

CREDIT IN LONDON.

56. In last year's report reference was made to the opening with the Bank of New Zealand in London of an account in the name of the Public Trustee. The innovation has proved to be a great convenience not only to the Office but also to its clients—more especially to those wishing to remit moneys from the United Kingdom to the Public Trustee in New Zealand.

All receipts and payments by the High Commissioner are promptly reported to the Public Trustee, and the necessary entries to incorporate the transactions in the books of this Office are immediately made.

INSURANCE COMPANIES' DEPOSITS ACT, 1921-22.

57. In last year's report reference was made to the fact that during the financial year a number of insurance companies would be called upon to make deposits with the Public Trustee in compliance with the provisions of the Insurance Companies' Deposits Act, 1921-22. All of the companies made the deposits on or before due date, and during the year, upon commencing business, two new companies lodged deposits in terms of the Act. The total amount of the deposits made was £1,012,500. One company has given notice that, as it is ceasing to carry on business in New Zealand, repayment of the deposit will be required on expiry of the statutory period of six months.

SYSTEM OF AUDIT OF ACCOUNTS.

58. During the year a committee was appointed by the Government for the purpose of investigating the system of audit in Government Departments. This committee reviewed the system in force in this Department, with a view to deciding whether the best methods had been adopted to ensure protection of the Office and the estates under administration.

After full consideration certain modifications were agreed upon and put into operation with the concurrence of the Controller and Auditor-General, and provision made for the regular audit at short intervals of all Branch Offices throughout New Zealand either by an Audit Inspector or by an Inspector of this Office.

The existing independent system of internal check, supplemented by the regular Audit inspections, afford the fullest protection that can be reasonably provided; but the matter is constantly under review to see whether further safeguards become necessary from time to time.

SAFE-DEPOSIT LOCKERS.

59. When the present Public Trust Office building in Wellington was erected accommodation was provided for safe-deposit lockers for use, at a moderate annual rental, by clients of the office. So popular have the lockers proved to the public that on two occasions it has been necessary to make additional installations. In addition to those at Head Office, lockers were also installed some years ago at Dunedin, and it was necessary recently to provide further accommodation in that city to meet the requirements of clients. Further, during the last two years lockers have also been installed in the offices of the District Public Trustees at Napier, Invercargill, Masterton, Palmerston North, Hawera, and New Plymouth. The question of installing lockers at other centres will be considered as the opportunity offers.

Although the return received by way of rental for the lockers is probably little more than sufficient to cover interest, depreciation, and other incidental expenses, yet it is considered that they are very profitable investments, in that they bring the Office into touch with clients of a desirable class who have brought before them the facilities which the Office has for the transaction of business.

INSPECTION OF DISTRICT OFFICES.

60. During the past year the system governing the general inspection of District Offices has been modified. In lieu of four-monthly inspections previously made by the Reviewing Inspectors, it was decided to make one comprehensive