

1915.
NEW ZEALAND.

STATE ADVANCES OFFICE

(REPORT BY THE SUPERINTENDENT OF THE) FOR THE YEAR ENDED
31ST MARCH, 1915.

Laid before Parliament pursuant to Subsection (3) of Section 64 of the State Advances Act, 1913.

ADVANCES TO SETTLERS BRANCH.

TWENTY-FIRST ANNUAL REPORT AND BALANCE-SHEET.

THE advances actually paid over to settlers during the year by the Board numbered 2,073, and the loans so paid amounted to £997,040.

Classified according to provincial districts, the advances authorized during the year ended 31st March, 1915, were,—

Provincial District.	Number of Applications.	Amount of Advances authorized. £
Auckland	1,094	352,900
Taranaki	145	67,340
Hawke's Bay	100	33,095
Wellington	322	135,265
Marlborough	30	11,200
Nelson	58	21,520
Westland	17	6,425
Canterbury	177	71,115
Otago	60	19,620
Southland	97	30,560
Totals	2,100	£749,040

The total advances now current are as follows:—

	Number.	Amount. £ s. d.
Not exceeding £500	14,814	3,174,829 2 1
Exceeding £500 but not exceeding £1,000	3,203	2,319,177 4 4
Exceeding £1,000 but not exceeding £2,000	1,389	1,959,430 16 6
Exceeding £2,000 but not exceeding £3,000	216	536,694 0 7
Totals	19,622	£7,990,131 3 6

The average amount of the current advances is £407.

Number and amounts advanced on freehold and leasehold—

	Number.	Amount. £ s. d.
On freeholds	11,973	5,678,964 18 1
On leaseholds	7,348	2,128,205 4 2
On freeholds and leaseholds combined	301	182,961 1 3
Totals	19,622	£7,990,131 3 6

The average freehold advance is £474, the average leasehold advance £289, and the average of advances secured on both freehold and leasehold combined £608.

Number and amounts of current advances on rural and urban and suburban land :—

	Number.	Amount.	
		£	s. d.
On rural land	12,401	5,264,373	2 5
On urban and suburban land	7,221	2,725,758	1 1
Totals	19,622	£7,990,131	3 6

The average rural advance is £425, and the average urban and suburban advance is £377.

The amounts of the advances actually paid over to settlers during the year ended 31st March, 1915, are as follows :—

	Number.	Amount.
		£
Not exceeding £500	1,453	452,925
Exceeding £500 but not exceeding £1,000	493	358,195
Exceeding £1,000 but not exceeding £2,000	125	181,620
Exceeding £2,000 but not exceeding £3,000	2	4,300
Totals	2,073	£997,040

The average amount of the advances granted for the year is £481, and the tenure of the securities is,—

	Number.	Amount.
		£
On freeholds	1,050	445,450
On leaseholds	1,008	543,005
On freeholds and leaseholds combined	15	8,585
Totals	2,073	£997,040

For the year the average freehold advance was £424, the average leasehold advance £539, and the average secured on freehold and leasehold combined £572.

The total sum raised by the Government for investment on mortgage to settlers is £8,990,273 1s. 7d. Nineteen thousand six hundred and twenty-two mortgagors are now indebted to the Department to the extent of £7,990,131 3s. 6d. in respect of principal moneys, an increase during the year of 581 mortgagors, owing £259,562 9s. 11d.

The gross profits for the year ended 31st March, 1915, were £68,512 5s. 3d., and the cost of management and expenses of the branch £10,621 15s. 11d., being 0·12 per cent., or 2s. 4d. per £100 on capital employed.

The net profits amounted to £57,434 19s. 1d., of which the sum of £31,325 4s. has been applied in writing down loan charges.

The sinking fund established under section 26 of the State Advances Act, 1913, amounts to £485,653 5s. 11d., inclusive of the amount held by the Public Trustee (£302,904 13s. 9d.).

