

## R E P O R T.

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To His Excellency Sir Charles Fergusson, Baronet, Knight Grand Cross of the Most Distinguished Order of St. Michael and St. George, Knight Commander of the Most Honourable Order of the Bath, Companion of the Distinguished Service Order, Member of the Royal Victorian Order, Governor-General and Commander-in-Chief in and over His Majesty's Dominion of New Zealand and Dependencies.

MAY IT PLEASE YOUR EXCELLENCY,—

Whereas by Warrant dated the 27th day of January, 1925, the undersigned were directed to inquire into and report upon the following questions arising out of—

1. The circumstances under which the Minister of Agriculture and the Meat Control Board respectively abstained from taking action to prevent a sale by the National Bank of New Zealand (mortgagees) to Vestey Bros. (Limited), of certain freezing-works and other properties of the Poverty Bay Farmers' Meat Company (Limited), including in such circumstances (*inter alia*)—
  - (a.) The financial position of the said Poverty Bay Farmers' Meat Company (Limited) before and at the time of the said sale, and the matters and dealings which resulted in that financial position :
  - (b.) Any negotiations which had previously occurred between the directors or any director or agent of the said company with Messrs. Armours (N.Z.) Limited, or any company associated with them, or with any company controlled by Messrs. Armours (N.Z.) Limited, or any company associated with them :
  - (c.) Any negotiations which had previously occurred between the directors or any director or agent of the said company with Messrs. Vestey Bros. (Limited), or with any company controlled by Messrs. Vestey Bros. (Limited), or with any agent of Messrs. Vestey Bros. (Limited), or of such last-mentioned company :
  - (d.) The state of the account of the Poverty Bay Farmers' Meat Company with the said bank :
  - (e.) The position of Messrs. Vestey Bros. (Limited), in Poverty Bay as the then existing owners of other freezing-works.
  - (f.) Whether other purchasers than Messrs. Vestey Bros. (Limited), willing to pay the price paid by Messrs. Vestey Bros. (Limited) might reasonably have been found by the said bank.
2. Whether the company could have been expected to re-establish itself in a condition of financial stability had the bank not exercised its right of sale of the company's premises, and whether the bank could have reasonably been expected to allow the company's indebtedness to it to be further increased :