

## Appendix A (1)

### REPORT ON THE FINANCES FOR THE YEAR 1924.

#### REVENUE.

The total revenue for the year amounted to \$24,209,640 being \$2,839,706 more than the estimate and \$574,123 less than the revenue in 1923. Compared with that year there were increases under all the heads except Kowloon Canton Railway and Land Sales.

2. The principal sub-heads showing excess over the estimate were as follows :—

(a) Carriage, Chair, &c. Licences ...	\$ 45,966
(b) Fines ... ..	63,160
(c) Forfeitures ... ..	126,768
(d) Liquor Licences ... ..	32,410
(e) Opium Monopoly, ... ..	1,647,043
(f) Stamp Duties ... ..	504,677
(g) Tobacco Duties, ... ..	207,105
(h) Postage ... ..	54,928
(i) K. C. R. Coaching, Local traffic	162,943
(j) Condemned Stores ... ..	87,442
(k) Land Sales... ..	409,236
(l) Interest ... ..	71,810

The increases were due (a), (d) to more licences issued, (b) to more fines, (c) to more forfeitures, (e), (k) underestimation (g), (h) increased sales, (f) large estate duties (i) expansion of through local traffic (j) sale of Shanghai Post Office and (l) increased balances.

3. The principal deficits compared with the Estimates were :—

(a) Assessed Taxes, ... ..	\$ 119,813
(b) Liquor Duties ... ..	20,737
(c) China Companies Fees ... ..	27,240
(d) Medical Examination of Emigrants ... ..	23,684
(e) Water Excess Supply and Meter Rents... ..	59,466
(f) Coaching Through Traffic ...	448,538
(g) Goods Through Traffic ... ..	39,540
(h) Leased Lands ... ..	45,303

#### EXPENDITURE.

4. The total expenditure brought to account amounted to \$26,726,428 being \$1,801,761 more than the estimate, and \$5,154,524 more than the expenditure in 1923.

Compared with the Estimates there were savings under eleven heads.

Miscellaneous expenditure exceeded the estimate by \$313,338 mainly due to the following items :—

Rent allowances (Asiatic staff) ...\$	31,164
Stationery... ..	59,732
Transport of Government Servants	99,147
Flood Relief Fund ... ..	50,000
Purchase of "The Bracket" ... ..	36,000
Crown Agents Commission ... ..	7,656
Gratuity to Mr. T. L. Perkins... ..	8,571
Contribution to British Empire Cancer Campaign ... ..	8,496
Grant to Hongkong Boy Scouts Association ... ..	4,000
	\$ 304,766

Military Expenditure exceeded the estimate by \$233,412 due to increase in revenue.

Expenditure in connection with the construction of a Rescue Tug, the renewal of Moorings, provision of a new Typhoon Buoy, the introduction of anti-piracy Patrol Launches and other miscellaneous items resulted in the Harbour Department's vote being exceeded by \$314,300.

Less opium was purchased during the year decreasing the expenditure under this head by \$157,964.

The principal factor responsible for the decreased expenditure of \$159,518 in the Estimates for the Fire Brigade Department was due to non-completion of the new Fire Float a sum of \$34,000 being spent out of the \$180,000 estimated.

The Sanitary Department showed a decrease of \$126,089 due to savings on Salaries, Exhumation, Fuel and other items.

Expenditure in the Education Department was less than the estimate by \$108,888 on account of unpaid Building Grants and other savings.

Excess Expenditure under the votes P. W. R. Hongkong "Typhoon and Rainstorm Damages"—\$356,336; "Maintenance of Buildings"—\$78,541; "Improvements to Buildings"—\$41,649; and Water Works "Maintenance of City and Hill District"—\$41,687, were the principal factors responsible for the excess of \$658,469 under Public Works Recurrent.

A sum of \$2,142,689 was expended on Compensation and Resumptions against an estimate of \$100,000. There were savings due to works being delayed or deferred owing to various causes resulting in a total excess expenditure under Public Works Extraordinary of \$1,115,685.

There was a saving of a sum of \$341,645 under the Kowloon Canton Railway, the estimates for certain items of Rolling Stock and Constructional Works under the head "Special Expenditure" being partly expended only.

