

1904.  
NEW ZEALAND.

## ASSETS REALISATION BOARD:

BALANCE-SHEET FOR THE YEAR ENDED 31st MARCH, 1904, STATEMENT OF REALISATIONS,  
STATEMENT OF RECEIPTS AND EXPENDITURE, AND GENERAL MANAGER'S REPORT ON  
OPERATIONS FOR THE YEAR.

*Laid before Parliament in pursuance of Section 23 of "The Bank of New Zealand and  
Banking Act, 1895," and its Amendments.*

I, WILLIAM CALLENDER, the Auditor appointed under "The Bank of New Zealand and Banking Act, 1895," to audit the accounts of the Assets Realisation Board, do hereby certify:—

(1.) That I have carefully examined the attached balance-sheet marked "A," and initialled by me, and the attached statement marked "B," and initialled by me, and the accounts and other material whereon the same are based.

(2.) That the said balance-sheet and statement are correct in every particular, and truly and fully set forth the position of the Board at the date thereof, subject to the following observations: (a) All assets in the shape of landed property are taken at book value; (b) live and dead stock on the General Manager's valuation; (c) the amount shown to credit of Profit and Loss Account is not a cash balance, but is to a certain extent an adjustment of stock and produce values to correspond with market prices of the day. It also includes statutory payments received from the Bank of New Zealand, and is held as a set-off against deficiencies on realisations as explained by footnote on statement marked "B."

Wellington, 7th July, 1904.

W. CALLENDER,  
Chief Auditor.

### A.—BALANCE-SHEET AT 31st MARCH, 1904.

<i>Liabilities.</i>				<i>Assets.</i>			
	£	s.	d.		£	s.	d.
Total debentures issued in terms of "The Bank of New Zealand and Banking Act, 1895" ..	2,680,285	6	9	Stations ..	916,184	9	4
Since redeemed ..	880,285	6	9	Other freeholds ..	189,996	15	1
	£1,800,000	0	0	Other properties ..	162,638	11	5
Exchanged for new debentures in terms of "The Bank of New Zealand Act, 1903" ..	1,800,000	0	0	Amount paid in excess of Mr. Hean's valuation ..	54,507	0	0
New debentures issued in terms of "The Bank of New Zealand Act, 1903" ..	1,800,000	0	0	Balances due by purchasers ..	440,725	15	7
Produce Advance Account,—				Realisation Adjustment Account ..	181,668	7	11
Drafts drawn against shipments ..	28,079	0	0	Accrued Revenue Account ..	4,569	6	4
Bank of New Zealand,—				Cash Account ..	74	1	11
Including station overdrafts and credits ..	7,562	19	7	Sundry Assets ..	2,874	15	9
Sundry liabilities ..	6,230	1	6	Produce Consignment Account ..	32,709	0	0
Profit and Loss Account ..	144,076	2	3				
	£1,985,948	3	4		£1,985,948	3	4

We hereby certify that we have carefully examined the foregoing balance-sheet and statement, and also the accounts and other material whereon they are based, and that such balance-sheet and statement are correct in every particular, and truly and fully set forth the position of the Board at the date thereof.

W. C. CURFF, Accountant,  
Wellington, 6th July, 1904.

W. C.

GEO. TODD, Chairman.  
WALTER G. FOSTER, General Manager.

## B.—PROFIT AND LOSS ACCOUNT FOR TWELVE MONTHS ENDING 31ST MARCH, 1904.

	£	s.	d.		£	s.	d.
Transfer to Realisation Adjustment Account .. ..	134,387	12	7	Balance, 31st March, 1903 .. ..	134,387	12	7
Land and income tax .. £7,985 10 3				Net profit on stations .. ..	41,296	1	5
General charges .. 4,391 18 4				Revenue from freeholds and other properties,—			
	12,377	8	7	Rent .. .. £712 13 0			
Less land and income tax paid 1903 and 1904 on account of debenture-holders refunded by the bank .. ..	3,489	18	4	Interest .. .. 12,648 16 11			
					13,361	9	11
Interest on debentures .. ..	68,626	12	0	Deduct expenditure on account of properties ..	1,350	8	5
Interest to bank .. ..	6	3	3				
Revenue accrued—Reversal entry, 31st March, 1903 .. ..	3,069	10	7	Revenue accrued .. ..			
Balance .. ..	144,076	2	3	Exchange Account .. ..			
	£359,053	10	11	Bank of New Zealand,—			
				Payment in terms of Act £50,000 0 0			
				Additional payment .. 116,782 8 4			
					166,782	8	4
					£359,053	10	11

The balance of £144,076 2s. 3d. here shown represents the balance of the statutory payments by the bank after providing for debenture interest, and is a contra to the deficiency on realisations as shown in the balance-sheet as "Realisation Adjustment Account," and to be transferred to that account as at 1st April. The relative cash has been applied to the redemption of debentures.

