

expenditure cannot therefore exceed the amount voted, even if credits in excess of the estimate are received.

INSURANCE OF PUBLIC BUILDINGS.

The claims against the Fire Insurance Fund for 1923-24 were £14,018, as against receipts amounting to £12,503, thus reducing the balance of the fund from £46,825 at 1st April, 1923, to £45,310. The fund was established in 1913 for the purpose of the rebuilding or restoration of public buildings destroyed or damaged by fire. The receipts were the annual contribution of £10,000 from the Consolidated Fund, and £2,503 interest credited by the Public Trustee. The large number of fire losses in respect of school buildings accounted for £12,490 of the claims, and only £1,528 was required for other buildings.

DEPARTMENTAL BALANCE-SHEETS.

Owing to the early closing of the session last year a sufficient number of departmental balance-sheets in commercial form was not available for presentation before the House rose. These, however, are being submitted to honourable members this session, and similar accounts for the year ended 31st March, 1924, will be laid before you later.

The publication of these balance-sheets has resulted in improved methods being adopted for the recording of assets and their disposition, and a more clearly defined procedure as regards the charging of expenditure against either capital or revenue. The examination of these accounts has also ensured that no losses are written off unless parliamentary authority is obtained.

This reform is having a marked effect on the control of expenditure, Departments now being faced with the results of their estimates and decisions. Parliament, with these balance-sheets before it, should be in a better position to ensure effective results from the expenditure it authorizes.

PUBLIC DEBT.

	Gross. £	Sinking Funds. £	Net Debt. £
31st March, 1922	219,054,385	10,655,394	208,398,991
31st March, 1923	218,953,324	11,879,256	207,074,068
31st March, 1924	221,616,361	12,974,028	208,642,333

In 1922-23 the net debt showed a decrease of £1,324,923, notwithstanding the fact that £5,234,818 had been borrowed and expended for public works and other purposes. I have pleasure in recording that the operations of the year 1923-24 disclose a somewhat similar result. The sum of £2,679,450 was loaned out of the accumulated surpluses and other accounts to the State Advances Office, and as the securities issued by that Office are charged against the debt an increase is therefore disclosed by the accounts. If, however, this amount is excluded the gross debt shows a decrease of £16,413, added to which sinking-fund contributions and accretions amounting to £1,094,772 reduce the net debt by £1,111,185, although £4,600,000 was borrowed for works and settlement purposes.

The debt operations for the year 1923-24 may be summarized thus :—

	£
Gross debt, 31st March, 1924	221,616,361
Accrued sinking fund	12,974,028
Net debt at 31st March, 1924	208,642,333
Less increase in State Advances debt	2,679,450
Net debt at 31st March, 1924	205,962,883
Net debt at 31st March, 1923	207,074,068
<i>Decrease in net debt for 1923-24, excluding amount borrowed for State Advances purposes ..</i>	<u><u>£1,111,185</u></u>