

## AUDITOR'S REPORT.

I hereby certify that the preceding accounts of receipts and expenditure, profit and loss, and balance-sheet, correctly record the transactions of the company during the period, and its position at the close, as shown by the company's books, and as directed by the company's articles of association. I have verified the bank and cash accounts. I am of opinion that the balance-sheet clearly represents the position of the company as on 31st December, 1897.

JOHN SCOTT, F.I.A.N.Z., Auditor.

Wellington, 22nd February, 1898.

[Vide Plans.]

RESOLUTIONS OF THE SHAREHOLDERS OF THE MOKIHINUI COAL COMPANY (LIMITED) SETTING UP A COMMITTEE OF INQUIRY, CONSISTING OF MESSRS. MILES, MACDONALD, AND GREENLAND.

MINUTES of an informal meeting of Wellington shareholders in the Mokihinui Coal Company, held at the company's office, Customhouse Quay, Wellington, on Saturday, the 22nd October, 1892, at 7.30 p.m.

*Present*: Messrs. Macarthy (chairman), Allen, Barton, Brandon, Deacon, Gale, Chapman, C. Luke, Miles, McGlashan, McAlister, O'Connor, Riddick, Sloan, Townsend, and Travers.

The chairman read the circular, as under, calling the meeting:—

## MOKIHINUI COAL COMPANY (LIMITED).

An informal meeting of shareholders of the above company will be held at the company's offices, Customhouse Quay, to-morrow (Saturday), the 22nd October, at 7.30 p.m. The above meeting is convened at the request of Mr. E. J. O'Connor. Your attendance is particularly requested.

THOS. G. MACARTHY, Chairman of Directors.

Mr. O'Connor then addressed the meeting at some length, after which Mr. Travers proposed and Mr. O'Connor seconded the following resolution: "That in view of the charges made by Mr. O'Connor, and their effect upon the business of the company, that a committee of inquiry be appointed, to consist of three persons, who shall be instructed to report and examine upon the management, accounts, and general affairs of the company from its incorporation, with a view of enabling the shareholders to advise upon the future proceedings of the directors. That the committee be requested to report within one month, and that the directors place at their disposal for the purpose of investigation the minutes and accounts of the company. That the persons so appointed shall be elected, one by shareholders at Wellington, one by shareholders at Christchurch, and one by the shareholders at Westport."

The chairman, having put the resolution to the meeting, declared it carried unanimously.

MINUTES of an informal meeting of Wellington shareholders of the Mokihinui Coal Company (Limited), held at the company's offices, Customhouse Quay, on Thursday, the 3rd day of November, 1892, at 4 p.m.:—

*Present*: Messrs. Macarthy (chairman), Allen, Blair, Brandon, Chapman, Deacon, Gale, Gannaway, Miles, Riddick, Sloan, Townsend, Travers, and J. Warnock.

Proposed by Mr. Travers and seconded by Mr. Warnock, "That Mr. A. H. Miles be appointed the Wellington representative to sit on the committee of inquiry." Carried.

MEETING of the Christchurch shareholders in the Mokihinui Coal Company (Limited), this 27th October, 1892, Mr. A. Cuff in the chair:—

The following is a copy of the resolution passed at the meeting: "That, while regretting that there should be need for holding an inquiry into the charges brought by Mr. O'Connor against the directors of the Mokihinui Coal Company, and the counter-charges brought by the directors against Mr. O'Connor, mainly on account of the attendant expense and unpleasant character of the proposed investigation, we are unanimously of opinion that (in view of the impossibility of making the proper financial arrangements for future working of the company while such serious allegations as to past and present management of the company's affairs remain unproven, or are found to be groundless; and for the purpose of obviating the apparent present deadlock) the directors are justified in the course proposed to be taken, and we hereby nominate Mr. Kennedy Macdonald, of Wellington, to represent the Christchurch shareholders on the commission of inquiry, and on such terms of remuneration as the directors may arrange, such inquiry to be made as speedily as possible. We are also of opinion that, there being now no legal difficulty as to title, no time should be lost in raising the necessary funds, by the issue of debentures or otherwise, for the purpose of putting the company's line in order, and placing coal on the market, at as little additional expense to existing works as possible." Proposed by C. Edkins, seconded by H. Andrews, and carried unanimously.

ALBERT CUFF, Chairman.

RESOLUTIONS passed at a meeting of the Westport shareholders in the Mokihinui Coal Company, 27th October, 1892:—

*Resolved*, "That Westport shareholders concur in the proposed inquiry as asked for by Mr. O'Connor, and appoint Mr. C. N. Greenland as a member of the committee, having every confidence in his competence and reliability to investigate the affairs of the company and report according to evidence, in regard to the past and also in regard to the present position and future prospects of the company."

*Resolved*, "That written instructions should be given to the inquiry committee, to be agreed to by both parties, as to the precise subjects of inquiry, and that written statements from either side be prepared and placed at the disposal of the inquiry before it commences. Committee to be