Contingent Asset.			
Amount outstanding at 31st March, 1904, and due by Bank of New Zealand ..	£	s.	d.
	50,000	0	0
Amounts previously received under this head .. ..	£	s.	d.
Additional payment for 1902 .. ..	101,135	0	0
Additional payment for 1903 .. ..	116,782	8	4
	£667,917	8	4

W. C. CUFF, Accountant.

G. T.  
W. G. F.  
W. C.

## REALISATIONS FOR TWELVE MONTHS ENDING 31ST MARCH, 1904.

Property.	Area.	Sale Price.	Surplus.	Deficiency.	Book Cost.	Land-tax, plus 10 per Cent.
<i>Properties finally realised.</i>						
Auckland—	A. R. P.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
Puhekairunga Block .. ..	332 0 0	290 10 0	125 10 0	..	165 0 0	182 0 0
Lot 78 and Part 77, Hamilton East ..	1 3 0	180 0 0	..	52 0 0	482 0 0	264 0 0
Lot 75 and 76, Hamilton East .. ..	2 0 0	250 0 0	..	..	250 0 0	180 0 0
Okapako Block .. ..	330 0 0	412 10 0	162 10 0	..	180 0 0	99 0 0
Te Karamu A 2979A Block .. ..	180 0 0	180 0 0	..	..	180 0 0	..
Onehunga Ironworks .. ..	3 1 13	1,500 0 0	..	38,727 8 1	40,227 8 1	..
Maukoro Block .. ..	2,680 0 0	2,010 0 0	670 0 0	..	1,340 0 0	1,021 0 0
Part Lot 302, Kirikiriroa .. ..	10 1 12	6 7 0	..	..	..	..
Part Lot 302, Kirikiriroa .. ..	455 0 1	284 7 6	..	2,788 3 6	3,078 18 0	..
Section 14, Block 14, Waharoa .. ..	0 2 18-23	30 0 0	..	..	..	..
Section 14, Block 13, Waharoa .. ..	..	..	..	..	..	..
Part Section 8, Waharoa Extension ..	18 0 0	58 10 0	..	19,771 12 5	146,875 14 5	..
Section 8, Block 14, Waharoa .. ..	0 1 8-3	12 0 0	..	..	..	..
Part Paddock 27, Matamata .. ..	344 3 8	258 12 0	..	..	..	..
Matamata Estate (balance) .. ..	42,739 0 0	126,745 0 0	..	..	..	..
Tauranga—						
Section 16, Rangioru .. ..	476 0 0	3,808 0 0	..	13,621 18 10	33,133 18 10	..
Section 17, Rangioru .. ..	463 0 0	3,704 0 0	..	..	..	..
Ohauiti Estate .. ..	6,547 0 0	12,000 0 0	..	..	..	..
Canterbury—						
Lot 19, Southbridge .. ..	0 1 29½	10 0 0	..	10 0 0	20 0 0	20 0 0
Section 10, Waihaorunga .. ..	442 3 20	1,107 3 9	..	..	..	..
Rural Section 18847, Waihaorunga ..	50 0 0	150 0 0	..	..	..	..
Sections 23, 28, 34, 36, 38, and 39, Waihaorunga .. ..	3,162 2 0	16,603 2 6	..	..	..	..
Part Sections 4 and 5, and Sections 27, 30, 41, and 42, Waihaorunga .. ..	2,732 0 38	11,270 10 0	..	4,729 10 11	45,060 7 2	..
Sections 9, 21, 22, 24, 25, and 26, Waihaorunga .. ..	3,001 0 0	11,200 0 0	..	..	..	..
New Zealand Loan and Mercantile Agency Company, on account Belfast lands ..	..	55 19 2	..	1,059 3 8	1,115 2 10	..
<i>Properties partially realised.</i>						
Auckland—						
Lot 11, Section 74, Surrey Hills ..	40' x 132'	110 0 0	..	..	..	..
Lots 1-5, 29-30, Section 54, Surrey Hills ..	..	500 0 0	..	..	..	..
Lot 12, Section 74, Surrey Hills ..	40' x 132'	110 0 0	..	..	..	..
Lot 19, Section 38, Surrey Hills ..	38' 6" x 132'	105 17 6	..	..	..	..
Lot 16, Section 31, Surrey Hills ..	46' 10" x 133' 2"	105 7 6	..	..	..	..
Carried forward .. ..	..	193,057 16 11	958 0 0	80,759 17 5	271,928 9 4	..

