

112. *Hon. Sir J. G. Ward.*] At the time, you went into detail and made an examination of everything?—Yes, into every item. I went with Mr. Piper, and Captain Wing told us what everything had cost; but when I asked him to show me proofs I never got them. He told me all sorts of things, and showed me nothing. I said to Captain Wing, "It would be a serious thing for you if the Government took the business over," and he said, "I sincerely hope they will, because I have another position to go to in the Northern Steamship Company's service." When I got to Auckland I made inquiries and asked Mr. Ranson if that was correct, and he told me "No."

113. *Hon. Mr. Hall-Jones.*] When you made your investigation you examined the steamers?—Yes.

114. And you took into account their class and age?—Yes.

115. Did you see all the wharves?—Yes.

116. And all the plant in connection with the company's business?—Yes.

117. After obtaining advice from local people as to the value of the wharves and other property you fixed a value for them of what you considered they were then worth?—Yes.

118. And the sum total of your valuation was the price paid by the Government?—Yes, and quite the value.

119. *The Chairman.*] Were the steamers, wharves, and everything concerned in good or bad condition?—Indifferent.

120. *Mr. Duthie.*] Frankton Wharf was new?—The Frankton Wharf was new, but it was sinking a bit, and has since had to be repaired. The crane had a cant to one side, and had to be straightened up. A good many things had been done, but not well done.

APPENDIX.

PROSPECTUS of the LAKE WAKATIPU SHIPPING COMPANY (LIMITED), (incorporated under "The Companies Act, 1882").

CAPITAL, £35,000, in 35,000 shares of £1 each, of which 15,000 are to be allotted to the vendors in part-payment of purchase-money; 5,000 are reserved for future issue to provide further working-capital (if required); and the balance of 15,000 shares is now offered to the public. Terms, 10s. per share on application, and 10s. per share on allotment.

PROVISIONAL DIRECTORS.—Captain E. T. Wing (managing director), Queenstown; Bendix Hallenstein, Esq., J.P., Messrs. Hallenstein Bros. & Co., Dunedin; James Douglas, Esq., J.P., surgeon, Frankton; Basil Sievwright, Esq., Messrs. Sievwright and James, Dunedin; Robert Hope Baird, Esq., runholder, Lake Hayes; Robert Lee, Esq., New Zealand Collieries, Railway, and Oil Syndicate (Limited), Dunedin; Alexander Burt, Esq., J.P., A. and T. Burt (Limited), Dunedin; Thomas R. Fisher, Esq., Standard Insurance Company, Dunedin; William Richard Cook, Esq., Messrs. Cook and Gray, Dunedin; Thomas Hicks, Esq., master mariner, Queenstown; Thomas Burton, Esq., Messrs. Burton and Patterson, Dunedin; Daniel McBride, Esq., runholder, Queenstown.

BANKERS.—The Bank of New Zealand.

SOLICITORS.—Messrs. Sievwright and James, 14, High Street, Dunedin.

BROKERS AND FINANCIAL AGENTS.—Edward Trythall, Esq., 1, Bond Street, Dunedin; Messrs. Barr, Leary, and Co., Dunedin and Wellington; Messrs. Quick and Smith, A.M.P. Buildings Dunedin; Messrs. Sievwright Bros. and Co., 14, High Street, Dunedin.

This company has been formed for the purpose of adopting and carrying into effect a deed of agreement, dated the 18th day of April, 1899, and made between the Lake Wakatipu Steam Shipping Company (Limited) of the one part, and Harry Shrimpton of the other part, whereby the Lake Wakatipu Steam Shipping Company (Limited) agrees to sell: (a) the Steamships "Mountaineer," "Ben Lomond," and "Antrim"; (b) bank deposit-receipts for £6,300; (c) the freehold property, slip, jetties, book debts, and all other the property of the company and the goodwill of the business of the company, and the benefit of all contracts of every description and kind, to a new company to be formed with the object of purchasing and working the said steamships and property, at the price of £30,000, payable as follows: £15,000 in cash and £15,000 in fully paid-up shares in the new company.

According to the audited balance-sheets, the earnings of the Lake Wakatipu Steam Shipping Company (Limited) for the four years ending the 31st January last amount to £12,670 14s. 8d. (see auditor's certificate hereunder) as follows: 31st January, 1896, £2,646 13s. 1d.; 31st January, 1897, £2,916 6s. 8d.; 31st January, 1898, £3,276 10s. 6d.; 31st January, 1899, £3,831 4s. 5d.: total, £12,670 14s. 8d.; less amount written off for depreciation, £1,962 5s.; leaving available, £10,708 9s. 8d. The above figures show a steady increase in the business of the present company, and that over 10 per cent. per annum is now being earned on a capital of £30,000.