

REPORT

OF THE

COMMISSIONERS OF THE PUBLIC DEBTS SINKING FUNDS,

FOR THE YEAR ENDED 30 JUNE, 1870.

LAI D BEFORE BOTH HOUSES OF THE GENERAL ASSEMBLY IN COMPLIANCE WITH THE SIXTH
SECTION OF "THE PUBLIC DEBTS SINKING FUNDS ACT, 1868."

WELLINGTON.

—
1870.

REPORT OF THE COMMISSIONERS OF THE PUBLIC DEBTS SINKING FUNDS, FOR THE YEAR ENDED JUNE 30, 1870.

Wellington 15th, July, 1870.

THE Commissioners of the Public Debts Sinking Funds, in compliance with the 6th section of "The Public Debts Sinking Funds Act, 1868," have the honor to report as follows:—

The accounts appended to this Report display so fully the operations of the Commissioners, as to render but few remarks necessary.

It will be seen from the correspondence in the Appendix hereto, that the Sinking Fund of the General Government Loan of 1863, as well as the Sinking Funds of the Canterbury Loans, have been removed from the control of the Commissioners.

In the course of the past year the Commissioners have released so much of the Sinking Funds of all the Loans under their control as appeared to them liable to be released under the operation of "The Public Debts Sinking Funds Act, 1868," being guided, in calculating the amounts to be released, by the principle, that the Commissioners should hold in their hands so much, and no more, of the accrued Sinking Fund as would be sufficient, with accruing payments and interest, to produce the capital debt, at the time when the same becomes payable; and further, that each Loan should be considered by itself without reference to the state of the Sinking Fund of any other Loan of the same Province. The Commissioners also required that all Sinking Funds should be paid up to date before making any award releasing any part of the same.

The awards made by the Commissioners are published in the Appendix.

JAMES EDWARD FITZGERALD,
Chairman.

APPENDIX I.

No. 1.

Mr. W. C. SARGEANT to Mr. J. E. FITZGERALD.

Offices of the Crown Agents for the Colonies,
Spring Gardens, London, S.W., 21st May, 1869.

SIR,—

Adverting to Mr. Julyan's letter of the 19th February last, acknowledging the receipt of your circular of the 8th of December, 1868, I have to state that having been advised that we can legally and rightfully make over to the Commissioners appointed by "The Public Debts Sinking Funds Act, 1868," the debentures and other securities held by us as Trustees appointed by Governor's Warrant of the 13th November, 1865, we have the pleasure to inform you that we now hold the securities mentioned in the enclosed statement to the order of the Commissioners.

Besides these securities the following amounts are in our custody, viz., £427 on account of the Sinking Fund of the 5 per cent. Debentures, and £2,696 19s. 7d. on account of the 6 per cents. issued under "The Three Million Loan Act, 1863."

Both these sums of money, pending instructions from the Commissioners respecting the future investment of these and similar funds, have been placed on deposit, at interest, with the London and Westminster Bank; and although the rate allowed for deposits is at present higher than it has been for some time past, it is undesirable that the moneys should remain long uninvested.

We would therefore request you to be good enough to apprise us what "bonds, debentures, or other securities," may have been prescribed by the Governor in Council, under the provisions of section 13 of the Public Debts Sinking Funds Act, as the securities in which investments may be made by the Commissioners, or at any rate, that you will inform us to what extent we are at liberty to act on behalf of the Commissioners, in the choice of investments.

You have been already informed that, in our opinion, the interests of New Zealand will be best advanced by leaving undisturbed the sinking funds invested in this country to pay off debentures issued in this market, and that to realize these funds for the purpose of reinvestment in the Colony, would damage the credit of New Zealand.

We are further of opinion that the Commissioners would be but acting in the interests of the Colony, if they continued to invest here the contributions on account of sinking funds on loans of the General Government raised in this country under the Loan Act of 1863.

Not knowing who are the Trustees of the Sinking Fund under the Loan Act of 1860, or where the investments on account of that loan have been made, we do not offer any opinion on that subject, except that if hitherto made in this country we would recommend no alteration.

The case of the sinking funds on the outstanding Provincial debentures appears to us quite different, for the most of the contributions to those funds, we believe, have been locally invested, and the purchasers of those debentures have never been informed nor led to expect any other mode of investment.

We are, as already reported to you, quite prepared to take charge of any securities which may be handed over to us by the trustees of other sinking funds, by direction of the Commissioners; none, however, have been so tendered to us at present.

I have, &c.,
W. C. SARGEANT.

The Chairman of the Board of Commissioners
of the Public Debts Sinking Funds of New Zealand.

Enclosure in No. 1.

STATEMENT showing the SECURITIES held on account of the SINKING FUNDS of the GOVERNMENT of NEW ZEALAND for REDEMPTION of DEBENTURES issued under the Loan Act of 1863.

Series 1891.—6 per cent. :—	Stock.
3 per cent. Consols... ..	£47 13 9
6 per cent. Victoria Debentures	9,200 0 0
6 per cent. Antigua Debentures	300 0 0
6 per cent. Ceylon Debentures	13,400 0 0
5 per cent. New South Wales Debentures	6,600 0 0
5 per cent. Canada Debentures	15,500 0 0
 Series 1914.—5 per cent. :—	
3 per cent. Consols	109 0 5
6 per cent. Antigua Debentures	900 0 0
6 per cent. Cape of Good Hope Debentures	11,600 0 0
6 per cent. Natal Debentures	3,500 0 0
6 per cent. Queensland Debentures	6,300 0 0
6 per cent. Ceylon Debentures	8,500 0 0
6 per cent. Victoria Debentures	1,800 0 0
5 per cent. New South Wales Debentures... ..	7,300 0 0
6 per cent. Canada Debentures	6,800 0 0

W. C. SARGEAUNT,
Crown Agent.

London, 20th May, 1869.

No. 2.

Mr. J. E. FITZGERALD to Mr. W. C. SARGEAUNT.

Office of the Commissioners of the Public Debts Sinking Funds,
Wellington, 2nd October, 1869.

