

The tenure of the advances now current is as follows :—

	Number.	Amount.		
		£	s.	d.
On freeholds	7,065	2,103,296	0	11
On leaseholds	517	96,548	1	4
Totals	7,582	£2,199,844	2	3

The average freehold advance is £298, and the average leasehold advance £186.

The advances actually paid over during the year ended 31st March, 1914, on freehold and leasehold are as follows :—

	Number.	Amount.		
		£	s.	d.
On freeholds	831	262,492		
On leaseholds	48	10,368		
Totals	879	£272,860		

For the year the average freehold advance was £316, and the average leasehold advance £216.

The total sum raised by the Government for investment on mortgage to workers is £2,281,926 12s. 7d.

Seven thousand five hundred and eighty-two mortgagors are now indebted to the Department to the extent of £2,199,844 2s. 3d. in respect of principal moneys, an increase during the year of 739 mortgagors, with loans amounting to £191,926 17s.

The gross profits for the year ended 31st March, 1914, were £12,817 6s. 5d., and the cost of management and expenses of the Department £2,443 10s. 11d., being 0·11 per cent., or 2s. 2d. per £100 on the capital employed. (The cost of the previous year being the same.) The net profits amounted to £10,140 15s. 10d., of which the sum of £8,822 9s. 6d. has been applied in writing down loan-charges.

A sum of £22,819 5s. 3d. has been added to the sinking fund under section 26 of the State Advances Act, 1913, which, with £2,108 12s. 2d. interest earned and added to the fund, brings the total amount, including the amount held by the Public Trustee (£52,715 17s. 9d.), standing to the credit of that account to £77,643 15s. 2d.

Two freehold and one leasehold securities were realized by the Department during the year. Losses debited and unpaid instalments in respect of mortgaged properties written off amount to £232 19s. 8d.

G. F. C. CAMPBELL, Superintendent.

State Advances Office, Wellington, 29th June, 1914.

ADVANCES TO LOCAL AUTHORITIES BRANCH.

During the year 167 new applications for loans to local bodies were provisionally approved—that is, they were approved by the Board subject to sufficiency and validity of the security offered.

The applications provisionally approved from the different provincial districts were,—

Provincial District.	Number of Applications.	Amount of Advances provisionally approved.
		£
Auckland	73	69,825
Taranaki	23	33,805
Hawke's Bay	16	17,200
Wellington	35	25,220
Marlborough	5	2,990
Nelson	2	2,500
Westland	2	2,600
Canterbury	5	4,875
Otago	6	7,150
Totals	167	£166,165

The new applications finally approved during the year numbered seventy-two, and the loans amounted to £84,970.

The amount actually paid over to local bodies during the year was £259,430.

The total sum raised by the Government for loans to local bodies is £2,058,067.

Local bodies are now indebted to the Department to the extent of £1,889,681 11s. 5d. in respect of principal moneys.

The net loss for the year amounted to £3,129 3s. 4d.

A sum of £20,580 13s. 5d. has been added to the sinking fund under section 26 of the State Advances Act, 1913, which, with £1,938 1s. 10d. interest earned and added to the fund, brings the total amount, including the amount held by the Public Trustee (£48,461 0s. 5d.), standing to the credit of that account to £70,979 15s. 8d.

G. F. C. CAMPBELL, Superintendent.

State Advances Office, Wellington, 29th June, 1914.