## REALISATIONS FOR TWELVE MONTHS ENDING 31ST MARCH, 1904—continued.

Property.	Area.	Sale Price.	Surplus.	Deficiency.	Book Cost.	Land-tax, plus 10 per Cent.
	A. R. P.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
Brought forward .. ..	..	193,057 16 11	958 0 0	80,759 17 5	271,928 9 4	..
<i>Properties partially realised—continued.</i>						
<i>Auckland—continued.</i>						
Lot 7, Section 32, Surrey Hills ..	38' 9" x 132'	106 11 3	..	..	..	..
Lot 42, Section 75, Surrey Hills ..	33' 6" x 132'	133 15 0	..	..	..	..
Lot 3, Section 41, Surrey Hills ..	40' x 115' 6"	90 0 0	..	..	..	..
Lot 2, Section 83, Surrey Hills ..	40' x 115' 6"	130 0 0	..	..	..	..
Lot 21, Section 19, Surrey Hills ..	38' 6" x 132'	96 5 0	..	..	..	..
Lot 13, Section 17, Surrey Hills ..	52' x 115' 6"	130 0 0	..	..	..	..
Lot 22, Section 5, Surrey Hills ..	40' x 115' 6"	120 0 0	..	..	..	..
Lots 23 and 24, Section 18, Surrey Hills ..	77' x 132'	211 15 0	..	..	..	..
Section 6A, Waitoa .. ..	2 0 0	20 0 0	..	..	..	..
Section 42, Waitoa .. ..	301 3 38	1,585 10 0	..	..	..	..
Sections 37 and 38, Waitoa .. ..	508 3 14	2,671 8 0	..	..	..	..
Section 51, Waitoa .. ..	244 0 13	1,037 7 0	..	..	..	..
Paddock 34, Waitoa .. ..	711 2 27	3,914 5 0	..	..	..	..
Section 33, Waitoa .. ..	322 1 24	2,176 4 0	..	..	..	..
Section 37, Waitoa .. ..	802 2 10	1,605 2 6	..	..	..	..
Section 35, Waitoa .. ..	312 1 14	1,835 0 0	..	..	..	..
Sections 22 and 23, Waitoa .. ..	328 3 7	2,301 12 0	..	..	..	..
Section 36, Waitoa .. ..	380 3 10	1,999 5 6	..	..	..	..
Paddock 37A, Waitoa .. ..	869 0 38	2,825 0 0	..	..	..	..
Paddock 35, Waitoa .. ..	719 2 5	1,439 0 0	..	..	..	..
Section 40, Waitoa .. ..	377 3 7	1,889 0 0	..	..	..	..
Section 34, Waitoa .. ..	308 3 2	2,084 3 0	..	..	..	..
Section 17, Waitoa .. ..	188 0 30	1,223 4 0	..	..	..	..
Sections 1 and 2, Waitoa .. ..	21 1 32	160 17 6	..	..	..	..
Section 5, Hangawera .. ..	546 0 24	2,730 15 0	..	..	..	..
Section 13, Hangawera .. ..	318 3 38	1,515 4 0	..	..	..	..
Section 6, Hangawera .. ..	566 3 16	2,692 10 0	..	..	..	..
Part Section 7, Hangawera .. ..	10 1 18	49 4 6	..	..	..	..
Section 9, Hangawera .. ..	343 0 0	1,114 15 0	..	..	..	..
Section 4, Hangawera .. ..	461 2 24	2,077 8 6	..	..	..	..
Section 10, Hangawera .. ..	327 1 39	1,391 17 6	..	..	..	..
Section 12, Hangawera .. ..	299 2 3	898 11 0	..	..	..	..
Section 11, Hangawera .. ..	413 2 37	1,241 3 6	..	..	..	..
Sections 20-22, Motumaoho No. 2 ..	99 1 0	692 18 3	..	..	..	..
Section 1, Motumaoho No. 2 .. ..	232 2 32	1,163 10 0	..	..	..	..
