Investment Agencies.

19. The Public Trustee acts as agent for the investment of money either within or outside the Common Fund.

The present rates of interest on moneys held for investment in the Common Fund are as follows:—

(i.) Where funds are held for a period of five years—5 per cent.

(ii.) Where funds are held for a period of two years (plus three months' notice)—4½ per cent.

If it is desired to have the money invested outside the Common Fund the Public Trustee arranges for investment in mortgages or local-body debentures at the ruling rate, the investment to be for fixed terms of five years or of not less than two years and three months.

Investments are allocated from the first of the month following upon receipt of the money, and interest, less commission, is paid immediately it is received from the borrower.

Although not enjoying the State guarantee, the investments are selected from those made on account of the Common Fund, and therefore the security is of the highest class. By this means clients and others holding money which they are desirous of investing, and having no special knowledge of the means of doing so, are able to obtain immediate investments secured by all the care the Office knows from years of experience to be so necessary.

Investors taking advantage of this means of investing their money are free from any anxiety regarding the soundness of their investments and the necessity for keeping their securities in safety. Their interest is collected and remitted promptly at small cost, and the system provides a good means of investment to those whose chief aim is to secure a full measure of safety for their funds with a reasonable rate of interest.

Advantage of these facilities for investment on such favourable terms is being taken by clients of the Office, and there is every indication that fuller advantage will be taken as time goes on.

The total amount held for investment under this heading is £562,627.

Money for Investment.

20. During the greater part of the year the flow of money into the Office decreased to a very great extent, and for a considerable time there was very little available for lending purposes.

Investment of Funds.

21. 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 £13,295,715. Particulars of the investments are—

	£
Government securities	977,505
Local bodies' debentures	3,284,469
Mortgages	8,409,618
Properties acquired by foreclosure	10,286
Advances against the vested share of beneficiaries in estates	312,836
Land Settlement Finance Act debentures	50,192
Fixed deposits at banks	916
Freehold property, office furniture, and equipment	249,893
	£13,295,715

The total interest collected during the year from investments amounted to £682,452.