

From miscellaneous accounts of State Advances	£
Department .. .. .	18
Cancellation of debenture presented to Government	
by anonymous donor .. .. .	100
Discount on securities redeemed below par .. .. .	11,379
Total redemptions for year .. .. .	<u>£2,631,970</u>

## Statutory debt repayment.

The first two items represent the annual statutory debt repayment, the money for which is provided out of Ordinary Revenue Account as a charge against each year's revenue. Repayments of the funded debt to date are set out in Table No. 21 attached to this Statement.

## Use of surplus moneys.

Apart from the statutory payments, an amount of £588,868 out of Ordinary Revenue Account was applied in reduction of debt, but this included £73,710 of reparation-moneys credited to that account partly last year and partly towards the close of the previous one, prior to an amendment of the law enabling all such receipts to be thereafter credited direct to Loans Redemption Account. The amount of surplus money used for this purpose was thus £515,158. Of this latter amount £315,000 was part of last year's surplus applied to debt-reduction as soon as it became evident that there was going to be an excess of revenue, while the balance represents part of the previous years' surpluses.

## Reduction of war debt.

Of the total reductions for the year, £1,770,467 represented war debt.

It is noteworthy that since 1922 the war debt has been reduced by £8,280,362, or approximately 10 per cent. in five years.

## Other reductions of debt.

Discharged soldiers settlement securities purchased and cancelled during 1926-27 amount to £83,210, while redemption of ordinary debt totalled £778,293, being for the most part redemption of loans at maturity, though advantage was taken of sundry good offers from the public to purchase securities below par.

## SUMMARY OF DEBT OPERATIONS FOR YEAR.

## Debt operations for year.

Debt as at 1st April, 1926 .. .. .	£	238,855,478
Add new loans raised—	£	
Ordinary .. .. .	7,226,446	
State advances .. .. .	2,400,935	
	<u>9,627,381</u>	
		248,482,859
Less debt-reductions—		
War debt .. .. .	1,770,467	
Ordinary .. .. .	778,293	
Discharged soldiers .. .. .	83,210	
	<u>2,631,970</u>	
Debt as at 31st March, 1927 .. .. .	<u>£245,850,889</u>	

## Allocation of consolidated stock.

As a result of an investigation into the history of the public debt and the earlier conversion operations, the miscellaneous consolidated stock previously shown at the end of the debt table (B.-I, Part III) has now been allocated to the appropriate accounts. Consequent on this allocation, an amount of £19,007 has been transferred from the ordinary debt to the State Advances debt. Allowing for this transfer, the debt stands as follows:—

## Classification of debt.

Ordinary .. .. .	£	132,421,885
War .. .. .	73,563,181	
State advances .. .. .	30,191,097	
Discharged soldiers settlement .. .. .	9,674,726	
	<u>£245,850,889</u>	