

ADVANCES ON FREEHOLD PROPERTY.

Throughout the year the Board has endeavoured, so far as is consistent with the safe investment of its funds, to use the moneys at its disposal to assist settlement and development throughout the Dominion.

No difficulty has been experienced in finding suitable securities for advances by way of mortgage.

The Board has borne constantly in mind the needs of small settlers, and has given special consideration to applications from this class of applicant.

Advances on properties situated in town areas have not been entirely declined, but the great majority of the advances have been made on "broad acre" security situated in rural districts.

ADVANCES TO LOCAL BODIES.

The Office has endeavoured as far as possible to meet the requirements of local bodies, and particularly of Hospital and Charitable Aid Boards for works which have been certified to as being of an urgent nature.

Under the provisions of section 91 of the Public Revenues Act, 1910, the Public Trustee has been enabled to advance funds to Hospital and Charitable Aid Boards upon a covenant that they will levy annually from their contributory bodies a sum sufficient to cover payments on account of interest and sinking fund on the sums advanced.

This power has enabled Hospital Boards to readily obtain money for necessary purposes which they might otherwise have experienced difficulty in raising.

The following statement indicates the amounts which have been advanced to various classes of local bodies :—

	£
Borough Councils and Town Boards	72,341
County Councils	57,373
Harbour Boards	22,500
Hospital and Charitable Aid Boards	57,000
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	<u>£209,214</u>

By section 23 of the Public Trust Office Amendment Act, 1913, in cases where the Public Trustee is Commissioner of the sinking fund of a local body, he may exercise all the powers of a Receiver in the event of failure on the part of the local body to make full and punctual payment of any instalment of the sinking fund.

The Board is pleased to report that no necessity to exercise this power has occurred during the year.

EXPENDITURE.

Exceptional causes, arising partly from difficulties encountered through the continuation of hostilities, and partly from the abnormal growth of the Office, are responsible for an increase in the expenditure.

The chief contributory factors responsible for the increased expenditure were the payment to officers of salaries more commensurate with the responsibilities and status of their positions; the decision of Government to grant a war bonus; the necessity for ensuring that adequate protection was afforded to the Office property, &c.

Regarding the foregoing it must not be overlooked that the Office has been compelled to face a constantly increasing expenditure by reason of the necessity for higher rates of pay, and the abnormal increase in the cost of all equipment, stores, and requisites, and further that the scale of charges made for the administration of estates has remained unaltered.

In regulating the expenditure of the Office, especially in regard to salaries, three special features must be borne in mind :—

(a.) Persons placing their affairs in charge of the Office for administration have a right to expect that the work will be performed with the utmost care and diligence and with reasonable expedition.