	4	16,930	9	2
Stock	1st August, 1946	2½	40,441	11	8
Stock	15th September, 1947	4	114,214	0	0
Debentures	15th September, 1947	5	66,310	0	0
Stock	1st November, 1947	4½	504,972	7	10
Stock	15th September, 1948	3	110,594	11	1
Stock	30th November, 1948	4	199,848	8	11
Stock	1st January, 1949	4	420	0	0
Stock and Debentures	15th April, 1949	4	358,528	4	0
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	26,757	18	9
Stock	15th May, 1952	4	468,783	14	0
Stock	1st February, 1954	3½	208,066	5	8
Stock	1st August, 1954	3	93,410	15	10
Stock and Debentures	15th June, 1955	4	379,951	0	0
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	1,213	10	0
Stock and Debentures	15th January, 1953-57	3½	319,059	12	8
Stock	15th January, 1957	3½	37,249	13	2
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	48,828	0	2
Stock	15th August, 1957	2½	35,425	0	0
Stock	15th August, 1957	3	156,013	8	4
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	221,524	8	0
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	431,372	10	7
Stock	15th January, 1959	3½	137,750	12	4
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
Carried forward .. .. .	.. .. .	..	9,555,876	11	9

PUBLIC ACCOUNTS, 1941-1942.

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, 1942.		
			£	s.	d.
Brought forward .. ..	.. ..	..	9,555,876	11	9
Stock	15th October, 1959	3	51,091	1	6
Stock	15th November, 1959	3	127,366	1	0
Stock	22nd May, 1960	3½	9,273	5	0
Stock	15th September, 1960	3½	252,451	2	0
Stock	15th October, 1960	3½	172,684	15	8
Stock	1st February, 1963	4	435,385	2	2
Stock	1st November, 1971	5	250,000	0	0
Memorandum of Security .. ..	.. ..	3	127,712	6	1
Treasury Notes	Various	4½	23,332	16	4
Floating Debt—i.e., Treasury Bills .. ..	.. ..	..	498,709	8	5
Gross interest charged to Ordinary Revenue Account for year ended 31st March, 1942			11,503,882	9	11
Less amounts recovered			2,781,074	8	9
Net amount of interest charged to Ordinary Revenue Account for year ended 31st March, 1942			£8,722,808	1	2

Domicile of Gross Interest paid, 1941-42.

(Nominal Amounts.)

	£	s.	d.
London	5,319,696	5	5
London (paid in New Zealand)	86,597	17	4
Australia	47,399	5	0
New Zealand	6,050,189	2	2
	£11,503,882	9	11

PUBLIC ACCOUNTS, 1941-1942.

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, 1942.

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) ..	11,503,882 9 11	2,781,074 8 9	8,722,808 1 2
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), (on account)	3,500 0 0	..	3,500 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, 1941, for redemption of loans (on account)	1,929 7 6	..	1,929 7 6
Total, Sinking Fund	5,429 7 6	..	5,429 7 6
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 1941-42 of ½ per cent. on the public debt within the meaning of the Act outstanding at 31st March, 1941 (½ per cent. on £274,576,431 12s.)	1,372,882 3 2	..	1,372,882 3 2
Amount transferred to the Public Debt Repayment Account, being contribution of ½ per cent. on £21,490,310 15s. 11d., debt redeemed under the Act to 31st March, 1941	107,451 11 2	..	107,451 11 2
Section 11 (b),—			
Amount transferred to the Public Debt Repayment Account, being contribution of 3¼ per cent. on £21,490,310 15s. 11d., debt redeemed under the Act to 31st March, 1941	752,160 18 2	..	752,160 18 2
Amount transferred to the Public Debt Repayment Account, being contribution of 3½ per cent. on £2,848,397, debt redeemed under the Act during the year 1941-42, computed from the dates of redemption to 31st March, 1942	22,613 17 0	..	22,613 17 0
Total, Repayment of the Public Debt Act, 1925	2,255,108 9 6	..	2,255,108 9 6
Transfer to Loans Redemption Account.			
PUBLIC REVENUES ACT, 1926, SECTION 135 (4):—			
Transfer from Ordinary Revenue Account for redemption of loans—			
Ordinary Revenue Account (War Expenses Account 1914-18)	350 0 0	..	350 0 0
War Expenses Account (1939)	1,408 0 0	..	1,408 0 0
Total, Transfer to Loans Redemption Account	1,758 0 0	..	1,758 0 0
ADMINISTRATION AND MANAGEMENT.			
NEW ZEALAND LOANS ACT, 1932, SECTION 62 (3):—			
Stamp duty on transfers of New Zealand Consolidated Stock	6,529 0 7	..	..
Less amounts recovered from—			
Electric Supply Account	49 18 0	..	..
Land for Settlements Account	444 3 3	..	..
.. .. .	..	494 1 3	6,034 19 4
NEW ZEALAND LOANS ACT, 1932, SECTION 61:—			
Charges and expenses of raising loans,—			
Fresh issues—			
Public Works Fund—General Purposes Account	14,054 10 4	..	14,054 10 4
Public Works Fund—Electric Supply Account	2,388 6 8	887 19 4	1,500 7 4
Main Highways Account	674 18 2	139 1 3	535 16 11
State Forests Account	262 10 8	54 1 10	208 8 10
War Expenses Account	25,759 10 11	..	25,759 10 11
Issues in renewal and conversion—			
Ordinary Revenue Account	42,733 2 0	..	42,733 2 0
Public Works Fund—General Purposes Account	6,331 2 7	..	6,331 2 7
Public Works Fund—Electric Supply Account	1,012 14 8	1,012 14 8	..
Housing Account	18 0 0	..	18 0 0
Land for Settlements Account	757 6 5	757 6 5	..
Main Highways Account	486 12 1	486 12 1	..
State Forests Account	295 18 11	295 18 11	..
War Expenses Account	13 7 0	..	13 7 0
Premiums paid in cash	6,948 11 0	..	6,948 11 0
.. .. .	101,736 11 5	3,633 14 6	98,102 16 11
Carried forward	108,265 12 0	4,127 15 9	104,137 16 3
Carried forward	13,766,178 6 11	2,781,074 8 9	10,985,103 18 2

PUBLIC ACCOUNTS, 1941-1942.

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	13,766,178 6 11	2,781,074 8 9	10,985,103 18 2
Brought forward	108,265 12 0	4,127 15 9	104,137 16 3
ADMINISTRATION AND MANAGEMENT—<i>continued.</i>			
NEW ZEALAND LOANS ACT, 1932 :—			
Section 24 (1),—			
Amount paid Bank of England for half year ended 30th April, 1941, for management of New Zealand loans—			
Consolidated Stock	18,953 8 6		
Less amounts recovered from—	£ s. d.		
Electric Supply Account	2,793 7 0		
Land for Settlements Account	743 7 11		
Main Highways Account	164 9 4		
State Coal-mines Account	15 5 5		
State Forests Account	62 1 11		
	..	3,778 11 7	
Amount paid to the Reserve Bank of New Zealand for year ended 31st March, 1942 for management of New Zealand Government loans			
	19,776 18 5		
Less amounts recovered from—	£ s. d.		
Nauru and Ocean Islands Account	60 12 9		
Electric Supply Account	1,224 8 9		
Land for Settlements Account	1,997 18 8		
Main Highways Account	1,193 8 1		
State Coal-mines Account	29 8 2		
State Forests Account	565 16 1		
	..	5,071 12 6	29,880 2 10
Total, Administration and Management	146,995 18 11	12,977 19 10	134,017 19 1
PAYMENTS ON GUARANTEED LOANS.			
LAND SETTLEMENT FINANCE ACT, 1909 :—			
Section 13 (1),—			
Interest and principal in arrear made good under Government guarantee			
	..		
Less Repayment by Associations under sub-section (5)—			
Lake Alice Land Settlement Association .. .. .	..	161 9 7	
		161 9 7	
			Cr. 161 9 7
LOCAL BODIES' LOANS AMENDMENT ACT, 1908 :—			
Section 10,—			
Subsidies on instalments of sinking fund—			
Cambridge Borough Council, due 30th April, 1941	25 0 0		
Grey Lynn Borough Council, due 1st April, 1941	225 0 0		
Levin Borough Council, due 1st April, 1941	135 0 0		
Port Chalmers Borough Council, due 31st March, 1942	17 10 0		
Christchurch City Council, due 31st March, 1942	71 5 0		
Taihape Borough Council, due 1st April, 1941	106 5 0		
Taihape Borough Council, due 31st March, 1942	18 15 0		
	598 15 0	..	598 15 0
Total, Payments on Guaranteed Loans	598 15 0	161 9 7	437 5 5
TOTAL, DEBT SERVICES	13,913,773 0 10	2,794,213 18 2	11,119,559 2 8

PUBLIC ACCOUNTS, 1941-1942.

