

FINANCE

11. *Annual Accounts.* It is satisfactory to record that gross revenue showed an increase on that of previous years. Against that, however, working-expenses also increased, but, under war conditions, that must be expected. For instance, war-damage-insurance premiums on office buildings and other property, and on mortgage securities where the Public Trustee as mortgagee is required to contribute towards such premiums, amounted to £8,465.

After making provision for bad debts, depreciation on office buildings and other property, and income-tax, &c., the year's operations resulted in a net profit, subject to audit, of £12,608.

12. *Investment of Funds.* Disregarding short-term deposits, new investments totalling £1,760,339 were completed during the year. Including investments made by the Public Trustee on behalf of estates and funds under his administration, the investments held by the Office on 31st March, 1944, amounted to £40,646,198, an increase of £289,895 compared with the corresponding figure at 31st March, 1943.

13. *Advances to Estates and Beneficiaries.* Full advantage continues to be taken of the facilities whereby, under statutory provisions, the Public Trustee is able to advance money to estates and beneficiaries on the security of the assets of, or of a vested interest in, an estate administered by him. Features of this method of providing financial assistance to estates are the absence of legal charges, the reasonable rate of interest payable on such advances, and the fact that immediately moneys are received for application in reduction of the advances the interest charge falls accordingly. Advances to estates and beneficiaries current at the 31st March, 1944, totalled £577,441.

14. *Local Bodies' Sinking Funds.* In terms of the provisions of the conversion orders of many local bodies, annual reductions are required to be made in the loan indebtedness of local bodies, portions of such reductions being met from the sinking funds established to meet the maturing loans. In the capacity of Commissioner of a large number of sinking funds, the Public Trustee is called upon each year to make available the necessary cash from the relative sinking funds to meet maturing debentures. During the past year, in addition to the recurring redemptions, two large loans matured where the Public Trustee, as Sinking Fund Commissioner, was called upon to provide in cash a total of over £342,000, while in another case where the loan indebtedness was rearranged the sum of £129,000 was released.

As at the 31st March, 1944, the total amount held by the Public Trustee in the sinking funds of various local bodies was £4,489,760.

LEGAL DIVISION

15. During the year administration was obtained in 2,786 estates. Other Court applications for leave to take steps necessary in administration, but not authorized by the will or by statute, numbered 62, while in one case it was necessary to file a certificate under Part IV of the Administration Act electing to administer the estate concerned as insolvent. In addition, 25 exemplifications of probate or administration granted abroad and 79 exemplifications of New Zealand grants were sealed, and 51 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

16. Through shortage of trained staff owing to war conditions it has not been possible to carry out more than a limited number of inspections of branches during the year.

The continuous internal audit in respect of cash transactions, securities, and deeds has been maintained. The supplementary check of cash transactions by the Audit Department has been carried out. Both systems of audit have been co-ordinated by the Chief Inspector.

CONCLUSION

17. I desire once more to record my appreciation of the loyal co-operation of the Assistant Public Trustees, the zeal and energy of the staff generally and of the agents of the Office throughout the Dominion, who have all worked untiringly and whole-heartedly to render faithful service to the Department and its clients, and who have contributed in no small measure to the success of the Office.

Cordial thanks are also due to the members of the Investment Board for assistance given throughout the year in the consideration of applications for loans, the renewal of mortgages, and other incidental matters relating to the investments of the Office.

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

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

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