SIR,—

I have the honor to acknowledge the receipt of your letter of the 21st May last, on the subject of the Sinking Funds of the Loan of 1863.

The delay in replying to your letter has arisen, first, from the absence of the Secretary to the Commissioners, and secondly, because it was desirable to wait until the Government had carried the measure they proposed in relation to this matter, before answering your letter.

I have now the honor to enclose you a copy of the Act just passed, and of the *Gazette* containing a Proclamation issued by the Governor thereunder, by which you will see that the Commissioners have now no further control over the sinking funds in question, and that your position relative thereto is unaltered by the operation of the Act of 1868.

It is therefore unnecessary for me to enter further into the questions raised by your letter under reply.

I have, &c.,

W. C. Sargeaunt, Esq.,
Messrs. Julyan and Sargeaunt,
Crown Agents, Spring Gardens, London.

JAMES EDWARD FITZGERALD,
Chairman of the Commissioners of the Public
Debts Sinking Funds.

Enclosure 1 in No. 2.

Copy of "The Public Debts Sinking Funds Act Amendment Act, 1869."

Enclosure 2 in No. 2.

Copy of *New Zealand Gazette* No. 55, of 20th September, 1869, containing the following Order in Council.

G. F. BOWEN, Governor.

ORDER IN COUNCIL.

At the Government House, at Wellington, this 18th day of September, 1869.

Present: His Excellency the Governor in Council.

WHEREAS by the second section of "The Public Debts Sinking Funds Acts Amendment Act, 1869," it is enacted, that if it shall appear to the Governor expedient that the sinking fund created for the payment of any loan or portion of a loan raised under any of the Acts or Ordinances mentioned in either of the Schedules to the said Act, the sinking fund of which has been invested outside the Colony, should be exempted from the management of the Commissioners of the Public Debts Sinking Funds, it shall be lawful for the Governor, by Order in Council published in the *New Zealand Gazette*, to direct that the sinking funds of any such loan or portion of a loan shall be exempted from the management of the said Commissioners:

Now therefore, His Excellency the Governor, in exercise and pursuance of all powers and authorities enabling him on this behalf, and with the advice and consent of the Executive Council of New Zealand, doth hereby order that the Sinking Fund created for the payment of so much of the Loan raised under "The New Zealand Loan Act, 1863," and "The New Zealand Debenture Act, 1864," and "The New Zealand Debentures Act Amendment Act, 1865," as is subject to the provisions of "The Public Debts Sinking Funds Act, 1868," hereinafter referred to as "the said Act," shall be exempted from the management of the Commissioners appointed by and under the said Act.

FORSTER GORING,
Clerk of the Executive Council.

No. 3.

The Hon. W. GISBORNE to Mr. J. E. FITZGERALD.

SIR,—

Treasury, Wellington, 30th September, 1869.

I have the honor to forward to you, for the information of the Commissioners of Sinking Funds, a copy of *Gazette* containing an Order in Council, under the Act of the last Session, relieving the Commissioners from the charge of the Sinking Fund of the New Zealand Loan of 1863.

I have, &c.

W. GISBORNE.

J. E. FitzGerald, Esq.,

Chairman of Board of Commissioners

of Public Debts Sinking Funds, Wellington.

No. 4.

Mr. H. S. SELFE to Mr. J. E. FITZGERALD.

SIR,—

15 St. George's Square, London, S.W., 26th August, 1869.

I have the honor to acknowledge the receipt of your letter of the 10th June, referring to the Canterbury Sinking Funds.

As you inform me that this question may probably have become the subject of discussion in the New Zealand Legislature, and lead me to expect a further communication from you on the subject, I do not think it necessary to trouble you at present with any observations. But I forward for your information copy of a letter I have addressed to Sir Francis Sandford, in answer to the request of the Secretary of State for the Colonies.

I am, &c.,

H. S. SELFE.

P.S.—May I ask that, if convenient for you, any further communications may be posted to me *via* Marseilles. Your letter of the 10th June, being addressed *via* Southampton, did not reach me in time for me to acknowledge the receipt of it by the outgoing mail of the 13th instant *via* Marseilles.

J. E. FitzGerald, Esq.,

Chairman of Public Debts Sinking Funds Commission,
Wellington, N.Z.

H. S. S.

Enclosure 1 in No. 4.

Mr. H. S. SELFE to Sir FRANCIS R. SANDFORD.

SIR,—

St. George's Square, London, 26th August, 1869.

I have to acknowledge the receipt of your letter of the 20th instant, transmitting to me by direction of Earl Granville a copy of a Despatch, No. 61, 26th May, 1869, received from the Governor of New Zealand, with an enclosure, viz., a Memorandum by Mr. E. W. Stafford on the subject of my letter of the 12th January last, protesting against the Public Debts Sinking Funds Act of the New Zealand Legislature, 1868.

I beg first to express my thanks to Earl Granville for affording me the opportunity of perusing the documents you have forwarded.

In answer to the request that I will inform you whether the explanations of the New Zealand Government remove in whole or in part my objections to the Act, I beg to submit the following observations:—

1. I wish to be clearly understood as to what my objections to the Act are, and what they are not. I endeavoured to make this plain in my former letter to Earl Granville; but I fear I have not been successful, so far as the Government of New Zealand is concerned. I do not object, and never have objected, to the appointment of new Commissioners of the Public Debts Sinking Funds. Officially and personally the gentlemen named in section 2 of the Act are, I doubt not, "of high standing and respectability," thoroughly well fitted for the position proposed to be assigned to them. There would—I write for myself at all events—have been no objection on the part of the present Trustees of the Sinking Funds of Canterbury to transfer and deliver the money and securities in our hands to the new Commissioners, if when so transferred these had been held by them—see section 9—"upon the same trust and for the same purposes upon and for which such moneys and securities were held, according to the provisions of the Ordinances creating such sinking funds."

2. Even then the Act seems to be defective, in making no provision for the discharge and indemnification of the retiring trustees. But I would not urge this as of itself a substantial objection. No doubt, had this been all, the difficulty might have been got over by amicable arrangement, which we should gladly have facilitated.

