

The remainder of the lands, after reservation of suitable areas for Natives, were offered for lease. All the available land in Mangapoike and nearly all that in Tahora has been taken up by good settlers, and is rapidly being brought into profitable occupation. The value of these lands held for the benefit of the Natives is £95,000, which added to the value of the lands saved out of the bank realisation—viz., £97,050—make up the sum of £192,050, and after providing for the amount owing on mortgage, loans and other liabilities there remains an estate comprising 187,438 acres, of a net worth of £173,023. Of this area 61,811 acres are leased at a present annual rental of £4,573; 26,469 acres have been reserved for Natives; and of the remaining 99,157 acres, part will be reserved for Natives, a portion may have to be sold to adjust accounts as between the different blocks, and the rest will be available for lease for the benefit of the Natives.

Throughout the Board had in view the need for as prompt a realisation as was compatible with due regard for obtaining the best market prices, and they are pleased to be able to report that full values were got for all the properties sold.

The realisation of these lands has been the means of bringing in fresh capital, to the great advantage of the district as a whole, and the opening-up of such large blocks of excellent land as Mangapoike and Tahora, and the subdivision of Mangaheia, must largely benefit all in the community.

The Board would fail in its duty were it to omit to draw your special notice to the very great advantage that has accrued to the Trust estate and to the district through the wise action of the Government in perfecting the titles to all the Trust lands. Had the Board not been in a position to give perfect titles advantageous realisation would have been quite impossible.

The Board also desires to thank the Trustees, and more particularly the Hon. James Carroll, for the valuable advice and assistance throughout the realisation.

Future Management.—Although the more onerous part of the duties for which the Board was appointed has been achieved, there still remains to be accomplished the adjustment of accounts as between the various interests of the estate, the settlement of large outstanding claims, and, probably, further realisation for these purposes. The Board hopes that within the next six months it will be able to deal with the greater part of these matters, and, as its duties will then be chiefly supervisory, the Board respectfully suggests that after that date its members shall hold office in an honorary capacity. In view of the large interests involved, the Board is of opinion that the management of so large an estate should remain as at present in the hands of a Board of Trustees responsible to Parliament.

We have, &c.,

J. MACFARLANE, Chairman.
W. SHRIMPTON, } Members.
J. A. HARDING, }

The Hon. the Minister of Native Affairs, Wellington.

SUMMARY of SCHEDULES of LANDS vested in the East Coast Native Trust Lands Board.

	Blocks secured to the Bank of New Zealand.	Blocks outside the Bank Securities.	Total.
	Acres.	Acres.	Acres.
Area sold	34,939	14,672	49,612
" leased	15,312	46,499	61,811
" reserved for Natives	26,469	26,469
" held for future disposal	57,580	41,577	99,157
Total areas	107,832	129,218	237,050
	£	£	£
Proceeds of sales of freehold	105,772	14,075	119,847
Loans raised on mortgage... ..	21,000	10,000	31,000
	126,772	24,075	150,847
Paid Bank of New Zealand	117,416	...	117,416
" for surveys and improvements... ..	1,776	...	1,776
" for sale expenses, law-costs	1,349	...	1,349
" rates	336	..	336
" Trust's General Fund	5,894	24,075	29,969
	126,772	24,075	150,847
Value of lands not sold	97,050	95,000	192,050
Present annual rental of lands leased	2,915	1,658	4,573

Gisborne, 24th August, 1905.