One leasehold and four freehold securities were realized by the Department during the year. Losses debited and unpaid instalments in respect of mortgaged properties written off amount to £455 10s. 3d.

G. F. C. CAMPBELL, Superintendent.

State Advances Offices, Wellington, 23rd June, 1915.

ADVANCES TO WORKERS BRANCH.

EIGHTH ANNUAL REPORT AND BALANCE-SHEET.

The advances actually paid over to workers during the year numbered 948, and amounted to £313,025.

Classified according to provincial districts, the advances authorized during the year ended 31st March, 1915, were,—

Provincial District.	Number of Applications.	Amount of Advances authorized.
		£
Auckland	396	122,070
Taranaki	30	9,270
Hawke's Bay	77	23,835
Wellington	236	71,785
Marlborough	25	6,885
Nelson	9	2,140
Westland	3	700
Canterbury	241	69,600
Otago	83	22,630
Southland	29	8,775
Totals	1,129	£337,690

The tenure of the advances now current is as follows :—

	Number.	Amount.	s.	d.
On freeholds	7,877	2,297,807	5	11
On leaseholds	555	104,951	9	2
Totals	8,432	£2,402,758	15	1

The average freehold advance is £292, and the average leasehold advance £189.

The advances actually paid over during the year ended 31st March, 1915, on freehold and leasehold are as follows :—

	Number.	Amount.
On freeholds	906	303,830
On leaseholds	42	9,195
Totals	948	£313,025

For the year the average freehold advance was £336, and the average leasehold advance £219.

The total sum raised by the Government for investment on mortgage to workers is £2,490,657 12s. 7d.

Eight thousand four hundred and thirty-two mortgagors are now indebted to the Department to the extent of £2,402,758 15s. 1d. in respect of principal moneys, an increase during the year of 850 mortgagors, with loans amounting to £202,914 12s. 10d.

The gross profits for the year ended 31st March, 1915, were £12,562 1s. 10d., and the cost of management and expenses of the branch £2,957 8s. 1d., being 0.12 per cent., or 2s. 4d. per £100 on the capital employed. The net profits amounted to £9,246 12s. 10d., of which the sum of £8,741 12s. 6d. has been applied in writing down loan charges.

The sinking fund established under section 26 of the State Advances Act, 1913, amounts to £51,031 10s. 5d., inclusive of the amount held by the Public Trustee (£2,715 17s. 9d.).

Eleven freehold securities were realized by the Department during the year. Losses debited and unpaid instalments in respect of mortgaged properties written off amount to £358 0s. 11d.

G. F. C. CAMPBELL, Superintendent.

State Advances Office, Wellington, 23rd June, 1915.

ADVANCES TO LOCAL AUTHORITIES BRANCH.

During the year 77 new applications for loans to local bodies were provisionally approved—that is, they were approved by the Board subject to sufficiency and validity of the security offered.

The applications provisionally approved from the different provincial districts were,—

Provincial District.	Number of Applications.	Amount of Advances provisionally approved.
Auckland	39	42,555
Taranaki	10	12,950
Hawke's Bay	3	62,300
Wellington	15	35,520
Nelson	1	28,500
Westland	2	3,000
Canterbury	4	35,045
Otago	1	200
Southland	2	2,000
Totals	77	£222,070

The new applications finally approved during the year numbered forty-eight, and the loans amounted to £254,430.

The amount actually paid over to local bodies during the year was £237,285.

The total sum raised by the Government for loans to local bodies is £2,258,067.

Local bodies are now indebted to the Department to the extent of £2,098,263 13s. 4d. in respect of principal moneys.

There was a net loss for the year of £18,878 17s. 3d. due to the unremunerative rate of interest at which the earlier loans were granted.

The sinking fund established under section 26 of the State Advances Act, 1913, amounts to £92,697 9s. 1d., inclusive of the amount held by the Public Trustee (£48,461 0s. 5d.).

G. F. C. CAMPBELL, Superintendent.

State Advances Office, Wellington, 23rd June, 1915.