3. But this is not all. The new Commissioners are to hold these sinking funds (section 9) "subject to the provisions of this Act;" and the subsequent "provisions of this Act," sections 16 and 18, not only contemplate and sanction, but expressly direct, what seems to us, as to the larger portion of the sinking funds, a departure from the purposes for which we hold them. No doubt we may be wrong in this opinion, but, holding it honestly, we intend, until better advised, to decline compliance with the request of the new Commissioners, which reached us in February last, to hand over these funds to their custody. We have informed the new Commissioners of our resolution. I need hardly mention, what no doubt Earl Granville is aware of, that trustees who resign their trust with the knowledge and for the purpose of enabling their successors to deviate from the terms of the trust, are liable in law to make good to the parties interested any loss thereby sustained. And I must add, as a matter of fact, that since I wrote my letter to Earl Granville, we have been served with numerous remonstrances from the holders of unconverted Canterbury Debentures, and with formal notices from their legal advisers, that they will hold us responsible if we hand over the funds we hold on their behalf.

4. My objection, therefore, to section 10 of the Public Debts Sinking Funds Act, as stated in January last, remains at present not only undiminished, but it is confirmed by what has since occurred. That section, as Earl Granville will see, was expressly directed against Canterbury and its Agents here, and against them only; for it now appears that there are no other persons than ourselves holding any Provincial sinking funds who are not beyond "the jurisdiction of the Supreme Court of New Zealand;" and if this be not sufficient proof of its object, I may add that I know a leading member of the then New Zealand Ministry has stated that that section was inserted to induce the Provincial Government of Canterbury to put a pressure on its Agents here in this matter. I am happy to state that no such pressure has been attempted, nor would it have been successful had the attempt been made. The Provincial Council of Canterbury, though naturally unwilling to place itself in the meantime in opposition to the General Government by formally requesting the disallowance of the Act, was, with the single exception of Mr. Hall, the author of the Act, unanimous, as Mr. Stafford knows, in deprecating its injustice, and on the same grounds which I have already had the honor of submitting to Earl Granville.

5. There are many points in Mr. Stafford's Memorandum on which I might be tempted to comment, and various assertions which I think erroneous, though I will not imitate his curt incivility by denouncing them as "untrue." I wish, however, to disclaim any imputation on the motives of the Colonial Government, though I wrote strongly as to their conduct, unless it be considered an imputation to state that the "New Zealand Government was in want of money," and that it was "desirable they should obtain as much money as they could get." If Mr. Stafford says this was not so, I am glad to acknowledge I was mistaken.

6. I never desired or expected that the opinion of any "gentleman in London" should override the deliberate legislation of the New Zealand Parliament in matters affecting the Colony only. By all means let all "questions connected (merely) with the financial relations of the General and Provincial Governments" be finally determined by those in whose hands the Constitution has placed them. In these, as in other larger matters, I should, if I may be permitted to express an opinion, deprecate Imperial interference. My protest against the Sinking Funds Act of 1868, on behalf of the bondholders and the trustees in England, remains unaltered and unshaken.

As regards the Province of Canterbury, the only Province on whose behalf I had any right to interfere, and to which Province alone I confined my observations, I would say only that my letter to Earl Granville was in this respect intended mainly to give the Province time to speak for itself. I have little doubt that the General Assembly, prorogued on the 20th October (the day the Act passed) till the 1st of June, has by this time had the question again under consideration, and it may be the result of their deliberations may render unnecessary the disallowance of the Act. If not, I respectfully pray that the assent of the Crown to sections 10, 16, and 18 may be withheld.

Sir Francis R. Sandford, Colonial Office.

I have, &c.,
H. S. SELFE.

No. 5.

The Hon. the COLONIAL TREASURER to Mr. J. E. FITZGERALD.

SIR,—

Treasury, Wellington, 25th March, 1870.

I have the honor to inform you that, in accordance with the recommendation of His Honor the Superintendent of Canterbury, the Government will at once take steps to exempt, under the second section of "The Public Debts Sinking Funds Act Amendment Act, 1869," the loans of that Province from the management of the Commissioners of the Public Debts Sinking Funds.

The Chairman of the Commissioners of the
Public Debts Sinking Funds.

I have, &c.,
JULIUS VOGEL.

No. 6.

Mr. J. E. FITZGERALD to Mr. H. S. SELFE.

SIR,—

Government Buildings, Wellington, 29th March, 1870.

Referring to former correspondence with you on the subject of handing over to the Commissioners appointed by "The Public Debts Sinking Funds Act, 1868," the whole of the cash securities held by you and your co-trustees on account of the sinking funds of the Canterbury Loans, I have now the honor to inform you that on the 25th instant the Commissioners received intimation from the Government that steps would at once be taken, under the second section of "The Public Debts Sinking Funds Act Amendment Act, 1869," to exempt from the management of the Commissioners the sinking funds of the loans of the Province of Canterbury.

H. Selfe, Esq.,
15, St. George's Square, London.

I have, &c.,
JAMES EDWARD FITZGERALD.

No. 7.

Copy of ORDER in COUNCIL published in *New Zealand Gazette*, No. 19, 12th April, 1870.

G. F. BOWEN, Governor.

ORDER IN COUNCIL.

At Wellington, this twenty-eighth day of March, 1870.

Present: The Honorable William Fox, the Premier, Presiding, and Members of the Executive Council.

WHEREAS by the second section of "The Public Debts Sinking Funds Act Amendment Act, 1869," it is enacted that if it shall appear to the Governor expedient that the sinking fund created for the pay-

ment of any loan or portion of a loan raised under any of the Acts or Ordinances mentioned in either of the Schedules to "The Sinking Funds Act, 1868," the sinking fund of which has been invested outside the Colony, should be exempted from the management of the Commissioners of the Public Debts Sinking Funds, it shall be lawful for the Governor, by Order in Council published in the *New Zealand Gazette*, to direct that the sinking fund of any such loan or portion of a loan shall be exempted from the management of the said Commissioners:

Now therefore, His Excellency the Governor, in exercise and pursuance of all powers and authorities enabling him in this behalf, and with the advice and consent of the Executive Council of New Zealand, doth hereby order that the several sinking funds created for the payment of the loans raised under "The Canterbury Loan Act Ordinance, 1856," "The Canterbury Loan Act, 1860," and "The Canterbury Loan Ordinance, 1862," respectively, shall be exempted from the management of the Commissioners appointed under "The New Zealand Sinking Funds Act, 1868."

