

1893.
NEW ZEALAND.

ACCOUNTS

OF THE

PUBLIC TRUST OFFICE

FOR THE

YEAR ENDED 31ST DECEMBER, 1892.

Laid before the General Assembly in pursuance of Section 42 of "The Public Trust Office Act, 1872," as amended by "The Public Revenues Act, 1882," Section 15.

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WELLINGTON.

1893.

BALANCE-SHEET of the PUBLIC TRUST OFFICE for the Year ended 31st December, 1892.

Name of Account.	Balances on 1st January, 1892.		Transactions.		Balances on 31st December, 1892.	
	Cr.	Dr.	Cr.	Dr.	Cr.	Dr.
	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
Properties placed in the office (Wills No. 1 ..	98,738 14 11	..	217,848 4 9	91,761 10 10½	224,825 8 9½	..
Proceeds of estates specially invested (Wills No. 2 ..	68,646 14 2	..	66,613 12 10	38,613 15 7	96,845 11 5	..
Intestates' estates ..	111,925 9 4	..	149 10 0	112,074 19 4	..	..
Real estates ..	55,293 6 2	..	34,844 3 7½	33,177 9 11	56,959 19 10½	..
Lunatics' estates ..	7,910 16 7	..	950 1 8	396 3 4	8,464 14 11	..
Convicts' estates ..	12,277 19 0	..	10,215 17 2	6,106 8 0	16,387 8 2	..
Native reserves ..	8 3 6	..	1 10 0	1 13 9	7 19 9	..
West Coast Settlement Reserves ..	14,249 0 0	..	6,967 1 3	5,002 0 5	16,214 0 10	..
Special deposits ..	2,165 11 5	..	10,063 16 1	9,797 1 6	2,432 6 0	..
“Public Works Act, 1876,” sections 65 and 66 ..	12,434 13 2	..	10,408 4 11	8,168 9 1	14,674 9 0	..
Police Reward Fund ..	173 1 9	..	..	0 6 0	172 15 9	..
“Public Works Act, 1882,” sections 64 and 65 ..	1,540 18 3	..	89 13 6	64 12 8	1,565 19 1	..
“Public Works Act, 1882,” section 151 ..	279 17 9	..	583 13 11	41 4 4	822 7 4	..
Native Land Court Act ..	48 7 11	..	..	..	48 7 11	..
“Rating Act, 1876,” section 63 ..	17 6 0	..	..	..	17 6 0	..
“Rating Act 1876 Amendment Act, 1879,” section 4 ..	453 9 10	..	22 6 4	33 4 2	442 12 0	..
“Rating Act, 1882” ..	110 8 2	..	13 19 2	..	114 7 4	..
“Native Land Act Amendment Act, 1878,” section 13, No. 2 ..	3,508 3 6	..	416 10 8	502 4 0	3,422 10 2	..
“Native Land Act Amendment Act, 1882,” section 6 ..	150 13 9	..	116 19 2	7 6 11	260 6 0	..
“Native Land Act Amendment Act, 1883,” section 14 ..	6 6 0	..	..	..	6 6 0	..
“Shipping and Seamen's Act, 1877” ..	7,979 3 7	..	427 16 4	1,320 17 7	6,486 2 4	..
Permanent Militia Reward Fund ..	446 5 0	..	125 17 10½	115 13 10½	456 9 0	..
“Debtors and Creditors Act, 1876,” section 209 ..	1,117 5 9	..	57 5 5	15 1 6	1,159 9 8	..
“Harbours Act, 1878,” section 73 ..	2,590 2 10	..	20 8 0	2,079 3 3	531 7 7	..
“Destitute Persons Act, 1877,” sections 33 and 34 ..	5 7 5	..	..	..	5 7 5	..
“Industrial Schools Act, 1882” ..	1 12 7	..	..	1 12 7	..	..
“Civil Service Reform Act, 1886” ..	287 10 3	..	20 12 2	296 8 3	11 14 2	..
“Wellington Impounding Act, 1874” ..	4,369 6 5	..	2,633 12 2	626 8 3	6,976 10 4	..
Nelson Impounding Act ..	3 0 6	..	..	3 0 6	..	..
Trustees Relief Act ..	0 10 0	..	..	0 10 0	..	..
Auckland Hospital Reserves Act ..	347 17 4	..	13 17 7	..	361 14 11	..
Maori Real Estate Management Act ..	210 12 8	..	2,416 13 4	1,508 1 2	1,119 4 10	..
Supreme Court ..	2,321 2 8	..	6,749 19 0	3,063 14 4	6,007 7 4	..
Land Assurance Fund ..	10 0 0	..	3 18 0	13 18 0	..	..
Native 5-per-cents, Auckland ..	89,282 16 10	..	4,477 15 0	7,438 11 4	86,322 0 6	..
Native 10-per-cents, Wairarapa ..	2,444 12 3	..	97 15 2	..	2,542 7 5	..
Natives at Wellington ..	243 2 2	..	9 14 5	..	252 16 7	..
Native Equitable Owners Act ..	634 6 0	..	25 7 2	..	659 13 2	..
Railway Servants' Fund ..	45 11 5	..	..	..	45 11 5	..
General Investment Account ..	1,651 4 7	..	142 12 7	..	1,793 17 2	..
Returned Cheque Deposit Account ..	..	393,300 0 0	118,070 4 8	275,870 19 5	551,100 14 9	..
Consolidated Fund Account ..	2,423 9 1	111,925 9 4	112,074 19 4	149 10 0	..	..
Expenses Account ..	4,697 6 4	..	192 7 11	504 7 2	2,111 9 10	..
Interest Account ..	..	..	17,617 12 6	3,118 15 3	1,865 0 6	..
Suspense Account ..	2,386 17 2	..	31,243 2 5	20,449 18 4	..	..
“Bankruptcy Act, 1883” ..	4,816 3 4	..	1,761 0 10	3,967 19 4	129 18 8	..
Cash ..	2,414 6 9	17,920 8 6	2,279 2 4	1,721 3 7	5,974 2 1	..
Consolidated Fund Advance ..	..	..	232,294 13 5½	230,335 1 4½	..	15,960 16 5
Coal-miners' Relief Fund ..	..	..	413 4 11	1,000 0 0	1,414 6 9	..
Deficiency in Realisation of Mortgage Securities ..	132 11 11	124 3 5	1,717 7 9	2 4 5	411 0 6	1,800 0 0
Guarantee Fund ..	..	..	20 4 8	3,393 4 4	..	..
Defence Act ..	..	..	220 0 0	132 11 11	19 2 8	..
New Lease Deposit (“The West Coast Settlement Reserves Act, 1892”) ..	523,270 1 3	523,270 1 3	894,121 10 0½	1 2 0	220 0 0	568,861 11 2

