

The total of advances to workers now current and the tenure of the securities are as follows :—

					Number.	Amount.	s.	d.
						£		
On freeholds ..	..	..	..	..	8,448	2,456,618	3	5
On leaseholds ..	..	..	..	..	562	106,286	1	6
Totals ..	..	..	..	..	9,010	£2,562,904	4	11

The advances to workers actually paid over during the year ended 31st March, 1916, on freehold and leasehold are as follows :—

					Number.	Amount.
						£
On freeholds ..	..	..	..	..	802	269,690
On leaseholds ..	..	..	..	..	24	5,990
Totals ..	..	..	..	..	826	£275,680

The gross profits for the year ended 31st March, 1916, were £15,437, and the cost of management and expenses of the branch £3,141, being 0·125 per cent., or 2s. 6d. per £100 of the capital employed. The net profits amounted to £12,169, of which the sum of £11,108 has been applied in writing down loan charges.

The sinking fund established under section 26 of the State Advances Act, 1913, amounts to £73,467, inclusive of the amount held by the Public Trustee (£2,715).

Four freehold and four leasehold securities were realized by the Department during the year. Losses debited, and unpaid instalments in respect of mortgaged properties written off, amount to £126 18s. 3d.

G. F. C. CAMPBELL, Superintendent.

State Advances Office, Wellington, 17th May, 1916.

ADVANCES TO LOCAL AUTHORITIES BRANCH.

The amount actually paid over to local bodies during the year was £115,820.

Local bodies are now indebted to the Department to the extent of £2,181,989 in respect of principal moneys.

The result of the year's operations shows a net loss of £9,164, which is due to the unremunerative rate of interest at which the earlier loans were granted. It is gratifying to notice that the loss this year is only half of that which occurred the previous year. Owing to the fact that loans are now being granted at a rate of 4½ per cent. I anticipate that this branch of the Department's operations should soon begin to show a small profit.

The sinking fund established under section 26 of the State Advances Act, 1913, amounts to £114,712, inclusive of the amount held by the Public Trustee (£48,461).

G. F. C. CAMPBELL, Superintendent.

State Advances Office, Wellington, 17th May, 1916.