

48. You say there is a reserve fund which springs into existence of £20,000?—Yes, £20,000; it arises from profit and loss.

49. By whom was the balance-sheet signed?—Edward Waterhouse and G. Sneath, at the head office, London.

50. When was the head office removed to London?—In a statement I have here, which is supplied from the bank, I find this: “The head office of the bank was transferred to London on the 22nd July, 1890.”

51. I do not think I have asked you yet what the assets over liabilities were for 1891?—£957,355 1s. 3d., less the amount of dividend paid, £21,250; that would leave £936,105.

52. In 1890 you gave the assets as being valued over liabilities at £1,224,783; there is only a difference in the assets of £288,678?—There is no doubt in the writing-off in 1890 it disappeared before the balance-sheet of 1891.

53. You think that would be in the £1,100,000 written off?—Yes.

54. Before we leave 1891, is there any Suspense Account shown there?—No; there is none.

55. Come now to 1892. What was the position of the bank in 1892?—The position is that there is a capital of £900,000 in 1892. It would be as well to call attention to the fact that for the first time there comes up in the balance-sheet an interim dividend paid on the 30th September, 1891, but, as that is subsequent to the figures at the present time, it will be sufficient if the matter is taken account of now.

56. Five per cent. was paid on the 31st March, 1891?—Yes.

57. Then, in 1892?—There was an interim dividend paid in September of 1891.

58. What was the dividend then?—The position for 1892 is: capital, £900,000; and profit and loss for the year, £78,330 18s. 5d. Then an interim dividend for September, 1891, £22,500.

59. Was the interim dividend 5 per cent. or 10 per cent.?—5 per cent.

60. For 1891 the year's dividend was 5 per cent., so if this was for the half-year it would be 10 per cent. for the year?—It was at the rate of 5 per cent. for the year ending March, 1892.

61. What are the assets over liabilities for that year?—£938,330. There is another item that is left after the dividends have been paid, and there is an addition also made to the reserve fund of £15,000, that being raised from £20,000 to £35,000. That would make £953,330.

62. *The Chairman.*] That amount, then, is assets over liabilities?—Yes.

63. *Hon. Mr. Seddon.*] What are the writings-off for 1892?—According to the figures here the writings-off for 1892 are given as £20,198.

64. Was there any further dividend in 1892 beyond that paid in September?—There were two half-yearly dividends paid in that year—in 1892—that is, ending March, 1892; the first was the half-yearly dividend in September, 1891, and the next in March, 1892, the date of this balance-sheet. The September dividend was £22,500, and the same amount was paid in March.

65. That would be 5 per cent., of course?—Yes; one half-yearly the previous year, and these two half-yearly dividends.

66. Tell us who signed the balance-sheet of 1892?—The same gentlemen as before—Mr. Edward Waterhouse and Mr. George Sneath, of Gresham Street, London. The position in the balance-sheet of 1893 is: capital remaining the same, £900,000, and the reserve fund is increased from £35,000 to £45,000, and there is a balance carried forward, after providing a dividend of 5 per cent., of £19,161, making a total of £964,161.

67. Now, the assets over liabilities—the total?—£964,161. Of course, you understand that that includes the capital of £960,000.

68. Now, the profit and loss account?—The amount to credit is £74,161, and that was taking the dividend in September, and a further dividend in March of £22,500 each; and £10,000 was added to the reserve fund, making it £45,000; thus making the total I have given you of £964,161.

69. What was the amount written off that year?—£13,532.

70. By whom is the balance-sheet signed?—The same auditors—Edward Waterhouse and G. Sneath.

71. Could you give the names of the general managers each year for 1888, 1889, 1890, 1891, 1892, and 1893?—The general manager, according to this memorandum, in 1888 was Mr. D. L. Murdoch. That was on the 1st January, but on the 5th June there was a change, and Mr. John Murray became general manager, and his appointment was confirmed on the 23rd October, 1888; so that practically from the 5th June, 1888, Mr. John Murray was general manager. There is also a note here that on the 20th November, 1888, Mr. G. E. Tolhurst, then manager at Wellington, went to Auckland to assist in the general management. He was appointed to be active general manager on the 18th January, 1889. Mr. Murray resigned the management on the 23rd October, 1889. Mr. Tolhurst retired from the general management, and Mr. J. M. Butt took up the duties of the position on the 25th March, 1890. On the 22nd July, 1890, as you already know, the head office was transferred to London. I think it would perhaps prevent misunderstanding if I go on to say that, while Mr. Butt took up the duties of general manager on the 25th March, 1890, the head office of the bank was transferred in July, but Messrs. W. H. Colbeck, Arthur Bull, J. Murray, and W. S. Wilson were appointed attorneys to look after the management at the time Mr. Butt was in charge, and Mr. Butt, with these gentlemen, appears to have remained in charge until Mr. Holmes was appointed in London general manager, and arrived in Auckland in March, 1891, with full power of attorney to cancel the power given to Messrs. Colbeck, Murray, Bull, and Wilson; and then, in 1894, Messrs. Butt and Michie were associated, from the 7th June, 1894. The head office was transferred from London to Wellington, and the new Board now in office elected on the 26th September, 1894, the new Board comprising Messrs. Johnston, Macarthy, Booth, and Kennedy. The President was appointed by the Government on the 12th November of that year—1894.