Section 8, Motumaoho No. 2 .. ..	106 1 21	638 6 0	..	..	..	..
Section 9, Motumaoho No. 2 .. ..	87 3 13	614 17 0	..	..	..	..
Section 26, Motumaoho No. 2 .. ..	45 2 14	455 17 6	..	..	..	..
Section 2, Motumaoho No. 2 .. ..	138 3 8	694 0 0	..	..	..	..
Section 15, Motumaoho No. 2 .. ..	432 0 28	1,512 12 0	..	..	..	..
Part Section 19, Motumaoho No. 2 ..	10 0 0	125 0 0	..	..	..	..
Part Section 14, Kuranui .. ..	137 0 16	685 10 0	..	..	..	..
Part Section 3, Kuranui .. ..	291 2 0	947 7 6	..	..	..	..
Part Section 12, Kuranui .. ..	458 2 22	1,261 5 0	..	..	..	..
Part Sections 4 and 5, Kuranui ..	922 2 33	2,889 0 0	..	..	..	..
Part Section 2, Kuranui .. ..	274 1 24	1,646 8 0	..	..	..	..
Sections 168-170, Morrinsville ..	3 1 31.6	45 0 0	..	..	..	..
Sections 1 and 30, Morrinsville ..	1 0 0	60 0 0	..	..	..	..
Section 54, Morrinsville .. ..	0 0 36	40 0 0	..	..	..	..
Section 50, Morrinsville .. ..	0 1 16	40 0 0	..	..	..	..
Section 4, Morrinsville .. ..	0 2 0	20 0 0	..	..	..	..
Section 5, Morrinsville .. ..	0 2 0	27 10 0	..	..	..	..
Section 2, Morrinsville .. ..	0 2 0	20 0 0	..	..	..	..
Section 177, Morrinsville .. ..	1 0 38.7	40 0 0	..	..	..	..
Section 178, Morrinsville .. ..	1 0 38.7	50 0 0	..	..	..	..
Section 112, Morrinsville .. ..	0 1 14	80 0 0	..	..	..	..
Section 12, Waikato Coal Company's land	349 0 0	305 7 6	..	..	..	..
Sections 15 and 16, Waikato Coal Company's land	918 0 0	573 15 0	..	..	..	..
Sections 9, 11, and 26, Waikato Coal Company's land	1,282 0 0	961 10 0	..	..	..	..
Section 2, Waikato Coal Company's land	1,400 0 0	700 0 0	..	..	..	..
Part Maraetai Block .. ..	6 0 0	6 0 0	..	..	..	..
Half-interest Section 141, Tamahere ..	97 3 0	95 0 0	..	..	..	..
Part Three Kings' Farm .. ..	48 0 0	3,360 0 0	..	..	..	..
Sections 26 and 27 of 6 and 6A, Henderson	174 3 11	196 13 6	..	..	..	..
Part Paparamu Estate .. ..	3 0 0	22 10 0	..	..	..	..
<i>Tauranga—</i>						
Section 17, Waimana .. ..	62 2 32	689 14 0	..	..	..	..
<i>Dunedin—</i>						
Sections 8-14, Block 22, Musselburgh ..	1 0 0.47	315 0 0	..	..	..	..
Sections 28-41, Block 17, Musselburgh ..	1 2 16.48	630 0 0	..	..	..	..
Sections 7-14, Block 17, Musselburgh ..	0 3 26.56	480 0 0	..	..	..	..
Sections 15-17, Block 17, Musselburgh ..	0 1 14.96	180 0 0	..	..	..	..
Sections 9-20, 42-51, Block 18, Musselburgh	4 3 22.39	2,441 10 0	..	..	..	..
Sections 17-28, Block 22, Musselburgh ..						
Sections 9-12, Block 23, Musselburgh ..						
Carried forward .. ..	..	261,260 11 11	958 0 0	80,759 17 5	271,928 9 4	..

