

REPORT

OF

COMMISSIONERS OF PUBLIC DEBTS SINKING FUNDS,

FOR THE YEAR ENDED 30 JUNE, 1869.

LAI D BEFORE BOTH HOUSES OF THE GENERAL ASSEMBLY IN COMPLIANCE WITH THE SIXTH
SECTION OF "THE PUBLIC DEBTS SINKING FUNDS ACT, 1868."

WELLINGTON.

—
1869.

REPORT OF THE COMMISSIONERS OF THE PUBLIC DEBTS SINKING FUNDS, FOR THE YEAR ENDED JUNE 30, 1869.

Office of the Commissioners of the Public Debts Sinking Funds,
Wellington, 15th July, 1869.

THE Commissioners of the Public Debts Sinking Funds, in compliance with the 6th section of "The Public Debts Sinking Funds Act, 1868," have the honor to report as follows:—

Immediately upon the constitution of the Board, the Commissioners lost no time in applying to the Trustees of the Sinking Funds of the Loans specified in the schedules to the Act, to hand over the cash and securities in their possession. The Commissioners also applied to the Superintendents of the several Provinces concerned for a statement of all the sums which had been paid to such Trustees severally, on account of Provincial loans. In compliance with these requests, the Commissioners have received all the cash and securities held by the trustees of the following loans:—

- "The New Zealand Loan Act, 1860."
- "The Auckland Loan Act, 1863."
- "The Wellington Loan Act, 1862, No. 11."
- "The Wellington Loan Act 1866, No. 3."
- "The Otago Loan Ordinance, 1861-2."
- "The Otago Loan Ordinance, 1862."
- "The Otago Harbour Loan Ordinance, 1862."
- "The Otago Public Buildings Loan Ordinance, 1862."

The Commissioners find that the sinking funds payable by law to the 30th June last have been duly paid upon the above loans, with the following exceptions:—

				£	s.	d.
New Zealand Loan of 1860—						
For half-year ending 30th June, 1869 (since paid)	...	...	...	955	0	0
Balance for half-year ending 31st December, 1868 (in discussion with the Treasury)	...	...	...	730	15	0
Auckland Loan of 1863—						
Balance for year ended 1st July, 1865	...	...	...	3,400	0	0
Amount for year ended 1st June, 1866	...	...	...	10,000	0	0
" " 1st July, 1867	...	...	...	10,000	0	0
" " " 1868*	...	...	...
Wellington Loan of 1862—						
For half-year ended 1st July, 1867	...	...	...	500	0	0
" " 1st January, 1868	...	...	...	500	0	0
" " 1st July, 1868	...	...	...	500	0	0
" " 1st January, 1869	...	...	...	192	0	0
Wellington Loan of 1866, No. 3—						
For year ended 1st January, 1868	...	...	...	1,000	0	0
" " " 1869	...	...	...	635	0	0
Otago Harbour Loan of 1862—						
For year ended 1st November, 1868†	...	...	...
Otago Public Buildings Loan of 1862—						
For year ended 1st October, 1868†	...	...	...

With respect to the amount due from the Province of Auckland, the indebtedness has partly arisen from the view taken by the Provincial authorities as to the date at which the first payment of sinking fund was required to be made; and with reference to the case of Otago the deficiency has arisen from the Provincial authorities having been without information as to the date of the conversion of their bonds under the Consolidated Loan Act, and therefore as to the exact amount of sinking fund still payable. From the same cause payments upon the Otago Loan of 1862 have been made in excess of that required by the sum of £ . . . In the case of Auckland the Commissioners are informed that the sinking fund is not paid by the Province, but is now retained by the General Government out of moneys payable to the Province, of which £10,000 was invested in Treasury Bills prior to the constitution of this Board. The Commissioners have been applying to the Treasury for payment of the balance due, including the Treasury Bills above-mentioned. The figures given above represent the sums still payable according to that interpretation of the law which the Commissioners have adopted under the advice of their solicitors.

With respect to the sinking fund of the General Government Loan of 1863, for which the Crown Agents in England are trustees, and of the Canterbury Loans, for which Mr. Selfe and others are trustees, and all of which are held wholly in investments in England, the Commissioners append hereto copies of correspondence which has taken place with those gentlemen respectively, and also with the Hon. the Colonial Treasurer on the same subject.

* This sum is not yet ascertained, a question having arisen as to the effect of the conversion of the Auckland debts.

† The amount is not yet ascertained, a question having arisen as to the effect of the operation of the conversion of the debentures.

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The Commissioners have hitherto exercised the powers vested in them by the Act, of releasing sinking funds, only in one instance, in pursuance of an award which is appended hereto.

The Commissioners have found that part of the securities of Provincial Sinking Funds have been handed to them in the form of mortgages upon private estate. Deeming such securities to be an undesirable form for the investment of public moneys, they have taken such steps as were open to them to recover payment of all sums so invested at the earliest possible date.

The Commissioners append hereto an account current of their transactions for the period ended 30th June, 1869, together with a statement of the balances of cash and securities held by them at that date on account of each loan, and a statement in detail of the whole of the securities in their possession. They also append a statement of the sums expended on account of the Commission to the 30th June, 1869. The only liability incurred by the Commissioners is for legal advice, of which the account has not been received.

JAMES EDWARD FITZGERALD,
Chairman.

APPENDIX I.

No. 1.

Copy of a Letter from Mr. J. E. FITZGERALD to the Hon. the COLONIAL TREASURER.

Office of the Commissioners of the Public Debts Sinking Funds,
Wellington, 10th June, 1869.

SIR,—

On behalf of the Commissioners of the Public Debts Sinking Funds, I have the honor to submit to you copies of correspondence which has taken place between the Commissioners and the Crown Agents for the Colonies in England, on the subject of the sinking funds of the unconverted portion of "The New Zealand Loan, 1863," and between the Commissioners and Mr. Selfe Selfe on the subject of the sinking funds of the Canterbury Loans, for which those gentlemen are respectively trustees.

In the case of the sinking funds of "The New Zealand Loan, 1863," the Commissioners desire respectfully to convey to the Government the expression of their opinion, that it does not appear desirable to disturb arrangements made in England, in the maintenance of which the credit and good faith of the Colony may be deemed, whether reasonably or otherwise, to be involved; and they have submitted for the consideration of the Government whether it may not be prudent to bring the matter before the General Assembly which is now in session, with the view of passing an Act for relieving the Commissioners from the control and custody of the sinking funds upon the unconverted portion of the Loan of 1863. They base this opinion upon the fact, which was stated in the letter of the Crown Agents to Mr. Stafford, dated February, 1867, that the advertisements calling for tenders for the Loan of 1863 contained a promise, on behalf of the Government, that the sinking funds should be placed in the hands of trustees in England; and they are under the impression that Parliament may not have had this fact within its recollection at the time of passing the Act of 1868.

In the case of the Canterbury Loans, the Commissioners do not think it necessary to express any opinion, as they do not gather that any such promise was made or implied. But as legal difficulties may present themselves in the way of enforcing the provisions of the Act for the transfer of sinking funds in the case of trustees resident and invested with their trust beyond the jurisdiction of the Colonial Government, the Commissioners have acquainted Mr. Selfe that they have determined to take no steps in the matter of the Canterbury Sinking Fund until they shall have learned whether it is the wish of the Government and of Parliament that the Act should be enforced, or, if not, whether the Legislature will relieve the Commissioners from the duty of enforcing it, which is imposed upon them by the existing law.

I have, &c.,

JAMES EDWARD FITZGERALD,
Chairman.

The Hon. the Colonial Treasurer.

Enclosure 1 in No. 1.

Copy of a Letter from Mr. J. E. FITZGERALD to Messrs. JULYAN and SARGEANT.

(Circular No. 7.)

GENTLEMEN,—

Treasury, Wellington. 8th December, 1868.

As Chairman of the Board of Commissioners of the Public Debts Sinking Funds of New Zealand, and by the direction of that Board, I have the honor to address you on the subject of the sinking funds for the loan raised by the Government of New Zealand (excepting the sinking funds in respect of the debentures, amounting to £500,000, guaranteed by the Imperial Government), under the authority of "The New Zealand Loan Act, 1863," for which funds the Commissioners are informed you are the trustees.

By referring to the provisions of the Public Debts Sinking Funds Act, a copy of which I do myself the honor to enclose, you will perceive that all the sinking funds, accrued and to accrue, on account of such loan, together with all investments of every description made on behalf of such sinking funds, are now vested in the Commissioners. It therefore becomes the duty of the Commissioners to ascertain the present state of the accounts of these sinking funds; and the Commissioners will be greatly obliged if you will be so good as to furnish them, at your earliest convenience, with an account of all moneys which have been placed in your hands by the New Zealand Government, and of the manner in which the same have been disposed of on account of such sinking funds.