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, 1942.

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	42,024 4 0	..	42,024 4 0
Subsidies to Superannuation Funds.			
FINANCE ACT, 1941 :— Section 7,— Government Railways Superannuation Fund .. Public Service Superannuation Fund Teachers' Superannuation Fund	85,000 0 0 10,000 0 0 105,000 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	4,063 3 7	..	4,063 3 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 1940-41	1,651 6 4	..	1,651 6 4
TOTAL GRANTS AND SUBSIDIES ..	247,738 13 11	..	£247,738 13 11
SALARIES AND HONORARIA.			
Legislative.			
CIVIL LIST ACT, 1920 :— Part III, Section 16,— Speakers of both Houses and Chairmen of Committees Part III, Section 17,— Members of the Legislative Council .. Members of the House of Representatives Part IV, Section 22,— Officers of Legislative Council and House of Representatives	£ s. d. 2,745 0 0 10,549 13 5 28,242 4 9 1,600 0 0		
	43,136 18 2	..	43,136 18 2
Carried forward	43,136 18 2	..	43,136 18 2
Carried forward	247,738 13 11	..	247,738 13 11

PUBLIC ACCOUNTS, 1941-1942.

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	247,738 13 11	..	247,738 13 11
SALARIES AND HONORARIA—<i>continued</i>.			
Brought forward	43,136 18 2	..	43,136 18 2
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, 1941, to 31 March, 1942	2,250 0 0		
The Puisne Judges— Ostler, H. H., salary, 1st April, 1941, to 31 March, 1942	2,000 0 0		
Smith, D. S., salary, 1 April, 1941, to 31 March, 1942	2,000 0 0		
Blair, A. W., salary, 1 April, 1941, to 31 March, 1942	2,000 0 0		
Kennedy, R., salary, 1 April, 1941, to 31 March, 1942	2,000 0 0		
Fair, A., salary, 1 April, 1941, to 31 March, 1942	2,000 0 0		
Callan, J. B., salary, 1 April, 1941, to 31 March, 1942	2,000 0 0		
Northercroft, E. H., salary, 1 April, 1941, to 31 March, 1942	2,000 0 0		
Johnston, H. F., salary, 1 April, 1941, to 31 March, 1942	2,000 0 0		
	18,250 0 0		18,250 0 0
Other Salaries. INDUSTRIAL CONCILIATION AND ARBITRATION ACT, 1925 :— Section 64,— Judge of the Arbitration Court— Tyndall, A., salary, 1 April, 1941, to 31 March, 1942	2,000 0 0		
INDUSTRIAL CONCILIATION AND ARBITRATION AMENDMENT ACT (No. 2), 1937, SECTION 2, AND INDUSTRIAL CON- CILIATION AND ARBITRATION AMENDMENT ACT (No. 3), 1937, SECTION 2 :— Judge of the Arbitration Court— Hunter, W. J., salary, 1 April, 1941, to 31 March, 1942	2,000 0 0		
PUBLIC REVENUES ACT, 1926 :— Section 6,— Controller and Auditor-General— Collins, C. G., salary, 1 April, 1941, to 31 March, 1942	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, 1941, to 9 June, 1941	287 10 0		
Boyes, J. H., salary, 14 October, 1941, to 31 March, 1942	697 11 7		
FINANCE ACT, 1919, SECTION 23 (4) (5) (6) :— Acting Public Service Commissioner— Boyes, J. H., salary, 10 June, 1941, to 13 October, 1941	514 18 5		
FINANCE ACT, 1940 :— Section 11 (1),— Members of War Cabinet— Right Hon. J. G. Coates, salary, 1 April, 1941, to 31 March, 1942	1,170 0 0		
Hon. A. Hamilton, salary, 1 April, 1941, to 31 March, 1942	1,170 0 0		
	9,140 0 0		9,140 0 0
TOTAL, SALARIES AND HONORARIA	70,526 18 2	..	70,526 18 2
Carried forward	318,265 12 1	..	318,265 12 1

PUBLIC ACCOUNTS, 1941-1942.

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	318,265 12 1	..	318,265 12 1
HIGHWAYS.			
Transfers to Main Highways Account and payments to boroughs, &c.	2,351,151 11 10	..	2,351,151 11 10
TOTAL, HIGHWAYS	2,351,151 11 10	..	2,351,151 11 10
EXCHANGE.			
FINANCE ACT, 1932 :— Section 55,— Exchange on remittances of public moneys to or from any country beyond New Zealand	5,664,970 11 10	3,336,419 18 0	2,328,550 13 10
TOTAL, EXCHANGE	5,664,970 11 10	3,336,419 18 0	2,328,550 13 10
ADVANCES.			
<i>On Account of other Governments.</i>			
FINANCE ACT, 1930 (No. 2) :— Section 7,— Advances made on behalf of other Governments—			
Canada	14,608 18 2	34 13 0	14,574 5 2
Commonwealth	58,506 17 1	23,103 1 11	35,403 15 2
Falkland Islands .. .. .	..	22 4 2	Cr. 22 4 2
Federated Malay States	2 2 0	3 14 0	Cr. 1 12 0
Fiji	493 19 2	1,589 8 5	Cr. 1,095 9 3
Imperial Government	275,905 5 8	117,434 4 9	158,471 0 11
Indian Government	268 8 2	73 6 1	195 2 1
Kenya	1 1 0	..	1 1 0
Tonga	338 1 7	..	338 1 7
TOTAL, ADVANCES	350,124 12 10	142,260 12 4	207,864 0 6
OTHER SPECIAL ACTS.			
PENSIONS.			
JUDICATURE ACT, 1908 :— Sections 12-14,— Superannuation allowances—			
Herdman, Sir A. L., 1 April, 1941, to 28 February, 1942	993 1 2		
Reed, Sir John, 1 April, 1941, to 28 February, 1942	840 5 7		
Stringer, Sir T. W., 1 April, 1941, to 28 February, 1942	687 10 0		
TOTAL, PENSIONS	2,520 16 9	..	2,520 16 9
Carried forward	2,520 16 9	..	2,520 16 9
Carried forward	8,684,512 8 7	3,478,680 10 4	5,205,831 18 3

PUBLIC ACCOUNTS, 1941-1942.

