

During the past year the active administration of the associations has been delegated to the District Public Trustees. Full instructions for the guidance of the District Officers and a summary of the law governing the work of the associations were embodied in a circular which was distributed to all the officers concerned. The whole of the accounting records, deeds, and insurance policies have been forwarded to the District Officers, and the transfer was carried out without any interruption to the work.

The following figures show the volume of work performed by the Public Trustee as agent of the associations :

Number of associations .. .. .	44
Number of mortgagors .. .. .	203
Amounts received during the year .. .. .	£27,816
Amounts held in Common Fund for redemption of debentures .. .. .	£109,890
Amount of mortgages .. .. .	£327,290
Interest paid on debentures during the year.. .. .	£21,414

#### DELEGATION OF WORK TO DISTRICT OFFICERS.

70. In addition to the land settlement finance work it has been decided to place all insurances in connection with Common Fund mortgages under the control of the district officers. These officers are already responsible for the whole of the insurance work in connection with estates under administration by the Public Trustee, and the system which has been in force in the district offices will prove quite suitable in the case of Common Fund mortgage insurances.

As there are now more than three thousand mortgages held by the Public Trustee for moneys advanced from the Common Fund the delegation of the work will involve the transfer of more than five thousand policies to the district officers. Full and explicit instructions for the conduct of the insurance work have been issued to the district officers, and insurances in the case of all new loans and all renewals of existing loans will at once be placed in the charge of the district officers. The insurances of existing mortgages which are at present held in the Head Office will be transferred within the next few months. As the work involves a review of the whole of the existing insurances it will occupy a considerable time.

#### INSPECTIONS.

71. In a concern of the magnitude of the Public Trust Office it is essential that there should be an effective system of check and supervision. This system of inspection and oversight is very complete and, besides being a careful check on what is being done, keeps the Public Trustee in close touch with all phases of the work performed throughout the Dominion. The system includes :—

- (a.) General inspections, conducted by the Chief Inspector and the Assistant Chief Inspector :
- (b.) Inspections of accounting matters, and internal audit, controlled by the Chief Auditor :
- (c.) The review of the administration of estates by the Reviewing Inspectors :
- (d.) Inspection and supervision of rural interests by Farm Inspectors :
- (e.) Inspection and supervision of urban properties by Property Inspectors.

(a.) *General Inspections.*— With the rapid increase in the business and with the expansion of the policy of decentralization it is essential to keep close scrutiny over the work of the Office as a whole, and therefore throughout the year the closest attention has been given to the system of inspection of the various district offices. The system, which has been described in previous reports, is working effectively. It ensures that the Public Trustee is furnished at regular intervals with accurate information as to the quality of the estates administration and accounting work at each branch office, the condition in which that work stands from time to time, and also the capacity and the quality of the work of each officer. It further ensures uniformity and the employment of up-to-date office systems and methods throughout the Department. As a result of information