

INVESTMENT IN GOVERNMENT SECURITIES.

29. During the year the amount of £209,868 was invested in New Zealand inscribed stock at $5\frac{1}{2}$ per cent.

In accordance with the offer made by the Minister of Finance, the amount of £786,220 of $4\frac{1}{2}$ -per-cent. New Zealand inscribed stock free of tax was converted into $5\frac{1}{4}$ -per-cent. New Zealand inscribed stock subject to taxation.

OVERDUE INTEREST.

30. The collection of interest has considerably improved during the last twelve months, and very substantial reductions have been made in the overdue interest during the last three or four months of the financial year. As a result of the enhanced prices that have been obtained during the year for all the primary products, the stock and station agents and financial institutions are now in a much better position to make advances to their clients for the payment of interest on their mortgages than they have been during the last two years, and most of the clients of the Office will in future be in a position to meet their interest as it falls due without any extension of time for payment. It is patent that the lenient terms adopted by the Public Trustee in extending the time for payment of interest until mortgagors are in receipt of the proceeds of their farms has been of very great assistance to the farming community. When it is borne in mind that the interest collected during the year from investments amounted to £789,949, and that conditions are not yet normal, the amount of interest overdue must be regarded as comparatively small. The policy of the Office during the past year has been to extend to mortgagors as much consideration as possible, consistent with ensuring that the trust funds are adequately protected, and each individual case has been treated on its merits. In only very few cases has it been necessary to adopt extreme steps to enforce payment, and the amount of interest that will not be ultimately collected is small indeed, and is in almost all cases adequately covered by reserves.

ADVANCES TO ESTATES AND TO BENEFICIARIES.

31. Having had money at its disposal during the greater part of the year, the Office has been able to render financial assistance throughout the year to many estates and beneficiaries at reasonable rates of interest. The land-market has not been favourable to the sale of some classes of estate properties in various parts of New Zealand, and the assistance rendered by the Office has permitted the liquidation of the liabilities of numerous estates without recourse to realization of such assets at a sacrifice. In this connection special assistance has been given in the matter of payment of death duties. In addition, moneys have been advanced in a number of instances to enable improvements to be effected to properties which for various reasons it has been necessary to withhold from realization.

The total amount of overdrafts by way of advances at the 31st March, 1923, to estates, beneficiaries, and accounts was £309,728.

OFFICE RESERVES.

32. The Office reserves, representing accumulated profits, amounted on the 31st March, 1923, to £491,775. Following are particulars of that amount:—

	£
Amount held in the Assurance and Reserve Fund ..	120,910
Amount held in the Investment Fluctuation Account to provide against any possible depreciation in the Office securities	69,165
Amount held in the General Legal Expenses Account ..	3,973
(NOTE.—These amounts are invested in the same way as are the moneys held in the Common Fund.)	
Portion of Assurance and Reserve Fund invested in office premises, plant and equipment, &c. ..	297,727

£491,775
