

Section 49 (1) (d).—Powers of investment in Borough and County Council securities are extended to include securities of any local authority issued under the Local Bodies' Loans Act, 1926.

Section 50 (1).—Powers in respect of land are extended to permit societies to provide, equip, furnish, and maintain holiday accommodation for their members and families.

Section 55 (as Substituted by Section 5 of the Friendly Societies Amendment Act, 1948).—Provisions in respect of separate loan funds are extended to enable societies to make loans of unlimited amounts to members on such security as may be provided by the rules. Any loan on personal security only is limited to £50.

Provision is also made to permit a specially authorized society registered for the sole purpose of operating a loan fund to transfer its engagements to a friendly society.

DEFALCATIONS

Two defalcations were disclosed during the year, the total amount involved being approximately £14,000. No prosecutions were made as the secretaries responsible are deceased. Shortages had occurred over a number of years and should have been discovered at the onset by the auditors, who in each case were "lay" auditors.

A list of fully-qualified licensed auditors has been appended to this report for some years, and societies and lodges have been urged to utilize the skilled services of these auditors. The cases of defalcation mentioned above draw attention to the serious consequences that can befall societies and branches with large funds which continue to employ "lay" auditors.

REGISTRATIONS

There were registered during the year nine new societies and two new branches, as follows—U.A.O.D.: Oak of Tauranga Lodge (Grand Lodge of the North Island). H.A.C.B.S.: St. Joseph's Branch, No. 962, Wellington (New Zealand District). I.F.S.: The Westport Waterside Workers' Benefit Society. W.M.C.: The Greymouth Workingmen's Club and Mutual School of Arts, The Reefton Workingmen's Club and Mutual School of Arts, The Brunner Workingmen's Club and Mutual School of Arts, The Runanga Workingmen's Club and Mutual School of Arts, The Hokitika Workingmen's Club and Mutual School of Arts, The Blackball Workingmen's Club and Mutual School of Arts, The Waiuta Workingmen's Club and Mutual School of Arts, and the Newmarket Workingmen's Club.

The following registrations were cancelled by request—I.O.O.F.: Onslow, Ngati Awa, Endeavour, and Waverley Lodges. U.A.O.D.: Myrtle Lodge (Grand Lodge of the North Island). I.O.R.: Hope of Johnsonville, and Star of Woolston Tents (New Zealand Central District). O.S.T.: Helpmate and Resolution Divisions (National Division). H.A.C.B.S.: St. John's Branch, No 866, Methven (New Zealand District).

One amalgamation was registered—M.U.I.O.O.F.: Sister Victoria Lodge with Wanganui Lodge (Wanganui District).

There were 1,031 registrations at 31st December, 1949.