15. *Meetings of Boards.*—The boards have met in the districts as frequently as the volume of business for consideration has justified the expense involved in holding meetings. Where the volume has not been large the views of the district board members have been obtained through circulating among the members copies of the papers relating to the applications or other matters. It is recognized, however, that it is preferable to call the boards together for the purpose of transacting the loan business, and this course is followed wherever the volume of business renders it practicable to do so.

16. *Changes in Personnel.*—During the past year there were the following changes in the personnel of the district boards:—

North Auckland District Board: On the 14th August, 1928, Mr. David O'Donoghue succeeded Mr. Alan Marshall as District Public Trustee at Whangarei and consequently assumed the positions of District Intermediate Credit Supervisor there and Chairman of the North Auckland District Rural Intermediate Credit Board.

Marlborough District Board: Upon the retirement of Mr. John Stevenson as the Commissioner of Crown Lands for the Marlborough Land District his appointment as a member of the Marlborough District Rural Intermediate Credit Board terminated, and his successor, Mr. Percy Russell Wilkinson, was appointed a member of the District Board as from the 12th April, 1929.

17. *Extension of Powers of Boards.*—During the year the powers of the district boards were enlarged so as to enable them to deal finally with all applications for loans up to £250, whether originating from co-operative rural intermediate credit associations or submitted for consideration under the provisions of Part III of the Act, provided these applications comply with the general requirements of the Board in regard to margins of security. Prior to this extension of the district boards' powers their functions were limited, apart from special references by the central Board, to the consideration of applications for direct loans submitted under the provisions of Part III of the Act.

ADMINISTRATIVE AND DETAIL WORK.

18. From the time when the legislation providing for the system was first considered it was clear that the nature of the Board's lending business would call for an extensive organization throughout the Dominion to attend to the practical administration of the scheme, and provision was included in the Act for the Board to employ the services of any Department of State in carrying on its business. In view of the fact that the Public Trust Office has branches or representatives in practically every important centre of population in the Dominion, it was considered by the Board to be the most suitable Department to conduct the administrative side of the business. The Public Trust Office has accordingly acted during the whole of the past year in the capacity of agent for the Board.

Apart from the Public Trustee, who is *ex officio* the principal executive member of the Board, under the style of "Commissioner of Rural Intermediate Credit," and Mr. J. Snell, the Deputy Commissioner, the following senior officers at the Head Office of the Public Trust Office act as the principal executive officers of the Board: Chief Accountant to the Board, Mr. W. M. Barr (Chief Accountant, Public Trust Office); Solicitor to the Board, Mr. C. E. Cole (Assistant Solicitor, Public Trust Office).

The remuneration of the Public Trust Office for the work carried out by the Board has been adjusted on a basis satisfactory both to the Public Trustee and to the Board. All expenses and disbursements incurred directly in the conduct of the Board's operations are charged direct to the Board's accounts, and other items for which it is impracticable for the Public Trustee to make a direct charge are taken into account in assessing the payment to be made for the services of the Public Trust Office organization.

Although the Public Trust Office acts as the agent of the Board and its organization is utilized for carrying into practical effect the decisions of the Board and preparing the necessary detail work involved, it has no control over or responsibility for the general policy or operations of the Board. Every care is, therefore, taken to avoid any merger of the identity of the parties to the arrangement.