FORSTER GORING,
Clerk of the Executive Council.

WILLIAM FOX,
Presiding.

No. 8.

AWARD by the COMMISSIONERS releasing the Sinking Funds of the Auckland Loan of 1863.

KNOW ALL MEN BY THESE PRESENTS, THAT

WHEREAS by "The Public Debts Sinking Funds Act, 1868," it is provided that if and whenever it shall be made to appear to the Commissioners of the Public Debts Sinking Funds, that any of the debentures issued under any of the Acts specified in the First or Second Schedules thereto have been converted or exchanged for debentures issued under "The Consolidated Loan Act, 1867," the Commissioners shall, from time to time, determine what amount of the Sinking Fund held by them and created for the payment of such first-mentioned debentures, shall be released, and that the Commissioners shall make such determination by an award in writing: And whereas it has been made to appear to the said Commissioners that debentures to the amount of four hundred and sixty-one thousand two hundred and fifty pounds, being part of the debentures to the amount of five hundred thousand pounds issued under "The Auckland Loan Act, 1863," being one of the Acts named in the Second Schedule to the said "Public Debts Sinking Funds Act, 1868," have been converted or exchanged for debentures issued under "The Consolidated Loan Act, 1867," and that the amount of the debentures still outstanding and unconverted of the said loan of five hundred thousand pounds is thereby reduced to thirty-eight thousand seven hundred and fifty pounds: And whereas the sum of fifty-two thousand six hundred and twenty-four pounds eight shillings and nine pence is held by the said Commissioners as accumulated sinking fund for the repayment of the said loan of five hundred thousand pounds, and the sinking fund hereafter accruing, with the interest thereon, will be sufficient to reproduce the said sum of thirty-eight thousand seven hundred and fifty pounds, being the amount of the outstanding and unconverted portion of the said loan of five hundred thousand pounds, on or before the first day of June, one thousand eight hundred and ninety-six, being the day fixed by law for the repayment thereof:

Now know ye, that the Commissioners of the Public Debts Sinking Funds, by this their award in writing, do determine that the sum of fifty-two thousand six hundred and twenty-four pounds eight shillings and nine pence, being the whole of the said accumulated sinking fund so held by them for the payment of the debentures issued under "The Auckland Loan Act, 1863," shall be released and paid over to the Provincial Account of the Province of Auckland, as provided by "The Public Debts Sinking Funds Act Amendment Act, 1869."

As witness our hands this fourteenth day of December, one thousand eight hundred and sixty-nine.

JAMES EDWARD FITZGERALD, Comptroller.
W. GISBORNE, Acting Colonial Treasurer.
G. S. COOPER, Deputy Auditor.

No. 9.

AWARD by the COMMISSIONERS releasing a portion of the Sinking Funds of the Wellington Loan of 1862, and the Wellington Loan of 1866.

KNOW ALL MEN BY THESE PRESENTS, THAT

WHEREAS by "The Public Debts Sinking Funds Act, 1868," it is provided that if and whenever it shall be made to appear to the Commissioners of the Public Debts Sinking Funds that any of the debentures issued under any of the Acts specified in the First or Second Schedules thereto have been converted or exchanged for debentures issued under "The Consolidated Loan Act, 1867," the Commissioners shall from time to time determine what amount of the sinking fund held by them, and created for the payment of such first-mentioned debentures shall be released, and that the Commissioners shall make such determination by an award in writing: And whereas it has been made to appear to the said Commissioners that debentures to the amount of fifteen thousand four hundred pounds, being part of the debentures to the amount of twenty-five thousand pounds issued under "The Wellington Loan Act, 1862," No. 11, being one of the Acts named in the Second Schedule to the said "Public Debts Sinking Funds Act, 1868," have been converted or exchanged for debentures issued under "The Consolidated Loan Act, 1867," and that the amount of the debentures still outstanding and unconverted of the said loan of twenty-five thousand pounds is thereby reduced to the sum of nine thousand six hundred pounds: And whereas the sum of eight thousand six hundred and sixteen pounds six shillings

and eleven pence is held by the said Commissioners as accumulated sinking fund for the repayment of the said loan of twenty-five thousand pounds, and the sum of three thousand one hundred pounds of the said accumulated sinking fund, together with the sinking fund hereafter accruing thereon, will be sufficient to reproduce the said sum of nine thousand six hundred pounds, being the amount of the outstanding and unconverted portion of the said loan of twenty-five thousand pounds, on or before the first day of July, one thousand eight hundred and seventy-seven, being the day fixed by law for the repayment thereof:

And whereas it has also been made to appear to the said Commissioners that debentures to the amount of thirty-six thousand five hundred pounds, being part of the debentures to the amount of fifty thousand pounds issued under "The Wellington Loan Act, 1866," No. 3, being one of the Acts named in the Second Schedule to the said "Public Debts Sinking Funds Act, 1868," have been converted or exchanged for debentures issued under "The Consolidated Loan Act, 1867," and that the amount of the debentures still outstanding and unconverted of the said loan of fifty thousand pounds is thereby reduced to the sum of thirteen thousand five hundred pounds: And whereas the sum of two thousand nine hundred and eleven pounds seven shillings and eight pence is held by the said Commissioners as accumulated sinking fund for the repayment of the said loan of fifty thousand pounds, and the sum of one thousand and seventy-nine pounds and seven shillings of the said accumulated sinking fund, together with the sinking fund hereafter accruing thereon, will be sufficient to reproduce the said sum of thirteen thousand five hundred pounds, being the amount of the outstanding and unconverted portion of the said loan of fifty thousand pounds, on or before the first day of July, one thousand eight hundred and eighty-six, being the day fixed by law for the repayment thereof:

Now know ye, that the Commissioners of the Public Debts Sinking Funds, by this their award in writing, do determine that the sum of five thousand five hundred and sixteen pounds six shillings and eleven pence, being part of the said accumulated sinking fund so held by them for the repayment of the debentures issued under "The Wellington Loan Act, 1862," No. 11, and also that the sum of one thousand eight hundred and thirty-two pounds and eight pence, being part of the said accumulated sinking fund so held by them for the payment of the debentures issued under "The Wellington Loan Act, 1866," No. 3, shall be released and paid over to the Provincial Account of the Province of Wellington, as provided by the sixth clause of "The Public Debts Sinking Funds Act Amendment Act, 1869."

