

resumption of portions of the premises previously leased or by additions and structural alterations to the buildings themselves. Such alterations are now being arranged at Invercargill, Nelson, Wanganui, Hawera, and Palmerston North, and others will be necessary in the near future.

MUNICIPAL CORPORATIONS' RENEWAL FUNDS.

28. Under the authority conferred by section 114 of the Municipal Corporations Act, 1920, several Municipal Corporations arranged for the investment in the Common Fund of the Public Trust Office of moneys set aside for their Renewal Funds. On the 31st March, 1928, the amount held in this connection was £48,971.

SINKING FUNDS IN RESPECT OF LOANS TO LOCAL BODIES.

29. On the 31st March, the Public Trustee was acting as Sinking Fund Commissioner in respect of 2,483 loans aggregating £28,244,727. This represents an increase of 218 in number for the year, a total of 261 new appointments having been made during the year, and forty-three funds having been closed by application of the funds towards redemption of the relative debentures or by transfer of the balances at credit to the credit of new sinking funds created in respect of redemption loans. The value of assets and securities held on behalf of these sinking funds at the end of the year was £2,467,247, a net increase of £439,507 for the year.

ADVANCES TO BENEFICIARIES AND TO ESTATES.

30. The statutory power enabling the Public Trustee to advance moneys to estates or to beneficiaries on the security of their interests in estates has again been fully availed of during the year. This has been of particular advantage to new estates accepted for administration during the year which had insufficient liquid assets to provide for urgent payments not only to creditors, but also to those dependent upon the estates for maintenance. With this accommodation available the Office was able to postpone the realization of assets which for reasons of prudence or necessity it was desired to retain in the interests of estates pending a more favourable market. Similarly many beneficiaries in need of assistance were enabled to obtain immediate benefit from their interests which were not in a form rendering distribution in the ordinary way possible. By means of this power the Public Trustee has been able to nurse many valuable estate assets in times of financial stress with material benefit to those concerned.

The Public Trustee has also on numerous occasions advanced money on the security of estate assets for the purpose of erecting buildings on or otherwise improving properties owned by estates. One advantage of this means of finance is that the expenses incidental to the arrangement of finance by way of mortgage are avoided. The Public Trustee has a statutory charge over the whole of the assets in any estate to which an advance is made, subject, of course, to any prior encumbrances, so that no documents of security are necessary. A further advantage is that immediately moneys become available for application in reduction of the advance the amount of indebtedness is automatically reduced and the interest charge falls accordingly. The Public Trustee may file with the Commissioner of Taxes a certificate regarding the amount of any advance so made, and such certificate has the same effect for land-tax purposes as has the registration of a mortgage against the title, so that it will be seen that the allowance for land-tax purposes is not lost.

Advances totalling £366,452 were current on the 31st March, 1928.

SAFE-DEPOSIT LOCKERS.

31. Not least amongst the useful services provided by the Office is its system of safe repositories. With the growth of population and the spread of property there has come an increased demand for efficient custodianship, at a moderate cost, of valuables and documents of various kinds. For many years past this system of safe-deposit lockers has been in force, and the facilities which it affords for the safe custody of securities and valuables continues to be greatly appreciated by numerous clients. For a small annual rental a safe-deposit locker located in the Office strong-rooms may be rented, and access to it may be obtained at any time of the day during the ordinary business hours. This feature of the Office activities