It further becomes the duty of the Commissioners to obtain possession of all debentures, mortgage deeds, vouchers, or other securities relating to investments made on behalf of the sinking funds within the power of the Commissioners. They will therefore be glad if you will act as their Agents for the custody, not only of those securities which are at present in your possession, but also of those which may be placed in your hands by the trustees of other sinking funds, by the direction of the Commissioners. The Commissioners will from time to time direct you in what manner they desire these securities to be dealt with.

As you will perceive by the Act referred to, that all future payments of these sinking funds are required to be made to the Commissioners, I am at the same time to point out, that it would be desirable that you should decline to receive any further funds on that account.

I have, &c.,

JAMES EDWARD FITZGERALD,

Chairman of the Commissioners of the Public
Debts Sinking Funds.

Messrs. Julyan and Sargeant,
Spring Gardens, London.

A similar circular, dated 8th December, 1868, was transmitted to Mr. H. Selfe Selfe, one of the Trustees for the Sinking Funds of the Canterbury Loans, in which the Trustees were directed to hand over to the Crown Agents for the Colonies all the securities in their possession relating to the above sinking funds, and to transmit to the account of the Commissioners, at Wellington, the balance in their hands uninvested.

Enclosure 2 in No. 1.

Copy of a Letter from Messrs. JULYAN and SARGEANT to Mr. J. E. FITZGERALD.

Offices of the Crown Agents for the Colonies,
Spring Gardens, London, S.W., 19th February, 1869.

SIR,—

We have the honor to acknowledge the receipt of your letter of the 8th December last, on the subject of the sinking funds for the loan raised by the Government of New Zealand under "The New Zealand Loan Act, 1863," for which we are the Trustees, and enclosing, for our information and guidance, a copy of "The Public Debts Sinking Funds Act, 1868."

2. You also request us to furnish you with an account showing what moneys we have received in respect of such sinking fund, and in what manner the same has been disposed of.

3. You further inform us that it becomes the duty of the Commissioners to obtain possession of all debentures and other securities held by the old trustees, and you request us to act as the Agents of the Commissioners for the custody of the securities now in our possession, and also such as may be placed in our hands by trustees of other sinking funds; and, finally, you express the desire of the Commissioners that we should decline, for the future, to receive any further funds on account of such sinking funds.

4. In reply, we beg to state, for the information of the Commissioners, as follows:—

(1.) Returns showing the state of the various sinking fund accounts up to the close of 1868 have already been forwarded to the Colony in the letters noted in the margin, and herewith you will receive further returns embracing all transactions which have taken place between the 1st January, 1869, and the present date.

(2.) With regard to handing over to the Commissioners all securities (excepting those belonging to the Guaranteed Loan) now held by us as trustees under "The Loan Act, 1863," we shall have great pleasure in complying with your request if, after taking counsel's opinion thereon, we find that we can do so without rendering ourselves liable to the debenture holders still interested in the fund. On this point we hope to be able to write more fully by next month's mail.

5. In the meantime we would impress upon you the serious consequences which may follow any attempt on the part of your Government to remove the control of the funds—formed for the liquidation of debts incurred in this country—to the Colony. Our views on this subject were fully set forth in a letter addressed to Mr. Stafford on the 26th of January, 1867, of which a copy is annexed.

6. Under any circumstances, we shall cheerfully act as the Agents of the Commissioners in taking charge of all securities belonging to the sinking funds which they may direct to be delivered to us for safe custody.

7. Respecting the proposition that we should decline in future to receive any further funds on these accounts, we may observe that the only source from which we have ever derived money on sinking fund accounts is from the Government of New Zealand itself; and if it be determined to cease remitting to the trustees in respect of the sinking funds of the unguaranteed loans contracted under "The Loan Act, 1863," the Colonial Treasurer should request the Crown Agents to discontinue the periodical payments on those accounts to the trustees. In order however, as far as possible, to meet your wishes in the matter, we will take care not to make any further investments of such moneys until we hear from the Colonial authorities on the subject.

8. We also enclose, for the information of the Commissioners, an account showing what sums have been paid to the sinking fund formed under "The Consolidated Loan Act, 1867," up to the present date.

9. In the absence of instructions from the Colony, we have, with Mr. Fitzherbert's concurrence, placed the several amounts so received on deposit, at interest, with some of the leading Joint Stock Banks, believing this course preferable to investing the money in stocks or securities of any kind, which are subject to fluctuations in price, and which might result in a reduction of the principal when-

18 Jan., 1867.
18 Jan., 1868.
29 Jan., 1869.

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ever driven to a forced sale, as we should be in the month of April of every year, in order to provide the necessary funds for paying off the bonds drawn, in accordance with the terms upon which the 5 per cent. consols were issued.

The Hon. J. E. FITZGERALD, Chairman,
Public Debts Sinking Funds Commission.

We have, &c.,
P. G. JULYAN,
W. C. SERGEAUNT.

Enclosure 3 in No. 1.

Copy of a Letter from Mr. J. E. FITZGERALD to Messrs. JULYAN and SARGEANT.

Office of the Commissioners of the Public Debts Sinking Funds,
Wellington, New Zealand, 10th June, 1869.

GENTLEMEN,—

I beg to acknowledge the receipt of your letter of the 19th February, 1869, in reply to the letter of the 8th December, 1868, which I did myself the honor to address to you on behalf of the Commissioners of the Public Debts Sinking Funds.

The Commissioners have taken into their consideration your letter under reply, with its enclosures, and desire to acquaint you that they recognize the force of the objections which you have raised to the transfer of the sinking funds of the Loan of 1863 from your hands to those of the Commissioners. It is, however, no part of the duty of the Commissioners to deal with questions involving matters of policy, but strictly to carry out the intentions of the Legislature in the Act under which they derive their powers. They have therefore submitted your letter with its enclosures to the Government, together with an expression of their opinion that it would not be desirable to disturb arrangements made in England, in the maintenance of which the credit and good faith of the Colony may be deemed, whether reasonably or otherwise, to be involved; and they have submitted, for the consideration of the Government, whether it may not be prudent to bring the matter before the General Assembly, which is now in session, with the view of passing an Act for relieving the Commissioners from the control and custody of the sinking funds upon the unconverted portion of the Loan of 1863.

The sinking funds of the Consolidated Loan, including the converted portion of the Loan of 1863, of which you send accounts, are not amongst those which were placed in the power of the Commissioners by the Act.

I beg, on behalf of the Commissioners, to thank you for your attention to their views, and to state, that so soon as they shall be informed of the determination of the Government, they will again communicate with you on the subject.

I have, &c.,

JAMES EDWARD FITZGERALD,
Chairman of the Commissioners of the Public
Debts Sinking Funds.

Messrs. Julyan and Sargeant,
Spring Gardens, London.

Enclosure 4 in No. 1.

Copy of a Letter from Mr. S. SELFE to Mr. J. E. FITZGERALD.

SIR,—

15, St. George's Square, London, February, 1869.

I have the honor to acknowledge the receipt of your letter of the 8th December last, written in your capacity as Chairman of the Board of Commissioners of the Public Debts Sinking Funds of New Zealand. The letter did not reach me till the afternoon of the 29th January, a few hours before the departure from London of the mail for New Zealand *via* Marseilles, so that I could not reply fully to it on that day. I have to thank you for transmitting to me a copy of "The Public Debts Sinking Funds Act, 1868."

As one of the Trustees of the Canterbury Loans Sinking Funds, it had become my duty, before receiving your letter now under reply, to give my careful attention to the provisions of the Act in question. The result was that I felt bound to address to the Secretary of State for the Colonies a request that the Act might be disallowed. I sent you by the mail of the 29th ultimo a printed copy of my letter to Earl Granville, and I forward to you by this mail three additional copies of the same. I was informed by Earl Granville on the 1st instant, that he had referred to the Governor of New Zealand a copy of my letter, and that he will in the meantime refrain from offering any advice to Her Majesty on the subject of the Act. I assume, therefore, it is at present uncertain whether it will be disallowed or left to its operation. But in either case, I calculate that you cannot be made aware of the ultimate decision of the Crown on this point before July next. I do not think, however, that this unavoidable delay ought to prevent me from complying at once with your first request, that I would furnish you with an account of all moneys which have been placed in my hands by the Provincial Government of Canterbury, and of the manner in which the same have been disposed of on account of their sinking funds.

I have been, and I hope always shall be, ready to comply with any request for information from yourself, or from any one interested in New Zealand, when such request is courteously preferred—as yours is; and I raise no question as to the possibility of your having no official right to call for these particulars.

