

The Corporation's technical officers have been engaged in other phases of timber-protection, collaborating in this work with representatives of the Scientific and Industrial Research and the Housing Construction Departments. By a process of experimenting with wood-preservation in conjunction with kiln-drying, useful information has been obtained which will enable greater use to be made of timbers which previously could not be used with confidence in the erection of houses or other permanent buildings. In carrying out this experimental work valuable assistance has been obtained from experts in overseas countries, and it is confidently anticipated that further developments as the result of this investigation and experimental work will result in the preservation and utilization of much timber that in the normal course of events would have been excluded from use. In view of the reducing quantities of suitable timber for building, such results are of outstanding importance to the Dominion.

BALANCE-SHEET

During recent years the Board has drawn attention to its policy of conserving funds for the purpose of helping rehabilitation borrowers, and this resulted in the accumulation of a considerable sum in the way of cash reserves and temporary investments. At the close of the year ended 31st March, 1945, the reserves held for investment amounted to something in excess of £6,000,000, but the rapid acceleration of the rehabilitation lending has resulted in the reduction of these funds to approximately £3,000,000. The balance-sheet shows a corresponding increase in the amount invested on mortgage. It is evident that with the continuing demand for loans by ex-servicemen for farms and houses this latter sum will soon be disposed of. Negotiations are in train for the provision of further funds which will enable the Board to continue without interruption the granting of loans to eligible ex-servicemen, and to others within the policy for the time being in force in relation to the normal business of the Corporation. It is difficult at this stage to estimate the aggregate advances that will be called for in terms of rehabilitation policy, but when it is recognized that there were in all some 200,000 engaged in the Armed Forces overseas and on home service duties it must be expected that during the next few years the amount required for rehabilitation purposes will amount in all to a very substantial sum.

The only other items in the balance-sheet which appear to call for comment are the amounts outstanding under the heading of "Sundry Creditors, £241,400" and "Sundry Debtors, £287,762." The increase under both these headings is substantial, but this is accounted for mainly by unusual adjustments that have become necessary between the Corporation, the Treasury, and other Departments for whom agency work is undertaken. For example, advances made by the Corporation to ex-servicemen for the purchase of furniture, tools of trade, and businesses are provided by way of advances from the Treasury, and as repayments are made by the borrowers concerned the receipts are at monthly intervals repaid to the Treasury. The transactions in connection with the State rental houses, in respect of which the Corporation handles all the receipts, have now grown to large proportions, and the adjustment of accounts between the Corporation and the Housing Account are also made periodically.

REVENUE ACCOUNTS

A perusal of the Revenue Account discloses a proportionately small variation considering the substantial amount of the gross receipts and expenditure for the year. The income derived from investments in mortgages, current accounts, and from investments in Government and local-body securities at £2,202,093 represents an increase of £12,535 as compared with the previous year.