REALISATIONS FOR TWELVE MONTHS ENDING 31ST MARCH, 1904—*continued.*

Property.	Area.	Sale Price.	Surplus.	Deficiency.	Book Cost.	Land-tax, plus 10 per Cent.
	A. R. P.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
Brought forward .. ..	..	261,260 11 11	958 0 0	80,759 17 5	271,928 9 4	..
<i>Properties partially realised—continued.</i>						
Dunedin— <i>continued.</i>						
Section 2, Quarry Paddocks, Musselburgh	1 2 33	426 11 3	..	..	..	..
Sundry—						
Wellington Industrial Development Com- pany, in lieu of fencing Maraetai	..	73 0 0	..	..	..	..
Onehunga Ironworks, value of shed re- moved to Tirau	..	15 0 0	..	..	..	..
C. J. Hutchinson, for option over Ohauti forfeited	..	35 0 0	..	..	..	..
Waihaorunga Bank of New South Wales, balance old account paid	..	8 13 7	..	..	..	..
Mrs. Keesing, for right to connect with A.R.B. drain, Glenside	..	7 0 0	..	..	..	..
Awamate Estate, four years' rent Aranui No. 1B Block	..	..	..	28 0 0	..	..
Matamata, Stock Adjustment Account transferred	..	..	..	4,274 13 10	..	..
Waihaorunga, Stock Adjustment Account transferred	..	..	..	11,118 15 10	..	..
Lockerbie, Improvement Suspense Ac- count transferred	..	..	..	1,200 0 0	..	..
Matamata, Improvement Suspense Account transferred	..	..	..	6,701 0 0	..	..
Rangioru, Improvement Suspense Account transferred	..	..	..	275 0 0	..	..
Waihaorunga, Improvement Suspense Ac- count transferred	..	..	..	1,714 0 0	..	..
Realisation Expenses Account trans- ferred—						
Agents' commission, surveying, adver- tising, law-costs, travelling-expenses, &c.	..	..	..	4,885 10 11	..	..
Members' Travelling - expenses Account transferred	..	..	..	72 17 9	..	..
Totals .. ..	..	261,825 16 9	958 0 0	111,029 15 9	271,928 9 4	..
Summary—						
Properties finally realised .. ..	..	192,185 5 6	..	..	..	..
Properties partially realised .. ..	..	69,640 11 3	..	..	..	..
Total .. ..	..	261,825 16 9	..	..	..	..

W. C. CUFF, Accountant.

## STATEMENT OF RECEIPTS AND EXPENDITURE FOR THE YEAR ENDING 31ST MARCH, 1904.

—	Receipts.			Expenditure.		
	£	s.	d.	£	s.	d.
<i>Capital.</i>						
Properties sold and purchased ...	83,801	4	2	150	0	0
Live-stock and implements sold and purchased	106,382	4	10	28,539	1	2
Redemption of debentures ...	...			231,500	0	0
Permanent improvements ...	1,587	2	1	3,366	3	2
			191,770 11 1			263,555 4 4
<i>General.</i>						
Interest account ...	12,631	11	11	6	3	3
Interest on debentures ...	...			68,626	12	0
Exchange ...	9	2	11	19	9	3
Rent ...	679	15	0	...		
Payment by Bank of New Zealand	166,782	8	4	...		
Maintenance of properties ...	...			1,378	14	7
Realisation expenses and members' travelling-expenses	30	13	6	4,394	14	11
Charges ...	3,581	6	11	12,323	4	10
Petty cash ...	...			130	0	0
Manure and seed bought and sold	15,790	7	3	10,484	5	0
Fencing erected for purchasers ...	...			681	17	0
Sundry receipts ...	61	11	3	...		
			199,566 17 1			98,045 0 10
<i>Stations.</i>						
Wool and other produce ...	54,109	2	9	9,075	15	4
Rent ...	445	10	1	1,063	19	5
Wages ...	...			15,208	11	11
Repairs ...	...			1,727	17	1
Rates and taxes ...	...			2,422	19	6
Cost of growing turnips (stock-feed)	...			5,253	1	11
Renewing pastures for grassing ...	...			9,595	5	5
Rabbiting ...	...			211	12	5
Manure ...	...			10,487	6	10
Creameries ...	1,251	14	10	...		
Sundry receipts and disbursements	347	7	1	6,761	15	0
			56,153 14 9			
Expenditure on permanent improvements charged to capital on account of stations	...		...	61,808	4	10
				2,551	8	10
						59,256 16 0
Balance ...	...		...	...		
			£447,491 2 11			26,634 1 9
						£447,491 2 11

W. C. CUFF, Accountant.

## GENERAL MANAGER'S ANNUAL REPORT FOR YEAR ENDING 31ST MARCH, 1904.

(No. 10/4.)

Wellington, 6th July, 1904.

[Meeting held 7th July, 1904.]

I HAVE the honour to report upon the business of the Board for the year ending 31st March, 1904.

The improved demand for land throughout the colony has resulted in a considerable increase in sales over previous year. The markets, both colonial and Home, for our products have been good and prices satisfactory, and this, with favourable seasons, has again enabled a substantial profit on the working of the country properties still in our hands.

Taking into account the statutory £50,000 received from the Bank, the surplus for the year, after providing debenture interest, amounts to £27,293.

