

ASSURANCE AND RESERVE FUND.

The amount at credit of the Assurance and Reserve Fund is now £201,733, and this will be increased by a further £20,000, to be transferred from the Profit and Loss Account after payment of the bonus referred to above.

The figures for the past five years are,—

1915	..	..	..	..	£139,721
1916	..	..	..	..	£177,416
1917	..	..	..	..	£186,554
1918	..	..	..	..	£216,090
1919	..	..	..	..	£222,197

Apart from the increase of £6,000 in the amount of the fund during the year, a sum of £24,907, which would in ordinary course have formed part of the fund, has been expended in the purchase of freehold property, Office furniture, and equipment.

The amount provided to meet any possible depreciation in the Office securities now stands at £30,073.

The Office possesses freehold premises, furniture, and equipment to the value of £137,000 in addition to the Reserve Funds. The total of Office reserves is thus in excess of £380,000.

SINKING FUNDS.

During the year the Public Trustee was appointed Commissioner of Local Bodies' Sinking Funds in an additional thirty-four cases. The funds amount to £358,656.

The total of Government sinking funds at the 31st March, 1919, was £3,632,194.

SUPERANNUATION FUNDS.

The total of Government railway superannuation funds held in the Common Fund of the Public Trust Office on the 31st March, 1919, was £352,055, and of the National Provident Fund, £243,016.

Moneys at credit of the Teachers' Superannuation Fund were formerly held as an investment in the Common Fund of the Office, interest being allowed at the customary rates of $4\frac{1}{2}$ per cent. on the first £6,000 and $4\frac{1}{4}$ per cent. on the balance.

The Teachers' Superannuation Board approached the Public Trustee with the object of obtaining a larger return for the moneys invested, as it was found that with the current income the necessity would soon arise for the fund to be strengthened by additional payments from the Consolidated Fund.

As the result of the conference it was arranged that all moneys lodged with the Office by the Superannuation Board in future should be specially invested in securities bearing interest at $5\frac{1}{2}$ and $5\frac{1}{4}$ per cent. in the same ratio as amounts from the Common Fund invested in such securities.

It was also arranged that, in order to secure the special investment of the accumulated funds already held on behalf of the Teachers' Superannuation Board, an allocation should be made of existing mortgage and other securities bearing interest at varying rates in the ratio in which such securities are held as Common Fund investments, so that the Superannuation Fund should stand on exactly the same footing as the Office Common Fund so far as the proportion of securities bearing interest at $5\frac{1}{2}$ per cent. and those bearing interest at lesser rates was concerned. Regulations to give effect to the arrangement were made and gazetted.

The whole management of the investments remains with the Public Trustee, who charges for his services a commission of $2\frac{1}{2}$ per cent. on all interest collected under the mortgages.

The arrangement represents a substantial concession to the Teachers' Superannuation Board, and the Board has expressed its appreciation of the liberality with which its wishes have been met.

GOVERNMENT FIRE-INSURANCE FUND.

The amount held by the Office at credit of this fund amounted on the 31st March, 1919, to £65,008.