offering them at a great sacrifice, so that in many cases if estates had been compelled to find money for the payment of death duties and the liquidation of urgent liabilities they must have done so at the cost of a serious loss of capital. The financial strength of the Office has enabled it to make advances to estates in these circumstances, and so tide them over their difficulties until conditions improve and restore assets to what may be regarded as their normal value.

The importance of this advantage enjoyed by the estates controlled by the Office must be obvious, and in a report made to the Head Office a District Public Trustee in one of the most important districts of the North Island states: "It is gratifying to be able to record that in no instance has it been necessary for any estate, through financial difficulties, to be realized at a sacrifice. This pleasing statement is possible not because the estates themselves were financially strong, but because the Office out of its own funds has advanced to the estates sufficient to tide over pressing financial difficulties, and thus avoid serious capital losses. This obvious advantage, especially at a time like this, will make a striking appeal to farmers and business men, and I do not think its importance can be overstressed."

The total amount on advance to estates and beneficiaries on the 31st March, 1922, was £308,206.

Office Reserves.

25. The Office reserves, which have been built up out of profits made by the Office in successive years, amounted on the 31st March, 1922, to the considerable sum of £451,585. They consist of—

	£
Amounts held in the Assurance and Reserve Fund ..	159,757
Amounts held in the Investment Fluctuation Account to provide against any possible depreciation in the Office securities	49,283
(Note.—Both these amounts are invested in the same mode as are moneys held in the Common Fund of the Office.)	
Office premises, plant, equipment, &c.	242,545
	£451,585

Income-tax.

26. Section 14 of the Land and Income Tax Amendment Act, 1920, removed the exemption from income-tax which the Office had previously enjoyed. The Office is now assessed on its profits at the same rate as a commercial company.

Comparative Table indicating the Progress made by the Public Trust Office during the Decennial Period 1913–22.

Year ended 31st March.	Total Value of Estates in Office, including Unrealized Assets.	Funds at Credit of Estates and Accounts.	Interest credited to Estates.	Bonus granted to Estates.	Gross Income.	Office Reserves.
	£	£	£	£	£	£
1913	11,268,311	5,799,446	202,439	..	72,067	151,011
1914	12,282,883	6,366,707	230,062	..	82,517	212,901
1915	13,580,936	7,096,420	256,806	..	88,296	250,213
1916	13,598,744	7,082,288	281,700	25,000	103,763	302,369
1917	15,065,583	8,058,886	287,818	27,000	129,008	295,234
1918	17,153,031	9,004,057	317,633	30,000	162,614	345,871
1919	19,242,347	10,065,027	352,783	33,100	194,452	393,377
1920	20,860,686	11,911,290	420,526	38,000	240,469	418,640
1921	22,364,319	13,918,906	537,890	..	244,090	437,414
1922	25,497,779	15,329,125	556,587	..	220,794	451,585
Increase in preceding 12 months	3,133,460	1,410,219	18,697	..	23,296*	14,171

* Decrease.