I have much pleasure, therefore, in enclosing copies of all the accounts asked for. I trust you will find them sufficiently clear. I do not think they require explanation from me. You will be so good as to bear in mind that, with the exception of the Immigration Loan of 1856, these loans were raised by instalments—that the sinking fund is on the amount from time to time borrowed, and consequently that even had such yearly fund been always paid to the day, and invested instantaneously (and no allowance made for the time necessary for the transmission of money from Christchurch to London), the accumulation could never have amounted to the full sum necessary to discharge the principal by the

time the debentures became repayable. It also seems to me that the framers of the Provincial Loan Ordinances calculated that the sinking fund would produce 6 per cent. I shall be happy to give you, or any one authorized to receive them, any further explanations you may desire.

Your second request, that I will transmit all securities, &c., relating to investments made on behalf of the sinking funds of Canterbury to the Crown Agents for the Colonies, and transfer to the account of the Commissioners, &c., all such balances remaining in my hands still uninvested, I must, as you will have anticipated, decline altogether to comply with. My reasons for this will sufficiently appear from my letter to Earl Granville. And further, I have been advised by high legal authority, and I entirely concur in the opinion, that such action by the trustees would be a breach of trust, which might be restrained by injunction from Chancery if we intimated our intention to take such measures as you request, and would make us personally liable to the outstanding debenture-holders if we carried those measures into execution. Probably this view of the matter has not been present to your mind, or to that of the New Zealand Government; for I cannot imagine they would knowingly invite trustees in England to commit a breach of trust, and threaten innocent parties with penalties for our non-compliance with the invitation,—and all this without any provision, that I know of, for our indemnification and release.

Your suggestion, that it would be desirable that we should decline, for the future, to receive any further payments on account of these sinking funds, shall receive every consideration. Perhaps it is one which may be more fitly addressed to the Superintendent of Canterbury, to whom I shall of course forward a copy of this correspondence.

J. E. FitzGerald, Esq.

I have, &c.,

HENRY SELFE SELFE.

I entirely concur in the above.

T. S. COCKS.

Enclosure 5 in No. 1.

Copy of a Letter from Mr. J. E. FITZGERALD to Mr. S. SELFE.

Office of the Commissioners of the Public Debts Sinking Funds,
Wellington, New Zealand, 10th June, 1869.

SIR,—

I have the honor, on behalf of the Commissioners of the Public Debts Sinking Funds, to acknowledge the receipt of your letter of the February, 1869, in reply to my letter of the 8th December, 1868, together with the accounts which accompanied it, and to convey to you the thanks of the Commissioners for the attention which you have paid to their communication.

The Commissioners have given careful attention to the objections which you have raised to the transfer of the sinking funds in your hands to their control. They desire, however, to say that it is no part of their duty to enter upon any question as to the policy of the Act under which they derive their powers. Their duty is simply to carry out the intention of Parliament to the best of their abilities. The Commissioners have therefore submitted your letter to the Government, and have no doubt that the questions which it raises will become the subject of consideration in the General Assembly, which is now in session. In the meanwhile, the Commissioners will not think it right to take any further steps at present.

I am, however, at the same time to acquaint you that the Crown Agents for the Colonies, as trustees for the sinking funds of the unconverted portion of the New Zealand Loan of 1863, have raised an objection to the transfer of those funds to the Commissioners, upon the ground that, in the advertisements for tenders, subscribers to that loan were promised that the sinking fund should be intrusted to trustees in England. In laying the correspondence before the Government, the Commissioners have accompanied it with an expression of their opinion that it is not desirable to disturb arrangements made in England, in the maintenance of which the credit and good faith of the Colony may be deemed, whether reasonably or otherwise, to be involved; and they have submitted for the consideration of the Government whether it may not be prudent to bring the matter before the General Assembly, which is now in session, with the view of passing an Act for relieving the Commissioners from the control and custody of the sinking funds upon the unconverted portion of the Loan of 1863.

The Commissioners have made no such expression of opinion in the case of the Canterbury sinking funds, because they do not gather that any promise was made, or understood to be made to the lenders that the sinking funds would be placed in the hands of trustees in England; and Canterbury is the only Province whose sinking funds were not paid to trustees in the Colony and are not now in the hands of the Commissioners. They also hold all the sinking funds of the Colonial loans, except those referred to above and those of the loans guaranteed by the Home Government.

The Commissioners have therefore thought it right to lay your letter before the Government, unaccompanied by any expression of opinion, in order that Parliament may determine whether it will leave the Act to be carried out or will pass some measure relieving the Commissioners from the duty of taking such steps as might become necessary to enforce its provisions.

So soon as the Commissioners shall have been made acquainted with the decision to which the Government and Parliament have arrived, they will do themselves the honor of communicating with you again upon the subject.

I have, &c.

JAMES EDWARD FITZGERALD,

Chairman of the Public Debts Sinking
Funds Commission.

Henry Selfe Selfe, Esq.,
15, St. George's Square, London.

Copy of a Letter from Mr. J. MORRISON to the Hon. the COLONIAL TREASURER.

SIR,—

My co-trustee, Mr. Selfe, as Honorary Agent for the Government of Canterbury, permitted me to incur, for my individual satisfaction, the expense of taking counsel's opinion, but in no other respect was he a party to it.

Mr. Selfe, I believe, transmits to the Superintendent of Canterbury, by this mail, a copy of Mr. Druce's opinion.

I have, &c.,
JOHN MORRISON.

CASE.

The £30,000 authorized to be raised by the Ordinance of 1856 was raised in England, and debentures to that amount were issued to persons in England who advanced the money.

In June, 1862, Mr. John Morrison was appointed by the Superintendent of Canterbury one of the Commissioners in London for that Province. The following is a copy of the Superintendent's letter notifying such appointment and defining its duties :—

Superintendent's Office, 13th June, 1862.

In accordance with my letter of the _____ I have now the pleasure of appointing you to be a Commissioner for the Province of Canterbury in London, in connection with Mr. Selfe Selfe, our English Agent, and Mr. John Marshman, our Emigration Agent; and the duties which I have the honor to intrust to your care will be:—

First. The custody of the securities in which the proceeds of the £30,000 Loan Sinking Fund have been and will for the future be invested.

Secondly. An authority to cancel and destroy discharged Canterbury Association Debentures. *Thirdly.* To invest, as may from time to time be directed, the proceeds of the sinking fund of the £30,000 Loan.

Fourthly. To negotiate the sale of any future Canterbury Loans, when presented to the London Market, including of course the Lyttelton and Christchurch Railway Loan.

With regard to this latter duty, the Provincial Government will, as soon as the requisite time arrives, furnish you with special instructions, with ample notice, so as in every way to facilitate and favour your operations.

I have thought it due to Mr. Selfe Selfe, as our English Agent, to appoint him the Chairman of this Commission. The Provincial Government will always gladly receive any suggestions which the Commission may think it their duty to make.

And the following is a copy of the Warrant under which Mr. Morrison was appointed:—

Whereas it is expedient in the interests of the Province of Canterbury to appoint a Commission in London for the purposes of negotiating loans and contracts on behalf of the said Province, and to

do such other things as the Superintendent of the said Province may from time to time, by authorities vested in him, cause to be done:

Now therefore I, William Sefton Moorhouse, the Superintendent of the said Province, do hereby appoint John Morrison, Esq., to be a Commissioner for the purposes above recited in conjunction with two other Commissioners whom I may appoint for the said purposes.

(Seal of the Province of Canterbury, in New Zealand.) Given under my hand at Christchurch, and issued under the Public Seal of the Province of Canterbury, this thirtieth day of June, one thousand eight hundred and sixty-two.

W. S. MOORHOUSE,
Superintendent.

In the presence of—Robert Wilkin, President of the Executive Council.
Thomas Duncan, Provincial Solicitor, Christchurch.

Since the appointment of Mr. Morrison, he and the gentlemen associated with him have received remittances from Canterbury on account of sinking funds to be provided for several loans, including that of the £30,000, and of those funds £13,200 or thereabouts now remains invested on securities under their custody and control, representing the sinking fund in respect of the loan of £30,000 specially set apart for the purpose.

By "The Public Debts Act, 1867," of the General Assembly of New Zealand, it is provided that the principal, interest, and sinking funds payable upon all Provincial debentures already issued, or which may thereafter be issued in accordance with the provisions of that Act, under the authority of any of the Acts or Ordinances of the Superintendent and Provincial Council of any Province of the Colony specified in the Schedule A. to that Act, should, from and after the passing of that Act, be charged upon and paid out of the consolidated revenue of the Colony of New Zealand, and be repaid by the Province.

Schedule A. specifies amongst others the Ordinance before referred to of the Province of Canterbury as to the loan of £30,000.

By "The Consolidated Loan Act, 1867," of New Zealand, power is given to borrow the sum of £7,000,000 (by a charge upon the consolidated revenue of the Colony); and it is directed that all moneys borrowed under the authority of that Act shall be applied towards the conversion, redemption, and payment of (*inter alia*) the several loans of the Provincial Governments of the several Provinces of New Zealand specified in "The Public Debts Act, 1867," and to no other purposes.