As witness our hands this second day of November, one thousand eight hundred and sixty-nine.

JAMES EDWARD FITZGERALD, Comptroller.
WILLIAM FOX, Acting Colonial Treasurer.
G. S. COOPER, Deputy Auditor.

No. 10.

AWARD by the COMMISSIONERS releasing a portion of the Sinking Fund of the Otago Half-Million Loan of 1862.

KNOW ALL MEN BY THESE PRESENTS, THAT

WHEREAS by "The Public Debts Sinking Funds Act, 1868," it is provided that if and whenever it shall be made to appear to the Commissioners of the Public Debts Sinking Funds that any of the debentures issued under any of the Acts specified in the First or Second Schedules thereto have been converted or exchanged for debentures issued under "The Consolidated Loan Act, 1867," the Commissioners shall from time to time determine what amount of the sinking fund held by them, and created for the payment of such first-mentioned debentures, shall be released, and that the Commissioners shall make such determination by an award in writing: And whereas it has been made to appear to the said Commissioners that debentures to the amount of three hundred and fifty-four thousand five hundred pounds, being part of the debentures to the amount of five hundred thousand pounds issued under "The Otago Loan Ordinance, 1862," being one of the Ordinances named in the Second Schedule to the said "Public Debts Sinking Funds Act, 1868," have been converted or exchanged for debentures issued under "The Consolidated Loan Act, 1867," and that the amount of the debentures still outstanding and unconverted of the said loan of five hundred thousand pounds is thereby reduced to one hundred and forty-five thousand five hundred pounds: And whereas the sum of thirty-one thousand one hundred and eighty-six pounds one shilling and nine pence is held by the said Commissioners as accumulated sinking fund for the repayment of the said loan of five hundred thousand pounds, and the sum of seven thousand two hundred pounds of the said accumulated sinking fund, together with the sinking fund hereafter accruing, with the interest thereon, will be sufficient to reproduce the said sum of one hundred and forty-five thousand five hundred pounds, being the amount of the outstanding and unconverted portion of the said loan of five hundred thousand pounds, on or before the first day of July, one thousand eight hundred and ninety-eight, being the day fixed by law for the repayment thereof:

Now know ye, that the Commissioners of the Public Debts Sinking Funds, by this their award in writing, do determine that the sum of twenty-three thousand nine hundred and eighty-six pounds one shilling and nine pence, being part of the said accumulated sinking fund so held by them for the payment of the debentures issued under "The Otago Loan Ordinance, 1862," shall be released and paid over to the Provincial Account of the Province of Otago, as provided by "The Public Debts Sinking Funds Act Amendment Act, 1869."

As witness our hands, this seventeenth day of November, one thousand eight hundred and sixty-nine.

JAMES EDWARD FITZGERALD, Comptroller.
WILLIAM FOX, Acting Colonial Treasurer.
G. S. COOPER, Deputy Auditor.

APPENDIX II.

No. 1.

BALANCE SHEET of TRANSACTIONS for the YEAR ended 30th June, 1870.

	BALANCES, 30 JUNE, 1869.		TRANSACTIONS.			BALANCES 30 JUNE, 1870.		
	Cr.		Cr.	Dr.		Cr.		
	£	s. d.	£	s. d.	£	s. d.	£	s. d.
"New Zealand Loan Act, 1860,"—								
Securities	17,000	0 0	11,450	0 0	17,000	0 0	11,450	0 0
Cash ... ..	...	...	21,201	2 2	11,464	19 0	9,736	3 2
	17,000	0 0	32,651	2 2	28,464	19 0	21,186	3 2
"Auckland Loan Act, 1863,"—								
Securities	19,550	0 0	...	...	19,550	0 0	...	...
Cash	1,868	13 7	50,755	15 2	52,624	8 9	...	...
	21,418	13 7	50,755	15 2	72,174	8 9	...	...
"Wellington Loan Act, 1862,"—								
Securities	6,045	0 0	100	0 0	4,045	0 0	2,100	0 0
Cash	56	6 2	7,103	13 5	5,616	6 11	1,543	12 8
	6,101	6 2	7,203	13 5	9,661	6 11	3,643	12 8
"Wellington Loan Act, 1866,"—								
Securities	1,055	0 0	300	0 0	255	0 0	1,100	0 0
Cash	12	11 3	2,455	16 5	2,132	0 8	336	7 0
	1,067	11 3	2,755	16 5	2,387	0 8	1,436	7 0
"Otago Loan Ordinance, 1861-2,"—								
Securities	5,236	4 10	5,728	15 2	2,015	0 0	8,950	0 0
Cash	1,893	2 2	3,884	8 5	5,731	7 2	46	3 5
	7,129	7 0	9,613	3 7	7,746	7 2	8,996	3 5
"Otago Loan Ordinance, 1862,"—								
Securities	19,005	12 2	100	0 0	11,805	12 2	7,300	0 0
Cash	11,300	4 9	12,957	7 0	24,086	1 9	171	10 0
	30,305	16 11	13,057	7 0	35,891	13 11	7,471	10 0
"Otago Harbour Loan Ordinance, 1862,"—								
Securities	3,723	3 0	5,200	0 0	448	3 0	8,475	0 0
Cash	1,603	16 7	3,841	12 0	5,217	11 0	227	17 7
	5,326	19 7	9,041	12 0	5,665	14 0	8,702	17 7
"Otago Public Buildings Loan Ordinance, 1862,"—								
Securities	3,460	0 0	3,000	0 0	260	0 0	6,200	0 0
Cash	0	19 4	3,220	7 8	3,019	10 0	201	17 0
	3,460	19 4	6,220	7 8	3,279	10 0	6,401	17 0
Hart and Buckley's Account	6	18 4	2	2 0	...	...	9	0 4
Suspense Account ... ..	...	...	373	15 0	373	15 0	...	...
TOTALS	91,817	12 2	131,674	14 5	165,644	15 5	57,847	11 2

No. 2.