Summarised, the position is as follows:—

	£	s.	d.	£	s.	d.
Balance of profit on stations ...	41,296	1	5			
From sundry properties ...	16,580	8	0			
From payments by Bank of New Zealand ...	166,782	8	4			
Exchange ...	7	0	7			
Balance, 1903 ...	134,387	12	7			
				359,053	10	11
Less balance 1903, transferred to Realisation						
Adjustment Account...	134,387	12	7			
" debenture interest ...	68,626	12	0			
" interest to Bank ...	6	3	3			
" land and income tax ...	7,985	10	3			
" charges, &c. ...	7,461	8	11			
	218,467	7	0			
Land-tax paid 1903-4 on account of debenture-holders refunded by Bank ...	3,489	18	4			
				214,977	8	8
Balance ...				£144,076	2	3

The following statement will show the comparative returns each year since realisation commenced:—

	1896.	1897.	1898.	1899.	1900.	1901.	1902.	1903.	1904.
	£	£	£	£	£	£	£	£	£
Station properties ...	58,493	56,336	43,296	42,841	87,455	63,019	21,927	38,524	41,296
Sundry properties ...	6,295	6,897	6,659	7,031	6,822	10,907	10,962	10,799	13,510

showing approximately an average earning for the period 1895 to 1904 as follows:—

	On Book Cost.	On my Valuation.	For Year to 31st March, 1904, on latest Government Valuation (plus Stock).
Station properties ...	3.41 per cent.	5.08 per cent.	6.83 per cent.
Sundry properties ...	1.84 "	2.77 "	7.86 "

#### STATUTORY PAYMENTS BY BANK OF NEW ZEALAND.

The statutory payments of £50,000 have been duly received, the amount accrued due at 31st March, 1903, having been paid on 1st April, 1903, together with a further £116,782, as anticipated on 10th August, 1903. The £50,000 due at 31st March last was paid on the 9th April, and a further sum of £125,532 has since been received. The total payments by the Bank to date are £667,917.

#### DEBENTURE INTEREST.

Debenture interest, amounting to £68,626, has been paid, and provided for from revenue as under:—

	£
From surplus 1903-4 ...	45,920
Statutory payment by Bank of New Zealand, 1903 ...	50,000
Add additional payment by Bank of New Zealand ...	116,782
	212,702
leaving a surplus of ...	144,076
which is to be carried to Realisation Adjustment Account to provide for deficiencies on realisations.	
Add bank payment for 1904 of ...	50,000
to carry forward.	

#### REALISATIONS.

Sales to the extent of £286,350 have been made during the year, as compared with £138,498 the previous year, viz.:—

	1902-3.	1903-4.
	£	£
Country lands ...	119,740	252,962
Town lands ...	9,333	8,863
	129,073	261,825
Stock, implements, &c., sold on properties finally realised ...	9,425	24,525
	£138,498	£286,350

The proportion of sales to book cost (£2,731,706) is 45·76 per cent., and to land-tax valuation, plus 10 per cent. for sundry properties and my valuation for station properties, which together total £1,895,179, it is 65·96 per cent.

The sales for the period 1895–1904 (including stock) total £1,250,028, as follows :—

		Deficiency on Book Cost (including Realisation Expenses, &c.).	Book Cost.
Sales of properties finally realised	£	£	£
1895–1904 (including stock) ...	700,975	316,056	1,017,031
Properties partially realised, 1895– 1904 ... ..	549,053		
	<u>£1,250,028</u>		

The localities of the sales made are as follows :—

	Estates.	Farms.	Town Sections.	Suburban Properties.	£
Auckland ... ..	7	270	722	270	518,385
Canterbury ... ..	3	98	22	63	286,455
Hawke's Bay ... ..	2	...	10	...	104,250
Otago ... ..	2	10	636	182	75,202
Marlborough ... ..	1	4	65	6	20,414
Wellington ... ..	1	17	31	1	156,631
					<u>1,161,337</u>
Proceeds realisation of sundry assets ... ..					8,419
Stock sales on properties finally closed ... ..					<u>80,272</u>
					<u>£1,250,028</u>

#### STATION PROPERTIES.

*Comparison of Actual Profits for Nine Years, Stations sold during that Period being omitted.*

Year ending 31st March,	Actual Profit. £	Percentage on Book Cost.	Percentage on my Valuation.
1896 ... ..	16,195	1·64	3·55
1897 ... ..	30,852	2·90	6·76
1898 ... ..	22,423	2·10	4·91
1899 ... ..	36,031	3·40	7·90
1900 ... ..	32,956	3·25	7·22
1901 ... ..	44,390	4·33	9·73
1902 ... ..	17,053	1·86	3·74
1903 ... ..	33,891	3·82	7·43
1904 ... ..	17,279	2·12	3·78
Average ... ..	<u>£27,897</u>	<u>2·82</u>	<u>6·11</u>

