

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.

WELLINGTON.

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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.
Properties placed in the office (Wills No. 1 ..	98,738	14	11	217,848	4	9	91,761	10	10½
Proceeds of estates specially invested (Wills No. 2 ..	68,646	14	2	66,313	12	10	38,613	15	7
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
Lunatics' estates ..	7,910	16	7	950	1	8	396	3	4
Convicts' estates ..	12,277	19	0	10,215	17	2	6,106	8	0
Native reserves ..	8	3	6	1	10	0	1	13	9
West Coast Settlement Reserves ..	14,249	0	0	6,967	1	3	5,002	0	5
Special deposits ..	2,165	11	5	10,063	16	1	9,797	1	6
Public Works Act, 1876, sections 65 and 66 ..	12,434	13	2	10,408	4	11	8,168	9	1
Police Reward Fund ..	173	1	9	89	13	6	64	12	8
Public Works Act, 1882, sections 64 and 65 ..	1,540	18	3	279	17	9	41	4	4
Public Works Act, 1882, section 151 ..	279	17	9	583	13	11	..	..	..
Native Land Court Act ..	48	7	11	..	..	..	..	..	..
Rating Act, 1876, section 63 ..	17	6	0	..	..	..	..	..	..
Rating Act 1876 Amendment Act, 1879, section 4 ..	453	9	10	22	6	4	33	4	2
Rating Act, 1882 ..	110	8	2	13	19	2	..	..	..
Native Land Act Amendment Act, 1878, section 13, No. 2 ..	3,508	3	6	416	10	8	502	4	0
Native Land Act Amendment Act, 1882, section 6 ..	150	13	9	116	19	2	7	6	11
Native Land Act Amendment Act, 1883, section 14 ..	6	6	0	..	..	..	..	..	..
Shipping and Seamen's Act, 1877 ..	7,379	3	7	427	16	4	1,320	17	7
Permanent Militia Reward Fund ..	446	5	0	125	17	10½	115	13	10½
Debtors and Creditors Act, 1876, section 209 ..	1,117	5	9	57	5	5	15	1	6
Harbours Act, 1878, section 73 ..	2,590	2	10	20	8	0	2,079	3	3
Destitute Persons Act, 1877, sections 33 and 34 ..	5	7	5	..	..	..	..	..	..
Industrial Schools Act, 1882 ..	1	12	7	20	12	2	1	12	7
Civil Service Reform Act, 1886 ..	287	10	3	2	12	2	296	8	3
Wellington Impounding Act, 1874 ..	4,369	6	5	2,633	12	2	626	8	3
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	..	..	..
Maori Real Estate Management Act ..	210	12	8	2,416	13	4	1,508	1	2
Supreme Court ..	2,321	2	8	6,749	19	0	3,063	14	4
Land Assurance Fund ..	10	0	0	3	18	0	13	18	0
Native 10-per-cent, Auckland ..	89,282	16	10	4,477	15	0	7,438	11	4
Native 5-per-cent, Wairarapa ..	2,444	12	3	97	15	2	..	..	..
Natives at Wellington ..	243	2	2	25	7	2	..	..	..
Native Equitable Owners Act ..	634	6	0	..	..	..	..	..	..
Railway Servants' Fund ..	45	11	5	..	..	..	..	..	..
General Investment Account ..	1,651	4	7	142	12	7	..	..	..
Returned Cheque Deposit Account ..	..	..	..	118,070	4	8	275,870	19	5
Consolidated Fund Account ..	2,423	9	1	112,074	19	4	149	10	0
Expenses Account ..	3,118	15	3	192	7	11	504	7	2
Interest Account ..	4,697	6	4	17,617	12	6	3,118	15	3
Suspense Account ..	2,336	17	2	31,243	2	5	20,449	18	4
"Bankruptcy Act, 1883" ..	4,816	3	4	1,761	0	10	3,243	2	5
Cash ..	2,414	6	9	2,279	2	4	1,721	3	7
Consolidated Fund Advance ..	..	..	..	232,294	13	5½	230,335	1	4½
Coal-miners' Relief Fund ..	..	..	..	413	4	11	1,000	0	0
Deficiency in Realisation of Mortgage Securities ..	..	..	..	1,717	7	9	3,393	4	4
Guarantee Fund ..	132	11	11	20	4	8	132	11	11
Defence Act ..	..	..	..	..	..	..	..	..	..
New Lease Deposit ("The West Coast Settlement Reserves Act, 1892") ..	523,270	1	3	523,270	1	3	894,121	10	0½
	523,270	1	3	894,121	10	0½	568,861	11	2
							551,100	14	9
							15,960	16	5
							1,800	0	0
							220	0	0
							220	0	0