PUBLIC DEBT SINKING FUNDS BRANCH.

Classified according to provincial districts, the advances under this branch authorized during the year ended 31st March, 1915, were,—

Provincial District.	<i>Advances to Settlers.</i>				Number of Applications.	Amount of Advances authorized. £
Auckland	45	27,000
Taranaki	2	1,235
Hawke's Bay	1	1,000
Wellington	14	11,360
Nelson	2	500
Canterbury	5	3,350
Otago	5	4,250
Southland	12	8,875
Totals	86	£57,570

Provincial District.	<i>Advances to Local Bodies.</i>				Number of Applications.	Amount of Advances authorized. £
Auckland	35	71,620
Taranaki	7	8,820
Hawke's Bay	1	200
Wellington	12	27,460
Westland	2	33,500
Canterbury	5	15,155
Otago	2	13,840
Totals	64	£170,595

The amount actually paid over to settlers during the year was £59,815, and to local bodies £95,285 : a total of £155,100.

Local bodies are now indebted to the extent of £210,785 2s. 10d., and settlers £181,237 8s. 1d. : a total of £392,022 10s. 11d. in respect of principal moneys.

The net interest earned for the year amounted to £19,412 5s. 4d., or £4 2s. 10d. per £100 on funds invested.

G. F. C. CAMPBELL, Superintendent.

State Advances Office, Wellington, 23rd June, 1915.

ADVANCES OFFICE SINKING FUND.

Classified according to provincial districts, the advances under this branch authorized during the year ended 31st March, 1915, were,—

Provincial District.	<i>Advances to Settlers.</i>				Number of Applications.	Amount of Advances authorized. £
Auckland	59	35,365
Taranaki	14	11,400
Hawke's Bay	2	1,400
Wellington	22	16,725
Marlborough	1	150
Nelson	1	600
Canterbury	3	2,230
Otago	7	5,460
Southland	17	14,770
Totals	126	£88,100

Provincial District.	<i>Advances to Local Bodies.</i>				Number of Applications.	Amount of Advances authorized. £
Auckland	3	2,925
Taranaki	3	1,340
Hawke's Bay	1	1,250
Wellington	3	21,950
Totals	10	£27,465

The amount actually paid over to settlers during the year was £79,620, and to local bodies £3,725 : a total of £83,345.

Settlers are now indebted to the extent of £79,036 8s. 8d. and Local Bodies £3,704 15s. 3d., a total of £82,741 3s. 11d. in respect of principal moneys.

The profits for the year ended 31st March, 1915, amounted to £19,651 15s. 10d., the cost of management and expenses being nil.

G. F. C. CAMPBELL, Superintendent.

State Advances Office, Wellington, 23rd June, 1915.

BALANCE - SHEET.

ADVANCES TO SETTLERS BRANCH.

STATEMENT of LIABILITIES and ASSETS as at 31st March, 1915.

<i>Liabilities.</i>			<i>Assets.</i>		
	£	s. d.		£	s. d.
Sundry loans	8,990,273	1 7	Investment Account, less total repayments	7,976,974	1 9
Temporary advances from Public Debt Sinking Fund Branch	76,572	0 0	*Plus mortgage instalments overdue—principal	13,157	1 9
Temporary advances from Advances Office Sinking Fund Branch	60,000	0 0	Total principal owing by mortgagors at 31st March, 1915	7,990,131	3 6
Advances Suspense Account	25,781	1 0	*Mortgage instalments overdue—interest	37,675	19 3
Fire Loss Suspense Account	3,580	2 11	Interest on mortgages, accrued but not due	95,216	18 8
Suspense Account	4,049	13 5	Loan Charges Account	30,000	0 0
Reserve Fund	50,000	0 0	Temporary advances to Workers Branch	50,000	0 0
Interest payable on loans, accrued but not due	59,007	4 4	Office Furniture and Equipment Account	1,135	9 3
Interest payable on deposits, accrued but not due	8	8 5	Insurance Premiums Account	496	11 2
Profit and Loss Account	312,226	15 7	Temporary investments	200,000	0 0
			Interest on temporary investments, accrued but not due	1,687	13 3
			Sinking Funds—	£	s. d.
			Public Trustee	302,904	13 9
			Advances Office Sinking Fund Account	182,180	2 2
			Public Debt Sinking Fund Branch	568	10 0
			Cash in hand and in bank at 31st March, 1915	485,653	5 11
				689,501	6 3
				<u>£9,581,498</u>	<u>7 3</u>
				<u>£9,581,498</u>	<u>7 3</u>

