

It was held that by virtue of section 10, subsection (2), of the Administration Act, 1879, the property passed to the son J. G. as the last surviving joint owner, and that the persons entitled were his legal personal representatives.

(16) *Smith v. The Public Trustee* (1927 N.Z. L.R. 342).— In this case the Supreme Court held that where circumstances sufficient to justify a person in making an application for maintenance under Part II of the Family Protection Act, 1908, have existed without any material alteration from the date of death of the testator up to the hearing of the application the Court may make an order out of the estate not finally distributed, even although such application is made approximately seven years after the date of death of the testator.

(17) *Public Trustee v. Benjamin* (1927 G.L.R. 499).— In this case it was held that a defendant granted costs according to scale, with disbursements and witnesses' expenses to be fixed by the Registrar, was entitled on taxation to be allowed the cost of a copy of the Judge's notes taken at trial, but was not entitled to be allowed an item for agency work which was in law and in fact "preparing for trial."

MORTGAGE DIVISION.

85. The same care which is exercised in the administration of estates entrusted to the Public Trustee is displayed in the selection of securities for the investment of the constantly increasing funds for which a satisfactory outlet has to be found, for it will readily be realized that it is only through the safe, economical, and profitable investment of moneys falling into the Common Fund of the Office that a stable and satisfactory financial position can be maintained. The amount of new money for which Common Fund investments have to be found is now very large, having reached in the year under review a total of £2,761,225 ; whilst £304,299 was invested on behalf of the Public Service Superannuation Fund, Teachers' Superannuation Fund, Railways Superannuation Fund, and the National Provident Fund. The sum to be invested has steadily grown in recent years, not only through the normal expansion of the Office business by way of the acceptance of estates for administration, but also through the wider application of the amortization principle, which is referred to at length below, and which results in additional amounts over and above the interest paid by borrowers being available for reinvestment.

The Public Trust Office is now becoming recognized as one of the principal sources of financial assistance to the main classes of borrowers in the Dominion, and the flow of applications through the numerous branches and agencies of the Office has been well maintained, thus enabling a judicious selection to be made which not only ensures that the best available securities are obtained, but that the funds are fairly distributed amongst the various classes of authorized securities, so that the needs of various types of borrowers are met as far as possible, and the risk of loss through concentration in any particular type of security is lessened.

86. It should be borne in mind that in the investment of moneys forming part of the Common Fund the Public Trustee has not the powers of an ordinary trustee, but is restricted in the investment of the funds to special classes of security which are detailed in the statutes governing the administration of the Office. Briefly, it may be stated that the principal authorized securities are Government securities of the United Kingdom or any colony or dependency thereof ; debentures issued by certain defined local authorities, such as City, Borough, or Town Councils, County Councils, Electric-power Boards, Hospital Boards, &c. ; and first mortgages of real estate held in fee-simple in New Zealand. Applications from these various sources have been more than sufficient to absorb the whole of the funds as they became available and to avoid any loss through the holding of sums uninvested.

During the year under review two further classes of securities have been made eligible for the investment of moneys from the Common Fund of the Public Trust Office.

Under subsection (3) of section 30 of the Rural Intermediate Credit Act, 1927 it is provided that any moneys under the control of a State loan Department may be invested in debentures issued under that Act. The term "State Loan Department" includes the Public Trust Office.