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	8,684,512 8 7	3,478,680 10 4	5,205,831 18 3
OTHER SPECIAL ACTS—<i>continued.</i>			
Brought forward	2,520 16 9	..	2,520 16 9
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	3,541 18 5	1 7 9	3,540 10 8
FINANCE ACT (No. 3), 1934 :—			
Section 8,—			
Interest on income-tax paid in advance	24,200 12 0	..	24,200 12 0
NATIVE PURPOSES ACT, 1931 :—			
Section 51,—			
Eighteenth annual payment to Arawa District Trust Board for the benefit of the Arawa Tribe	6,000 0 0	..	6,000 0 0
Section 54,—			
Fifteenth 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	2,751 0 0	..	2,751 0 0
WAR EXPENSES ACT, 1939 :—			
Section 2 (4) (e),—			
Transfer to War Expenses Account.. .. .	1,500,000 0 0	..	1,500,000 0 0
TOTAL, MISCELLANEOUS	1,539,493 10 5	1 7 9	1,539,492 2 8
TOTAL, OTHER SPECIAL ACTS	1,542,014 7 2	1 7 9	1,542,012 19 5
TOTAL, OTHER SERVICES	10,226,526 15 9	3,478,681 18 1	6,747,844 17 8

STATEMENT of BALANCES OUTSTANDING on 31st MARCH, 1942, in respect of PAYMENTS MADE from the CONSOLIDATED FUND on behalf of OTHER GOVERNMENTS.

Name of Government.	Balance outstanding at 31st March, 1942.
	£ s. d.
Canada	14,624 18 2
Commonwealth of Australia	50,032 16 5
Federated Malay States	6 6 0
Fiji	216 8 3
Imperial Government—General Advances	304,497 18 7
India	259 17 4
Kenya	1 1 0
Tonga	338 1 7
Total	£369,977 7 4

NOTE.—Details of transactions are shown on page 17.

STATEMENT of IMPRESTS of the CONSOLIDATED FUND (Ordinary Revenue Account) OUTSTANDING as at the 31st MARCH, 1942, showing the SERVICES for which they were issued.

CONSOLIDATED FUND :—			
Ordinary Revenue Account,—			
Votes—		£	s. d.
Prime Minister's Department		9,405	17 2
Customs		530	9 4
External Affairs		19,339	15 0
Marine		107	2 4
Labour		4,239	3 10
Native		41	16 5
Justice and Prisons		934	2 5
Police		18	14 9
Maintenance of Public Works and Services		147,439	15 8
Lands and Survey		718	17 8
Industries and Commerce, Tourist and Publicity		3,036	3 6
Mines		488	3 5
Transport		248	17 1
Education		238	11 6
War and other Pensions		677	6 4
General Imprest		20,781	0 3
General Services		703,995	0 4
		£912,240	17 0

PUBLIC ACCOUNTS, 1941-1942.

SUMMARY of DEPOSITS ACCOUNT for the FINANCIAL YEAR ended 31st MARCH, 1942.

Deposit Accounts.	Balances on 1st April, 1941.			Receipts.			Payments and Transfers.			Balances on 31st March, 1942.		
	£	s.	d.	£	s.	d.	£	s.	d.	£	s.	d.
Royal New Zealand Air Force	214	3	6	3,313	13	8	948	14	6	2,579	2	8
Canteen Profits	3,465	10	0	15,842	10	9	15,659	2	5	3,648	18	4
Cook Islands Fruit Account	19,596	1	2	66,275	16	4	60,697	15	10	25,174	1	8
Deposits on Contracts	414	15	6	2,814	3	0	3,228	18	6	..	..	..
Education Reserves Act, 1928—												
Sales of Land under section 27—												
Primary Education Endowments ..	46,099	2	9	1,941	17	0	..	..	..	48,040	19	9
Secondary Education Endowments—												
Auckland Provincial District ..	748	18	7	5,570	0	0	..	..	..	6,318	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 ..	39,432	0	11	109,713	9	5	149,145	10	4	..	..	..
Secondary Education Endowment Deposit Account—												
Auckland Provincial District	1,157	14	4	3,534	12	8	2,826	16	9	1,865	10	3
Taranaki Provincial District	519	16	8	1,285	8	6	1,129	10	11	675	14	3
Wellington Provincial District	1,606	16	0	3,741	10	6	3,403	15	0	1,944	11	6
Hawke's Bay Provincial District	805	15	2	1,855	8	5	1,464	10	9	1,196	12	10
Nelson Provincial District	244	8	1	497	5	4	321	6	8	420	6	9
Marlborough Provincial District	30	5	11	70	8	8	59	12	5	41	2	2
Otago Provincial District	868	17	1	1,613	11	10	1,436	1	9	1,046	7	2
General Purposes Relief Account	22,388	11	8	3,524	12	0	1,230	17	8	24,682	6	0
Gold Duty Suspense Account	359	16	6	392	11	1	359	16	6	392	11	1
Greymouth and Hokitika High School Acts, 1883 ..	102	15	0	319	4	7	252	13	0	169	6	7
Hides Emergency Regulations	1,734	9	7	55,645	12	4	57,112	17	1	267	4	10
Honey-export Control Act, 1924	200	19	5	281	19	11	482	0	0	0	19	4
Hospitals and Charitable Institutions Act, 1926 ..	311	4	3	911	0	10	1,100	9	10	121	15	3
Hunter Soldiers' Assistance Trust Account ..	2,664	16	7	989	0	11	923	3	2	2,730	14	4
Immigration Restriction Act, 1908	3,702	10	0	717	10	0	830	0	0	3,590	0	0
Imperial Pensions	43,707	1	4	232,581	5	0	186,038	3	8	90,250	2	8
Interest on Cash Balance Investments Account ..	16,195	12	4	3,850	1	6	20,045	13	10	..	..	..
King George V Memorial Fund Deposit Account ..	157,505	16	11	12,064	17	6	55,297	8	6	114,273	5	11
Land Agents Act, 1921-22, section 7 ..	1,000	0	0	500	0	0	494	15	0	1,005	5	0
Local Bodies' Account—												
Goldfields revenue	2,160	4	0	17,801	12	11	17,301	7	8	2,660	9	3
Gold duty	13	6	6	5,028	17	11	4,585	17	4	456	7	1
Fees and fines	12,191	10	0	17,755	10	0	16,630	10	0	13,316	10	0
Endowment of land	3,543	17	4	2,562	1	0	3,225	19	7	2,879	18	9
Marine Insurance (War Risks) Fund ..	25,327	15	3	33,510	6	0	119	9	3	58,718	12	0
Meat Act, 1939	893	14	8	9,993	15	10	7,665	2	5	3,222	8	1
Mining Act, 1926	236	11	7	173	19	11	301	5	0	109	6	6
Miscellaneous	157,800	1	11	935,693	3	2	908,196	3	7	185,297	1	6
Money-order Settlement Account	21,577	9	8	65,137	7	11	49,525	6	1	37,189	11	6
Navy Office Deposit Account	2,530	6	8	20,401	1	4	16,767	11	6	6,163	16	6
Nelson Rifle Prize Fund	1,135	8	4	39	9	2	..	..	..	1,174	17	6
Nelson Rifle Prize Fund Investment ..	Dr.1,000	0	0	..	..	..	..	..	..	Dr.1,000	0	0
New Zealand Reparation Estates	171	2	6	53	18	0	69	2	6	155	18	0
New Zealand University Endowment—												
Westland	4,385	18	0	244	9	10	3	16	0	4,626	11	10
North Island Experimental Dairy School ..	11,779	0	10	706	8	0	588	16	5	11,896	12	5
Official Assignees' Balances	26,997	14	7	7,512	0	6	16,834	15	1	17,675	0	11
Orchard-tax Act, 1927	743	19	1	1,914	1	4	1,808	19	6	849	0	0
Payments through the High Commissioner ..	42,338	14	6	258,274	1	11	196,602	2	7	104,010	13	10
Promotion of Health Fund	2,156	15	9	13,656	19	3	14,811	6	9	1,002	8	3
Public Service Association Account	131	14	9	425	19	10	464	3	4	93	11	3
Receipts by the High Commissioner for Payment in New Zealand	16,865	3	4	30,127	8	4	39,942	14	4	7,049	17	4
Receiver-General's Deposit Account	188,550	0	0	..	..	..	..	..	..	188,550	0	0
Regimental Funds	2,656	8	0	41,414	4	5	22,135	9	0	21,935	3	5
Remittances to Immigrants	11	8	0	2	1	0	6	3	0	7	6	0
Remittances to R.N.Z.A.F. Personnel ..	2,086	18	2	18,318	6	8	8,472	6	2	11,932	18	8
Remittances to Soldiers	48,388	14	5	438,051	0	5	345,599	15	5	140,839	19	5
Remittances from Soldiers Overseas ..	266	15	10	10,545	9	6	10,812	5	4	..	..	..
Reserve Bank Investment Account	1,203,325	0	0	..	..	..	..	..	..	1,203,325	0	0
Samoan Loan Sinking Fund Account	3	1	11	5,624	12	6	5,625	0	0	2	14	5
Samoan Notes Security Account	27,000	0	0	1,080	0	0	1,080	0	0	27,000	0	0
Samoan Treasury Account	48,253	7	8	42,250	19	11	41,832	6	0	48,672	1	7
Silver and Bronze Coin Account	1,119,709	6	11	175,250	0	0	36,145	8	8	1,258,813	18	3
State Advances Corporation Investment Account ..	890,418	9	0	..	..	..	..	..	..	890,418	9	0
Taranaki Scholarship Endowment Account ..	7	16	9	938	14	11	500	10	0	446	1	8
Tauranga Educational Endowment Reserves Act, 1896 .. ..	..	..	..	297	6	0	297	6	0	..	..	..
Tobacco Research Association Account ..	..	..	..	1,502	3	8	842	18	1	659	5	7
Trustee Act, 1908	8,523	15	4	26	3	6	..	..	..	8,549	18	10
Unclaimed Earnings	1,622	14	6	1,467	7	4	1,950	16	11	1,039	4	11
Unpresented Cheques	1,003	11	3	1,270	9	2	1,219	10	6	1,054	9	11
Victoria College Endowments Deposit Account ..	7	2	6	20	0	0	17	12	6	9	10	0
Wheat Research Levies	64	1	10	2,768	8	2	2,832	10	0	..	..	..
Wool Industry Promotion Act, 1936	2,657	16	8	16,626	14	3	16,294	19	0	2,989	11	11
Wool Manufacturers' Research Account ..	544	9	4	1,074	18	2	1,200	2	2	419	5	4
TOTALS	4,242,694	7	9	2,709,389	3	6	2,356,799	1	9	4,595,284	9	6

