

INVESTMENTS FROM THE COMMON FUND.

9. *Lending Operations.*—The difficulty noted in the previous year's report in obtaining suitable mortgage investments continued during the year under review, and, in common with other investors, the Public Trustee has had to resort more to Government stock and local-body debentures for the purpose of keeping the funds invested. During the year mortgages to the value of over £1,700,000 were renewed.

10. *Collection of Interest.*—The position in this regard continues to improve, the amount of arrears showing a satisfactory decrease during the year.

FINANCE.

11. *Annual Accounts.*—The year's operations resulted in a net profit of £17,024 after making provision for bad debts and for depreciation on Office buildings and other property. Included in the charges against Profit and Loss Account for the year were war damage insurance premiums on Office property and mortgage securities, £3,548, and E.P.S. expenditure, £460.

12. *Investment of Funds.*—Disregarding short-term deposits, new investments totalling £1,866,561 were completed during the year. Including investments made by the Public Trustee on behalf of estates and funds, the investments held by the Office on 31st March, 1942, amounted to £39,501,833, which represents an increase of £878,774 compared with those held at the end of the previous year.

13. *Advances to Estates and Beneficiaries.*—The advantages of the statutory provisions whereby the Public Trustee is able to advance money on the security of the assets of, or of a vested interest in, an estate administered by him, have continued to be fully availed of by estates and beneficiaries. Advances of this nature granted during the year amounted to £97,317, and the total amount secured in this way amounted at 31st March, 1942, to £634,335.

LEGAL DIVISION.

14. During the year administration was obtained in 2,272 estates. Other Court applications for leave to take steps necessary in administration, but not authorized by the will or by statute, numbered 69, while in 3 cases it was necessary to file a certificate under Part IV of the Administration Act electing to administer the estate concerned as insolvent. In addition, 22 exemplifications of probate or administration granted abroad and 66 exemplifications of New Zealand grants were sealed, and 40 powers of attorney issued, to enable assets situated outside the countries in which the original grant was made to be dealt with.

An important function of the Legal Division is investigating the possibility of claims for compensation under the Workers' Compensation Act in respect of estates administered by the Public Trustee, obtaining orders for the apportionment of compensation which has been awarded or paid, and furnishing the Court with reports on applications for apportionment made by other persons.

INSPECTIONS AND AUDITS.

15. The inspections, which are carried out at approximately yearly intervals by officers thoroughly conversant with estates administration and accounting work, are material factors in co-ordinating practice and procedure throughout the Office for they are the means of keeping the organization and systems up to date, reveal any weaknesses in conduct of work or staffing and devise methods of spreading the burden evenly among the officers engaged. At the same time they supply the Public Trustee with accurate and up-to-date information relative to the condition of the branches inspected, the progress being made, and the quality and sufficiency or otherwise of the staff.

In addition to the checks carried out during inspections of branches, the co-ordination of the auditing by the Audit Department and the internal checking system devolve upon the Chief Inspector.

CONCLUSION.

16. I take this opportunity of expressing my acknowledgment of the loyal and devoted services rendered by Controlling Officers and the staff as a whole, as well as the Office Agents throughout the Dominion. The constantly increasing volume of business entrusted to the Office imposes a heavy burden upon the staff, but this burden has been cheerfully borne, and the work has been performed in a satisfactory manner.

I have, &c.,
W. G. BAIRD,
Public Trustee.

The Hon. the Minister in Charge of the Public Trust Office.

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