

IRISH LAND PURCHASE FUND.

ACCOUNTS, 1915—1916.

ACCOUNTS of RECEIPTS and PAYMENTS by the COMMISSIONERS for the REDUCTION of the NATIONAL DEBT in respect of the CAPITAL and INCOME of the IRISH LAND PURCHASE FUND, in the Year ended 31st March 1916, together with the REPORT of the COMPTROLLER and AUDITOR-GENERAL thereon.

(Presented pursuant to Act 3 Edw. 7. c. 37. s. 33.)

*Ordered, by The House of Commons, to be Printed,
12 February 1917.*

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1917.

IRISH LAND PURCHASE FUND.

EXPLANATORY NOTE.

The Irish Land Purchase Fund is a special fund placed under the control of the National Debt Commissioners for the purposes of the Irish Land Act, 1903. This Act provided for advances for land purchase being made in cash, raised by the issue of Guaranteed $2\frac{3}{4}$ per Cent. Stock; but the Irish Land Act, 1909, extended the means of raising cash by providing for the issue of Guaranteed 3 per Cent. Stock and, in addition, enacted that advances may be made, in whole or in part, in stock. As the Irish Land Purchase Fund possesses somewhat peculiar features, a short explanation of these features may be desirable.

The chief means of raising money for the purposes of the Irish Land Act, 1903, is by the creation of Guaranteed Stock bearing interest at $2\frac{3}{4}$ or 3 per cent. per annum. This stock is issued for two distinct objects, viz. :—

- | | |
|--|-------------------------------|
| (a) For advances, and to provide cash for advances | { 1903 Act, Section 28. |
| | { 1909 Act, Sections 2 and 3. |
| (b) To provide cash for the payment of a bonus | { 1903 Act, Section 47. |
| to vendors - - - - - | { 1909 Act, Sections 2 and 6. |

Cash can also be obtained—

- | | |
|--|-------------------------|
| (c) By temporary borrowing - - - - - | { 1903 Act, Section 30. |
| | { 1909 Act, Section 5. |
| (d) By using the sinking fund for further advances | 1903 Act, Section 36. |

(Provision is made in the 1903 Act (Section 36) for the two cases of stock being issued at a discount and at a premium. The issues already made have been at a considerable discount, and a further reference to the case of an issue at a premium does not appear to be necessary at present.)

(a) The amount of Guaranteed $2\frac{3}{4}$ per Cent. Stock and Guaranteed 3 per Cent. Stock issued for the purpose of raising money for advances, and of Guaranteed $2\frac{3}{4}$ per Cent. Stock issued for advances, is divided into two parts. In the first place, stock of equal nominal amount to the net cash realised by an issue of stock, or, in the case of an advance in Guaranteed $2\frac{3}{4}$ per Cent. Stock, the cash value at the price of issue, is assigned to the advances account, as the liability for which the cash advanced for land purchase is to provide (1903 Act, Section 36); and the remaining part of the issue together with any deficiency of interest arising by reason of money being raised by means of 3 per Cent. Stock, is set up as a liability for which an annuity chargeable on the Development Grant portion of the Guarantee Fund, and, so far as that is insufficient, on moneys provided by Parliament, is the corresponding asset (1909 Act, Section 7).

(b) The stock issued for the purpose of realising money for payment of the bonus is a liability for which Parliament votes both the interest and sinking fund (1903 Act, Section 47).

While, therefore, the issue of the stock is for two objects, the provision for the payment of the dividends and sinking fund in respect of the same comes from three different sources.

It will be seen that the Irish Land Purchase Fund practically comprises three distinct accounts :—

Account I.—Called “Advances Account,” in which the capital raised has a corresponding asset in the annuities payable by borrowers, with the Guarantee Fund as security for their due payment.

Account II.—Called “Excess Stock Account,” in which the liability comprises the additional amount of stock issued to raise cash for advances, (or the additional amount of stock issued for the purpose of advances by means of stock) in consequence of issues being made at a discount, the corresponding asset being an annuity chargeable on the Ireland Development Grant portion of the Guarantee Fund, and, so far as that is insufficient, on moneys provided by Parliament.

Account III.—Called “Land Purchase Aid Fund,” in which the stock issued to provide the bonus is met by an annuity chargeable on Votes of Parliament.

The annuities payable in each case provide for interest on the capital together with an addition of $\frac{1}{2}$ per cent. per annum by way of sinking fund for accumulation.

