23 H.—22.

The general correctness of the quarterly returns, and the promptitude with which they are rendered, is evident from the fact that within eight weeks of the close of the financial year I have been enabled to compile a summary of the voluntary patriotic efforts exercised through the societies throughout the Dominion, and details of the receipts and expenditure of the whole of the societies sending in returns. Only in six cases, involving less than £100 altogether, has it been necessary to use the December figures to complete the schedules.

Special efforts have been made during the year to ascertain full particulars of the work of those societies established before the Act came into force and which, having successfully raised large sums of money, ceased operations or eventually became merged in the existing central funds, with the result that collections amounting to £342,095, and particulars as to the disposal of this amount, which should have been included in my statistics for last year, will now be embodied in

the summary of patriotic societies' efforts to March, 1918.

It also transpired that a number of societies established early in the war had been operating in unintentional disregard of their obligations under the Act. In thirty-six cases full particulars of transactions were obtained and the Minister's approval of their continuance granted. In other cases the committee agreed to merge into already approved societies in the same district, and in a few instances the committees were disbanded and their funds transferred to other organizations. It may, I think, be fairly assumed that only a few such societies are now operating illegally, and that the total funds would not exceed a few hundred pounds.

With a view to securing a more effective control over irregular collections of money and goods, the law governing the issue of permits was made more stringent, and the authority to issue permits was extended to Chairmen of Town Boards and Road Boards and to the presidents of societies incorporated under the Act. Full particulars regarding the issue of permits have been set out in the Patriotic Societies' Handbook recently issued, and the conditions now governing such issue have earned the approval of the executive committees, both of administering and collecting societies.

Every person authorized to issue permits has been requested to furnish a monthly return of all permits issued, and in the case of entertainments, &c., to forward a copy of each permit to this office. The inauguration of this branch of the work alone has necessitated the recording of 490 returns monthly and resultant additional correspondence. Every committee organizing an entertainment for raising patriotic funds is now required by the conditions of the permit to furnish a statement of receipts and expenditure within a given period. Upon receipt of such statement the net sum resulting and the fund into which it has been paid is recorded, and the amount traced into the debit of that particular fund's first subsequent quarterly statement.

Transfers of money from collecting to administering societies, and the proceeds of all art unions and raffles for which licenses are issued, are also similarly followed, and it is to facilitate this cross-checking that the treasurers of receiving societies have been requested to furnish details

of all sums coming into their funds by other means than by personal contribution.

During the six weeks prior to close of the year during which the check on raffles and entertainments has been exercised amounts aggregating £50,000 have been traced to the various funds to be benefited.

These extended activities of the office, combined with the increased number of approved war funds, has necessarily made itself manifest in the greatly increased correspondence. At the end of last year this amounted to 240 letters per month, as against over 500 letters per month now sent out. This is exclusive of printed acknowledgment and reminder forms despatched. In addition to correspondence a considerable proportion of business is effected by personal interviews.

Full financial and statistical information is furnished in the appendix to this report, wherein, in addition to the summary of Dominion efforts given in the previous two years, details of the

transactions of 634 societies dealt with during the year under review are given.

In conclusion, I wish to express my thanks to my assistant, Mr. Davies, without whose zealous and assiduous efforts I should have been unable to obtain such full and complete details of the patriotic work of the Dominion; and also to the members of my staff for their unfailing diligence and readiness to give extra help at all times.

NATIONAL WAR FUNDS COUNCIL.

The total income to 31st March, 1918, amounted to £34,763, and the expenditure to £3,512, including £2,339 contributed towards the cost of hospitals for returned soldiers. £898 was distributed for relief and assistance to soldiers and dependants, and temporary loans amounting to £456 were granted. Of the latter amount £204 has been repaid. The funds at the end of the year were £31,252, of which £30,000 is invested. The total charges for administration since the establishment of the fund in November, 1915, amount to £23.

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In August, 1916, the Westland Patriotic Committee transferred their funds to the Council, and in March, 1917, the Buller Sick and Wounded Fund trustees passed over their funds to the control of the Council. The former has transferred £4,301 to date, and the latter £2,953. Local Advisory Committees, consisting of the original trustees of the funds, were appointed in accordance with the provisions of the War Funds Act, 1915, to administer relief on behalf of the Council. Each Advisory Committee is provided with funds for this purpose by means of imprest account, a balance of cash sufficient for all probable requirements being held available.

The work of the Advisory Committees is entirely voluntary, and the total cost of their administration to date has been under £12.

The system adopted has proved in every way satisfactory, whilst the correlation of the Council and the Advisory Committees has proved most satisfactory, and promises to continue so.

J. W. Kinniburgh, Officer in Charge.