

STAFF

With the amount of new business increasing to a degree much in excess of the normal turnover, it has been necessary to call upon all sections of the staff to work at high pressure throughout the year, and the Board appreciates that it has been possible to deal with this unusual volume only because of the keen and efficient service given by the whole of the personnel employed both in Head Office and at the branches.

The arrangements which have been made for the provision of facilities for the training of juniors and the organization of refresher courses for officers who have returned after varying periods of absence with the Armed Forces are already showing favourable results and will ensure that a high standard of efficiency is maintained in the future.

BALANCE-SHEET

Reference has been made in the introduction to this report to the rapid and substantial increase in the volume of new business that the Corporation has handled during recent years, mostly as the result of the Government's rehabilitation scheme, and the effect of this activity is disclosed by a comparison of the Balance-sheet for the year ended 31st March, 1947, with that for the previous year. The funds temporarily invested in Government securities have been reduced from £3,000,000 to £110,000, and mortgage investments have shown a net increase of nearly £8,000,000. When it is realized that the amount becoming available to the Corporation for reinvestment by way of instalment and principal repayments from existing borrowers is in the vicinity of £4,000,000 per annum, it can be seen that total new advances paid out during the year amount to almost £12,000,000. These figures do not include the advances made to rehabilitation borrowers for the purchase of businesses, furniture, or tools of trade, which are financed from funds provided for the purpose by the Treasury.

The increase in Current Account advances of approximately £185,000 arises mainly from the taking-over of the Rural Intermediate Credit business (previously operated as a separate account) and the granting of seasonal advances to borrowers recently financed into new farm properties.

The Corporation's liabilities are increased under the heading of "Stock and Debentures" by the sum of approximately £4,000,000, this representing further borrowed capital raised to cover the loan requirements for the year.

REVENUE ACCOUNTS

The transfer of substantial sums from temporary investments to advances on mortgage, and the investment of the additional borrowed capital as outlined in the previous paragraph, has resulted in a higher gross interest return of approximately £120,000, but as a set off, interest payable on new stock issued by the Corporation is increased to the extent of £43,500. The gross profit is higher by £65,557, but management expenses and administration costs of rehabilitation business, furniture, and tools-of-trade loans are £91,428 greater than for the previous year. The net profit for the past year is £74,394, as compared with £94,099 for 1945-46. The amount available for payment to Treasury after making full provision for taxation and reserves is £8,394.

A. D. PARK, Chairman of Directors.	
T. N. SMALLWOOD, Deputy Chairman of Directors.	
B. C. ASHWIN	} Directors.
D. BARNES	
R. G. MACMORRAN	