

become and are now vested. Although, subsequent to Mr. Holmes's appointment to this Board, the shares in this company which stood in the name of the Bank of New Zealand Estates Company, registered in the names of the vendors, have been transferred into the name of your Board, that gentleman has, we understand, continued to represent on this Board the joint interests in the shares of the parties concerned.

The Board, desirous of doing what is just in the interests of all the shareholders, and in order to arrive at some definite suggestion from yourselves, have instructed me to forward you the following telegram, which I did through the Bank of New Zealand on the 14th instant—viz., "Hume offers continue company's agency, existing terms. Do you suggest anything better?"—and they propose to defer taking any action to alter the existing arrangements until they have received your views, and any suggestions, if you have any which you wish them to consider. They hope you will agree with them in continuing Mr. Hume's services, seeing that his past superintendence has given him a considerable knowledge of our estate and its qualities, and that now he may be in a better position of greater freedom to give even more attention to it, and his reputation does not appear to be in any way depreciated by his leaving the bank or otherwise. If you, however, in New Zealand have any facts within your knowledge, in the interests of the company, to the contrary, the directors desire me to assure you they will give them their best attention.

Yours, &c.,

C. DUGALD BUCKLER, Secretary.

The Manager, Assets Realisation Board, Wellington, New Zealand.

P.S.—Since this letter was drafted and approved by the Board, the Bank of New Zealand have handed us your telegram of the 20th instant, as follows: "We do not approve of Hume; appointment should be to Assets Realisation Board." We shall, no doubt, be receiving from you by early mail letters covering your telegrams and going more into detail, and giving reasons for your proposals, and suggestions as to the best way to carry them out, which it is difficult to state effectively in a telegram. When that letter arrives, or your reply to this communication, the Board will at once deal with the matter; but, in the meantime, they think it better they should take no action.

LETTER FROM ASSETS BOARD TO COMPANY, dated 4th October, 1898.

DEAR SIR,—

Assets Realisation Board, Wellington, 4th October, 1898.

The balance-sheet of the affairs of your company as at 31st March last is duly to hand, as well as local and London reports. We notice with regret that the year's business, apart from the special £500 from the Prospecting Syndicate, shows a loss of £232 Os. 10d. Were this deficiency peculiar to the year there would perhaps be nothing very alarming, but you will notice that, notwithstanding the favourable prognostications annually made, the position of the company is becoming gradually worse, until it now seems within measurable distance that the capital remaining visible in the stock, plant, &c., will have disappeared.

For your information I enclose copy of letter addressed by me to the Right Hon. R. J. Seddon when he was in your city, and would suggest your consideration of the proposals I therein submitted. That a change is desirable is beyond question, as the cost of management is excessive and unnecessary. London expenses, totalling some £900, are almost entirely unnecessary, and in the condition of affairs impossible to afford. Local expenses are higher than need be, and we see no course open to us but to take steps to bring about a liquidation of the company, unless, of course, your Board can submit some better plan.

We have our solicitor's opinion that the Court would under all circumstances grant us relief, and, unless we hear from you in course of mail submitting some better proposal, we purpose taking the necessary steps to this end.

You are no doubt aware that your local director, Mr. James Hume, has retired from the service of the Bank of New Zealand, is no longer living in the Waikato, and has no further interest in the bank's or the company's affairs, and I am cabling you to-day as per schedule herewith.

In conclusion, I may mention that in July, 1896, we authorised the London branch of the Bank of New Zealand to sell our interest in the company for £2 per share, and we are still prepared to sell at that figure, if obtainable. Should the London shareholders desire to acquire our interest we shall be pleased to quote a very liberal concession off that price.

Yours, &c.,

WALTER G. FOSTER, General Manager.

The Chairman, New Zealand Thames Valley Land Company (Limited), London.

[Enclosed with above Letter.]

DEAR SIR,—

Assets Realisation Board, Wellington, 15th June, 1897.

*New Zealand Thames Valley Land Company.*—You will, no doubt, remember your raising the question of the future control and management of this company's land in Waikato. The reports of the New Zealand director and chairman promised after the payment of the last call a much improved condition of affairs, which, judging by their last balance-sheet, has not eventuated, and, so far as can be ascertained locally, not very satisfactory progress has been made this year. Their annual meeting is close at hand, and the Board thinks it would be desirable some steps should be taken to bring about at any rate a large share of control in the colony. I may point out that the same chief management which was, at any rate, not beneficial to the Estates Company exists in regard to the Thames Valley Company. I am quite at a loss to understand that better results are not obtainable, and can only attribute the failure to indifferent management. You will perhaps remember that Mr. James Hume, the manager of the Bank of New Zealand at Hamilton, is the local director, but, whilst no doubt a capable man in most