ABSTRACT of the RECEIPTS and DISBURSEMENTS of the SINKING FUND of the NEW ZEALAND LOAN of 1860.

Debentures in circulation, £90,500—payable 1st July, 1891. Sinking Fund, 2 per cent., payable half-yearly, on 30th June and 31st December.

D.R.

Cr.

RECEIPTS.	SECURITIES.	CASH.	DISBURSEMENTS.	SECURITIES.	CASH.
	£ s. d.	£ s. d.		£ s. d.	£ s. d.
Sinking Fund from 1st January, 1869, to 30th June, 1870 ...	...	2,865 0 0	Treasury Bills, due 30th June, 1869, paid ...	8,350 0 0	...
Interest on £955, Sinking Fund due on 30th June, 1869, to 31st December, 1869 ...	...	23 17 6	Invested in Treasury Bills, dated 1st July, 1869 ...	...	8,350 0 0
Treasury Bills, due 30th June, 1869, paid ...	...	8,350 0 0	Ditto ditto 1st January, 1870 ...	...	3,100 0 0
Interest on ditto to 30th June, 1869 ...	...	251 17 10	Paid accrued interest on ditto to 8th February ...	...	14 19 0
Treasury Bills, dated 1st July, 1869, purchased ...	8,350 0 0	...	Treasury Bill No. 19 paid ...	8,650 0 0	...
Interest thereon to 31st March, 1870 ...	...	381 6 4			
Interest on Treasury Bills for £8,650 to 31st March, 1870, No. 19 ...	...	549 5 6			
Treasury Bills, dated 1st January, 1870, purchased ...	3,100 0 0	...			
Treasury Bill No. 19 paid ...	...	8,650 0 0			
Interest thereon to 29th June, 1870 ...	...	129 15 0			
Balances on 30th June, 1869 ...	11,450 0 0	21,201 2 2	Balances on 30th June, 1870 ...	11,450 0 0	9,736 3 2
TOTALS ...	28,450 0 0	21,201 2 2	TOTALS ...	28,450 0 0	21,201 2 2

No. 3.

ABSTRACT OF RECEIPTS and DISBURSEMENTS of the SINKING FUND of the AUCKLAND LOAN of 1863.

Debentures in circulation, £38,750—payable 1st June, 1866. Sinking Fund, 2 per cent., payable annually on 1st July.

DR.

CR.

RECEIPTS.	SECURITIES.	CASH.	DISBURSEMENTS.	SECURITIES.	CASH.
£ s. d.	£ s. d.	£ s. d.		£ s. d.	£ s. d.
Sinking Fund on £500,000 for one year, received through the General Government ... 10,000 0 0			Bank of New Zealand, fixed Deposit withdrawn	6,000 0 0	
Interest thereon from 1st July, 1868, to 14th December, 1869 886 13 4		10,886 13 4	Mortgages sold to Provincial Government of Auckland,—		
Balance of Sinking Fund, on £500,000, to 1st July, 1867 13,400 0 0			R. Patterson Mortgage, £500		
Sinking Fund on £42,500, 1st July, 1868 850 0 0			Remuera Chapel Trustees " 1,000		
" on £38,750, " 1869 775 0 0			S. H. Smith " 1,000		
Balance of Interest on above to 30th September, 1869 4,053 16 9		19,078 16 9	B. N. Manley " 500		
Bank of New Zealand, fixed Deposit withdrawn Interest thereon to 30th September, 1869		6,000 0 0	D. Arthur " 600		
Interest on following Mortgages,—		71 10 1	J. Newman " 1,000		
J. Newman, to 11th March, 1869 45 0 0			S. Cochrane " 400		
B. N. Manley, 30 July, 1869 12 10 0		57 10 0	" " 3,000		
Mortgages, as per contra, sold to Provincial Government of Auckland 13,550 0 0			A. Buckland " 1,000		
Interest accrued thereon 1,111 5 0		14,661 5 0	" " 2,000		
Balances on 30th June, 1869	19,550 0 0	50,755 15 2	Henry Hill " 1,050		
TOTALS	19,550 0 0	52,624 8 9	J. Hall " 1,000	13,550 0 0	
			Payment to Provincial Account, Auckland, of Sinking Fund released under award of Commissioners, 14th December, 1869		52,624 8 9
			Balance on 30th June, 1870		
			TOTALS	19,550 0 0	52,624 8 9

No. 7.

ABSTRACT of RECEIPTS and DISBURSEMENTS of the SINKING FUND of the OTAGO LOAN of 1862.

Debtures in circulation, £145,500—payable 1st July, 1898.

Sinking Fund, 1 per cent., payable annually on 1st July.

D.R.

C.R.

