2. I am pleased to be able to say that the legislation passed in the years 1912 and 1913 has largely increased the usefulness of the office. The public have availed themselves of it freely, and the result is satisfactory to all concerned.

3. At the beginning of the year the common-fund rate of interest was raised, and the Office scale of charges was reduced. As a result, estates received during the year about £3,200 more in interest and paid about £700 less in charges.

4. Between the outbreak of the war (4th August, 1914) and the close of the year under review (31st March, 1915) the Office has lent a total of £609,947 to a total of 208 borrowers (including local bodies). It will thus be seen that the financial assistance afforded by the Office has not been curtailed by reason of the war.

5. During the year twenty-one members of the staff have gone to the front. Leave of absence has been given to them so as to preserve their positions when they return. The staff is, of course, weakened by their absence, but I have much pleasure in saying that those who remain have most readily and cheerfully done extra work (both in overtime and otherwise) to fill the gap.

6. Hitherto the business in Dunedin has been conducted in rented premises, which were both inconvenient and inadequate. The purchase of a suitable site has been under consideration for some time, and in February last one was secured at a cost of £5,000. Alterations and furnishing are estimated to cost about £1,500, and are now being effected. The building, which is in Princes Street, is handsome, substantial, and eminently suitable. On the first floor there is considerable letting space, and when this is disposed of it is calculated that, after charging 5 per cent. per annum on the total cost, the Office will sit at a rental not much more than that hitherto paid.

7. Mr. G. E. Tolhurst resigned from the Office Board on the 31st March owing to his departure for England, and Mr. James Macintosh was appointed in his stead.

8. The Office accounts for the year will be laid before Parliament in due course, and appended hereto are comparative tables showing how the capital funds of the Office are invested, and furnishing other useful information.

A. L. HERDMAN,
Minister in Charge Public Trust Office.

Wellington, 20th April, 1915.

CAPITAL FUNDS OF THE PUBLIC TRUST OFFICE, AND HOW INVESTED, ON 31ST MARCH, 1910 TO 1915.

—	On 31st March, 1910.	On 31st March, 1911.	On 31st March, 1912.	On 31st March, 1913.	On 31st March, 1914.	On 31st March, 1915.
	£	£	£	£	£	£
Capital funds of the Public Trust Office	3,414,168	4,287,195	5,070,305	5,799,446	6,366,707	7,096,420
Less amount held in cash	218,030	158,973	141,432	283,749	208,375	445,373
Balance invested	3,196,138	4,128,222	4,928,873	5,515,697	6,158,332	6,651,047
The investments consisted of—						
Those made out of the Common Fund	2,189,551	2,991,350	4,707,755	5,255,660	5,923,606	6,454,262
Those made for estates	950,792	1,075,028	154,844	177,964	149,288	108,192
Those made out of profits ..	52,545	59,719	64,149	82,073	85,438	88,593
Those made by other trustees of properties afterwards transferred to the Office	3,250	2,125	2,125	..	..	..
	3,196,138	4,128,222	4,928,873	5,515,697	6,158,332	6,651,047
The capital funds were invested in the following securities—						
Advances to estates and accounts	..	71,793	68,421	88,743	147,603	141,346
Government securities of the Dominion	337,968	340,468	189,208	161,513	157,505	236,040
Land Settlement Finance Act debentures	..	63,680	215,664	279,281	266,681	77,342
Local bodies' securities	218,159	237,549	265,784	321,804	509,850	625,302
Mortgages of real estate	2,587,466	3,353,210	4,125,116	4,581,671	4,989,907	5,482,326
Fixed deposits	..	1,803	531	612	1,348	98
Freehold property and furniture ..	52,545	59,719	64,149	82,073	85,438	88,593
Totals	3,196,138	4,128,222	4,928,873	5,515,697	6,158,332	6,651,047