

Enclosure in No. 33.

STATEMENT explaining Discrepancies between the Amounts of Sale-notes of the 3½-per-cent. Stock and the Amounts paid into the Public Account.

Date.	Discrepancy between the Amount of Sale-note and the Amount paid into Public Account.	Explanation.
15th Sept...	11s. 6d. less	The cost (11s. 6d.) of the power of attorney required in signing the transfer, having been paid by the brokers, was deducted from the net amount of the purchase-money, as shown on the sale-note.
29th Sept...	8s. 6d. more	Through an error on the part of the brokers on settling-day, £29,617 12s. 5d. was substituted for £29,616 12s. 5d., and from the former amount 11s. 6d. (power of attorney) was deducted, thus making the actual amount paid into the Public Account 8s. 6d. in excess of the amount given in the sale-note. The £1 thus overpaid was refunded to the brokers out of Foreign Imprest (voucher No. 109, Oct.-Nov. account).
13th Oct. . .	11s. 6d. less	The cost (11s. 6d.) of the power of attorney was deducted from the net total amount as shown in the sale-notes.
27th Oct. . .	11s. 6d. less	Ditto.
15th Nov. . .	11s. 6d. less	"
30th Nov. . .	11s. 6d. less	"
14th Dec. . .	11s. 6d. less	"
29th Dec. . .	11s. 6d. less	"

No. 33.

The AGENT-GENERAL to the COLONIAL TREASURER.

(No. 92.)

Westminster Chambers, 13, Victoria Street, London, S.W.,
26th January, 1894.

SIR,—

Referring to my letter (No. 1585) addressed to the Premier, of the 27th December last, I beg to state that, on proceeding to prepare a statement of account for the purpose of ascertaining how much additional 3½-per-cent. stock it will be necessary to inscribe in order to complete the conversion of the £400,000 debentures issued under "The Public Revenues Act, 1887," and also that of the £500,000 guaranteed debentures of 1863, it has been found necessary to defer the closing of these accounts until the differences existing between the Stock Agents' account and those of the Treasury have been determined.

With reference to the £400,000 debentures, £420,000 3½-per-cent. stock was inscribed and sold, producing £401,099 8s., £400,000 of which went to redeem the debentures, thus leaving a balance in hand of £1,099 8s. Against this balance is chargeable stamp duty (£2,625), and other minor expenses, such as legal costs, departmental expenses, &c., and, in addition to these, there would be the overlap of interest, amounting to £2,450, as given in the statement of account sent with my letter (No. 1,433), of the 30th November last.

Again, as regards the £500,000 debentures, the net proceeds of the sale of the £610,000 (inclusive of £4,010, the estimated amount of the proceeds of the sale of £4,177 17s. 8d.) amounts to £579,515 9s. 2d., and against this there has to be charged £585,000 paid to the Bank of England, £3,812 10s. stamp duty, as well as other minor expenses. But, on the other hand, there is the saving of interest amounting to £3,333 6s. 8d., as entered in the statement of account sent with my above-mentioned letter.

As, therefore, it is possible that the discrepancies existing between the Stock Agents accounts and those of the Treasury might have reference to the principle under which the Stock Agents have credited and debited the Public Account with the overlaps and savings respectively as regards the payment of interest, it appeared necessary to defer the final completion of the accounts until that and other points (if any) have been finally determined.

I propose, however, pending such determination, to ask the Stock Agents to inscribe at once, say, £6,000 additional 3½-per-cent. stock, as regards the conversion of £500,000 guaranteed debentures, as that amount will not, under any circumstances, exceed the further amount required.

I have, &c.,

The Hon. the Colonial Treasurer, Wellington.

W. B. PERCEVAL.

No. 34.

The COLONIAL TREASURER to the AGENT-GENERAL.

(No. 77.)

The Treasury, Wellington, 22nd March, 1894.

SIR,—

I have the honour to acknowledge the receipt of your letter of the 26th January (No. 92) with regard to the settlement of the Conversion Account.

The Government approve of your proposal to inscribe a further sum of £6,000 in respect of the £500,000 debentures converted.

When the balance of stock in hand, £4,177 17s. 8d., shall have been sold, and the entries made in the Treasury books, a statement of the Conversion Account will be prepared, and, when verified