

The tenure of the advances now current is as follows :—

	Number.	Amount. £ s. d.
On freeholds	7,877	2,297,807 5 11
On leaseholds	555	104,951 9 2
Totals	8,432	£2,402,758 15 1

The average freehold advance is £292, and the average leasehold advance £189.

The advances actually paid over during the year ended 31st March, 1915, on freehold and lease hold are as follows :—

	Number.	Amount. £
On freeholds	906	303,830
On leaseholds	42	9,195
Totals	948	£313,025

For the year the average freehold advance was £336, and the average leasehold advance £219.

The total sum raised by the Government for investment on mortgage to workers is £2,490,657 12s. 7d.

Eight thousand four hundred and thirty-two mortgagors are now indebted to the Department to the extent of £2,402,758 15s. 1d. in respect of principal moneys, an increase during the year of 850 mortgagors, with loans amounting to £202,914 12s. 10d.

The gross profits for the year ended 31st March, 1915, were £12,562 1s. 10d., and the cost of management and expenses of the branch £2,957 8s. 1d., being 0·12 per cent., or 2s. 4d. per £100 on the capital employed. The net profits amounted to £9,246 12s. 10d., of which the sum of £8,741 12s. 6d. has been applied in writing down loan charges.

The sinking fund established under section 26 of the State Advances Act, 1913, amounts to £51,031 10s. 5d., inclusive of the amount held by the Public Trustee (£2,715 17s. 9d.).

Eleven freehold securities were realized by the Department during the year. Losses debited and unpaid instalments in respect of mortgaged properties written off amount to £358 0s. 11d.

G. F. C. CAMPBELL, Superintendent.

State Advances Office, Wellington, 23rd June, 1915.

ADVANCES TO LOCAL AUTHORITIES BRANCH.

During the year 77 new applications for loans to local bodies were provisionally approved—that is, they were approved by the Board subject to sufficiency and validity of the security offered.

The applications provisionally approved from the different provincial districts were,—

Provincial District.	Number of Applications.	Amount of Advances provisionally approved. £
Auckland	39	42,555
Taranaki	10	12,950
Hawke's Bay	3	62,300
Wellington	15	35,520
Nelson	1	28,500
Westland	2	3,000
Canterbury	4	35,045
Otago	1	200
Southland	2	2,000
Totals	77	£222,070

The new applications finally approved during the year numbered forty-eight, and the loans amounted to £254,430.

The amount actually paid over to local bodies during the year was £237,285.

The total sum raised by the Government for loans to local bodies is £2,258,067.

Local bodies are now indebted to the Department to the extent of £2,098,263 13s. 4d. in respect of principal moneys.

There was a net loss for the year of £18,878 17s. 3d. due to the unremunerative rate of interest at which the earlier loans were granted.

The sinking fund established under section 26 of the State Advances Act, 1913, amounts to £92,697 9s. 1d., inclusive of the amount held by the Public Trustee (£48,461 0s. 5d.).

G. F. C. CAMPBELL, Superintendent.

State Advances Office, Wellington, 23rd June, 1915.