PUBLIC TRUST OFFICE EXPENSES ACCOUNT.
RECEIPTS and DISBURSEMENTS for the Year ended 31st December, 1892.

Public Trust Office,—				£	s.	d.	£	s.	d.
To Balance on 1st January, 1892				4,697	6	4			
Commission and charges received	..	..	..	4,445	7	9	800	0	0
Exchange on cheques	..	..	..	2	11	3	500	0	0
Profit on purchasing mortgage	..	..	..	75	0	0	337	10	0
Commission on stamps bought	..	..	..	1	15	6	87	10	0
Net rent received from temporary leasing of land at Katikati	..	..	..	69	9	9	210	0	0
Amount transferred from Interest Account during the year	..	..	..	6,177	7	7	240	0	0
				10,771	11	10	52	10	0
Refund of value of stamps on unused cheques	..	..	..	35	13	8	226	5	0
Refund of expenditure incurred on behalf of an estate	..	..	..	17	10	0	33	6	8
Refund of an overcharge in Royal Commission Accounts	..	..	..	22	19	0	45	0	0
Valuation-fees received	..	..	..	46	0	6	167	10	0
Refund on account of one telephone	..	..	..	2	10	0	107	10	0
Refund of costs re Maria Guard	..	..	..	1	4	6	107	10	0
Sundry refunds	..	..	..	6	13	5	115	0	0
				1,000	0	0	78	15	0
Advance from Treasury	..	..	..	1,000	0	0	82	10	0
							103	0	0
							206	5	0
							41	5	0
							174	3	4
							136	4	0
							3,851	14	0
C. D. de Castro (January and February, 1892)							66	13	4
J. C. Mognie, three months' salary on retirement							87	10	0
R. J. Buckland, amount paid on retirement							60	0	0
							214	3	4
Clerical assistance							489	9	9
Commission paid to agents							1,149	6	6
Exchange on remittances							46	12	2
Stationery, printing, and office requisites							820	3	7
Travelling-expenses							32	7	2
Postages, &c.							24	10	7
Refunds of commission							118	9	11
Legal charges							38	1	4
Rent, head office							400	0	0
Rent, agencies							70	0	0
Advertising							239	6	10
Gas and coal							24	9	4
Office-cleaning							41	1	6
Auditing accounts							240	0	0
General Post Office, postages							150	0	0
General Post Office, services							300	0	0
Agent-General, contribution towards cost of services of Agent-General's office							62	10	0
Salaries paid to agents							26	2	0
Carried forward							4,272	10	8
							4,065	17	4

PUBLIC TRUST OFFICE EXPENSES ACCOUNT—continued.