In addition, therefore, to the Irish Land Purchase Fund consisting of three distinct accounts, each of these accounts contains within itself an accumulation account to provide for the ultimate extinction of the capital liability.

It is further necessary to distinguish between advances made on the basis of a $3\frac{1}{4}$ per cent. annuity and a $3\frac{1}{2}$ per cent. annuity (1909 Act, Section 1 (3)).

Each of the three accounts above referred to is given in a separate column, the total of such individual accounts forming the Irish Land Purchase Fund.

The “Advances Account” now includes the transactions under the Labourers (Ireland) Act, 1906, 6 Edw. 7. cap. 37. Under section 15 of the same Act, the unexpended balance (98,478*l.*) on the 31st March, 1906, of the amount received from the Ireland Development Grant is retained as a working balance, and is included in the balance shown on the Income Account (Advances).

In addition to the accounts of receipts and payments, the statements of securities on which the capital has been raised and the balance sheet, supplementary accounts are given showing the detail of each accumulation account, and the amounts drawn from and repaid to the Guarantee Fund.

National Debt Office.

W. G. Turpin,
Comptroller General.

IRISH LAND

ACCOUNTS of RECEIPTS and PAYMENTS by the National Debt Commissioners
of the IRISH LAND PURCHASE

CAPITAL

RECEIPTS.												
	Advances Account.			Excess Stock Account.			Land Purchase Aid Fund.			Total.		
	£	s.	d.	£	s.	d.	£	s.	d.	£	s.	d.
Balances on 31st March 1915	2,384	0	10	145	0	0	—	—	—	2,529	0	10
Money raised :—												
By creation of Guaranteed 3 per cent. Stock.	3,575,000	0	0	—	—	—	715,000	0	0	4,290,000	0	0
By loans from Sinking Fund.	456,700	0	0	—	—	—	—	—	—	456,700	0	0
By Temporary borrowings	1,563,000	0	0	—	—	—	—	—	—	1,563,000	0	0
Cash value of Advances in 2½ per Cent. Stock.	314,020	10	0	—	—	—	—	—	—	314,020	10	0
Cash value of Advances in 3 per Cent. Stock.	680,475	10	0	—	—	—	—	—	—	680,475	10	0
Sinking Fund Receipts :—												
In respect of 3¼ per Cent. Annuities.	380,774	7	10	44,145	8	9	27,714	6	1	452,634	2	8
In respect of 3½ per Cent. Annuities.	21,009	6	6	23,954	3	8	25,163	9	2	70,126	19	4
Balance due on 31st March 1916.	6,411	13	8	—	—	—	—	—	—	6,411	13	8
£	6,999,775	8	10	68,244	12	5	767,877	15	3	7,835,897	16	6

PURCHASE FUND.

in the Year ended 31st March 1916, in respect of the CAPITAL and INCOME FUND, per 3 EDW. VII. c. 37, and 9 EDW. VII. c. 42.

ACCOUNT.

P A Y M E N T S.				
	Advances Account.	Excess Stock Account.	Land Purchase Aid Fund.	Total.
	£ s. d.	£ s. d.	£ s. d.	£ s. d.
Balance overdrawn 31st March 1915.	—	—	117,139 1 4	117,139 1 4
Advanced to Irish Land Commission :—				
For advances on 3½ per Cent. Annuity.	1,390,305 8 10	—	—	1,390,305 8 10
For advances on 3½ per Cent. Annuity.	935,945 0 0	—	512,155 14 11	1,448,100 14 11
Temporary borrowings (Capital Account) repaid.	4,271,750 0 0	—	—	4,271,750 0 0
Cash invested, viz. :—				
For Sinking Fund in respect of 3½ per Cent. Annuities :—				
In loans to Capital Account for further advances.	338,200 0 0	27,800 0 0	27,700 0 0	393,700 0 0
In purchase of 65,000l. Guaranteed 2¾ per Cent. Stock.	42,575 0 0	—	—	42,575 0 0
In purchase of 25,000l. Guaranteed 2¾ per Cent. Stock.	—	16,375 0 0	—	16,375 0 0
For Sinking Fund in respect of 3½ per Cent. Annuities :—				
In loans to Capital Account for further Advances.	13,850 0 0	23,950 0 0	25,200 0 0	63,000 0 0
In purchase of 10,000l. Guaranteed 3 per Cent. Stock.	7,150 0 0	—	—	7,150 0 0
Balances on 31st March 1916—	—	119 12 5	85,682 19 0	85,802 11 5
£	6,999,775 8 10	68,244 12 5	767,877 15 3	7,835,897 16 6