By "The Public Debts Sinking Funds Act, 1868," passed by the General Assembly of New Zealand, it is enacted that the sinking funds created under the Provincial Ordinances specified in the Schedule (which includes amongst others the Ordinance of the Province of Canterbury as to the £30,000 Loan before mentioned) shall, on the passing of that Act vested in certain Commissioners in New Zealand constituted by that Act, and styled "The Commissioners of the Public Debts Sinking Funds," "and all Trustees and other persons who shall hold any such sinking funds, and all Trustees or other persons by or in whose names any moneys payable to or on account of such sinking funds shall have been invested," are authorized and required to transfer and deliver to the Commissioners all such sinking funds so held by them, and all securities in which they have invested any moneys payable to or on account of any such sinking funds to be held by such Commissioners upon the same trusts, &c., as such funds and moneys were held according to the provisions of the Ordinances creating such sinking funds.

And it is enacted (sec. 10), that if any trustees, or other persons holding any sinking funds, should be beyond the jurisdiction of the Supreme Court of New Zealand, and should refuse or neglect to transfer or deliver the securities in which such sinking funds should be invested, it should be lawful for the Governor to order that there should be deducted from any moneys payable under "The Public Revenues Act, 1867," or "The Public Revenues Act, 1868," to the Provincial Account of the Province a sum of money equal to the value of such securities.

Under the powers given by the Acts of 1867, the Colonial Treasurer has from time to time issued advertisements notifying the terms on which the holders of Provincial debentures might exchange their debentures for the new consolidated debentures of the Colony.

If all the debenture-holders had accepted the offered conversion, the Colonial Government would have to pay the interest and sinking funds on the bonds issued in exchange for them, but they would not lose anything by the transaction, as the Acts contain provisions for the recouping of the money so expended by debiting the Province with the amount.

A certain number of the provisional debenture-holders have, however, hitherto declined to accept the terms of commutation and exchange offered to them.

The amount of outstanding debentures of the £30,000 Loan of the Province of Canterbury held by those who have not yet assented to the offered exchange is about £10,900.

It is considered by some of the English debenture-holders that the proposition to transfer the sinking funds out of the hands of the Commissioners in England to the Commissioners in New Zealand appointed under "The Public Debts Sinking Funds Act, 1868," is at variance with the rights of the English debenture-holders, who object to be deprived of the security they possess in this country, and contend that the funds now under the control of the Commissioners in England must be regarded as impressed with a trust, which ought not, without the express consent of the debenture-holders, to be transferred to the Commissioners in New Zealand.

Many of the English debenture-holders of the £30,000 Loan have exchanged their securities for debentures of the Colonial Government, and it is suggested that the Commissioners in England would be justified in releasing a proportionate amount of the sinking fund provided for such of the debentures as have by these means been cancelled. Mr. Morrison, however, is anxious of being advised as to his position and duties upon the following points:—

(Mr. Morrison has lately received a letter from Mr. Selfe (a copy of which is sent herewith), and to which Counsel's attention is requested before writing his opinion.)

1. Is Mr. Morrison to be deemed a trustee for the debenture-holders of the securities representing the sinking fund in respect of the £30,000?
2. Is he at liberty to resign the position he holds as trustee or otherwise without the consent of the debenture-holders, and if so, by what proceeding?
3. Is it in the power of the Colonial or Provincial Government to revoke or cancel the appointment of Mr. Morrison until the whole body of debenture-holders is satisfied?
4. Can Mr. Morrison, without incurring any responsibility, transfer the funds held by him to the Commissioners appointed under "The Public Debts Sinking Funds Act, 1868?"
5. Have the dissentient debenture-holders any right or equity, as against Mr. Morrison, to object to such transfer?
6. If Mr. Morrison cannot properly and safely transfer to the Commissioners in New Zealand the whole amount of securities in his hands representing the sinking funds, can he be required to release and transfer to the Colonial Commissioners in New Zealand the proportionate amount of such sinking funds representing the Provincial debentures, of which the holders have voluntarily accepted in exchange debentures of the Colony?
7. And generally, you are requested to advise Mr. Morrison as to his position and duties under the circumstances above stated.

OPINION.

By the Act (20 Vict.) the principal of each debenture is to be repaid at the Provincial Treasury (sec. 4) out of the general revenues of the Province (sec. 5), and the sinking fund (sec. 6) is enable for the purpose of providing for liquidation of the principal, and in the meantime to be invested. The Act of 1867 authorizes the moneys to be borrowed thereunder to be applied in conversion of loans without prejudice to existing securities.

The Act of 1868 directs the appointment of Commissioners and indicates their powers. This Act, while it authorizes the dealings by the Commissioners with the existing funds in the mode prescribed, expressly contemplates (sec. 10) the refusal by Trustees or other persons, by whom the same may be held, to transfer the securities.

I am of opinion that under the terms of the Acts in question, and the Warrant of Appointment, Mr. Morrison is not a Trustee, but an agent only, for the purpose of negotiating loans and contracts on behalf of the Superintendent of the Province, and to do such other things as the Superintendent of the Province may from time to time direct.

These directions may supersede or modify the instructions given by the letter of the 13th June, 1862.

The Act of 1868 is, in my opinion, of binding and conclusive authority as an Act of State directing the disposition of funds which still remain the property of the State both at law and in equity, though appropriated under the Act for a particular purpose.

It follows from the above, in my opinion,—

1. That Mr. Morrison is not to be deemed a trustee for the debenture-holders of the securities representing the sinking fund in respect of the £30,000.
2. That he is at liberty to resign the position he holds without the consent of the debenture-holders, but not, I conceive, without the assent of Colonial or Provincial Government.
3. That it is in the power of the Colonial or Provincial Government to revoke or cancel the appointment of Mr. Morrison before the whole body of debenture-holders is satisfied.
4. That Mr. Morrison can without incurring any responsibility transfer the funds held by him to the Commissioners appointed under "The Public Debts Sinking Fund Act, 1868;" and
5. That the dissentient debenture-holders have not any right or equity, as against Mr. Morrison, to object to such transfer.

Whether the Act of 1868 is not a breach of faith towards the debenture-holders may be fairly questioned, but my opinion is addressed exclusively to the legal aspect of the case.

The points discussed in the accompanying letter of Mr. Selfe appear to me to raise conclusions for the interposition of the Legislature rather than of the Court of Chancery.

However, having regard to the notices served, I should recommend Mr. Morrison, before taking any decisive steps by way of transfer of securities or otherwise, to give notice of his intention so to do to the dissatisfied bondholders, so as to give them an opportunity of asserting their claims in a Court of Equity if advised so to do.

5, Stone Buildings, Lincoln's Inn,
26th March, 1869.

I am, &c.,
GEORGE DRUCE.

No. 3.

AWARD by the COMMISSIONERS releasing a part of the Sinking Fund of the New Zealand Loan of 1860.

KNOW ALL MEN BY THESE PRESENTS, THAT

WHEREAS by "The Public Debts Sinking Funds Act, 1868," it is provided that if and whenever it shall be made to appear to the Commissioners of the Public Debts Sinking Funds, that any of the debentures issued under any of the Acts specified in the first or second Schedules thereto have been converted or exchanged for debentures issued under "The Consolidated Loan Act, 1867," the Commissioners shall, from time to time, determine what amount of the Sinking Fund held by them and created for the payment of such first-mentioned debentures shall be released, and that the Commissioners shall make such determination by an award in writing: And whereas it has been made to appear to the said Commissioners that debentures to the amount of of fifty-four thousand five hundred pounds, being part of the debentures to the amount of one hundred and fifty thousand pounds issued under "The

New Zealand Loan Act, 1860," being one of the Acts named in the first Schedule to the said "Public Debts Sinking Funds Act, 1868," have been converted or exchanged for debentures issued under "The Consolidated Loan Act, 1867," and that the amount of the debentures still outstanding and unconverted of the said loan of one hundred and fifty thousand pounds is thereby reduced to the sum of ninety-five thousand five hundred pounds: And whereas the sum of twenty-six thousand nine hundred and ninety-one pounds six shillings and twopence is held by the said Commissioners as accumulated Sinking Fund, for the repayment of the said loan of one hundred and fifty thousand pounds; and the sum of seventeen thousand pounds of the said accumulated Sinking Fund, together with the Sinking Fund hereafter accruing, with the interest thereon, will be sufficient to reproduce the said sum of ninety-five thousand five hundred pounds, being the amount of the outstanding and unconverted portion of the said loan of one hundred and fifty thousand pounds, on or before the first day of July, one thousand eight hundred and ninety-one, being the day fixed by law for the repayment thereof:

Now know ye, that the Commissioners of the Public Debts Sinking Funds, by this their award in writing, do determine that the sum of nine thousand nine hundred and ninety-one pounds six shillings and twopence, being part of the said accumulated Sinking Fund so held by them for the payment of the debentures issued under "The New Zealand Loan Act, 1860," shall be released and paid over to the Public Account of New Zealand, to the credit of the Consolidated Fund, as by the said Public Debts Sinking Funds Act provided.

