securities offering is limited, there is keen competition between financial concerns to obtain suitable investments. It is, however, pleasing to record that the sum of £474,704 was advanced on new mortgages during the year and advances to estates were made amounting to £171,229, as against £228,635 and £123,519 respectively during the year 1944–45.

As in the previous year, a number of mortgagors arranged repayment of their mortgages, while others effected renewals of lesser sums, and some relied on the provisions of the Mortgagors Extension Emergency Regulations and allowed their mortgages to run on as overdue without effecting definite renewals. In the case of rural securities many renewals were made at reduced amounts, indicating that the farming community is taking advantage of good prices and seasons to reduce liabilities.

Support was given to the war loans by substantial amounts invested therein on behalf of the Common Fund, and advances were made to local bodies amounting to £60,300.

19. *Collection of Interest.*—The amount of interest outstanding is the lowest recorded for many years past, and no difficulty has been encountered in collection. This reflects the prosperous conditions which are at present prevailing in this Dominion.

FINANCE

20. *Investment of Funds.*—The new investments completed during the year, excluding short-term deposits, totalled £2,160,726, compared with £2,622,098 for the year ended 31st March, 1945. The investments held by the Office at 31st March, 1946, inclusive of special investments made on behalf of estates and funds, was £42,079,359, representing a net increase of £234,030 for the year. The foregoing figures relate exclusively to investments made by the Office and do not include investments which constituted assets of estates when the latter came under the Public Trustee's administration and which are still held as assets of those estates.

The following table shows the increase in investments held during the past ten years:—

Year.	Investments held. £
1936	35,324,321
1941	38,623,060
1946	42,079,359

In previous reports comment has been made on the buoyant financial conditions prevailing in the Dominion and to the resultant difficulty in securing suitable mortgage investments.

The raising of loans by local authorities was also restricted during the war years, and as a consequence the only readily available form of investment for trust moneys was Government securities.

In the circumstances, therefore, it is not surprising to find that during the past five years the respective amounts of the principal classes of investments have varied considerably, as the following table will show:—

	1941. £	1946. £
Mortgages	15,498,965	12,721,092
Local bodies' debentures	8,087,874	7,271,278
Government securities	13,709,325	20,832,042

21. *Advances to Estates and Beneficiaries.*—The necessity frequently arises at an early stage in the administration of an estate, of providing funds to meet debts, death duties, and other immediate liabilities, and to meet living-expenses of dependants. This the Public Trustee is able to do by way of advance on the security of the assets of the estate. No legal charges are