INCOME

	Advances Account.	Excess Stock Account.	Land Purchase Aid Fund.	Total.
	£ s. d.	£ s. d.	£ s. d.	£ s. d.
Balances on 31st March 1915	119,303 13 9	—	6 1	119,303 19 10
From Irish Land Commission	1,958,748 8 5	191,225 15 2	264,256 10 6	2,414,230 14 1
From Guarantee Fund - -	157,827 17 0	114,892 17 4	—	272,720 14 4
Interest on investments -	950 6 1	919 16 2	1,010 9 10	2,880 12 1
Fractions of pence saved in the payment of dividends.	5 10 2	17 5	13 2	7 0 9
Arrears of annuity instalments and interest recovered.	158,475 15 1	—	—	158,475 15 1
£	2,395,311 10 6	307,039 6 1	265,267 19 7	2,967,618 16 2

GUARANTEED 2 $\frac{3}{4}$ PER CENT. STOCK ACCOUNT,

Amount of Stock written off and cancelled in the year.	39,380 19 0	8,760 19 0	—	48,141 18 0
Balance of Stock remaining on 31st March 1916.	46,523,731 16 6	6,304,918 4 1	4,451,444 8 9	57,280,094 9 4
£	46,563,112 15 6	6,313,679 3 1	4,451,444 8 9	57,328,236 7 4

GUARANTEED 3 PER CENT. STOCK ACCOUNT,

Amount of Stock written off and cancelled in the year.	3,917 2 2	251 15 3	—	4,168 17 5
Balance of Stock remaining on 31st March 1916.	27,743,143 9 4	4,877,834 14 6	5,148,461 13 6	37,769,439 17 4
£	27,747,060 11 6	4,878,086 9 9	5,148,461 13 6	37,773,608 14 9

"LOANS FROM SINKING FUND" ACCOUNT, for

Balance of Loans from Sinking Fund to Capital (Advances) Account remaining on 31st March 1916.	2,538,800 0 0	—	—	2,538,800 0 0
£	2,538,800 0 0	—	—	2,538,800 0 0

"TEMPORARY BORROWINGS" ACCOUNT, for

Temporary borrowings repaid in the year.	4,271,750 0 0	—	—	4,271,750 0 0
Balance of Temporary borrowings outstanding on 31st March 1916.	—	—	—	—
£	4,271,750 0 0	—	—	4,271,750 0 0

ACCOUNT.

—	Advances Account.	Excess Stock Account.	Land Purchase Aid Fund.	Total.
	£ s. d.	£ s. d.	£ s. d.	£ s. d.
Dividends and Interest on Guaranteed Stocks.	2,037,783 15 3	298,620 9 0	257,889 8 2	2,594,293 12 5
Interest, on Sinking Fund Securities, transferred to Capital Account.	47,810 15 3	8,418 17 1	7,378 4 7	63,607 16 11
Interest on Temporary borrowings (Capital Account).	32,179 18 3	—	—	32,179 18 3
Recovered arrears paid to Guarantee Fund.	159,899 9 2	—	—	159,899 9 2
Balances on 31st March 1916	117,637 12 7	—	6 10	117,637 19 5
£	2,395,311 10 6	307,039 6 1	265,267 19 7	2,967,618 16 2

for the Year ended 31st March 1916.

Balance of Stock on 31st March 1915.	46,249,092 5 6	6,286,373 0 9	4,451,444 8 9	56,986,909 15 0
Amount of Stock issued in respect of Advances in the year.	314,020 10 0	27,306 2 4	—	341,326 12 4
£	46,563,112 15 6	6,313,679 3 1	4,451,444 8 9	57,328,236 7 4

for the Year ended 31st March 1916.

Balance of Stock on 31st March 1915.	23,491,585 1 6	3,453,086 9 9	4,148,461 13 6	31,093,133 4 9
Amount of Stock created in the year.	3,575,000 0 0	1,425,000 0 0	1,000,000 0 0	6,000,000 0 0
Amount of Stock issued for Advances in the year.	680,475 10 0	—	—	680,475 10 0
£	27,747,060 11 6	4,878,086 9 9	5,148,461 13 6	37,773,608 14 9

the Year ended 31st March 1916.

Balance of Loans on 31st March 1915.	2,082,100 0 0	—	—	2,082,100 0 0
Amount of Loans from Sinking Fund to Capital (Advances) Account in the year.	456,700 0 0	—	—	456,700 0 0
£	2,538,800 0 0	—	—	2,538,800 0 0

the Year ended 31st March 1916.