* Of the mortgage instalments overdue, a large percentage had been received by Postmasters at 31st March, 1915, and was in course of transit to this office.

STATEMENT of PROFIT AND LOSS ACCOUNT for the Year ended 31st March, 1915.

<i>Dr.</i>			<i>Cr.</i>		
	£	s. d.		£	s. d.
To Management Expenses Account	10,621	15 11	By Interest Account—gross profits	68,512	5 3
Doubtful securities written down	432	0 9			
Losses on securities	23	9 6			
Balance—net profits for the year ended 31st March, 1915	57,434	19 1			
	<u>£68,512</u>	<u>5 3</u>		<u>£68,512</u>	<u>5 3</u>
Loan charges written down	31,325	4 0	Balance at 31st March, 1914	286,243	3 9
Office Furniture and Equipment Account written down	126	3 3	Net profits for the year	57,434	19 1
Balance—net profits carried forward	312,226	15 7			
	<u>£343,678</u>	<u>2 10</u>		<u>£343,678</u>	<u>2 10</u>

STATEMENT of INTEREST ACCOUNT for the Year ended 31st March, 1915.

<i>Dr.</i>			<i>Cr.</i>		
	£	s. d.		£	s. d.
To Interest paid on loans	323,887	13 5	By Interest received on mortgages	350,252	2 3
Less accrued interest at 31st March, 1914	56,677	16 1	Less overdue and accrued at 31st March, 1914	118,429	5 9
Accrued interest payable on loans at 31st March, 1915	59,007	4 4	Interest on bank balances	231,822	16 6
Interest paid on deposits	24	13 10	Interest on temporary advances to other branches	1,290	0 0
Less accrued interest at 31st March, 1914	8	5 1	Interest on temporary investments	3,981	16 10
Accrued interest payable on deposits at 31st March, 1915	16	8 9	Less accrued interest at 31st March, 1914	93,936	14 4
Interest paid on amounts temporarily transferred from other branches	9,157	14 9	Interest on mortgages—Overdue at 31st March, 1915	1,700	0 0
Balance—gross profits transferred to Profit and Loss Account	68,512	5 3	Accrued but not due at 31st March, 1915	95,216	18 8
			Interest on temporary investments accrued at 31st March, 1915	132,892	17 11
				1,687	13 3
	<u>£403,911</u>	<u>18 10</u>		<u>£403,911</u>	<u>18 10</u>

STATEMENT of PROFIT AND LOSS ACCOUNT for the Year ended 31st March, 1915.

DR.	£	s.	d.	CR.	£	s.	d.
To Balance—net profits for the year	19,412	5	4	By Interest Account	19,407	12	3
				Management Account—sundry fees received		4	13
	<u>£19,412</u>	<u>5</u>	<u>4</u>		<u>£19,412</u>	<u>5</u>	<u>4</u>
Balance—net profits carried forward	37,911	9	11	Balance at 31st March, 1914	18,499	4	7
				Net profits for the year	19,412	5	4
	<u>£37,911</u>	<u>9</u>	<u>11</u>		<u>£37,911</u>	<u>9</u>	<u>11</u>

STATEMENT of INTEREST ACCOUNT for the Year ended 31st March, 1915.