RECEIPTS.	SECURITIES.	CASH.	DISBURSEMENTS.	SECURITIES.	CASH.
	£ s. d.	£ s. d.		£ s. d.	£ s. d.
Bank of New Zealand, fixed Deposit withdrawn ... ..	...	4,285 0 0	Bank of New Zealand, Deposit withdrawn	4,285 0 0	...
Interest thereon to 30th September, 1869 ... ..	...	51 1 4	Dunedin Waterworks Debentures sold	5,000 0 0	...
Interest on Corporation (City of Dunedin) Mortgage, No. 19, for £3,300, to 1st January, 1870 ... ..	...	231 0 0	Otago Harbour Loan Debentures "	2,500 0 0	...
Interest on Dunedin Waterworks Debentures to 31st July, 1869 ... ..	...	200 0 0	Adjustment—amount transferred to Cash	20 12 2	...
Dunedin Waterworks Debentures sold ... ..	...	5,000 0 0	Payment to Provincial Account, Otago, of Sinking Funds re- leased under award of Commissioners, 17th November, 1869	...	28,986 1 9
Otago Harbour Loan Debentures " ... ..	...	2,500 0 0	Invested in New Zealand Government Treasury Bill, dated 1st January, 1870 ... ..	...	100 0 0
Adjustment—amount transferred as <i>per contra</i> ... ..	...	20 12 2			
Interest on Otago Harbour Loan Debentures £ s. d. to 1st November, 1869	513 13 6				
Ditto ditto to 1st May, 1870	156 0 0	669 13 6			
New Zealand Government Treasury Bill, dated 1st January, 1870, purchased	100 0 0	...			
Balance on 30th June, 1869	19,005 12 2	12,957 7 0	Balance on 30th June, 1870	7,300 0 0	171 10 0
TOTALS	19,105 12 2	24,257 11 9	TOTALS	19,105 12 2	24,257 11 9

No. 8.

ABSTRACT OF RECEIPTS AND DISBURSEMENTS OF THE SINKING FUND OF THE OTAGO HARBOUR LOAN, 1862.

Sinking Fund, 3 per cent., payable annually on 1st November.

Debentures in circulation, £46,650—payable 1st November, 1874.

Cr.

Dr.

RECEIPTS.	SECURITIES.	CASH.	DISBURSEMENTS.	SECURITIES.	CASH.
£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
Sinking Fund on £47,800, Debentures outstanding, 1st November, 1868 ...	1,434 0 0		Bank of New Zealand, fixed Deposit withdrawn ...	440 0 0	
Interest thereon to 31st October, 1869 ...	85 16 1	1,519 16 1	Adjustment, amount transferred to Cash ...	8 3 0	
Sinking Fund on £46,650, Debentures outstanding, 1st November, 1869 ...	...	1,399 10 0	Invested in Otago Harbour Loan Debentures, payable 1st November, 1874 ...	...	2,500 0 0
Bank of New Zealand Deposit withdrawn ...	...	440 0 0	Invested in New Zealand Government Treasury Bills, dated 1st January, 1870 ...	...	2,700 0 0
Interest thereon to 30th September, 1869 ...	...	5 4 11	Paid accrued Interest on ditto to 8th February ...	...	17 11 0
Interest on Corporation (City of Dunedin) Mortgage, (£3,300), to 22nd May, 1870	346 10 0				
Less on account of Sinking Fund of Public Buildings Loan ...	173 5 0	173 5 0			
Adjustment, amount transferred as <i>per contra</i> ...	...	8 3 0			
Interest on Otago Public Buildings Loan Debentures to 1st April, 1870 ...	...	183 0 0			
Otago Harbour Loan Debentures purchased ...	...			
Interest on Otago Harbour Loan Debentures to 1st May, 1870	...	112 13 0			
New Zealand Government Treasury Bills purchased, dated 1st January, 1870 ...	...			
	2,700 0 0				
Balance on 30th June, 1869 ...	5,200 0 0	3,841 12 0		448 3 0	5,217 11 0
	3,723 3 0	1,603 16 7		8,475 0 0	227 17 7
TOTALS	8,923 3 0	5,445 8 7	TOTALS	8,923 3 0	5,445 8 7
			Balance on 30th June, 1870 ...		

No. 9.

ABSTRACT of RECEIPTS and DISBURSEMENTS of the SINKING FUND of the OTAGO PUBLIC BUILDINGS LOAN, 1862.

Sinking Fund, 3 per cent., payable annually on 1st October.

Cr.

Debentures in circulation, £40,450—payable 1st October, 1875.

Dr.

RECEIPTS.	SECURITIES.		CASH.		DISBURSEMENTS.	SECURITIES.		CASH.	
	£	s. d.	£	s. d.		£	s. d.	£	s. d.
Sinking Fund on £43,150 Debentures, outstanding 1st October, 1868	1,294	10 0			Bank of New Zealand, fixed Deposit withdrawn	260	0 0		
Interest thereon to 31st October, 1869	84	1 0			Invested in New Zealand Government Treasury Bills dated 1st January, 1870	...	...
Sinking Fund on £40,450 Debentures, outstanding 1st October, 1869	1,213	10 0			Paid accrued Interest on ditto to 8th February	...	...	3,000	0 0
Interest thereon to 31st October, 1869	5	19 8						19	10 0
Bank of New Zealand fixed Deposit withdrawn	260	0 0							
Interest thereon to 30th September, 1869	3	2 0							
Interest on Otago Harbour Loan Debentures to 1st May, 1870	...	...					
Interest on Corporation (City of Dunedin) Mortgage No. 17, to 22nd May, 1870	346	10 0							
Less on account of Sinking Fund of Harbour Loan	173	5 0							
New Zealand Treasury Bills, dated 1st January, 1870, purchased	3,000	0 0						260	0 0
Balance on 30th June, 1869	3,460	0 0			Balance on 30th June, 1870	...	...	6,200	0 0
TOTALS	6,460	0 0			TOTALS	...	...	6,460	0 0
								3,019	10 0
								201	17 0
								3,221	7 0

No. 10.

Messrs. HART and BUCKLEY, Solicitors.

Dr.

Cr.

RECEIPTS.	—	DISBURSEMENTS.	—
	£ s. d.		£ s. d.
Fees—recovering Interest due from Samuel Cochrane, Auckland ...	2 2 0		
Balance on 30th June, 1869 ...	6 18 4	Balance on 30th June, 1870 ...	9 0 4
TOTAL ...	9 0 4	TOTAL ...	9 0 4

No. 11.

SUSPENSE ACCOUNT.

Dr.

Cr.

