

The Balance-sheet indicates that loan liability has increased from £36,556,494 to £43,471,570, or an increase of nearly £7,000,000 during the current year. This is reflected on the asset side of the Balance-sheet in the increased value of rented properties under administration at the end of the year. Reserve accounts are shown in the Balance-sheet this year in detail, the largest reserve being that for Maintenance, £1,755,063. At first sight this reserve may appear to be large, but regard must be had to several factors—firstly, the houses completed under the State rental scheme are still comparatively new, maintenance charges therefor have by no means reached their peak. and, of course, maintenance costs are also increasing. Secondly, due to shortages of material and manpower, there is a backlog of maintenance-work in respect of existing State houses which remains to be carried out. Every effort is being made as the manpower and material position improves to overtake arrears of maintenance-work, which would, of course, have the effect of reducing—probably fairly substantially—the balance in the Maintenance Reserve Account.

In terms of section 35 of the Housing Act, 1919, the following statement is submitted :

	£
(1) Payments received during the year ended 31st March, 1949 ..	2,222,862
(2) Amount of arrears in respect of rentals (old and new houses) and instalments under agreements for sale and purchase as at 31st March, 1949	12,922

Further statistical information in respect of the new State housing scheme is summarized below —

(a) Number of new housing units taken over to 31st March, 1949 ..	28,864
(b) Book value of new housing units as at 31st March, 1949	£43,742,270
(c) Total amount of rent receivable on all new housing units from 31st March, 1937, to 31st March, 1949	£11,271,680
(d) Amount of rent in arrear at 31st March, 1949, in respect of new housing units	£8,624
(e) Total amount of rent in respect of new housing units written off from 1937 to 1949	£5,967

A. D. PARK, Chairman of Directors.

T. N. SMALLWOOD, Deputy Chairman of Directors.

B. C. ASHWIN

D. BARNES

R. G. MACMORRAN

} Directors.

ADDENDUM

On vacating the office of Chairman of the Board, I desire to place on record my appreciation of the close degree of co-operation that I have received during my term of office from my fellow-Directors. I can say without hesitation that the single aim of the Board throughout has been to construct and perfect a national institution that would reflect public confidence in its work and command the respect of those it served. When I ask myself if these objects have been achieved, I feel the answer is in the affirmative.

Finally, I trust that the sound foundations on which it has been built will enable the Corporation to continue to function successfully on the basis of its motto "S.A.C." (Service and Courtesy).

A. D. PARK, Chairman.