

*Dwellings.*—The greater portion of capital receipts is still required to assist farmers to improve and stock their farms, in consequence of which the Department is unable to receive applications for loans for houses except to assist T.B. and other disabled men. Loans authorized during the year for the purchase and erection of dwellings are as follows :—

						£
5	Purchase of dwellings ..	..	..	..	..	5,126
26	Erection of dwellings ..	..	..	..	..	28,760
31						<u>£33,886</u>

It was found to be absolutely necessary to grant a few loans for the purchase of houses to soldiers whose physical and nervous conditions were such as unfitted them to attend to the erection of buildings. Moreover, it was imperatively essential to have them decently housed.

Generally, loans to house soldiers on urban, suburban, and rural lands may be stated as follows :—

				Number.	Amount. £
Erection of dwellings on farms	..	..	..	4,813	1,485,225
Town and suburban—					
Erection of dwellings	..	..	..	4,397	3,697,257
Purchase of dwellings	..	..	..	7,504	4,908,692
				<u>16,714</u>	<u>£10,091,174</u>

#### *Soldiers' Prospects.*

The prices of the principal primary products are at good figures, and, provided they are reasonably maintained, the greater number of the soldiers should, now that values of farms have been adjusted and other concessions granted by the Dominion Board, steadily improve their position, more particularly when adjustments of Current Accounts are effected. Unfortunately, a number of soldiers have failed to pay attention to the maintenance of their farms or stock, with consequent loss to the State and themselves. They are, however, being gradually eliminated, and the farms taken over by a more progressive type of settler.

#### *Receipts and Payments.*

The Receipts and Payments Account discloses that the total receipts for the year amounted to £1,609,651, which constitutes a record. Of this amount, £882,977 represents repayments of principal by mortgagors, while £726,674 represents receipts on account of interest and sundries. The average monthly receipts, therefore, amounted to £134,138, as against £118,647 during the previous year.

The following shows the position as compared with previous years :—

			1921-22. £	1922-23. £	1923-24. £	1924-25. £
Principal	..	..	553,345	716,667	795,841	882,977
Interest, &c.	..	..	556,301	649,463	627,921	726,674
Cash advances during the year are as follows :—						£
Current Account	..	..	..	..	..	567,748
Purchase of farms, discharge of mortgages	..	..	..	..	..	32,522
Dwellings	..	..	..	..	..	92,439
						<u>£692,709</u>

The greater portion of the Current Account loans represent readvances from the sale of stock for replacement thereof or other farm development.

The following table furnishes a comparison of cash advances made for each of the past three years :—

Year.	Current Account.	Farms.	Dwellings.	Total.
	£	£	£	£
1922-23 .. ..	681,623	74,345	469,785	1,225,753
1923-24 .. ..	583,633	41,727	571,161	1,196,521
1924-25 .. ..	567,748	32,522	92,439	692,709

#### *Revenue Account.*

The total credited to Revenue Account is £908,404. Interest on loans amounts to £873,764 ; proportion of expenses of raising loans, £11,503 ; sinking fund reserve, £11,705 ; management expenses, £39,366 ; rebates, £39,727 ; and losses on realization of securities, £57,064. The total charges are £1,047,965 ; the net loss, therefore, being £139,561. The loss carried forward from the previous year is £270,909, making a total net loss of £410,234. This loss excludes that resulting from reductions granted by the Dominion Revaluation Board and expenses of the various Revaluation Committees and the Board, which appear in the balance-sheet in a Suspense Account at £708,960. Until the whole of the adjustments arising out of the decisions of the Dominion Board have been