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

Dr.	£	s.	d.	Cr.	£	s.	d.
Brought forward	16,601	9	3	.. .. .	4,272	10	8
Public Trust Office—continued.				By Nightwatchman	3	0	0
Window-cleaning				Solicitor's license	4	4	0
Valuation-fees				Guarantees of agents	49	3	6
Binding vouchers				Directories and Gazette	4	0	0
Telephones				Fittings for agents' offices	8	12	6
Cablegram re Ogilvie's estate				Freight and cartage	13	15	3
Sundry expenditure				Refund of advance made by Treasury in 1891	1,000	0	0
				Refund of advance made by Treasury in 1892	1,000	0	0
				Amount of deficiency in realisation of mortgage securities appropriated .. .. .	..	..	..
				Balance of Expenditure re Royal Commission,—	226	17	0
				Transcribing and secretarial	349	0	0
				Payment for services of two Commissioners	39	18	0
				Rent	12	9	0
				Services of reporter	46	11	4
				Advertising	3	2	0
				Printing, &c.	87	2	2
				Balance of printing account	131	3	6
				Travelling-expenses	2	5	6
				Petty expenses .. .. .	..	..	..
				Native Reserves Branch,—	898	8	6
				By Salaries	629	17	9
				Commission paid	23	10	0
				Clerical assistance	653	7	9
				Expenses of Native members in attending Board .. .. .	..	..	..
				Stamping and registering leases .. .. .	..	..	..
				Postages .. .. .	..	..	..
				Commission refunded .. .. .	..	..	..
				Rubber-stamps and -type .. .. .	..	..	..
				West Coast Settlement Reserves Branch,—	456	5	3
				By Salaries	341	5	0
				Clerical assistance	273	2	11
				Advertising leases	0	17	6
				Office-cleaning	6	0	0
				Coal	1	8	10
				Interpreting "The West Coast Settlement Reserves Act, 1892"	8	8	0
				Carried forward	681	2	3
					18,093	0	8
					4,398	18	7
					2,000	0	0
					1,717	7	9
				
					226	17	0
					349	0	0
					39	18	0
					12	9	0
					46	11	4
					3	2	0
					87	2	2
					131	3	6
					2	5	6
				
					97	15	0
					282	9	10
					3	12	0
					34	4	4
					37	5	0
					0	7	1
					0	1	0
					0	11	0
				
					341	5	0
					273	2	11
					0	17	6
					6	0	0
					1	8	10
					8	8	0
					681	2	3
					18,536	17	5

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

Dr.	£	s.	d.	Cr.	£	s.	d.
Brought forward	18,038	0	8		631	2	3
				Brought forward	13,536	17	5
West Coast Settlement Reserves Branch—continued.							
By Translating "The West Coast Settlement Reserves Act, 1892," for the <i>Kahiti</i>					15	0	0
Travelling and special services of W. Williams, Tutangi, and Ngarangi in connection with "The West Coast Settlement Reserves Act, 1892"	484	18	11				
Travelling-expenses of Public Trustee	5	19	11				
Travelling-expenses of Valuator	4	4	0				
Legal services re "The West Coast Settlement Reserves Act, 1892"	200	14	4				
Translating "The West Coast Settlement Reserves Act, 1892"	20	0	0				
Expenses of shorthand-writer	5	10	6				
Hire of hall, &c.	4	5	0				
Travelling-expenses of W. Rennell	72	16	7				
Refund of fee on consent to lease	0	10	0				
Petty expenses	5	6	4				
					1,450	7	10

Canterbury District Agency,—
Nil. [Included in Expenditure Account.]

Canterbury District Agency,—							
By Salaries—							
District Agent	320	0	0				
Cadet	47	10	0				
Cost of railway ticket	15	0	0				
Travelling-expenses	2	16	10				
Stationery	1	10	6				
Telephone	7	10	0				
Rent	40	0	0				
Advertising	38	4	0				
Expenses in connection with transfer of Timaru Agency	3	17	8				
Expenses connected with agent's removal from Wellington to Christchurch	4	4	0				
Telegrams	0	5	2				
					475	18	2

Unauthorised,—
Nil.

Unauthorised,—							
By Compensation for loss of office,—							
J. C. Small	144	7	5				
J. C. Mognie	456	17	3				
Instalments of pension paid C. D. de Castro	129	7	6				
Compassionate allowance	16	13	4				
Amount paid to E. Edwards as assignee of W. Preston's estate	41	15	5				
					789	0	11
Balance					1,785	16	4
					£18,038	0	8

"CIVIL SERVICE REFORM ACT, 1886."
STATEMENT OF ACCOUNT for the Year ended 31st December, 1892.

DR.	£	s.	d.	£	s.	d.	CR.
To Balance on 1st January, 1892	4,369	6	5	£
Deductions from salaries for the year	2,279	15	8	s.
Refunds on account of J. A. Wilson	66	13	4	d.
Sundry refunds	16	13	5	£
Interest added to account	270	10	2	s.
	2,683	12	2	d.
	£7,002	18	7	£
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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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