of the Fund. Debentures amounting to £64,000 were issued under section 31 of the last-named Act in respect of these inscriptions, and the proceeds were credited to this Fund. Some miscellaneous sums were also paid in, amounting to £1,634 12s. 9d. As I have already mentioned in my explanation of the expenditure of the Consolidated Fund, £30,000 was transferred to Part I. in aid of the ways and means to assist in the construction of roads and bridges to open up blocks of land submitted for sale.

Part I. was further aided during the year by receipts derived from the balance of Sinking Funds released under section 9 of "The Consolidated Stock Act, 1884." In my last Statement I indicated that the amount to be received from this source could be safely calculated at more than £300,000. The precise amount credited was £316,532 8s. 5d.; while a final settlement has not yet been come to with the Commissioners in respect of the balance of securities of the Sinking Fund of the New Zealand Loan of 1860, which are not of a liquid character. Summarising the above, the funds of Part I. have been augmented by £412,167 1s. 2d.

On ordinary departmental services £312,482 5s. 3d. was spent, and, in accordance with my promise of last year, £100,000 of the Released Sinking Funds was used to extinguish a portion of our floating debt. The total charges amounted therefore to £412,482 5s. 3d.; and the available balance of the fund remaining for further appropriation amounted to £299,578 9s., including the sum of £878 8s. 9d., balance of the asset under "The Government Loans to Local Bodies Act, 1886." In a separate table will be found a statement of liabilities of this Part, amounting to £250,063 16s. 6d. Table No. 5.

The Greymouth Harbour Board having obtained additional borrowing-powers to the extent of £50,000, debentures were issued for the advances already made to the Board, and the temporary assistance which had been given was thus placed upon a satisfactory footing.

PART II.

Table No. 1.

Available balance, 31st March, 1892, £276,976 19s. 8d.; and liabilities, £63,806 17s. 7d.

On the 31st March, 1891, the available balance of this Fund amounted to £356,107, and during the past year the sum of £79,130 0s. 4d. was expended, leaving a balance of £276,976 19s. 8d. for further appropriation. The liabilities are set down at £63,806 17s. 7d.

SUMMARY.

Available balance of both parts, £576,555 8s. 8d.; liabilities, £313,870 14s. 1d.

Although Parts I. and II. are in every respect separate ways and means, it may be convenient to show an analysis of their several balances and of the total produced by the two. Thus,—

—	Part I. £ s. d.	Part II. £ s. d.	Total. £ s. d.
Cash in the Public Account	125,322 10 3	168,878 14 3	294,201 4 6
Fixed deposit in London	30,000 0 0	..	30,000 0 0
Advances in the hands of officers of the Government	60,777 10 0	2,098 5 5	62,875 15 5
Temporary Investments,—			
Guaranteed Debentures of the Loan of 1870	10,000 0 0	106,000 0 0	116,000 0 0
$4\frac{1}{2}$-per-cent. stock of 1884	5,600 0 0	..	5,600 0 0
Government Loans to Local Bodies debentures	23,000 0 0	..	23,000 0 0
Westport Harbour Board debentures	28,000 0 0	..	28,000 0 0
Greymouth Harbour Board debentures	16,000 0 0	..	16,000 0 0
	298,700 0 3	276,976 19 8	575,676 19 11
Balance of Assets under section 31 of "The Government Loans to Local Bodies Act, 1886"	878 8 9	..	878 8 9
Totals	299,578 9 0	276,976 19 8	576,555 8 8

CONVERSION OPERATIONS.

Table No. 1.

Conversion Account.

Further papers will be laid before you showing what has been effected during the past year, while the statement of the Conversion Account itself exhibits the operations very fully. As honourable members are doubtless aware, colonial stocks were very depressed during the whole of last year; consequently it was difficult to effect sales of our $3\frac{1}{2}$-per-cent. stock at anything like a reasonable rate. Prices have now, I am glad to say, considerably improved, and I am advised that business has been done as high as 97, whereas