As witness our hands this fifteenth day of March, one thousand eight hundred and sixty-nine.

JAMES EDWARD FITZGERALD, Controllor, Chairman.

E. W. STAFFORD, Acting Colonial Treasurer.

A. LUDLAM, M.H.R.

No. 4.

Copy of a Letter from Messrs. JULYAN AND SARGEAUNT to Mr. J. E. FITZGERALD.

Offices of the Crown Agents for the Colonies,
Spring Gardens, London, S.W., 21st May, 1869.

SIR,—

Adverting to Mr. Julyan's letter of the 19th February last, acknowledging the receipt of your Circular of the 8th of December, 1868, I have to state that having been advised that we can legally and rightfully make over to the Commissioners appointed by "The Public Debts Sinking Fund Act, 1868," the debentures and other securities held by us as Trustees appointed by Governor's Warrant of the 13th November, 1865, we have the pleasure to inform you that we now hold the securities mentioned in the enclosed statement to the order of the Commissioners.

Besides these securities, the following amounts are in our custody, viz., £427 on account of the Sinking Fund of the 5 per cent. debentures, and £2,696 19s. 7d. on account of the 6 per cents. issued under "The Three Million Loan Act, 1863."

Both these sums of money, pending instructions from the Commissioners respecting the future investment of these and similar funds, have been placed on deposit at interest with the London and Westminster Bank, and although the rate allowed for deposits is at present higher than it has been for some time past, it is undesirable that the moneys should remain long uninvested.

We would therefore request you to be good enough to apprise us what "bonds, debentures, or other securities," may have been prescribed by the Governor in Council under the provisions of section 13 of the Public Sinking Funds Act, as the securities in which investments may be made by the Commissioners, or at any rate that you will inform us to the extent we are at liberty to act on behalf of the Commissioners in the choice of investments.

You have been already informed that in our opinion the interests of New Zealand will be best advanced by leaving undisturbed the Sinking Funds invested in this country to pay off debentures issued in this market, and that to realize these funds for the purpose of reinvestment in the Colony would damage the credit of New Zealand.

We are further of opinion that the Commissioners would be but acting in the interests of the Colony if they continued to invest here the contributions on account of Sinking Funds on loans of the General Government raised in this country under "The Loan Act, 1863."

Not knowing who are the Trustees of the Sinking Fund under the Loan Act of 1860, or where the investments on account of that loan have been made, we do not offer any opinion on that subject, except that if hitherto made in this country we would recommend no alteration.

The case of the Sinking Funds on the outstanding Provincial Debentures appears to us quite different, for the most of the contributions to those funds we believe have been locally invested, and the purchasers of those debentures have never been informed nor led to expect any other mode of investment.

We are, as already reported to you, quite prepared to take charge of any securities which may be handed over to us by the Trustees of other Sinking Funds by direction of the Commissioners; none, however, have been so tendered to us at present.

I have, &c.,

W. C. SARGEAUNT.

The Chairman of the Board of Commissioners,
Public Debts Sinking Funds of New Zealand.

PUBLIC DEBTS SINKING FUNDS.

STATEMENT showing the SECURITIES held on account of the SINKING FUNDS of the GOVERNMENT of
NEW ZEALAND for REDEMPTION of DEBENTURES issued under the Loan Act of 1863.

Series 1891.—6 per cent. :—				Stock.	
3 per cent. Consols...	...	...	...	£47	13 9
6 per cent. Victoria Debentures	...	...	...	9,200	0 0
6 per cent. Antigua Debentures	...	...	...	300	0 0
6 per cent. Ceylon Debentures...	...	...	...	13,400	0 0
5 per cent. New South Wales Debentures	...	...	...	6,600	0 0
5 per cent. Canada Debentures...	...	...	...	15,500	0 0
Series 1914.—5 per cent. :—					
3 per cent. Consols...	...	...	...	109	0 5
6 per cent. Antigua Debentures	...	...	...	900	0 0
6 per cent. Cape of Good Hope Debentures	...	...	...	11,600	0 0
6 per cent. Natal Debentures	...	...	...	3,500	0 0
6 per cent. Queensland Debentures	...	...	...	6,300	0 0
6 per cent. Ceylon Debentures...	...	...	...	8,500	0 0
6 per cent. Victoria Debentures	...	...	...	1,800	0 0
5 per cent. New South Wales Debentures	...	...	...	7,300	0 0
6 per cent. Canada Debentures...	6,800	0 0

London, 20th May, 1869.

W. C. SARGEANT,
Crown Agent.

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[N.B.—In the unavoidable absence of the Accountant to the Commissioners, this Account is printed without final correction.]

APPENDIX II.

TO THE

REPORT OF THE COMMISSIONERS OF THE PUBLIC DEBTS
SINKING FUNDS.

ACCOUNT CURRENT

FOR THE YEAR ENDING 30 JUNE, 1869.

ACCOUNT CURRENT OF THE COMMISSIONERS OF THE

Dr.

FOR THE YEAR ENDED

1869.		SECURITIES.			CASH.		
		£	s.	d.	£	s.	d.
Jan. 11	<p>"NEW ZEALAND LOAN ACT, 1860,"— Securities as follows received from Trustees (W. Gisborne and J. Woodward, Esquires)— New Zealand Government 7 and 8 per cent. Debentures, due 31 Dec., 1868— Nos. 55 to 59, of 1866 £4,197 19 1 Nos. 66 to 68, of 1867 12,900 0 0 with Coupons attached, due 30 June and 31 December, 1868 Treasury Bills, due 30 June, 1869— Nos. 84 to 91 £4,000 0 0 Nos. 516 to 519 400 0 0 Nos. 521 to 557 3,700 0 0 Nos. 962 to 966 250 0 0 8,350 0 0 Bank of New Zealand Fixed Deposit Receipt, No. 13,681, due 31 Dec., 1868 32 9 8 25,480 8 9</p>						
" "	<p>"WELLINGTON LOAN ACT, 1862," No. 11,— Securities and cash as follows received from Trustees (W. Dorset and C. J. Pharazyn, Esquires)— Lot Cross mortgage, due 30 June, 1870 £200 0 0 J. Holliday " 2 Dec., 1869 500 0 0 R. B. Leatham (since paid off) ... 350 0 0 John Gell due 1 Jan., 1873 300 0 0 John Gell " 1 July, 1870 150 0 0 H. W. and J. London " 1 Sept., 1866 300 0 0 F. Smith " 1 July, 1870 400 0 0 J. F. E. Wright " 1 Oct., 1871 500 0 0 R. Sutcliffe " 1 Jan., 1868 200 0 0 W. Tonks, jun. " 1 " 1870 500 0 0 F. Bradey " 1 April, 1870 150 0 0 J. T. Hooper " 1 Oct., 1871 200 0 0 W. C. Wybourne " 6 April, 1870 200 0 0 T. Benton (since paid off) ... 200 0 0 Edwin Stafford due 6 mos. notice 500 0 0 D. McKenny " 1 Jan., 1872 200 0 0 David Hart " 1 " 1870 200 0 0 M. A. Kennedy " 1 Oct., 1869 600 0 0 5,650 0 0 Uninvested balance 240 18 0</p>						
" "	<p>"WELLINGTON LOAN ACT, 1866," No. 3,— Securities and cash as follows received from Trustees (W. Dorset and C. J. Pharazyn, Esquires)— R. Rowe mortgage, due 1 Jan., 1871 £250 0 0 J. Crowther " 1 April, 1872 150 0 0 R. Robinson " 1 July, 1873 250 0 0 T. Robinson " 1 April, 1873 150 0 0 800 0 0 Uninvested balance 236 0 0</p>						
" "	<p>"WELLINGTON LOAN ACT, 1862," No. 11,— Interest received on the following mortgages— M. A. Kennedy ... for £600, to 10 Jan. £15 0 0 " 12 J. F. E. Wright ... for 500, to 1 " 12 10 0 " 15 F. Smith ... for 400, to 1 " 20 0 0 ... 47 10 0</p>						
" 18	<p>"WELLINGTON LOAN ACT, 1866," No. 3,— Interest received on J. Crowther's mortgage for £150, to 1 Jan. ... 3 15 0</p>						
" 20	<p>"WELLINGTON LOAN ACT, 1862," No. 11,— Interest received on the following mortgages— W. C. Wybourne ... for £200, to 1 Jan. £5 0 0 Lot Cross ... for 200, to 10 Jan. 5 0 0 John Gell ... for 450, to 1 Jan. 11 5 0 ... 21 5 0</p>						
	Carried forward	£31,930			£549	8	0

PUBLIC DEBTS SINKING

Dr.