[illegible]

"CIVIL SERVICE REFORM ACT, 1886."

“CIVIL SERVICE REFORM ACT, 1886.”

[illegible]

INTEREST ACCOUNT for the Year ended 31st December, 1892.										Cr.		
										£	s.	d.
To Interest on Government securities ..	..	..	..	9,960	2	7	..	..	..	25,001	18	4
Interest on mortgages ..	..	..	..	15,965	8	1	..	..	..	63	16	6
Interest on Kalhu Valley Railway debentures ..	..	..	..	1,100	0	0	..	..	..	6,177	7	7
Interest on bank fixed deposits ..	..	..	..	3,022	2	4	..	..	..
Interest added by bank to current account ..	..	..	..	405	8	6	..	..	..
Interest on Dunedin Corporation bonds ..	..	..	..	50	0	0	..	..	..
Interest on Borough of South Invergargill debentures ..	..	..	..	60	0	0	..	..	..
Interest on Masterton Borough debentures ..	..	..	..	26	9	4	..	..	..
Interest transferred from Civil Service Reform Act Account ..	..	..	..	165	2	3	..	..	..
Interest on sundries ..	..	..	..	21	8	9	..	..	..
Dividends on shares ..	..	..	..	467	0	7	..	..	..
							31,243	2	5			
										</		

DR.		CONSOLIDATED FUND ACCOUNT for the Year ended 31st December, 1892.				CR.	
1892.		£	s.	d.	£	s.	d.
Jan. 1.	By Balance at credit of intestate estates unclaimed for six years	3,118	15	3	..	3,118	15 3
Mar. 31.	Balance at credit, section 65, "Public Works Act, 1876," unclaimed six years	0	6	0	..	2,117	7 8
	Balance at credit, "Debtors and Creditors Act, 1876," unclaimed for six years	2,079	3	3	..	698	13 3
	Balance at credit, "Destitute Persons Act, 1877," unclaimed for six years	1	12	7	..		
	Balance at credit, "Nelson Impounding Act, 1861," unclaimed for six years	0	10	0	..		
	Balance at credit, "Wellington Impounding Act, 1874," unclaimed for six years	3	0	6	..		
	Balance at credit of deceased seamen's estates unclaimed six years	32	15	4	..		
Dec. 30.	Balance at credit of intestate estates unclaimed for six years	698	13	3	..		
						5,934	16 2
						<u>£5,934</u>	<u>16 2</u>

SECURITIES held by the PUBLIC TRUST OFFICE on the 31st December, 1892.

	Nominal Value.			Cost Price.		
	£	s.	d.	£	s.	d.
Treasury bill No. 6	59,000	0	0	59,000	0	0
Treasury bill No. 12	129,400	0	0	129,400	0	0
Treasury bill No. 17	10,000	0	0	10,000	0	0
Treasury bill No. 18	14,000	0	0	14,000	0	0
Consolidated stock debentures 920 and 921	10,000	0	0	10,000	0	0
Consolidated stock debenture 835	10,400	0	0	10,400	0	0
Consolidated stock debenture 841	11,000	0	0	11,000	0	0
Government Loans to Local Bodies, debenture 713	1,000	0	0	1,000	0	0
Borough of South Invercargill Loan, debentures 11 to 20	1,000	0	0	1,000	0	0
Borough of Masterton Loan, debentures 1 and 2	200	0	0	200	0	0
Immigration and Public Works Loan, 1870, debentures 4 to 11	800	0	0	672	0	0
City of Dunedin Mortgage Bonds, 552 to 555	200	0	0	228	0	0
Dunedin Waterworks Loan, debentures 1137 and 1143	100	0	0	104	0	0
Dunedin Waterworks Loan, debentures 1032, 1033, 1044, 1074, and 1075	500	0	0	535	0	0
Kaihu Valley Railway Company (Limited), debentures 6 to 27	22,000	0	0	23,100	0	0
General Purposes Loan, 1873, debentures 32 to 35	400	0	0	340	0	0
General Purposes Loan, 1873, certificate 74	800	0	0	696	0	0
Wellington Trust, Loan, and Investment Company (Limited), shares certificate	70	0	0	81	15	0
Wellington Gas Company (Limited), shares certificate	300	0	0	300	0	0
Northern River Steam Navigation Company (Limited), shares certificate	87	10	0	87	10	0
National Bank of New Zealand (Limited), shares certificate	747	10	0	747	10	0
National Mortgage and Agency Company of New Zealand (Limited), shares certificate	182	0	0	182	0	0
New Zealand Loan and Mercantile Agency Company (Limited), shares certificate	185	0	0	185	0	0
Bank of New Zealand, fixed-deposit receipts	1,282	12	11	1,282	12	11
Union Bank of Australia	165	18	4	165	18	4
Mortgages	276,393	8	6	276,393	8	6
	£550,213	19	9	£551,100	14	9