The estates sold during the year comprise :—

Part of Fencourt Estates ... ..	...	...	6,498 acres.
" Lockerbie Estate ... ..	...	...	6,530 "
" Paparamu Estate ... ..	...	...	3 "
" Waimana Estate ... ..	...	...	62 "
Whole of Matamata Estate ... ..	...	...	43,102 "
Balance of Waihaorunga Estate ... ..	...	...	9,388 "
" Ranguru Estate, 939 acres } ... ..	...	...	7,486 "
Whole of Ohautiti Estate 6,547 " }	...	...	
			<u>73,069 acres.</u>

#### COMPARISON OF OPERATIONS, 1903 WITH 1904.

Year.	Rape.	Turnips.	Grassing.			Oats.			Maize.		
			With Plough.		Surface-sown.	Acres.	Yield.	Equal per Acre.	Acres.	Yield.	Equal per Acre.
			1st Time.	Renew-ing.							
1903 ... ..	Acres. 3,253	Acres. 8,537	Acres. 1,368	Acres. 7,944	Acres. 2,678	675	Bushels. 11,800	Bushels. 18	40	Bushels. 2,050	Bushels. 51
1904 ... ..	2,385½	6,572½	689	5,036	2,227½	1,362	27,540	20	20	500	25
Increase ... ..	...	...	...	...	...	687	15,740	2	...	...	...
Decrease ... ..	867½	1,964½	679	2,908	450½	...	...	...	20	1,550	26

COMPARISON OF OPERATIONS 1903 with 1904—continued.

Year.					Draining.	Bushfelling.	Clearing.	Fencing.
					Chains.	Acres.	Acres.	Chains.
1903	...	...	...	...	794	380	4,043	2,562
1904	...	...	...	...	401½	54	3,357¾	1,743½
Increase	...	...	...	...	...	...	...	...
Decrease	...	...	...	...	392½	326	685¼	818½

WORKING-EXPENSES.

					1903.	1904.
					£	£
Renewing pastures	...	...	...	...	7,127	6,593
Implements, depreciation	...	...	...	...	685	590
Cost of turniping	...	...	...	...	16,897	16,687
General expenses, wages, repairs, rates, feed, &c.	...	...	...	...	28,278	23,904
Rent	...	...	...	...	844	470
Rabbiting	...	...	...	...	1,550	1,328
Grazing	...	...	...	...	490	482
					55,871	50,054
Permanent improvements	...	...	...	...	6,817	3,150
					£62,688	£53,204

STOCK SALES.

Comparison of sales for two years ending 31st March, 1904 :—

Sheep.

Year.	Number sold.	Net Proceeds.	Average.	Number frozen.	*Net Proceeds.	Average.	Total disposed of.	Net Proceeds.	Average.
1903...	41,031	£ 22,824	£ s. d. 0 11 1	{ s. 7,632 l. 17,313	£ 6,174 8,953	£ s. d. 0 16 2 0 10 4	65,976	£ 37,951	£ s. d. 0 11 6
1904...	50,253	38,751	0 15 5	{ s. 614 l. 15,173	283 7,764	0 9 1 0 10 2			

Cattle.

1903...	2,113	18,826	8 18 2	...	...	...	2,113	18,826	8 18 2
1904...	4,992	30,659	6 2 9	...	...	...	4,992	30,659	6 2 9

\*Value of frozen meat for 1904 is estimated.

STOCK ON HAND AND VALUATION AT 31ST MARCH, 1904.

Sheep.

	1903.			1904.		
	No. on Hand.	Valuation.	Average.	No. on Hand.	Valuation.	Average.
North Island—		£	£ s. d.		£	£ s. d.
Waikato	102,277	71,462	0 13 11	95,310	63,399	0 13 4
Other estates	15,366	8,503	0 11 0	13,557	8,195	0 12 1
South Island	117,643	79,965	0 13 7	108,867	71,594	0 13 1
	45,898	26,104	0 11 4	40,880	25,312	0 12 4
	163,541	106,070	0 12 11	149,747	96,907	0 12 11



STOCK ON HAND AND VALUATION AT 31ST MARCH, 1904—*continued.**Cattle.*

	1903.			1904.		
	No. on Hand.	Valuation.	Average.	No. on Hand.	Valuation.	Average.
North Island—						
Waikato ...	11,906	55,397	4 13 0	9,711	45,323	4 13 4
Other estates ...	1,397	5,343	3 16 6	1,370	5,556	4 1 1
South Island ...	13,303	60,740	4 11 3	11,081	50,880	4 11 9
	35	124	3 11 0	28	89	3 3 6
	13,338	60,864	4 11 3	11,109	50,969	4 11 9