ACCOUNT CURRENT OF THE COMMISSIONERS OF

1869.						SECURITIES.			CASH.		
						£	s.	d.	£	s.	d.
		Brought forward	...	...	...	31,930	8	9	549	8	0
Feb. 3		"AUCKLAND LOAN ACT, 1863,"— Securities as follows received from His Honor the Superintendent as Trustee, per D. Pollen, Esquire, 22nd January,—									
		Robert Patterson	...	mortgage, due 14 Mar., 1868	£500	0	0				
		Remuera Chapel Trustees	"	" 14 " 1868	1,000	0	0				
		S. H. Smith	"	" 30 April, 1871	500	0	0				
		S. H. Smith	"	" 30 " 1871	500	0	0				
		B. N. Manley	"	" 30 July, 1867	500	0	0				
		David Arthur	"	" 17 Oct., 1867	500	0	0				
		J. Newman	"	" 11 Mar., 1868	600	0	0				
		Samuel Cochrane	"	" 11 April, 1868	1,000	0	0				
		Samuel Cochrane	"	" 22 July, 1868	400	0	0				
		John Graham	"	" 22 " 1868	3,000	0	0				
		A. Buckland	"	" 20 June, 1867	1,000	0	0				
		A. Buckland	"	" 9 July, 1867	2,000	0	0				
		A. Buckland	"	" 25 " 1867	2,000	0	0				
		Combes and Daldy	"	" 29 Nov., 1869	1,500	0	0				
		Henry Hill	"	" 21 May, 1870	1,050	0	0				
		John Hall	"	" 14 July, 1870	1,000	0	0				
		George Graham	...	(since paid off) ...	2,000	0	0				
						19,050	0	0			
" 3		"AUCKLAND LOAN ACT, 1863,"— Amount of George Graham's mortgage received				£2,000	0	0			
		Interest thereon to	...	22 Jan.	35	1	4		2,035	1	4
" "		"WELLINGTON LOAN ACT, 1862," No. 3,— Interest received on D. McKenny's mortgage for £200 to 1 Jan., 1869							6	5	0
" 9		"AUCKLAND LOAN ACT, 1863,"— Interest received on B. N. Manley's mortgage for £500 to 30 Jan., 1869							12	10	0
" 11		"WELLINGTON LOAN ACT, 1862," No. 3,— Interest received on D. Hart's mortgage for £200 to 1 Jan., 1869							5	0	0
" 20		"AUCKLAND LOAN ACT, 1863,"— Interest received on Combes and Daldy's mortgage for £1,500 ... to 19 Nov., 1868							75	0	0
" 26		"WELLINGTON LOAN ACT, 1862," No. 3,— Amount of T. Benton's mortgage received				£200	0	0			
		Interest thereon	...	to 31 Mar., 1869	8	2	2				
		Amount of R. B. Leatham's mortgage received	...		350	0	0				
		Interest thereon	...	to 31 Dec., 1868	17	10	0				
		Interest received on H. W. and J. London's mortgage for £300 ... to 12 Mar., 1869	...		15	0	0		590	12	2
Mar. 1		"AUCKLAND LOAN ACT, 1863,"— Amount of Uninvested Balance in the hands of His Honor the Superintendent, Trustee, received							1,737	14	5
" 8		Amount of Uninvested Balance in the hands of E. B. Cargill and J. Jones, Esquires, Trustees for the Otago Sinking Funds, received on account of—									
		" OTAGO LOAN ORDINANCE, 1861-2 "	...		£2,015	9	7				
		" OTAGO LOAN ORDINANCE, 1862 " ...	...		4,289	2	10				
		" OTAGO HARBOUR LOAN ORDINANCE, 1862 " ...	...		444	16	7				
		" OTAGO PUBLIC BUILDINGS LOAN ORDINANCE, 1862 " ...	...		260	19	4		7,010	8	4
Mar. 30		"NEW ZEALAND LOAN ACT, 1860,"— Amount of New Zealand Government Debentures, due 31 Dec., 1868, as <i>per contra</i> received				£17,097	19	1			
		Interest thereon, due	...	30 June 1868	619	8	4				
		Interest thereon, due	...	31 Dec. 1868	619	8	4				
		Interest received on £619 8s. 4d., from 30 June to 31 Dec., 1868	...		15	9	8				
		Interest received on Treasury Bills for £8,350, to 31 Dec. 1868	...		256	1	4		18,608	6	9
" 31		"WELLINGTON LOAN ACT, 1866," No. 11,— Interest received on R. Robinson's mortgage for £250, to 1 April, 1869							14	1	3
		"WELLINGTON LOAN ACT, 1862," No. 3,— Interest received on Lot Cross's mortgage for £200, to 10 April 1869							5	0	0
Apr. 2		"WELLINGTON LOAN ACT, 1866," No. 11,— Interest received on T. Robinson's mortgage for £150, to 1 April, 1869							3	15	0
		Carried forward	...	...	...	£50,980	8	9	£30,653	2	3

FUNDS ACCOUNT CURRENT.

17 B.—No. 11.

THE PUBLIC DEBTS SINKING FUNDS—continued.

CR.

1869.		SECURITIES.			CASH.		
		£	s.	d.	£	s.	d.
	Brought forward ... ..	...			...
Feb. 3.	"AUCKLAND LOAN ACT, 1863," George Graham's mortgage paid off, as <i>per contra</i>	2,000	0	0			
" 26	"WELLINGTON LOAN ACT, 1862," No. 3,— T. Benton's mortgage paid off, as <i>per contra</i> £200 0 0 R. B. Leatham's mortgage paid off, as <i>per contra</i> 350 0 0	550	0	0			
Mar. 30	"NEW ZEALAND LOAN ACT, 1860,"— New Zealand Government Debentures, due 31 Dec. 1868, as follows, paid, as <i>per contra</i> ,— Nos. 55 to 59 of 1866 £4,197 19 0 Nos. 66 to 68 of 1867 12,900 0 0 Amount paid to Public Account Bank of New Zealand, pursuant to award of the Commissioners of 15th March Amount invested in Treasury Bill No. 19, for £8,650, due 30 Sept. 1870	17,097	19	1			
	Carried forward	£19,647	19	1	£18,641	6	2

Dr. ACCOUNT CURRENT OF THE COMMISSIONERS OF

1869.		SECURITIES.			CASH.		
		£	s.	d.	£	s.	d.
	Brought forward	50,980	8	9	30,653	2	3
April 5	" WELLINGTON LOAN ACT, 1862," No. 3,— Interest received on M. A. Kennedy's mortgage for £600, to 10 April, 1869	...			15	0	0
" 19	" NEW ZEALAND LOAN ACT, 1860,"— Amount in deposit, Bank of New Zealand, due 31 Dec. 1868, withdrawn £32 9 8 Interest thereon 0 9 9	...			32	19	5
" "	" WELLINGTON LOAN ACT, 1862," No. 3,— Amount of Interest paid to A. de B. Brandon on T. Benton's mortgage for £200, to 1 Oct. 1867, received £3 1 4	...					
" 22	Interest received on Edwin Stafford's mortgage for £500 to 1 April, 1869 12 10 0	...			15	11	4
" "	" AUCKLAND LOAN ACT, 1863,"— Amount of A. Buckland's mortgage, due 25 July, 1867, received £2,000 0 0 Interest thereon to 15 April, 1869 144 13 2	...			2,144	13	2
" "	HART AND BUCKLEY, Solicitors,— Amount received on their account from A. Buckland, being fees on release of mortgage ... ..	...			5	6	10
" "	" NEW ZEALAND LOAN ACT, 1860,"— Received Treasury Bill, No. 19, issued 15 March, 1869, due 30 September, 1870, for £8,650 invested 30 March	8,650	0	0			
" 24	" WELLINGTON LOAN ACT, 1862, No. 11,— Interest received on the following mortgages,— W. C. Wybourne, for £200 to 1 April £5 0 0	...					
" 26	J. F. E. Wright " 500 to 1 April 12 10 0	...					
" 29	J. T. Hooper " 200 to 1 January 5 0 0	...					
" 30	J. Gell " 450 on account 11 5 0	...			33	15	0
" "	" WELLINGTON LOAN ACT, 1866," No. 3,— Interest received on J. Crowther's mortgage for £150, to 1 January ...	...			3	15	0
May 4	" WELLINGTON LOAN ACT, 1862," No. 11,— Interest received on the following mortgages,— F. Bradey, for £150, on account £15 0 0 D. McKenny, " £200, to 1 April 6 5 0	...			21	5	0
" 8	Received Bank of New Zealand Deposit Receipt, dated 8 May, 1869, for £14,200, deposited for three months at three per cent. per annum, on account of the Sinking Funds of the following Loans,— " AUCKLAND LOAN ACT, 1863 " £6,000 0 0 " WELLINGTON LOAN ACT, 1862," No. 11 945 0 0 " WELLINGTON LOAN ACT, 1866," No. 3 255 0 0 " OTAGO LOAN ORDINANCE, 1861-2 " 2,015 0 0 " OTAGO LOAN ORDINANCE, 1862 " 4,285 0 0 " OTAGO HARBOUR LOAN ORDINANCE, 1862 " 440 0 0 " OTAGO PUBLIC BUILDINGS LOAN ORDINANCE, 1862 " 260 0 0	14,200	0	0			
" 13	Received from E. B. Cargill, Esq., Trustee, New Zealand Government 7 per cent. Debentures, Nos. 63 to 65 of 1867, due 31 Dec. 1868, amounting to £11,996 11s. on account of " OTAGO LOAN ORDINANCE, 1861-2 " £1,721 11 0 " OTAGO LOAN ORDINANCE, 1862 " 10,275 0 0	11,996	11	0			
" "	Received from E. B. Cargill, Esq., Trustee, New Zealand Government 8 per cent. Debentures, Nos. 11 and 12 of 1866, due 31 Dec. 1868, amounting to £1,933 5s. 10d., on account of " OTAGO LOAN ORDINANCE, 1861-2 " £62 3 7 " OTAGO LOAN ORDINANCE, 1862 " 371 2 3 " OTAGO HARBOUR LOAN ORDINANCE, 1862 " 1,500 0 0	1,933	5	10			
" "	" OTAGO HARBOUR LOAN ORDINANCE, 1862,"— Received from E. B. Cargill, Esq., Trustee, Otago Public Buildings Loan Debentures, Nos. 712 and 741 to 800, sixty-one Debentures at £25 each, due 1 Oct., 1875	1,525	0	0			
	Carried forward	£89,285	5	7	£32,925	8	0