PUBLIC ACCOUNTS, 1941-1942.

PUBLIC WORKS FUND.—GENERAL PURPOSES ACCOUNT.

STATEMENT of RECOVERIES on ACCOUNT of EXPENDITURE of PREVIOUS YEARS,
for the FINANCIAL YEAR ended 31st MARCH, 1942.

	£	s.	d.	£	s.	d.	£	s.	d.
EDUCATION DEPARTMENT :—									
Refund of amounts overclaimed on school buildings ..				2,354	18	10			
JUSTICE AND PRISONS DEPARTMENT :—									
Sale of surplus and obsolete stores				240	0	0			
DEPARTMENT OF LABOUR :—									
Recovery of immigration passage-money				47	4	5			
DEPARTMENT OF LANDS AND SURVEY :—									
Recovery of—									
Hauraki Plains Settlement expenditure		2	5	3					
Native Land Settlement expenditure : Survey liens ..	2,400	19	3						
Repayment of—									
Advances in respect of village-homestead settlement lands		123	10	3					
Part of capital cost of drainage works	3,233	0	6						
Sale of—									
Land and buildings		237	16	5					
Surplus and obsolete stores		20	12	6					
						6,018	4	2	
NATIVE DEPARTMENT :—									
Repayment of advances—									
To Maori Land Boards, under section 340, Native Land Act, 1931	3,899	5	0						
To Native Trustee, under section 521, Native Land Act, 1931	19,587	13	8						
Under section 48, Native Land Amendment Act, 1936 ..	454	19	2						
Sale of surplus and obsolete stores	17	17	5						
						23,959	15	3	
POLICE DEPARTMENT :—									
Sale of land and buildings						1,758	18	6	
PUBLIC WORKS DEPARTMENT :—									
Instalments on loans to—									
Eastbourne Borough Council	160	17	4						
Kaipara River Board	224	0	0						
Otanomomo - Lower Clutha River Board	57	5	5						
Inter-Wanganui River Trust	35	0	0						
Refund of—									
Overpayment of subsidies to local bodies	326	0	0						
Part cost Mawheraiti River erosion work	80	0	0						
Sale of—									
Land and buildings	5,444	7	5						
Surplus and obsolete stores	60	10	5						
						6,388	0	7	
									£40,767 1 9

PUBLIC WORKS FUND.—GENERAL PURPOSES ACCOUNT.

STATEMENT of IMPRESTS of the PUBLIC WORKS FUND (GENERAL PURPOSES ACCOUNT) OUTSTANDING as at the 31st MARCH, 1942, showing the SERVICES for which they were issued.

PUBLIC WORKS FUND :—	£	s.	d.
General Purposes Account—			
Vote —Railway Construction	137,271	5	7
—Telegraph Extension		2	17
—Small Farms Development	4,855	9	11
—Native Land Settlement	3,718	9	11
—Linen Flax Development	748	8	10
	£146,596	12	0

PUBLIC WORKS FUND.—ELECTRIC SUPPLY ACCOUNT.

STATEMENT of RECOVERIES on ACCOUNT of EXPENDITURE of PREVIOUS YEARS
for the FINANCIAL YEAR ended 31st MARCH, 1942.

	£	s.	d.
Refund of part contribution New Zealand Centennial Exhibition	153	1	10
Sale of land and buildings	700	0	0
	£853	1	10

PUBLIC ACCOUNTS, 1941-1942.

PUBLIC WORKS FUND.—ELECTRIC SUPPLY ACCOUNT.

STATEMENT of DISBURSEMENTS for the YEAR ended 31st MARCH, 1942.

	Gross.	Credits.	Net.
	£ s. d.	£ s. d.	£ s. d.
VOTE :—			
Development of Water-power	2,305,080 19 7	83,277 19 5	2,221,803 0 2
Public Revenues Act, 1926, section 40—			
Temporary transfers from other accounts repaid ..	125,000 0 0	..	125,000 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	148,937 2 6	..	148,937 2 6
South Island scheme	126,227 3 11	..	126,227 3 11
	275,164 6 5		275,164 6 5
Public Revenues Act, 1926, section 40—			
Interest on temporary transfers from other accounts ..	633 11 3	..	633 11 3
Finance Act, 1932 (No. 2), section 5 (2)—			
Transfer to Consolidated Fund in respect of interest payable on capital liability	755,899 10 0	..	755,899 10 0
New Zealand Loans Act, 1932, section 62 (4)—			
Recoupment of stamp duty on transfers of 5 per cent. 1956-71 Stock	49 18 0	..	49 18 0
New Zealand Loans Act, 1932, section 24 (2)—			
Recoupment to Consolidated Fund of management charges on New Zealand Government securities ..	4,017 15 9	..	4,017 15 9
New Zealand Loans Act, 1932, section 61—			
Charges and expenses of raising loans—			
New issues	20,682 6 3	..	20,682 6 3
Issues in renewal and conversion	1,012 14 8	..	1,012 14 8
	1,057,460 2 4	..	1,057,460 2 4
Land and Income Tax Amendment Act, 1940, section 4—			
Income-tax	282,760 5 6	..	282,760 5 6
Social Security charge	28,100 8 8	..	28,100 8 8
National Security tax	28,100 8 8	..	28,100 8 8
	£3,826,502 4 9	£83,277 19 5	£3,743,224 5 4

PUBLIC ACCOUNTS, 1941-1942.

LAND FOR SETTLEMENTS ACCOUNT.

