

(2nd July, 1866) and in reply am directed to inform you, as regards your first question, that the Attorney-General is of opinion that the debtor and creditors, not having complied with the provisions of the Act, are not entitled to the privileges and advantages conferred by it, and consequently are not bound by its duties.

In answer to your second question, I am to state that the Attorney-General is disposed to think that the actual cost of realization ought to be first deducted, not including law expenses, but that you should obtain a judicial decision thereon.

The Inspector in Bankruptcy,
Southland.

I have, &c.,
R. G. FOUNTAIN,
(for the Assistant Law Officer.)

No. 30.

Copy of a Letter from Mr. J. E. GRAHAM to the Hon. E. W. STAFFORD.

Office of Inspector in Bankruptcy,
Christchurch, N.Z., 19th June, 1866.

SIR,—

I have the honor to acknowledge the receipt of the letters quoted in the margin, from the Assistant Law Officer informing me that a sum, not exceeding the rate of £800 per annum, may be drawn for my department to be paid as the funds set apart for that purpose admit of it. In admitting the justice of this arrangement, may I be permitted to ask how I am to be informed from time to time the state of this fund, as there are expenses going on in my office, such as rent and clerk's salary, which must be met periodically.

Directing me to take official cognizance of any trustees or sequestrators who do not account for the fees payable under the Act of 1865.

It should be my duty to see this order strictly adhered to, but at the same time, I may be permitted to remark that it will be no easy task at first to obtain returns from trustees or sequestrators of moneys received by them.

I fear, in common with the other Provinces, that there are a great many estates which I have been called upon to supervise that will hardly pay costs. Creditors have been indolent, and receivers and trustees having had no check on their actions, have wasted all the funds realized, and are now unable to pay any little that might have accrued to creditors by a careful management of their trusts.

I have at present forty estates to look into since the passing of the new Act, twenty-four here and sixteen in Westland, besides many valuable estates not accounted for under the old Act.

Under the circumstances, I beg respectfully that some little time is given to me to make up my reports.

The Hon. E. W. Stafford, Colonial Secretary,
Wellington.

I have, &c.,
J. E. GRAHAM,
Inspector.

No. 31.

Copy of a Letter from Mr. R. G. FOUNTAIN to the INSPECTOR IN BANKRUPTCY, Canterbury.

Colonial Secretary's Office (Judicial Branch),
Wellington, 30th July, 1866.

SIR,—

I have the honor to acknowledge the receipt of your letter of the number and date quoted in the margin, and in reply am directed to inform you that the information sought for can be obtained at the Sub-Treasury at Christchurch.

I have, &c.,
R. G. FOUNTAIN,
For the Assistant Law Officer.

The Inspector in Bankruptcy, Canterbury.

No. 32.

Copy of a Letter from Mr. J. E. GRAHAM to the Hon. E. W. STAFFORD.

Office of Inspector in Bankruptcy,
Christchurch, 13th July, 1866.

SIR,—

For the information of the Government I have the honor to lay before you my first report, which, with your permission, I will follow up periodically.

I was appointed Inspector in Bankruptcy on the 7th May last, consequently I have been only two months in office. I found, on entering into my duties, that my predecessor had not taken charge of any of the sequestered estates, consequently I have considerable arrears of work.

Having called upon sequestrators and trustees to report to me upon the various estates under their charge, I have, up to the 30th June last, received reports on twenty-three estates in or about this city, and on nineteen estates in Westland. These, with one exception, are estates sequestered since the passing of the Amendment Act of 1865.

With the estates placed into Court previous to that date I shall have considerable trouble, sequestrators and trustees in charge, not having had sufficient check on their actions, and no one in particular to account to, have either wasted or done away with all available assets, and I shall not, I fear, show any large sums realized from estates not wound up previous to the passing of the last Act.

The amount of assets realized to 30th June on estates under supervision, as by returns forwarded to the Sub-Treasurer is £5,063 18s. 8d.

The fees payable under the two Acts to same period are—

Under Insolvent Act, 1862	...	...	£253	3	10
„ Amendment Act, 1865	...	...	190	17	8