FUNDS ACCOUNT CURRENT.

19 B.—No. 11.

THE PUBLIC DEBTS SINKING FUNDS—*continued.*

Cr.

1869.		SECURITIES.			CASH.		
		£	s.	d.	£	s.	d.
	Brought forward	19,647	19	1	18,641	6	2
April 19	"NEW ZEALAND LOAN ACT, 1860,"— Bank of New Zealand fixed deposit, due 31 Dec. 1868, paid, <i>as per contra</i>	32	9	8			
" "	"WELLINGTON LOAN ACT, 1862," No. 3,— Amount of interest overpaid by T. Benton, to 31st March, 1869, refunded	...			5	15	4
" 22	"AUCKLAND LOAN ACT, 1863,"— A. Buckland's mortgage, due 25 July, 1867, paid off, <i>as per contra</i> ...	2,000	0	0			
May 8	Bank of New Zealand, Wellington, £14,200, placed in deposit for three months at three per cent. per annum, on account of the Sinking Funds of the following Loans,— "AUCKLAND LOAN ACT, 1863" £6,000 0 0 "WELLINGTON LOAN ACT, 1862," No. 11 945 0 0 "WELLINGTON LOAN ACT, 1866," No. 3 255 0 0 "OTAGO LOAN ORDINANCE, 1861-2," 2,015 0 0 "OTAGO LOAN ORDINANCE, 1862" 4,285 0 0 "OTAGO HARBOUR LOAN ORDINANCE, 1862" 440 0 0 "OTAGO PUBLIC BUILDINGS LOAN ACT, 1862" 260 0 0 14,200 0 0						
	Carried forward	£21,680	8	9	£32,847	1	6

DR.

ACCOUNT CURRENT OF THE COMMISSIONERS OF

1869.		SECURITIES.			CASH.		
		£	s.	d.	£	s.	d.
	Brought forward	89,285	5	7	32,925	8	0
May 13	Received from E. B. Cargill, Esq., (Trustee), Otago Harbour Loan Debentures, due 1 Nov. 1874, as follows,—						
	Nos. 82 to 96 = 15 at £100	£1,500	0	0			
	Nos. 225 to 232 = 8 "	800	0	0			
	Nos. 126 to 145 = 20 "	2,000	0	0			
	Nos. 417 to 439 = 23 at £50	1,150	0	0			
	Nos. 451 to 500 = 50 "	2,500	0	0			
	Nos. 601 to 611 = 11 "	550	0	0			
	Nos. 635 to 650 = 16 "	800	0	0			
	Nos. 701 to 740 = 40 "	2,000	0	0			
		£11,300	0	0			
	On account of—						
	" OTAGO LOAN ORDINANCE, 1861-2 "	£3,221	4	10			
	" OTAGO LOAN ORDINANCE, 1862 "	6,420	12	2			
	" OTAGO HARBOUR LOAN ORDINANCE, 1862, "	108	3	0			
	" OTAGO PUBLIC BUILDINGS LOAN ORDINANCE, 1862 "	1,550	0	0			
		11,300	0	0			
" "	Received from E. B. Cargill, Esq. (Trustee), Corporation City of Dunedin, mortgage No. 17, due 22 Nov. 1874, for £3,300 on account of—						
	" OTAGO HARBOUR LOAN ORDINANCE, 1862 "	£1,650	0	0			
	" OTAGO PUBLIC BUILDINGS LOAN ORDINANCE, 1862 "	1,650	0	0			
		3,300	0	0			
" "	" OTAGO LOAN ORDINANCE, 1862 "—						
	Received from E. B. Cargill, Esq. (Trustee), the following securities,—						
	Dunedin Waterworks Debentures, Nos. 21 to 50 and 71 to 90, due 31 Jan. 1877	£5,000	0	0			
	Corporation City of Dunedin, mortgage No. 19, due 1 July, 1898	3,300	0	0			
		8,300	0	0			
" 15	" WELLINGTON LOAN ACT, 1862, " No. 11.						
	Interest received on D. Hart's mortgage for £150, to 1 April				5	0	0
" "	" AUCKLAND LOAN ACT, 1863, "—						
	Interest received on B. N. Manley's mortgage for £500, to 30 April, 1869				12	10	0
" 27	" WELLINGTON LOAN ACT, 1866, " No. 3,—						
	Interest received on R. Robinson's mortgage for £250, to 1 July, 1869				6	5	0
June 16	" AUCKLAND LOAN ACT, 1863, "—						
	Amount of Combes and Daldy's mortgage, received	£1,500	0	0			
	Interest thereon to 1 June, 1869	76	4	8			
					1,576	4	8
" "	HART AND BUCKLEY, Solicitors,—						
	Amount received on their account from Combes and Daldy, being fees on release of mortgage				1	11	6
" 30	Received payment of the under-mentioned New Zealand Government 7 per cent. Debentures, due 31 Dec. 1868,—						
	Nos. 63 to 65, of 1867	£11,996	11	0			
	Interest to 30 June, 1869	730	5	9			
		£12,726	16	9			
	On account of—						
	" OTAGO LOAN ORDINANCE, 1861-2, "—						
	Debentures	£1,721	11	0			
	Interest	104	15	11			
		£1,826	6	11			
	" OTAGO LOAN ORDINANCE, 1862, "—						
	Debentures	£10,275	0	0			
	Interest	625	9	10			
		10,900	9	10			
" "	Received payment of the under-mentioned New Zealand Government 8 per cent. Debentures, due 31 Dec. 1868,—						
	Nos. 11 and 12 of 1866	£1,933	5	10			
	Interest to 30 June, 1869	127	11	11			
		£2,060	17	9			
	On account of—						
	" OTAGO LOAN ORDINANCE, 1861-2, "—						
	Debentures	£62	3	7			
	Interest	4	2	1			
		£66	5	8			
	Carried forward	£66	5	8	£112,185	5	7
					£47,253	15	11

FUNDS ACCOUNT CURRENT.

21 B.—No. 11.

THE PUBLIC DEBTS SINKING FUNDS—continued.

Cr.