STATEMENT of the RECEIPTS of LAND FOR SETTLEMENTS ACCOUNT for the YEAR ended 31st MARCH, 1942.

SALES AND CAPITAL RECEIPTS :—	£	s. d.	£	s. d.
<i>Sales of Land,—</i>				
Estates	75,899	6 3		
Hutt Valley Lands Settlement Act, 1925, Section 11 (1)	13,827	4 6		
Land Laws Amendment Act, 1929, Section 8 (1)—Receipts from land developed under Section 6 of the Act	4,321	11 11		
Land Act, 1924, Section 208—Capital value of land	22	18 8		
Land Act, 1924, Section 20—Crown lands	137,657	8 10		
<i>Repayment of Advances,—</i>				
Deteriorated Lands Act, 1925, Section 12 (5)	594	15 2		
Land Laws Amendment Act, 1929—				
Section 8 (1)—				
Receipts in respect of advances under Section 7 of the Act	16,356	17 3		
Section 16—				
Receipts in respect of advances under Section 14 of the Act	6,546	14 7		
Land for Settlements Act, 1925, Section 47—Finance Act, 1932 (No. 2), Section 14	50	5 0		
			255,277	2 2
<i>RENTS AND INTEREST :—</i>				
<i>Rents, &c.,—</i>				
Receipts derived from estates—				
Rents	360,907	6 4		
Interest on sales	28,990	11 6		
Hutt Valley Lands Settlement Act, 1925, Section 11 (1)—				
Rents	98	18 1		
Interest on sales	5,024	16 0		
Land Laws Amendment Act, 1929—				
Section 8 (1)				
Receipts from lands developed under Section 6 of the Act—				
Rents	4,971	4 6		
Interest on sales	887	15 0		
<i>Interest on Advances,—</i>				
Deteriorated Lands Act, 1925, Section 12 (5)	198	7 1		
Land Laws Amendment Act, 1929—				
Section 8 (1)—				
Receipts in respect of advances under Section 7 of the Act	9,152	14 0		
Section 16—				
Receipts in respect of advances under Section 14 of the Act	2,056	18 4		
Land for Settlements Act, 1925, Section 47—				
Finance Act, 1932 (No. 2), Section 14	59	12 11		
			412,348	3 9
<i>SALES OF PRODUCE, LIVE-STOCK, AND MISCELLANEOUS RECEIPTS :—</i>				
<i>Estates,—</i>				
Miscellaneous	900	4 0		
<i>Land Laws Amendment Act, 1929—</i>				
Section 6—				
Seasonal farming receipts	25,139	0 3		
Miscellaneous receipts	1,151	3 4		
Section 13—				
Seasonal farming receipts	58,775	12 5		
Miscellaneous receipts	13,224	5 9		
			99,190	5 9
<i>FINANCE ACT, 1932, SECTION 11 (2) (a) :—</i>				
Receipts from Hutt Valley Settlement Lands applied towards purchase-money expended for the acquisition of land subject to the Hutt Valley Lands Settlement Act, 1925, or in respect of the preparation of the land for disposal			1	14 0
<i>FINANCE ACT, 1932, (No. 2), Section 6 :—</i>				
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			2,507	13 9
<i>INTEREST OF INVESTMENTS</i>			22,198	4 10
Total			£791,523	4 3

PUBLIC ACCOUNTS, 1941-1942.

STATEMENT of the DISBURSEMENTS of LAND FOR SETTLEMENTS ACCOUNT for the YEAR ended 31st MARCH, 1942.

VOTE:—		£	s.	d.	£	s.	d.
Land for Settlements					200,595	12	9
INTEREST AND OTHER CHARGES ON LOANS AND CAPITAL LIABILITY:—							
Land Laws Amendment Act, 1929, Section 47—							
Interest on Crown Lands declared to be subject to the Land for Settlements Act, 1925, and the former Land for Settlements Acts ..		16,955	4	0			
Finance Act, 1930 (No. 2), Section 19 (4)—							
Interest on Cheviot Estate accumulated funds paid to Consolidated Fund—							
	£ s. d.						
Year 1940-41	18,567	4	2				
Year 1941-42	18,572	12	6				
		37,139	16	8			
New Zealand Loans Act, 1932—							
Section 24 (2)—							
Recoupment to Consolidated Fund of management charges of New Zealand Government securities		2,741	6	7			
Section 61—							
Charges and expenses of raising loans—							
Issues in renewal and conversion		757	6	5			
Section 62 (4)—							
Recoupment of Stamp Duty on Transfers of 4½ per cent. 1944 Stock ..		2	5	3			
Recoupment of Stamp Duty on Transfers of 3½ per cent. 1945 Stock ..		441	18	0			
					58,037	16	11
EXPENDITURE CHARGED ON PROCEEDS OF SALES OF LANDS:—							
Crown Lands: Sales under Land Act, 1924, Section 20—							
Land Act, 1924, Section 139—							
“Thirds” and “Fourth” paid to Local Bodies’ Deposit Account from proceeds of sales of Crown lands		91	10	4			
Land Act, 1924, Section 20 (3)—							
Payment in respect of land obtained for Government works now deemed to be Crown lands		24	2	6			
Land Laws Amendment Act, 1927, Section 17 (2)—							
Expenditure on roading Orakei Block		2,860	0	0			
Land Laws Amendment Act, 1930, Section 15 (3)—							
Land for Settlements Act, 1925, Section 49 (1)—							
Settlement lands converted into ordinary Crown lands		4,219	0	0			
Finance Act, 1932 (No. 2), Section 6—							
Recoupment by Public Works Department for value of improvements effected on Crown lands by Small Farms Board		503	0	0			
Native Purposes Act, 1934, Section 3 (2)—							
Acquisition of Native land		69	19	5			
Public Reserves, Domains, and National Parks Act, 1928, Section 41 (2)—							
Expenditure on purchase of lands for the purposes of domains and on the improvement and development of domains		588	7	3			
Recoupment of loss on disposal of Public Works Fund assets		47	19	0			
					8,403	18	6
AMORTIZATION OF DEBT:—							
Transfer to Loans Redemption Account for the redemption of securities ..					11,600	0	0
Total					£278,637	8	2

PUBLIC ACCOUNTS, 1941-1942.

STATEMENT of the RECEIPTS of LOANS REDEMPTION ACCOUNT for the YEAR ended
31st MARCH, 1942.

NEW ZEALAND LOANS ACT, 1932 :—	£	s.	d.	£	s.	d.
<i>Section 14,—</i>						
Securities issued in conversion of loans—						
Stock—						
Ordinary Revenue Account—Reserve Bank of New Zealand—						
To mature 1st April, 1946	15,000	0	0			
Public Works Fund—General Purposes Account—						
To mature 15th September, 1946-48	250,800	0	0			
To mature 15th August, 1957	177,000	0	0			
To mature 15th December, 1958	7,243,000	0	0			
Main Highways Account—						
To mature 15th December, 1958	107,000	0	0			
State Forests Account—						
To mature 15th August, 1957	75,000	0	0			
War Expenses Account—						
To mature 1st October, 1953	49,058	0	6			
To mature 1st August, 1954	700	0	0			
Interest free stock—						
War Expenses Account—						
To mature: Various	5,375	0	0			
				7,922,933	0	6
Treasury Bills—						
Public Works Fund—General Purposes Account—						
To mature: Various	10,071,600	0	0			
Public Works Fund—Electric Supply Account—						
To mature: Various	25,000	0	0			
Main Highways Account—						
To mature: Various	3,013,000	0	0			
State Coal-mines Account—						
To mature: Various	85,000	0	0			
State Forests Account—						
To mature: Various	50,000	0	0			
War Expenses Account—						
To mature: Various	7,799,534	1	6			
				21,044,134	1	6
Securities issued in renewal of loans—						
Stock—						
Main Highways Account—						
To mature 15th August, 1957	3,000	0	0			
State Forests Account—						
To mature 15th December, 1958	100,000	0	0			
Interest free stock—						
War Expenses Account—						
To mature: Various	600	0	0			
Treasury Bills—						
Public Works Fund—General Purposes Account—						
To mature: Various	12,371,755	0	0			
Public Works Fund—Electric Supply Account—						
To mature: Various	1,600,000	0	0			
Main Highways Account—						
To mature: Various	9,630,000	0	0			
State Coal-mines Account—						
To mature: Various	35,000	0	0			
State Forests Account—						
To mature: Various	740,000	0	0			
War Expenses Account—						
To mature: Various	2,200,000	0	0			
				26,680,355	0	0
Interest on overdue instalments—						
War Expenses Account					25	3 10
Securities issued to cover costs, charges, and expenses of paying off and renewing loans—						
Stock—						
Public Works Fund—General Purposes Account—						
To mature 15th September, 1946-48	61,440	0	0			
War Expenses Account—						
To mature 1st October, 1953	1,220	0	0			
Treasury Bills—						
Public Works Fund—General Purposes Account—						
To mature: Various	652,337	0	0			
War Expenses Account—						
To mature: Various	1,700,465	18	6			
				2,415,462	18	6
Carried forward				58,062,910	4	4

