

## PROFITS.

The profits on the past year's business amounted to £68,602—a record; and it is anticipated that the business for the year 1918–19 will be equally profitable.

The figures for the past five years are,—

1914	..	..	..	..	£29,222
1915	..	..	..	..	£32,508
1916	..	..	..	..	£46,108
1917	..	..	..	..	£58,862
1918	..	..	..	..	£68,602

The interest credited to estates during the past five years is,—

1914	..	..	..	..	£230,062
1915	..	..	..	..	£256,806
1916	..	..	..	..	£281,700
1917	..	..	..	..	£287,818
1918	..	..	..	..	£317,633

## BONUS.

Since 1915 the Department has shared the profits with its clients, and after making provision for an adequate addition to the Reserve Funds and the proper maintenance of the buildings and plant a bonus of £30,000 has been paid for the year under review. This is the third bonus—the total amount credited to the estates amounting to £82,000.

## INVESTMENT OF FUNDS.

The total of the funds invested by the Office rose from £7,651,978 on the 31st March, 1917, to £8,836,909 on the 31st March, 1918, representing an increase of £1,184,931 for the year.

£8,694,066 were investments of amounts from the Common Fund of the Office—an increase of £1,162,572 over the amount for the previous year.

£142,843 were special investments of amounts on behalf of estates under administration—an increase of £22,359 over the amount for the previous year.

The following table will indicate the classes of securities upon which the amounts have been advanced :—

	£
Investments in Government securities .. ..	690,270
Advances to local bodies .. ..	1,161,101
Advances on mortgages of freehold properties ..	6,500,334
Advances against the vested shares of beneficiaries in estates .. ..	295,154
Land-settlement finance debentures .. ..	77,194
Fixed deposits at banks .. ..	3,048
Freehold property, office furniture and equipment ..	109,808
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	£8,836,909

The total interest earned on investments from the Common Fund was £431,041, as compared with £369,311 earned in 1916–17. This satisfactory result is attributable partly to the ordinary increase in the amounts falling into the Common Fund, and partly to the close investment of the funds during the year.

The applications for loans have greatly exceeded the funds available for investment, and the Board has thus been able to ensure that moneys shall be advanced only on first-class securities.

The sum of £450,000 was contributed to the War Loan during 1917–18.

The Public Trust Office has continued to act as agent of the Public Service Superannuation Board in the collection of interest on mortgages granted by that Board. The total of the amounts collected under this heading was £52,793.

## ASSURANCE AND RESERVE FUND.

The Public Trust Office Acts provide for the transfer of profits to the Assurance and Reserve Fund, which was established for the purpose of meeting any deficiency that might arise in the working of the Office.