J. K. WARBURTON, Public Trustee.

E. F. WARREN, Accountant.

Audited and found correct, except as stated in the report herewith.

JAMES EDWARD FITZGERALD,

Controller and Auditor-General.

Wellington, 21st January, 1893.

REPORT on the BALANCE-SHEET of the PUBLIC TRUST OFFICE for the Year 1892.

THIS balance-sheet has been examined and found correct except as regards the Investment Account, which is stated to amount to £551,100 14s. 9d. This includes the sum of £276,393 8s. 6d. of mortgage securities; but the sums for which the office holds security appear to be incorrectly stated in the following cases: (1.) The mortgage is for £400; but the property has been sold, and £145 remains on mortgage: £230 should be written off to deficiencies on realisation of mortgages. (2.) The mortgage is for £300; but the mortgage has been discharged. (3.) The mortgage is for £150, of which £50 has been repaid. (4.) The mortgage is for £6,807 8s. 3d.; but, part of the land having been sold, the value of the security is only £5,335 11s. 7d. (5.) The mortgage is for £350; but the property has been sold, and the mortgage discharged. (6.) The mortgage is for £2,567 13s. 8d. The estate is being sold in parcels. The value of the mortgage should be reduced by the amount of the sales. (7.) Mortgage for £400. Fifty pounds' worth of the property has been sold. The security is now for only £350. (8.) Mortgage for £150. The property has been sold on deferred payment. The value of the security is only £100.

There are mortgages in the office, amounting to £19,746 16s., which are not included in the investments. They consist of moneys lent by deceased persons whose estates have come into the Public Trustee's hands. Attention has been called to this in past years; but they are still omitted from the statement of investments, apparently without sufficient reason. Eight mortgages are included in the investments for which there are no deeds in the office, and for which receipts from solicitors or others in whose possession they are have not been submitted to the Audit.

I feel it my duty to call attention to the fact that the system of book-keeping adopted in the Trust Office under the present management throws a considerable amount of additional labour on the Audit Examiner as well as on the staff of the Trust Office itself, arising from the fact that loose unnumbered sheets of "statements of lodgments" are substituted for the ordinary cash-book in use in commercial institutions; and, notwithstanding that the labour of preparing such "statements" is imposed on the staff of the Post Office, there has been no saving in the work in or in the cost of the Trust Office itself. The increase in the value of properties coming into the Trust Office has been much less in 1892 than in some former years, whilst the staff employed in the office is larger, and the cost is not less than in former years.

Another objectionable feature in the accounts is that the totals of the transactions as shown in the balance-sheet are not to be found in the ledgers, but must be arrived at only after study of the accounts. This was not formerly the case.

24th February, 1893.

JAMES EDWARD FITZGERALD,
Controller and Auditor-General.*Minute on above Report.*

QUARTERLY totals of transactions appear in ledger summaries. The system of accounts now entails on the Public Trust Office Examiner and officials only a fraction of the labour of old methods. The saving of work and expense in accounting is too obvious for discussion: it is incredible that such is not Audit experience. The cash-book is perfect. The term "loose unnumbered sheets" is one of misapprehension, and misleading. Numbering is idle. The Post Office is employed instead of the Bank, and renders more valuable service, with half the work formerly imposed on the Bank. Properties under administration are more numerous and worth more. The services performed are of greater value. The business is larger and more efficiently conducted. Mortgages for loans by deceased persons are not, and should not appear as, Trust Office investments. Deeds are accounted for. A few in course of transmission must always be outstanding. Mortgages realised, or realising, form adjustments made by Accountant before the 31st March, 1893; but in the statement to the 31st December the investments are correctly subject to adjustment for the items except (6). Mr. FitzGerald, the Audit responsible, wrote to me about a year ago, respecting faults of the late management: "These matters seem to have been managed with no conception of what is necessary to secure the department from fraud."

J. K. WARBURTON, Public Trustee.

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