PUBLIC ACCOUNTS, 1941-1942.

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

	£	s.	d.	£	s.	d.
Brought forward .. .. .	..	..	..	58,062,910	4	4
<i>NEW ZEALAND LOANS ACT, 1932—continued.</i>						
<i>Section 15—continued.</i>						
Securities issued in conversion of loans—						
Stock—						
Ordinary Revenue Account—Discharged Soldiers Settlement Account—						
To mature 15th September, 1946-48	23,425	15	4			
Ordinary Revenue Account—Mining Advances Account—						
To mature 15th September, 1946-48	2,510	0	0			
Ordinary Revenue Account—Miscellaneous—						
To mature 15th September, 1946-48	399,735	6	11			
Ordinary Revenue Account—State Advances—						
To mature 15th September, 1946-48	357,535	0	0			
Ordinary Revenue Account—War Expenses (1918)—						
To mature 15th September, 1946-48	4,864,743	17	9			
To mature 15th September, 1957-60	9,340,789	12	4			
Ordinary Revenue Account—Westport Harbour—						
To mature 15th September, 1946-48	100	0	0			
Public Works Fund—General Purposes Account—						
To mature 15th September, 1946-48	211,035	0	0			
To mature 15th September, 1957-60	2,277,830	7	8			
To mature 1st February 1949-54	365,500	0	0			
To mature 15th October, 1955-60	365,500	0	0			
Public Works Fund—Electric Supply Account—						
To mature 15th September, 1957-60	361,935	0	0			
Land for Settlements Account—						
To mature 15th September, 1957-60	259,150	0	0			
Main Highways Account—						
To mature 15th September, 1957-60	190,895	0	0			
State Forests Account—						
To mature 15th September, 1957-60	116,100	0	0			
Housing Account—						
To mature 15th September, 1946-48	7,270	0	0			
				19,144,055	0	0
Death Duty Stock—						
Ordinary Revenue Account—State Advances Account—						
To mature 15th September, 1946-48	1,700	0	0			
Ordinary Revenue Account—War Expenses—						
To mature 15th September, 1946-48	117,015	0	0			
To mature 15th September, 1957-60	1,603,230	0	0			
Public Works Fund—Electric Supply Account—						
To mature 15th September, 1957-60	35,355	0	0			
Land for Settlements Account—						
To mature 15th September, 1957-60	35,000	0	0			
				1,792,300	0	0
Securities issued to cover costs, charges, and expenses of conversion—						
Stock—						
Ordinary Revenue Account—War Expenses (1918)—						
To mature 15th September, 1957-60	321,935	0	0			
Public Works Fund—General Purposes Account—						
To mature 15th September, 1957-60	67,795	0	0			
Public Works Fund—Electric Supply Account—						
To mature 15th September, 1957-60	11,910	0	0			
Land for Settlements Account—						
To mature 15th September, 1957-60	8,820	0	0			
Main Highways Account—						
To mature 15th September, 1957-60	5,720	0	0			
State Forests Account—						
To mature 15th September, 1957-60	3,480	0	0			
				419,660	0	0
<i>Section (40) 6,—</i>						
Ordinary Stock issued in replacement of Death Duty Stock—						
Ordinary Revenue Account—Discharged Soldiers Settlement Account—						
To mature 15th June, 1952-55	1,005	0	0			
Ordinary Revenue Account—State Advances Account—						
To mature 15th April, 1946-49	3,385	0	0			
Ordinary Revenue Account—War Expenses (1918)—						
To mature 15th July, 1939-41	115	0	0			
To mature 15th March, 1943	600	0	0			
To mature 15th February, 1943-46	2,085	0	0			
To mature 15th May, 1949-52	13,160	0	0			
To mature 15th September, 1957-60	9,840	0	0			
Public Works Fund—General Purposes Account—						
To mature 15th June, 1952-55	6,570	0	0			
Public Works Fund—Electric Supply Account—						
To mature 15th April, 1946-49	620	0	0			
To mature 15th January, 1953-57	1,010	0	0			
Main Highways Account—						
To mature 15th February, 1943-46	615	0	0			
To mature 15th April, 1946-49	1,740	0	0			
War Expenses Account—						
To mature 1st August, 1946	100	0	0			
				40,845	0	0
Carried forward .. .. .	..	..	..	79,459,770	4	4

PUBLIC ACCOUNTS, 1941-1942.

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

	£	s.	d.	£	s.	d.
Brought forward .. .. .	..	..	..	79,459,770	4	4
NEW ZEALAND LOANS ACT, 1932—<i>continued.</i>						
<i>Section 57,—</i>						
Stock issued in exchange for Debentures—						
Ordinary Revenue Account—State Advances Account—						
To mature 15th September, 1947	4,700	0	0			
Public Works Fund—General Purposes Account—						
To mature 15th February, 1943-46	11,290	0	0			
To mature 15th April, 1946-49	8,865	0	0			
To mature 15th June, 1952-55	30,975	0	0			
To mature 15th January, 1953-57	3,900	0	0			
				59,730	0	0
Stock issued in exchange for Death Duty Stock—						
Ordinary Revenue Account—War Expenses (1918)—						
To mature 15th September, 1946-48	2,200	0	0			
To mature 15th May, 1952	500	0	0			
To mature 15th September, 1957-60	43,930	0	0			
War Expenses Account—						
To mature 1st August, 1946	1,600	0	0			
To mature 1st August, 1954	17,450	0	0			
				65,680	0	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 (1918)—						
To mature 15th March, 1943	1,383,010	0	0			
To mature 15th May, 1949-52	776,125	0	0			
				2,159,135	0	0
PUBLIC REVENUES ACT 1926, SECTION 135 :—						
<i>Subsection (2),—</i>						
Amount received on account of New Zealand's share of German reparations				949	16	1
<i>Subsection (4),—</i>						
Repayment of capital moneys advanced under the Repatriation Act, 1918	1,444	7	1			
Amount transferred from Ordinary Revenue Account for redemption of War Expenses (1919) loans	350	0	0			
Amount transferred from Ordinary Revenue Account for redemption of War Expenses securities (1939)	1,408	0	0			
Amount transferred from Samoan Loan Sinking Fund for the redemption of securities issued in respect of Samoan Loan Suspense Account	5,625	0	0			
Amount received from State Advances Corporation in reduction of contingent liability to be used for redemption of securities	27,073	2	9			
Amount received from Public Works Fund—General Purposes Account for redemption of General Purposes securities	24,300	0	0			
Amount transferred from Land for Settlements Account for redemption of securities	11,600	0	0			
Amount received from War Expenses Account for redemption of War Expenses securities (1939)	7,351,098	10	10			
Amount received from the British Phosphate Commission for the redemption of Nauru and Ocean Islands securities	35,867	1	8			
Amount received for the redemption of State Advances securities	220	10	0			
Amount received from State Coal-mines Account for redemption of State Coal-mines securities	9,164	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)	53	3	0			
				7,468,203	15	4
Total				£89,213,468	15	9

PUBLIC ACCOUNTS, 1941-1942.