1869.		SECURITIES.			CASH.		
		£	s.	d.	£	s.	d.
	Brought forward	21,680	8	9	32,847	1	6
June 16	“AUCKLAND LOAN ACT, 1863,”— Combes and Daldy’s mortgage, due 29 Nov. 1868, paid off, as <i>per contra</i>	1,500	0	0			
June 30	New Zealand Government 7 per cent. Debentures for £11,996 11s. paid, as <i>per contra</i> , on account of— “OTAGO LOAN ORDINANCE, 1861-2” £1,721 11 0 “OTAGO LOAN ORDINANCE, 1862” 10,275 0 0				11,996	11	0
” ”	New Zealand Government 8 per cent. Debentures for £1,933 5s. 10d., paid, as <i>per contra</i> , on account of— “OTAGO LOAN ORDINANCE, 1861-2” £62 3 7 “OTAGO LOAN ORDINANCE, 1862” 371 2 3 “OTAGO HARBOUR LOAN ORDINANCE, 1862” 1,500 0 0				1,933	5	10
	Carried forward	£37,110	5	7	£32,847	1	6

PUBLIC DEBTS SINKING

Dr. ACCOUNT CURRENT OF THE COMMISSIONERS OF

1869.						SECURITIES.	CASH.	
						£ s. d.	£ s. d.	
June 30	Brought forward					£66 5 8	112,185 5 7	47,253 15 11
	" OTAGO LOAN ORDINANCE, 1862,"—							
	Debentures					£371 2 3		
	Interest					24 9 10		
						395 12 1		
	" OTAGO HARBOUR LOAN ORDINANCE, 1862,"—							
	Debentures					£1,500 0 0		
	Interest					99 0 0		
						1,599 0 0		
							...	2,060 17 9
" "	" AUCKLAND LOAN ACT, 1863,"—							
	Interest received on A. Buckland's mortgage for £2,000,							
	to 9 Jan. 1869					£100 0 0		
	Interest on ditto for £1,000, to 20 June, 1869					100 0 0		
	Interest on John Hall's mortgage to 14 March, 1869					75 0 0		
						...	275 0 0	
Totals						£112,185 5 7	£49,589 13 8	

FUNDS ACCOUNT CURRENT.

23 B.—No. 11.

THE PUBLIC DEBTS SINKING FUNDS—*continued*.

CR.

						SECURITIES.	CASH.
						£ s. d.	£ s. d.
Brought forward	...	...	...	...	...	37,110 5 7	32,847 1 6
						37,110 5 7	32,847 1 6
Balances on 30th June, 1869, <i>vide</i> Statement appended—							
Securities held	...	...	...	...	...	75,075 0 0	
Cash in the Bank of New Zealand	...	...	...	...	...	...	16,742 12 2
TOTALS	...	...	...	...	...	£112,185 5 7	£49,589 13 8

PUBLIC DEBTS SINKING

STATEMENT of the BALANCES of SECURITIES and CASH in the hands of the COMMISSIONERS on 30 JUNE, 1869, held on account of each Loan.

LOAN.	CAPITAL DEBT OUTSTANDING.	SECURITIES.	CASH.	TOTALS.
	£	£ s. d.	£ s. d.	£ s. d.
"NEW ZEALAND LOAN ACT, 1860"	95,500	17,000 0 0	...	17,000 0 0
"AUCKLAND LOAN ACT, 1863"	38,750	19,550 0 0	1,868 13 7	21,418 13 7
"WELLINGTON LOAN ACT, 1862,"—No. 11	9,600	6,045 0 0	56 6 2	6,101 6 2
"WELLINGTON LOAN ACT, 1866,"—No. 3	13,500	1,055 0 0	12 11 3	1,067 11 3
"OTAGO LOAN ORDINANCE, 1861-2"	41,100	5,236 4 10	1,893 2 2	7,129 7 0
"OTAGO LOAN ORDINANCE, 1862"	145,500	19,005 12 2	11,300 4 9	30,305 16 11
"OTAGO HARBOUR LOAN ORDINANCE, 1862"	46,650	3,723 3 0	1,603 16 7	5,326 19 7
"OTAGO PUBLIC BUILDINGS LOAN ORDINANCE, 1862"	40,450	3,460 0 0	0 19 4	3,460 19 4
	431,050	75,075 0 0	16,735 13 10	91,810 13 10
SOLICITORS' FEES RECOVERED ... ..	...	...	6 18 4	6 18 4
TOTALS	431,050	75,075 0 0	16,742 12 2	91,817 12 2

STATEMENT shewing in detail the SECURITIES in the hands of the COMMISSIONERS on 30 JUNE, 1869.

	AMOUNTS.	TOTALS.
	£ s. d.	£ s. d.
TREASURY BILLS, DUE 30 JUNE, 1869,—		
Nos. 84 to 91 = 8 Bills at £500 each	4,000 0 0	
" 516 to 519 = 4 " 100 "	400 0 0	
" 521 to 557 = 37 " 100 "	3,700 0 0	
" 962 to 966 = 5 " 50 "	250 0 0	
TREASURY BILL, DUE 30 SEPT. 1870,—		
No. 19	8,650 0 0	17,000 0 0
OTAGO HARBOUR LOAN DEBENTURES, DUE 1 NOV. 1874,—		
Nos. 82 to 96 = 15 Debentures at £100 each	1,500 0 0	
" 126 to 145 = 20 " 100 "	2,000 0 0	
" 225 to 232 = 8 " 100 "	800 0 0	
" 417 to 439 = 23 " 50 "	1,150 0 0	
" 451 to 500 = 50 " 50 "	2,500 0 0	
" 601 to 611 = 11 " 50 "	550 0 0	
" 635 to 650 = 16 " 50 "	800 0 0	
" 701 to 740 = 40 " 50 "	2,000 0 0	11,300 0 0
OTAGO PUBLIC BUILDINGS LOAN DEBENTURES, DUE 1 OCT. 1875,—		
No. 712	25 0 0	
" 741 to 800 = 60 Debentures at £25 each	1,500 0 0	1,525 0 0
DUNEDIN WATERWORKS DEBENTURES, DUE 31 JAN. 1877,—		
Nos. 21 to 50 = 30 Debentures at £100 each	3,000 0 0	
" 71 to 90 = 20 " 100 "	2,000 0 0	5,000 0 0
CORPORATION CITY OF DUNEDIN MORTGAGES,—		
No. 17, due 22nd November, 1874	3,300 0 0	
" 19, due 1st July, 1898	3,300 0 0	6,600 0 0
MORTGAGES ON PRIVATE ESTATE,—		
AUCKLAND,—		
R. Patterson mortgage, due 14 March, 1868	£500 0 0	
Remuera Chapel Trustees " " "	1,000 0 0	
S. H. Smith " " 30 April, 1871	1,000 0 0	
B. N. Manley " " 30 July, 1867	500 0 0	
D. Arthur " " 17 Oct. 1867	500 0 0	
J. Newman " " 11 March, 1868	600 0 0	
Sam. Cochrane " " 11 April, 1868	1,000 0 0	
Ditto " " 22 July, 1868	400 0 0	
John Graham " " "	3,000 0 0	
A. Buckland " " 20 June, 1867	1,000 0 0	
Ditto " " 9 July, 1867	2,000 0 0	
Henry Hill " " 21 May, 1870	1,050 0 0	
John Hall " " 14 July, 1870	1,000 0 0	
	13,550 0 0	
Carried forward	£13,550 0 0	£41,425 0 0

FUNDS ACCOUNT CURRENT.

25 B.—No. 11.

						AMOUNTS.	TOTALS.
						£ s. d.	£ s. d.
Brought forward	...	...	...	...	...	13,550 0 0	41,425 0 0
WELLINGTON,—							
Lot Cross	mortgage, due 30 June, 1870	...	£200	0	0		
J. Holloway	" "	2 Dec. 1869	...	500	0	0	
J. Gell	" "	1 Jan. 1873	...	300	0	0	
Ditto	" "	1 July, 1870	...	150	0	0	
H. W. and J. London	" "	1 Sept. 1866	...	300	0	0	
F. Smith	" "	1 July, 1870	...	400	0	0	
J. F. E. Wright	" "	1 Oct. 1871	...	500	0	0	
R. Sutcliffe	" "	1 Jan. 1868	...	200	0	0	
W. Tonks, jun.	" "	1 Jan. 1870	...	500	0	0	
F. Bradey	" "	1 April, 1870	...	150	0	0	
J. T. Hooper	" "	1 Oct. 1871	...	200	0	0	
W. C. Wybourn	" "	6 April, 1870	...	200	0	0	
Edwin Stafford	" "	6 months' notice	...	500	0	0	
D. McKenny	" "	1 Jan. 1872	...	200	0	0	
David Hart	" "	1 Jan. 1870	...	200	0	0	
M. A. Kennedy	" "	1 Oct. 1869	...	600	0	0	
R. Rowe	" "	1 Jan. 1871	...	250	0	0	
J. Crowther	" "	1 April, 1872	...	150	0	0	
T. Robinson	" "	1 April, 1873	...	150	0	0	
R. Robinson	" "	1 July, 1873	...	250	0	0	
						5,900 0 0	
BANK OF NEW ZEALAND FIXED DEPOSIT RECEIPT, due 8 August, 1869						...	19,450 0 0
							14,200 0 0
							£75,075 0 0

STATEMENT of the Expense attending the Execution of the Powers vested in the Commissioners by "The Public Debts Sinking Funds Act, 1868," for the Year ended 30 June, 1869, made in compliance with the 6th Section of the Act.

Salary of Secretary and Accountant from 11 Nov. 1868, to 30 June, 1869	...	...	...	£ s. d.
The only other expense incurred is for legal advice, of which the account has not been received.				31 16 1