RECEIPTS.	—	DISBURSEMENTS.	—
	£ s. d.		£ s. d.
Cash paid into Bank of New Zealand at Wellington to credit of the Commissioners, in error,—		Payment to Provincial Treasury, Wellington, of Interest due to Province as <i>per contra</i> ...	23 15 0
Interest due from J. F. E. Wright ...	12 10 0	Payment to Provincial Treasury, Auckland, of Interest recovered from S. Cochrane ...	350 0 0
Ditto J. Gell ...	11 5 0	Less Hart and Buckley's fees ...	2 2 0
Interest recovered from S. Cochrane, per Messrs. Hart and Buckley ...	350 0 0	Transfer to Hart and Buckley's account ...	2 2 0
TOTAL ...	373 15 0	TOTAL ...	373 15 0

No. 12.
STATEMENT of the SINKING FUNDS in the hands of the COMMISSIONERS on 30th JUNE, 1870.

LOAN.	DEBENTURES IN CIRCULATION.	WHEN PAYABLE.	SINKING FUNDS ACCRUED.				Total.								
			Particulars of Securities.	£	s.	d.		Cash.	£	s.	d.				
"New Zealand Loan Act, 1860"	95,500	1st July, 1891	New Zealand Treasury Bills,— 30th September, 1870 1st November, 1874	£8,350 3,100	...	...	11,450	0	0	9,736	3	2	21,186	8	2
"Auckland Loan Act, 1863"	38,750	1st June, 1896	Cash in Bank of New Zealand	...	...	...	2,100	0	0	1,543	12	8	3,643	12	8
"Wellington Loan Act, 1862"	9,600	1st July, 1877	Mortgages on Real Estate New Zealand Treasury Bill, 1st November, 1874	£2,000 100	...	...	...	...	...	...	...	...	...	...	...
"Wellington Loan Act, 1866," No. 3	13,500	1st July, 1886	Cash in Bank of New Zealand Mortgages on Real Estate New Zealand Treasury Bills, 1st November, 1874	£800 300	...	...	1,100	0	0	336	7	0	1,436	7	0
"Otago Loan Ordinance, 1861-2"	41,100	1st July, 1874 31st Dec., 1875	Cash in Bank of New Zealand Otago Harbour Loan Debentures, 1st November, 1874... Dunedin Waterworks ditto, January, 1877 ... New Zealand Treasury Bills, 1st November, 1874	£3,250 5,000 700	...	...	8,950	0	0	46	3	5	8,996	3	5
"Otago Loan Ordinance, 1862"	145,500	1st July, 1898	Cash in Bank of New Zealand Otago Harbour Loan Debentures, November, 1874 Corporation City Dunedin Mortgage, 1st July, 1898 New Zealand Treasury Bill, November, 1874	£3,900 3,300 100	...	...	7,300	0	0	171	10	0	7,471	10	0
"Otago Harbour Loan Ordinance, 1862"	46,650	1st Nov., 1874	Cash in Bank of New Zealand ½ Corporation City of Dunedin Mortgage for £3,300, 22nd November, 1874	...	...	...	...	...	...	...	...	...	...	...	...
"Otago Public Buildings Loan Ordinance, 1862"	40,450	1st Oct., 1875	Otago Harbour Loan Debentures, 1st November, 1874... Otago Provincial Buildings ditto, October, 1875 New Zealand Treasury Bills, November, 1874	£1,650 2,600 1,525 2,700	...	...	8,475	0	0	227	17	7	8,702	17	7
Hart and Buckley's Account	...	...	Cash in Bank of New Zealand ½ Corporation City of Dunedin Mortgage for £3,300, 22nd November, 1874 ... Otago Harbour Loan Debentures, November, 1874 New Zealand Treasury Bills	£1,650 1,550 3,000	...	...	6,200	0	0	201	17	0	6,401	17	0
TOTALS	431,050	...	Cash in Bank of New Zealand Solicitors' fees recovered ... ..	...	...	...	45,575	0	0	9	0	4	57,847	11	2

PUBLIC DEBTS SINKING FUNDS.

No. 13.

SUMMARY of the SECURITIES in the hands of the COMMISSIONERS on 30th June, 1870.

	£	s.	d.	£	s.	d.
New Zealand Government Treasury Bills, due 30th September, 1870,—						
Nos. 82 to 89—8 Bills @ £1,000	£8,000					
No. 90 —1 „ 350	350					
				8,350	0	0
Due 1st November, 1874,—						
Nos. 1,152 to 1,251—100 @ £100				10,000	0	0
						18,350 0 0
Otago Harbour Loan Debentures, due 1 November, 1874,—						
Nos. 82 to 96—15 Debentures @ £100				1,500	0	0
Nos. 126 to 145—20 „ 100				2,000	0	0
Nos. 225 to 232—8 „ 100				800	0	0
Nos. 417 to 439—23 „ 50				1,150	0	0
Nos. 451 to 500—50 „ 50				2,500	0	0
Nos. 601 to 611—11 „ 50				550	0	0
Nos. 635 to 650—16 „ 50				800	0	0
Nos. 701 to 740—40 „ 50				2,000	0	0
						11,300 0 0
Otago Public Buildings Loan Debentures, due 1st October, 1875,—						
No. 712				25	0	0
Nos. 741 to 800—60 Debentures @ £25				1,500	0	0
						1,525 0 0
Dunedin Waterworks Debentures, due 31st January, 1877,—						
Nos. 21 to 50—30 Debentures @ £100				3,000	0	0
Nos. 71 to 90—20 „ 100				2,000	0	0
						5,000 0 0
Corporation (City of Dunedin) Mortgages,—						
No. 17, due 22nd November, 1874				3,300	0	0
No. 19, due 1st July, 1898				3,300	0	0
						6,600 0 0
Mortgages on Real Estate in the Province of Wellington						2,800 0 0
						45,575 0 0

No. 14.

STATEMENT of the EXPENSES incurred by the COMMISSIONERS during the Year ended 30th June, 1870.

	£	s.	d.
Salary of Secretary and Accountant	50	0	0
Messrs. Hart and Buckley, Solicitors to Commissioners—Fees to 11th May, 1870	46	9	8
	96	9	8

Wellington, 12th July, 1870.

JAMES C. GAVIN,
Accountant to Commissioners.