Balance of Temporary borrowings outstanding on 31st March 1915.	2,708,750 0 0	—	—	2,708,750 0 0
Amount of Temporary borrowings in the year.	1,563,000 0 0	—	—	1,563,000 0 0
£	4,271,750 0 0	—	—	4,271,750 0 0

IRISH LAND PURCHASE FUND.

LIABILITIES.												
	Advances Account.			Excess Stock Account.			Land Purchase Aid Fund.			Total.		
	£	s.	d.	£	s.	d.	£	s.	d.	£	s.	d.
CAPITAL ACCOUNT—												
Value, at par, of amount of Stock remaining :—												
Guaranteed $2\frac{3}{4}$ per cent. Stock.	46,523,731	16	6	6,304,918	4	1	4,451,444	8	9	57,280,094	9	4
Guaranteed 3 per cent. Stock.	27,743,143	9	4	4,877,834	14	6	5,148,461	13	6	37,769,439	17	4
Value, at par, of amount of "Loans from Sinking Fund" remaining.	2,538,800	0	0	—			—			2,538,800	0	0
Temporary borrowings outstanding.	—			—			—			—		
SINKING FUND ACCOUNT—												
Balances remaining on 31st March 1916 :—												
In respect of $3\frac{1}{4}$ per cent. Annuities.	4	18	5	68	6	2	22	0	1	95	4	8
In respect of $3\frac{1}{2}$ per cent. Annuities.	17	4	2	51	6	3	9	18	2	78	8	7
INCOME ACCOUNT—												
Balances remaining on 31st March 1916.	117,637	12	7	—			6	10		117,637	19	5
£	76,923,335	1	0	11,182,872	11	0	9,599,938	7	4	97,706,145	19	4

SUPPLEMENTARY

SINKING FUND ACCUMULATION ACCOUNT at 31st March 1916, in respect of
3½ PER CENT. ANNUITIES.

	Advances Account.	Excess Stock Account.	Land Purchase Aid Fund.	Total.
	£ s. d.	£ s. d.	£ s. d.	£ s. d.
89,287 <i>l.</i> 4 <i>s.</i> 11 <i>d.</i> Guaranteed 2 $\frac{3}{4}$ per cent. Stock at par.	66,915 4 1	22,372 0 10	—	89,287 4 11
Loans to Capital (Advances) Account	1,931,500 0 0	264,700 0 0	217,400 0 0	2,413,600 0 0
Cash uninvested - - - -	4 18 5	68 6 2	22 0 1	95 4 8
Nominal value of Securities held - £	1,998,420 2 6	287,140 7 0	217,422 0 1	2,502,982 9 7

SINKING FUND ACCUMULATION ACCOUNT at 31st March 1916, in respect of
3½ PER CENT. ANNUITIES.

76,952 <i>l.</i> 16 <i>s.</i> 7 <i>d.</i> Guaranteed 3 per cent. Stock at par.	15,763	1	0	27,506	12	10	33,683	2	9	76,952	16	7
Loans to Capital (Advances) Account	36,650	0	0	41,150	0	0	47,400	0	0	125,200	0	0
Cash uninvested - - - -	17	4	2	51	6	3	9	18	2	78	8	7
Nominal value of Securities held - £	52,430	5	2	68,707	19	1	81,093	0	11	202,231	5	2

BALANCE SHEET, 31st MARCH 1916.

ASSETS.				
—	Advances Account.	Excess Stock Account.	Land Purchase Aid Fund.	Total.
	£ s. d.	£ s. d.	£ s. d.	£ s. d.
Accumulated amount of Sinking Fund :—				
In respect of $3\frac{1}{4}$ per cent. Annuities.	1,998,420 2 6	287,140 7 0	217,422 0 1	2,502,982 9 7
In respect of $3\frac{1}{2}$ per cent. Annuities.	52,430 5 2	68,707 19 1	81,093 0 11	202,231 5 2
Outstanding amount to be accumulated with Sinking Fund Payments :—				
In respect of $3\frac{1}{4}$ per cent. Annuities.	67,930,939 8 5	6,017,777 17 1	4,234,022 8 8	78,182,739 14 2
In respect of $3\frac{1}{2}$ per cent. Annuities.	6,830,319 6 0	4,809,126 15 5	4,981,717 11 10	16,621,163 13 3
Cash at Banks of England and Ireland.	111,225 18 11	119 12 5	85,683 5 10	197,028 17 2
	£ 76,923,335 1 0	11,182,872 11 0	9,599,938 7 4	97,706,145 19 4

National Debt Office,
31st March 1916. }

I certify that this Account has been examined under my directions, and is correct.