5. The Expenditure for the year exceeded the Revenue by the sum of \$2,516,788.

6. The following statement shows the Liabilities and Assets on the 31st December, 1924 :—

LIABILITIES.	\$	c.	ASSETS.	\$.	c.
Deposits not Available	1,118,530.86		Subsidiary Coins ...	990,091.10	
Postal Agencies .....	29,577.59		Advances .....	195,179.07	
Shipping Control A/c.	2,220,493.91		Building Loans .....	989,900.00	
Overdraft—Bank .....	1,417,388.33		Imprest .....	2,800.96	
Suspense Account .....	4,785.55		House Service A/c.	8,693.85	
			Crown Agents' De-		
			posit Account .....	5,314,426.96*	
			Unallocated Stores,		
			(P. W. D.), .....	566,979.87	
			Unallocated Stores,		
			(Railway) .....	211,446.65	
			Coal Account .....	103,774.88	
			Investment Account	8,972,105.70†	
			Fixed Deposit A/c...	500,000.00	
			Crown Agents' Cur-		
			rent Account .....	42,926.49	
<b>Total Liabilities ...</b>	<b>4,790,776.24</b>				
Balance .....	13,107,549.29				
<b>Total .....</b>	<b>\$ 17,898,325.53</b>		<b>Total .....</b>	<b>\$ 17,898,325.53</b>	

\* Cash lent at Interest.....£7,000 0s. 0d.

Cash on Deposit.....£624,088 4s. 1d.

† Invested as follows :—

STOCK.	NOMINAL VALUE.	ACTUAL COST.	MARKET VALUE.
Hongkong 6% War Loan 1921-1928 .....	\$120,000.00	\$120,000.00	\$120,000.00
Cape of Good Hope (1916-36) .....	£10,650. 0. 0	£9,856.12. 3	£10,011. 0. 0
Do. (1929-49) .....	7,073.13. 2	5,793.13. 8	5,800. 8. 0
Do. (1933-43) .....	6,650. 0. 0	5,204. 2. 6	5,253.10. 0
Ceylon (1940) .....	2,982.15. 7	2,421. 2. 7	2,445.17. 7
Funding Loan (1960-60) .....	835,000. 0. 0	662,991.14.9½	749,412.10. 0
Gold Coast (1939-59) .....	635. 9. 8	559. 3. 9	559. 4. 6
Grenada (1917-42) .....	292.13.10	264. 3. 5	266. 7. 0
Jamaica (1934) .....	2,000. 0. 0	1,835. 4. 0	1,920. 0. 0
Do. (1919-49) .....	3,000. 0. 0	2,515.15. 0	2,490. 0. 0
Natal (1937) .....	1,000. 0. 0	927.12. 0	930. 0. 0
Do. (1934-44) .....	200. 0. 0	167.11. 0	168. 0. 0
Do. (1914-39) .....	5,500. 0. 0	4,728. 0. 0	4,730. 0. 0
Do. (1929-49) .....	5,100. 0. 0	3,805.10. 6	3,774. 0. 0
New Castle Corporation (1945-55) .....	20,000. 0. 0	§ 4,000. 0. 0	4,000. 0. 0
New Zealand (1944) .....	100,000. 0. 0	95,751. 0. 0	99,000. 0. 0
Do. (1929) .....	40,000. 0. 0	38,464.10. 8	38,800. 0. 0
Do. (1940) .....	3,389. 1. 2	2,895.10. 8	2,914.11.10
Do. (1945) .....	3,000. 0. 0	2,310. 4. 0	2,340. 0. 0
Plymouth (1929) .....	84,000. 0. 0	83,948.10. 0	83,948.10. 0
Queensland (1926-29) .....	23,500. 0. 0	23,265. 0. 0	23,735. 0. 0
Do. (1920-25) .....	25,000. 0. 0	24,391.12. 6	25,250. 0. 0
Do. (1920-25) .....	18,000. 0. 0	17,697. 5. 0	18,180. 0. 0
Do. (1930) .....	33,200. 0. 0	30,855. 5. 0	30,212. 0. 0
Southern Nigeria (1930-55) .....	634.10. 3	510. 5. 6	513.19. 1
Strait Settlements (1935-45) .....	3,400. 0. 0	3,336.11. 0	3,332. 0. 0
Sudan (1950-74) .....	14,800. 0. 0	§ 3,108. 0. 0	3,108. 0. 0
Trinidad (1917-42) .....	4,000. 0. 0	3,711.12. 0	3,720. 0. 0
Union of South Africa (1940-60) .....	21,000. 0. 0	§ 14,595. 0. 0	14,595. 0. 0
Western Australia (1934) .....	1,300. 0. 0	1,226.14. 0	1,222. 0. 0
	£1,275,308. 3. 8	£1,051,187.11.1½	£1,142,631.18. 0

§ Part payment.

¶ No quotation.



12. The Treasurer was appointed Estate Duty Commissioner as from 1st February, 1924 and the amount realised during the year for Estate duties was \$1,142,987.

13. The rate of exchange for the Estimates was taken at  $2/2$  whereas the average rate for purposes of conversion in the Treasury books was  $2/4\frac{1}{2}$ .

C. McI. MESSER.  
*Treasurer.*

*1st May, 1925.*