DR.	£	s.	d.	CR.	£	s.	d.	£	s.	d.
To Balance transferred to Profit and Loss Account	19,407	12	3	By Interest on mortgages, "Settlers"	6,980	5	11			
				Less interest overdue and accrued at 31st March, 1914	1,910	8	4			
								5,069	17	7
				Interest on mortgages, "Local Authorities"	5,164	13	0			
				Less interest overdue and accrued at 31st March, 1914	1,414	16	9			
								3,749	16	3
				Interest on amounts temporarily transferred to Settlers Branch				5,182	19	4
				Interest on mortgages—Overdue at 31st March, 1915				847	12	11
				Accrued but not due at 31st March, 1915	4,557	6	2			
								5,404	19	1
	<u>£19,407</u>	<u>12</u>	<u>3</u>					<u>£19,407</u>	<u>12</u>	<u>3</u>

STATEMENT of MANAGEMENT EXPENSES ACCOUNT for the Year ended 31st March, 1915.

DR.	£	s.	d.	CR.	£	s.	d.
To Balance transferred to Profit and Loss Account	4	13	1	By Release fees		4	0
				Production fees		0	10
				Sundries		0	3
	<u>£4</u>	<u>13</u>	<u>1</u>				

G. F. C. CAMPBELL, Superintendent.
W. N. HINCHLIFFE, Accountant.

State Advances Office, Wellington, 24th June, 1915.

Examined and found correct.—ROBERT J. COLLINS, Controller and Auditor-General.

ADVANCES TO LOCAL AUTHORITIES BRANCH.

STATEMENT of LIABILITIES and ASSETS as at 31st March, 1915.

Liabilities.			Assets.		
	£	s. d.		£	s. d.
Sundry loans	2,258,067	0 0	Investment Account, less total repayments of principal—		
Money received from Treasury in accordance with section 72, Local Bodies' Loans Act, 1913	3,208	8 9	Local bodies	2,057,501	11 3
Interest on loan-moneys, accrued but not due	33,234	12 0	Section 70, Local Bodies' Loans Act, 1913	39,665	5 3
Suspense Account	44	18 1			
				2,097,166	16 6
			*Plus mortgage instalments overdue—principal	1,096	16 10
			Total balance of principal owing on mortgages	2,098,263	13 4
			Interest on mortgages—		
			*Overdue at 31st March, 1915	2,754	4 2
			Accrued but not due at 31st March, 1915	17,857	1 2
				20,611	5 4
			Loan Charges Account	21,651	5 0
			Sinking Funds—		
			Public Trustee	48,461	0 5
			Advances Office Sinking Fund Account	43,099	8 8
			Public Debt Extinction Fund Branch	1,137	0 0
				92,697	9 1
			Profit and Loss Account	45,561	16 7
			Cash in hand and in bank at 31st March, 1915	15,769	9 6
	<u>£2,294,554</u>	<u>18 10</u>		<u>£2,294,554</u>	<u>18 10</u>

* Of the mortgage instalments overdue, a large percentage had been received by Postmasters at 31st March, 1915, and was in course of transit to this office.

STATEMENT of PROFIT AND LOSS ACCOUNT for the Year ended 31st March, 1915.

DR.	£	s.	d.	CR.	£	s.	d.
To Balance, Interest Account ..	18,176	11	11	By Balance—loss for the year ..	18,878	17	3
Balance, Management Expenses Account ..	702	5	4				
	<u>£18,878</u>	<u>17</u>	<u>3</u>		<u>£18,878</u>	<u>17</u>	<u>3</u>
	£	s.	d.		£	s.	d.
To Balance as at 31st March, 1914 ..	32,818	12	4	By Refund of part sinking fund transferred in accordance with subsection (5b) of section 26, State Advances Act, 1913 ..	6,135	13	0
Losses for the year ..	18,878	17	3	Balance ..	45,561	16	7
	<u>£51,697</u>	<u>9</u>	<u>7</u>		<u>£51,697</u>	<u>9</u>	<u>7</u>

STATEMENT of INTEREST ACCOUNT for the Year ended 31st March, 1915.