*WOOL-CLIP.*

1903.			1904.		
	Number.	Average per Fleece.		Number.	Average per Fleece.
Sheep shorn ...	177,456	lb. oz. 6 8	Sheep shorn ...	130,310	lb. oz. 8 6

## NET RETURNS FOR TWO YEARS.

1903.				1904.		
	Net Weight.	Net Return at Port of Shipment.	Average per lb.	Net Weight.	Estimated Net Return at Port of Shipment.	Average per lb.
Greasy ...	lb. 1,167,893	£ 38,335	d. 7·87	lb. 963,022	£ 30,647	d. 7·63
Scoured ...	121,221	4,701	9·37	79,826	2,967	8·92

## LAMBING.

1903.			1904.		
Ewes to Ram.	Lambs bred.	Percentage.	Ewes to Ram.	Lambs bred.	Percentage.
77,403	61,738	79	66,122	53,326	81

## MORTALITY.

<i>Sheep.</i>				<i>Cattle.</i>			
1903.		1904.		1903.		1904.	
Dead or Missing.	Per Cent.	Dead or Missing.	Per Cent.	Dead or Missing.	Per Cent.	Dead or Missing.	Per Cent.
16,751	8·14	13,320	7·49	430	3·02	360	2·54

The various estates and properties still on hand are in good condition, the country properties being kept in best heart, and worked less with a view to maximum annual profits than to bring into and maintain in most profitable condition for the purchaser. Notwithstanding this our stations have contributed well to the income of the Board, although, as sales are reducing our earning area, revenue from this source, of course, is also shrinking. The special realisation of the year has, of course, been the Matamata Estate, which has been compulsorily taken by the Lands for Settlement Department. Our claim was for £3 10s. per acre, and at this price I have always considered it cheap. In support of our case I employed as valuers none but experienced and practical farmers—men who had lived in the district for years, and who had successfully made their way and their living out of the land, and who, from their experience of similar country, were unquestionably well qualified to value. Their instructions were to make an impartial valuation, and their valuations, although somewhat below our claim, were accepted by us without demur, and in no case were their opinions either questioned or sought to be influenced or altered.

That the property was worth all and more than estimated by our valuers, and asked by us, is proved by the very successful ballot held in June, and the since very freely expressed opinions of the Department that Matamata is cheap and a good bargain.

Although this estate has been somewhat sacrificed, we shall, from its close settlement, derive considerable benefit in an enhanced inquiry for our other lands.

Subdivisional surveys of the remaining Waikato properties are now nearly completed, and by this time next year a very substantial area should have changed hands.

Notwithstanding expressed opinions that realisation has proceeded too slowly, it is certain that the Board's policy has substantially contributed to the lessening of the deficiency to be ultimately made up. Had the Board rushed the properties on to what has, until recently, been an unwilling market, the loss on actual values would have been very great. In conclusion and in support I may point to the satisfactory outcome of certain estates which have been finally realised, namely :—

	Area.	Sale Price.		Best Previous Offer.		Difference.	
		Total.	Average per Acre.	Total.	Average per Acre.	Total.	Per Acre.
	Acres.	£	£ s. d.	£	£ s. d.	£	£ s. d.
Rangiuru ...	6,841	32,250	4 14 3	25,653	3 15 0	6,597	0 19 3
Ohauti ...	6,547	12,000	1 16 7	10,000	1 10 6	2,000	0 6 1
Matamata*	42,739	126,745	2 19 3	85,478	2 0 0	41,267	0 19 3
Waihaorunga	17,918	78,315	4 7 5	53,754	3 0 0	24,561	1 7 5

\* This excludes the offer of £2 10s. per acre recently made by the Government, and on which they compulsorily acquired.

The market value for lands has, of course, advanced, since the banking legislation, to such an extent as could neither have been foreseen nor hoped for; but it is a curious fact that, were we now in possession of the whole of the properties handed over at that date, there would not only be a represented value more than sufficient to provide for the present estimated deficiency, but in the meantime the profits from the working properties would, with the advance of prices for produce, have fully provided for the debenture interest.

It is gratifying to be able to report that payments of purchase-money and interest to the 31st March have in every case been met or arranged for to date.

WALTER G. FOSTER, General Manager.

*Approximate Cost of Paper.*—Preparation, not given; printing (1,425 copies), £9 15s.

By Authority: JOHN MACKAY, Government Printer, Wellington.

Price 6d.]