

During the nineteen years of the Board's operations up to the 30th June, 1946, it has made available, by way of loans and discounting, advances which in total exceed £1,926,000. Over the past year there has been an increase in the amount of the loans made direct to farmers by the Board, most of the borrowers thus assisted being ex-servicemen who have been eligible for assistance under the Government's rehabilitation scheme. Otherwise there has been no substantial variation in the volume of business as compared with previous years.

The following is a summary of the business transacted during the year ended 30th June, 1946 :

CO-OPERATIVE RURAL INTERMEDIATE CREDIT ASSOCIATIONS

There are now fourteen active associations, and two other associations are in course of liquidation. The loans made through this channel during the year amounted to £27,854, and at the close of the year there were 342 loans current for an aggregate amount of £63,598.

DIRECT LOANS FROM BOARD

Due to the increase in the number of rehabilitation loans granted to ex-servicemen, the volume of business transacted in this section showed a considerable increase over loans granted in the year ended 30th June, 1945. During the past year loans totalling £105,427 were granted, and at the close of the year 145 loans were current for an aggregate amount of £96,171.

DISCOUNTING OF PROMISSORY NOTES

Bills discounted by the Board during the year totalled £370, and the investments at the end of the year under this heading amounted to £187.

REVENUE ACCOUNTS AND BALANCE-SHEET

The accounts for the year ended 30th June, 1946, are being submitted by separate reference in terms of section 38 of the Act.

Investments of the Redemption Fund showed an increase of approximately £6,000 on the previous figures. Advances to associations decreased by £5,000, but there was an increase in Part III loans of approximately £50,000. Consequent upon the increase in the amount lent on stock securities, the amount held by the Board in cash and temporary investments at £132,114 was £49,364 less than that held at 30th June, 1945.

Expenditure for the year showed little variation, the main items being interest on loan capital, £12,000, and management expenses, £2,266. Revenue derived by the investment of funds available for the Board's normal lending activities has been augmented by the transfer of £4,275 from the Redemption Fund Income Account in terms of section 17 (3) (a) of the Rural Intermediate Credit Act.

Although the Board will continue in operation until the 30th September 1946, this will be the final occasion on which a full report will be submitted, and we take this opportunity of recording our appreciation of the valuable assistance given by members of district boards, in many cases over a long period of years. The work undertaken by these boards in considering loan applications and helping in the local administration has been greatly to the advantage of borrowers in the districts and has materially assisted the central Board, pending the time when its own district organization would be able to take over this work. The Board also expresses its appreciation of the services of the directors and secretaries of associations in connection with the lending operations through associations, and the Board of Management of the State Advances Corporation as the controlling authority for the future will continue to work in the closest co-operation with these officials.

A. D. PARK
T. N. SMALLWOOD } Joint Managing Directors.