DR.	£	s.	d.	CR.	£	s.	d.
To Interest paid on loans ..	101,858	0	2	By Interest on mortgages ..	71,146	8	5
Less accrued interest at 31st March, 1914 ..	30,326	18	0	Less interest overdue and accrued at 31st March, 1914 ..	18,893	17	7
Accrued interest payable on loans at 31st March, 1915 ..	83,234	12	0		<u>52,252</u>	<u>10</u>	<u>10</u>
	<u>£104,765</u>	<u>14</u>	<u>2</u>	Interest on bank balances ..	240	0	0
				Interest on temporary investments ..	12,679	16	7
				Interest on amounts temporarily transferred to "Settlers" ..	805	9	6
					<u>13,725</u>	<u>6</u>	<u>1</u>
				Interest receivable on mortgages— Overdue at 31st March, 1915 ..	2,754	4	2
				Accrued but not due at 31st March, 1915 ..	17,857	1	2
					<u>20,611</u>	<u>5</u>	<u>4</u>
				Balance transferred to Profit and Loss Account ..	18,176	11	11
					<u>£104,765</u>	<u>14</u>	<u>2</u>

STATEMENT of MANAGEMENT EXPENSES ACCOUNT for the Year ended 31st March, 1915.

DR.	£	s.	d.	CR.	£	s.	d.
To Contribution to Audit Office ..	50	0	0	By Consent fees ..	0	5	0
Post Office services ..	100	0	0	Gazetting-fees ..	12	10	0
Postages and telegrams ..	140	4	7	Sundries ..	0	4	3
Printing and stationery ..	125	0	0	Balance transferred to Profit and Loss Account ..	702	5	4
Salaries ..	300	0	0		<u>£715</u>	<u>4</u>	<u>7</u>
	<u>£715</u>	<u>4</u>	<u>7</u>		<u>£715</u>	<u>4</u>	<u>7</u>

G. F. C. CAMPBELL, Superintendent,
W. N. HINCHLIFFE, Accountant.

State Advances Office, Wellington, 24th June, 1915.

Examined and found correct.—ROBERT J. COLLINS, Controller and Auditor-General.

ADVANCES OFFICE SINKING FUND ACCOUNT.

STATEMENT of LIABILITIES and ASSETS as at 31st March, 1915.

Liabilities.	£	s.	d.	Assets.	£	s.	d.
Total amount paid in as at 31st March, 1914 ..	175,537	4	10	Investment Account, less total repayments of principal ..	78,934	16	4
Amounts paid in for year ended 31st March, 1915—				*Plus mortgage instalments overdue—principal ..	101	12	4
Advances to Settlers ..	£	s.	d.	Total principal owing on mortgages advanced to "Settlers" ..	<u>79,036</u>	<u>8</u>	<u>8</u>
Branch ..	84,089	10	0	Investment Account, less total repayments to "Local Authorities" ..	3,704	15	3
Advances to Workers Branch ..	22,819	5	3	Interest on sinking funds held by Public Trustee, accrued at 31st March, 1915 ..	14,186	4	10
Advances to Local Authorities Branch ..	20,580	13	5	Interest on mortgages— *Overdue at 31st March, 1915 ..	278	9	2
Refund part sinking fund held by Public Trustee ..	70,000	0	0	Accrued but not due at 31st March, 1915 ..	569	3	4
Advances Suspense Account ..	450	0	6		<u>847</u>	<u>12</u>	<u>6</u>
Profit and Loss Account ..	19,651	15	10	Amount paid in redemption of loan-moneys, Workers Branch ..	100,000	0	0
	<u>£393,128</u>	<u>9</u>	<u>10</u>	Temporary advance to Settlers Branch ..	60,000	0	0
				Cash in hand and in bank at 31st March, 1915 ..	195,358	8	7
					<u>£393,128</u>	<u>9</u>	<u>10</u>

* Of the mortgage instalments overdue, a large percentage had been received by Postmasters at the 31st March, 1915, and was in course of transit to this office.