STATEMENT of the DISBURSEMENTS of LOANS REDEMPTION ACCOUNT for the YEAR ended 31st MARCH, 1942.

	£	s.	d.	£	s.	d.
NEW ZEALAND LOANS ACT, 1932 :—						
Section 14,—						
Securities converted—						
Stock—						
Ordinary Revenue Account—Reserve Bank of New Zealand—						
To mature 1st April, 1946	10,227	10	0			
Ordinary Revenue Account—State Advances Corporation of New Zealand—						
To mature 1st April, 1946	1,898	0	0			
Public Works Fund—General Purposes Account—						
To mature 1st January, 1945	2,913,400	0	0			
War Expenses Account—						
To mature 1st August, 1954	2,110	0	0			
To mature 1st October, 1953	5,375	0	0			
To mature 15th December, 1958	120	0	0			
				2,933,130	10	0
Interest-free stock—						
War Expenses Account—						
To mature: Various				47,528	0	6
Memorandum of Security—						
War Expenses Account—						
To mature 15th August, 1965				7,799,534	1	6
Treasury Bills—						
Public Works Fund—General Purposes Account—						
To mature: Various	14,829,000	0	0			
Public Works Fund—Electric Supply Account—						
To mature: Various	25,000	0	0			
Main Highways Account—						
To mature: Various	3,120,000	0	0			
State Coal-mines Account—						
To mature: Various	85,000	0	0			
State Forests Account—						
To mature: Various	125,000	0	0			
				18,184,000	0	0
Loans renewed at maturity—						
Interest-free Stock—						
War Expenses Account—						
To mature: Various				600	0	0
Treasury Bills—						
Public Works Fund—General Purposes Account—						
To mature: Various	12,371,755	0	0			
Public Works Fund—Electric Supply Account—						
To mature: Various	1,600,000	0	0			
Main Highways Account—						
To mature: Various	9,633,000	0	0			
State Coal-mines Account—						
To mature: Various	35,000	0	0			
State Forests Account—						
To mature: Various	840,000	0	0			
War Expenses Account—						
To mature: Various	2,200,000	0	0			
				26,679,755	0	0
Section 15,—						
Securities converted—						
Debentures—						
Ordinary Revenue Account—War Expenses (1918)—						
To mature 15th July, 1941	87,800	0	0			
Ordinary Revenue Account—Westport Harbour—						
To mature 15th July, 1941	100	0	0			
Public Works Fund—General Purposes Account—						
To mature 15th November, 1941	11,950	0	0			
Public Works Fund—Electric Supply Account—						
To mature 15th November, 1941	58,500	0	0			
				158,350	0	0
Carried forward				55,802,897	12	0

PUBLIC ACCOUNTS, 1941-1942.

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

	£	s.	d.	£	s.	d.
Brought forward .. .. .	..	..	..	55,802,897	12	0
NEW ZEALAND LOANS ACT, 1932— <i>continued.</i>						
Section 15— <i>continued.</i>						
Securities converted— <i>continued.</i>						
Stock—						
Ordinary Revenue Account—Discharged Soldiers Settlements Account—						
To mature 15th November, 1941	22,925	15	4			
Ordinary Revenue Account—Mining Advances Account—						
To mature 15th July, 1941	2,510	0	0			
Ordinary Revenue Account—Miscellaneous—						
To mature 15th July, 1941	339,365	6	11			
To mature 15th November, 1941	60,370	0	0			
Ordinary Revenue Account—State Advances—						
To mature 15th November, 1941	359,235	0	0			
Ordinary Revenue Account—War Expenses (1918)—						
To mature 15th July, 1941	2,858,009	5	5			
To mature 15th November, 1941	38,414	4	8			
To mature 15th March, 1943	12,921,825	0	0			
Public Works Fund—General Purposes Account—						
To mature 1st January, 1940-45	731,000	0	0			
To mature 15th July, 1941	1,092,735	7	8			
To mature 15th November, 1941	1,883,230	0	0			
Public Works Fund—Electric Supply Account—						
To mature 15th November, 1941	338,640	0	0			
Housing Account—						
To mature 15th November, 1941	7,270	0	0			
Land for Settlements Account—						
To mature 15th November, 1941	294,150	0	0			
Main Highways Account—						
To mature 15th November, 1941	190,895	0	0			
State Forests Account—						
To mature 15th November, 1941	101,600	0	0			
				20,742,175	0	0
Death Duty Stock—						
Ordinary Revenue Account—Discharged Soldiers Settlement Account—						
To mature 15th November, 1941	500	0	0			
Ordinary Revenue Account—War Expenses (1918)—						
To mature 15th July, 1941	1,105	0	0			
To mature 15th March, 1943	18,625	0	0			
Public Works Fund—General Purposes Account—						
To mature 15th November, 1941	950	0	0			
Public Works Fund—Electric Supply Account—						
To mature 15th November, 1941	150	0	0			
State Forests Account—						
To mature 15th November, 1941	14,500	0	0			
				35,830	0	0
Premiums on Conversion—						
Ordinary Revenue Account—War Expenses (1918)	321,935	0	0			
Public Works Fund—General Purposes Account	67,795	0	0			
Public Works Fund—Electric Supply Account	11,910	0	0			
Land for Settlements Account	8,820	0	0			
Main Highways Account	5,720	0	0			
State Forests Account.. .. .	3,480	0	0			
				419,660	0	0
Section 40 (6).—						
Death Duty Stock replaced by Ordinary Stock—						
Ordinary Revenue Account—Discharged Soldiers Settlement Account—						
To mature 15th June, 1952-55	1,005	0	0			
Ordinary Revenue Account—State Advances—						
To mature 15th April, 1946-49	3,385	0	0			
Ordinary Revenue Account—War Expenses (1918)—						
To mature 15th July, 1939-41	115	0	0			
To mature 15th March, 1940-43	600	0	0			
To mature 15th February, 1943-46	2,085	0	0			
To mature 15th May, 1949-52	13,160	0	0			
To mature 15th September, 1957-60	9,840	0	0			
Public Works Fund—General Purposes Account—						
To mature 15th June, 1952-55	6,570	0	0			
Public Works Fund—Electric Supply Account—						
To mature 15th April, 1946-49	620	0	0			
To mature 15th January, 1957	1,010	0	0			
Main Highways Account—						
To mature 15th February, 1943-46	615	0	0			
To mature 15th April, 1946-49	1,740	0	0			
War Expenses Account—						
To mature 1st August, 1946	100	0	0			
				40,845	0	0
Section 57.—						
Securities exchanged for Ordinary Stock—						
Debentures—						
Ordinary Revenue Account—State Advances—						
To mature 15th September, 1947	4,700	0	0			
Public Works Fund—General Purposes Account—						
To mature 15th February, 1943-46	11,290	0	0			
To mature 15th April, 1946-49	8,865	0	0			
To mature 15th June, 1952-55	30,975	0	0			
To mature 15th January, 1953-57	3,900	0	0			
				59,730	0	0
Carried forward .. .. .	..	..	..	77,101,137	12	0

PUBLIC ACCOUNTS, 1941-1942.

