

The fund is constituted in terms of section 136 of the Public Revenues Act, 1910, and the amending Acts of 1912 and 1913, which direct the payment of an annual amount of £10,000 out of the Consolidated Fund until a sum of £100,000 is accumulated as a Fire-insurance Fund for the rebuilding or restoration of public buildings destroyed or damaged by fire.

The amount held is invested in the Common Fund of the Office.

The amount disbursed from the fund during the year was £845.

MAORI LAND BOARDS FUND.

Amounts totalling £385,270 and derived from sales of Native land are held as an investment in the Office Common Fund on behalf of Maori Land Boards. The amounts represent shares of Native minors or other Natives under disability, and interest on the funds deposited is paid to the Land Boards at fixed intervals for payment to the persons entitled thereto.

THE LAND SETTLEMENT FINANCE ACT, 1909.

The object of this Act is to promote the closer settlement of land by enabling groups of purchasers to buy private freehold property for subdivision among them, and to raise the purchase-money by means of a loan guaranteed by Government.

For this purpose any five or more persons may, by agreement, form an incorporated land-settlement association, and may purchase in the name of that association any estate consisting of not less than 250 acres.

The Public Trustee acts as agent of such associations, and raises the total purchase-money by the issue of debentures under the guarantee of Government. On the completion of the purchase the estate is transferred to the association, and the several allotments are then transferred by the association to the individual purchasers.

The minimum amount of cash required from each purchaser from the association is 4 per cent. of the purchase-money, and a mortgage is given to the Public Trustee for the balance.

The Public Trustee is charged with the collection of interest from the mortgagors.

Some of the associations have maintained their obligations, but in other cases considerable difficulty is being experienced by the Public Trustee in obtaining payment of interest.

INVESTMENT OF FUNDS.

The surplus moneys derived from the Common Fund of the Office have been kept closely invested during the year.

The total investments of the Office now amount to £9,816,108, showing an increase in twelve months of £979,199. Particulars of the investments are—

	£
Government securities	910,661
Local bodies' debentures	1,224,125
Mortgages	7,127,659
Advances against the vested shares of beneficiaries in estates	338,704
Land Settlement Finance Act debentures	77,194
Fixed deposits at banks	590
Freehold property, Office furniture, and equipment..	137,175
	<u>£9,816,108</u>

During the year a further investment of £210,000 was made in the New Zealand Government war loans, making a total subscription by the Office of £660,000 to the 31st March, 1919.

The total interest collected during the year from investments amounted to £475,031.