Examined,
T. J. Bradley.

W. G. Turpin,
Comptroller General.

H. J. Gibson,
Comptroller and Auditor General.

ACCOUNTS.

GUARANTEE FUND ACCOUNT for the Year ended 31st March 1916.

RECEIVED from Guarantee Fund.		PAID to Guarantee Fund.	
	£ s. d.		£ s. d.
Balance at 31st March 1915 -	1,391,487 12 2	Repaid on account of arrears -	159,899 9 2
For arrears in respect of Advances { Capital 22,109 <i>l.</i> 0 <i>s.</i> 9 <i>d.</i> } Income 124,405 <i>l.</i> 13 <i>s.</i> 6 <i>d.</i> }	146,514 14 3		
For deficiency of income -	9,660 0 5		
For Excess Stock Deficiency { Capital 21,344 <i>l.</i> 19 <i>s.</i> 7 <i>d.</i> } Income 138,655 <i>l.</i> 0 <i>s.</i> 5 <i>d.</i> }	160,000 0 0	Balance at 31st March 1916 -	1,547,762 17 8
	£1,707,662 6 10		£1,707,662 6 10

National Debt Office,
31st March 1916. }

I certify that these Accounts have been examined under my directions, and are correct.

Examined,
T. J. Bradley.

W. G. Turpin,
Comptroller General.

H. J. Gibson,
Comptroller and Auditor General.

IRISH LAND PURCHASE FUND.

REPORT OF THE COMPTROLLER AND AUDITOR GENERAL.

Stock created, &c.

1. The total amount of stock, $2\frac{3}{4}$ per cent., created to the 31st March 1916, including 9,479,427*l.* 4*s.* 1*d.* stock in respect of advances to the Irish Land Commissioners for the purposes of section 3 (2) of the Act of 1909, was 57,680,871*l.* 12*s.* 10*d.*, of which 46,861,797*l.* 6*s.* was assigned to the Advances account, 6,367,629*l.* 18*s.* 1*d.* to the Excess Stock account, and 4,451,444*l.* 8*s.* 9*d.* to the Land Purchase Aid Fund.

The amount of stock, $2\frac{3}{4}$ per cent., purchased out of sinking fund balances and cancelled to the 31st March 1916, was on Advances account 338,065*l.* 9*s.* 6*d.*, on Excess Stock account 62,711*l.* 14*s.*, and the balance of stock, $2\frac{3}{4}$ per cent., remaining on the 31st March 1916 on all accounts was 57,280,094*l.* 9*s.* 4*d.*

The total amount of stock, 3 per cent., created to the 31st March 1916, including 5,809,655*l.* 10*s.* issued for advances for the purposes of section 3 (3) of the Act of 1909, was 37,809,655*l.* 10*s.*, of which 27,778,632*l.* 18*s.* 2*d.* was assigned to the Advances account, 4,881,022*l.* 11*s.* 10*d.* to the Excess Stock account, and 5,150,000*l.* to the Land Purchase Aid Fund.

The amount of stock, 3 per cent., purchased out of the sinking fund, and cancelled to the 31st March 1916, was 35,489*l.* 8*s.* 10*d.* on Advances account, 3,187*l.* 17*s.* 4*d.* on Excess Stock account, and 1,538*l.* 6*s.* 6*d.* on Land Purchase Aid Fund account, and the balance of stock, 3 per cent., remaining on the 31st March 1916 was 37,769,439*l.* 17*s.* 4*d.*

Sinking Funds.

2. Out of the total receipts for the Sinking Funds, viz. :—

	£	s.	d.
On $3\frac{1}{2}$ per cent. annuity—			
To 31st March 1915 - - - - -	2,339,208	12	10
In the year ended 31st March 1916 - - - - -	452,634	2	8
	£2,791,842	15	6
On 3 per cent. annuity—			
To 31st March 1915 - - - - -	151,033	15	6
In the year ended 31st March 1916 - - - - -	70,126	19	4
	£221,160	14	10

a sum of 2,538,800*l.* was on loan to the Capital account for further advances, 474,029*l.* 17*s.* 1*d.* has been applied to the purchase of Guaranteed $2\frac{3}{4}$ and 3 per cent. Stocks, and the balance of cash, 173*l.* 13*s.* 3*d.*, remained uninvested.

H. J. Gibson,
Comptroller and Auditor General.

15 January 1917.