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

	£	s.	d.	£	s.	d.
Brought forward .. .. .	..			77,101,137	12	0
NEW ZEALAND LOANS ACT, 1932—<i>continued</i>.						
<i>Section 57—continued.</i>						
Securities exchanged for Ordinary Stock— <i>continued</i> .						
Death Duty Stock—						
Ordinary Revenue Account—War Expenses (1918)—						
To mature 15th September, 1946-48	2,200	0	0			
To mature 15th May, 1952	500	0	0			
To mature 15th September, 1957-60	43,930	0	0			
War Expenses Account—						
To mature 1st August, 1946	1,600	0	0			
To mature 1st August, 1951-54	17,450	0	0			
				65,680	0	0
<i>Section 58,—</i>						
Securities redeemed before maturity—						
Stock—						
Ordinary Revenue Account—Nauru and Ocean Islands Account—						
To mature 15th January, 1957	35,865	0	0			
Public Works Fund—General Purposes Account—						
To mature 15th July, 1945	2,500	0	0			
To mature 30th November, 1948	2,000	0	0			
Main Highways Account—						
To mature 30th November, 1948	500	0	0			
State Coal-mines Account—						
To mature 15th December, 1958	6,320	0	0			
Samoan Loan Suspense Account—						
To mature 15th December, 1958	5,625	0	0			
				52,810	0	0
Interest-free Stock—						
War Expenses Account—						
To mature: Various .. .. .	..			16,778	7	6
Treasury Bills—						
War Expenses Account—						
To mature 15th October, 1941 .. .. .	..			4,500,000	0	0
Treasury Notes—						
War Expenses Account—						
To mature: Various .. .. .	..			41,000	0	0
Memorandum of Security—						
War Expenses Account—						
To mature 15th October, 1959	513,195	6	10			
To mature 15th August, 1965	1,627,947	16	6			
				2,141,143	3	4
Securities redeemed at maturity—						
Interest-free Stock—						
War Expenses Account—						
To mature: Various .. .. .	..			1,300	0	0
Death Duty Stock matured under section 40 (3)—						
Ordinary Revenue Account—War Expenses (1918)—						
To mature 15th September, 1946-48	250	0	0			
To mature 15th September, 1957-60	100	0	0			
Lands for Settlement Account—						
To mature 15th September, 1957-60	11,600	0	0			
War Expenses Account—						
To mature 1st October, 1943-46	2,700	0	0			
To mature 1st August, 1946-54	4,750	0	0			
To mature 1st October, 1953	44,835	0	0			
				64,235	0	0
Treasury Bills—						
Public Works Fund—General Purposes Account—						
To mature: Various	21,800	0	0			
War Expenses Account—						
To mature: Various	600,000	0	0			
				621,800	0	0
<i>Section 61,—</i>						
Charges and expenses of raising loans—						
Issues in renewal and conversion—						
New issues—						
War Expenses Account						
Finance Act 1932, section 55—				25	3	10
Exchange on remittances beyond New Zealand—						
Public Works Fund—General Purposes Account						
War Expenses Account	713,777	0	0			
	1,701,685	18	6			
				2,415,462	18	6
NEW ZEALAND DEBT CONVERSION ACT, 1932-33, SECTION 16:—						
Tax-free Stock replaced by Ordinary Stock—						
Ordinary Revenue Account—War Expenses (1918)—						
To mature 15th March, 1943	1,383,010	0	0			
To mature 15th May, 1949-52	776,125	0	0			
				2,159,135	0	0
Total .. .. .	..			£89,180,507	5	2

PUBLIC ACCOUNTS, 1941-1942.

MAIN HIGHWAYS ACCOUNT.

STATEMENT of RECOVERIES on ACCOUNT of EXPENDITURE of PREVIOUS YEARS,
for the FINANCIAL YEAR ended 31st MARCH, 1942.

	£	s.	d.
Adjustment of subsidy on rates paid to local authorities under section 28, Finance Act, 1934 (No. 3), &c.	10	4	6
Refunds of overpayments of subsidies to local authorities	174	0	0
Sale of land and buildings	206	9	2
	£390	13	8

SOCIAL SECURITY FUND.

STATEMENT of RECOVERIES on ACCOUNT of EXPENDITURE of PREVIOUS YEARS,
for the FINANCIAL YEAR ended 31st MARCH, 1942.

	£	s.	d.
Sale of surplus and obsolete stores	129	10	11

STATE COAL-MINES ACCOUNT.

STATEMENT of RECOVERIES on ACCOUNT of EXPENDITURE of PREVIOUS YEARS,
for the FINANCIAL YEAR ended 31st MARCH, 1942.

	£	s.	d.
Sale of—			
Plant	191	7	4
Surplus and obsolete stores	451	0	4
	£642	7	8

STATEMENT of DISBURSEMENTS of STATE COAL-MINES ACCOUNT for the YEAR ended
31st MARCH, 1942.

	Gross.		Credits.		Net.	
	£	s. d.	£	s. d.	£	s. d.
VOTE :—						
State Coal-mines	669,505	2 2	3,025 15 9		666,479	6 5
INTEREST AND OTHER CHARGES ON LOANS AND CAPITAL LIABILITY :—						
New Zealand Loans Act, 1932, Section 24 (2),—						
Recompment to Consolidated Fund of management charges on New Zealand Government securities ..	44	13 7	..		44	13 7
Finance Act (No. 2), 1932, Section 5 (2),—						
Transfer to Consolidated Fund in respect of interest payable on capital liability	7,686	18 5	..		7,686	18 5
	7,731	12 0	..		7,731	12 0
SOCIAL SECURITY CHARGE	1,473	8 9	..		1,473	8 9
NATIONAL SECURITY TAX	1,473	8 8	..		1,473	8 8
LAND AND INCOME TAX AMENDMENT ACT, 1940, SECTION 4 (1) AND (3)	14,826	1 9	..		14,826	1 9
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)	3,700	0 0	..		3,700	0 0
Section 3 (1) (c)	464	0 0	..		464	0 0
	9,164	0 0	..		9,164	0 0
	£704,173	13 4	3,025 15 9		£701,147	17 7

PUBLIC ACCOUNTS, 1941-1942.

STATE FORESTS ACCOUNT.

STATEMENT of RECOVERIES on ACCOUNT of EXPENDITURE of PREVIOUS YEARS,
for the FINANCIAL YEAR ended 31st MARCH, 1942.

Sale of surplus and obsolete stores	£ s. d. £118 5 3
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STATEMENT of DISBURSEMENTS of STATE FORESTS ACCOUNT for the YEAR ended
31st MARCH, 1942.

	Gross.	Credits.	* Net.
	£ s. d.	£ s. d.	£ s. d.
VOTE :— State Forest Service	484,228 2 6	9,682 10 0	474,545 12 6
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 ..	627 18 0	..	627 18 0
NEW ZEALAND LOANS ACT, 1932, SECTION 61 :— Charges and expenses of raising loans— New issues	54 1 10	..	54 1 10
Issues in renewal and conversion	295 18 11	..	295 18 11
	977 18 9	..	977 18 9
FINANCE ACT, 1936, SECTION 24 (1) :— Transfer to Working Railways Account	1,150 19 11	..	1,150 19 11
	£486,357 1 2	£9,682 10 0	£476,674 11 2

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,
1942.

Transfer to	Transfer from	Date of Transfer.	Rate of Interest.	Balance outstanding at 31st March, 1941.	Amount of Transfer.	Repayment due.	Amount repaid.	Date repaid.
			Per Cent.	£	£		£	
Public Works Fund :— Electric Supply Account	Land for Settlements Account	..	1½	100,000	..	9/10/41	100,000	26/8/41
"	"	..	1½	25,000	..	30/12/41	25,000	26/8/41
Main Highways Account	Public Works Fund—General Purposes Account ..	..	1½	150,000	..	30/3/42	150,000	26/8/41
				£275,000			£275,000	

17th August, 1942.

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.

CYRIL G. COLLINS,
Controller and Auditor-General,