

Monthly certificates by responsible officers covering the posting of the ledgers and other subsidiary registers and the protection of assets are received from the branches and accepted by the Controller and Auditor-General, who arranges as far as possible that one of his Inspectors shall visit each District Public Trustee Branch at intervals of not less than six months to conduct a detailed audit of all receipts and payments. In any case where an Audit Inspector cannot make such visit the Chief Auditor arranges for the completion of the work.

At the four large centres—Auckland, Wellington, Christchurch, and Dunedin—the Audit Department maintains a practically continuous audit. All agencies and offices controlled by District Managers are audited at half-yearly intervals by the controlling District Public Trustees.

In addition to the half-yearly audit of the receipts and payments at all branches, a detailed general inspection of the whole of the accounting work is made at approximately yearly intervals, either by the Chief Inspector or his assistant if either happens to be in the district when the inspection falls due, or by the Chief Auditor. During the year fourteen out of nineteen of the branches controlled by District Public Trustees and ten out of twelve of the branches under the charge of District Managers were so inspected. Generally the accounting work, apart from a few minor matters of routine which were remedied on the spot, was found to be excellently conducted, and no serious mistakes or delays were discovered.

The collection of rents, interest, and book debts has been kept under the most careful scrutiny by the Reviewing Inspectors on their visits to the various branches. Their reports have been carefully perused at the Head Office, and any cases in which it was recommended that further action was necessary were brought under the notice of the District Public Trustees. The system laid down for the collection of arrears has been well observed, and in only a very small percentage of cases has it been found necessary to write off amounts as irrecoverable.

All estate overdrafts have been carefully reviewed after each half-yearly balancing period to ensure that no unauthorized advances have been made, and that the margin of security, as assets forming part of the security are realized in the course of administration, is maintained.

Negotiable securities in estates have been checked at half-yearly intervals by responsible officers at the branches, and also by the Chief Inspector or Chief Auditor when conducting general inspections. In no case has any irregularity in handling and protecting the securities been discovered. All securities in respect of Common Fund investments were checked by a responsible officer of the Audit Department and found to be correct. The same officer also checked the interest accrued on Office investments as at the 31st March last and the annual accounts and balance-sheet.

Reviewing the position generally, it may be stated that the receipt, custody, and payment of all cash has been conducted with the utmost care and accuracy. All securities, both in respect of the Common Fund and of estates, have been checked and found to be in order, and all estate property held by the Office is under adequate protection.

#### CONCLUSION.

75. I desire once again to express my appreciation of the devoted services which have been rendered during the past year by the Assistant Public Trustees, the controlling officers, and the staff as a whole. As I have often stressed in my reports, the class of business transacted by the Office is one in which the personal element plays a very prominent part. Were it not for the whole-hearted and enthusiastic co-operation of my officers the striking results of recent years could not have been achieved.

I have, &c.,  
J. W. MACDONALD,  
Public Trustee.

The Right Hon. the Prime Minister.

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