Enclosure 2 in No. 32.

A.—STATEMENT showing—(1) The Amount of Debentures converted into 3½-per-cent Stock; (2) the Amount of Stock which should be inscribed in the Names of the Agent-General and Audit Officer in respect thereto; (3) the Actual Amount thus inscribed; and (4) the Balance still required to be inscribed.

Dr.	£	£
Commissioners' orders issued on account of debentures of the March series of the 1863 loan	110,900	
Commissioners' orders issued on account of debentures of the June series of the 1863 loan	174,500	
Commissioners' orders issued on account of the 6-per-cent. (1860) debentures	66,800	
	352,200	
Add 4 per cent. on £352,100 ..	14,088	
		366,288
£50,000 Westland Loan scrip ..	50,000	
Add 7½ per cent. on £50,000 ..	3,750	
		53,750
		£420,038

Cr.	£	£
Amount of stock inscribed representing debentures of 6-per-cent. 1863 loan	16,432	
Amount of stock inscribed representing debentures of the 6-per-cent. 1860 loan	69,472	
Amount of stock transferred by Stock Agents	110,000	
Amount of stock transferred by Stock Agents	170,000	
		365,904
Amount of stock inscribed representing £50,000 Westland Loan scrip		53,750
Balance of stock required to be inscribed at this date..		384
		£420,038

For the Stock Agents,
F. D. BELL.

London, 25th September, 1891.

Examined,
C. WRAY PALLISER, Audit Officer.

Enclosure 3 in No. 32.

EXPLANATORY MEMORANDA relating to the Statement showing the Financial Result of the Various Transactions which have passed between the Stock Agents and the Public Account from the 31st January, 1891, to the 25th September, 1891, with respect to the Conversion of the Public Debt.

Debit Side.

Item £3,100: For part of the 10-40 debentures outstanding at date (31st January, 1891) of preceding account; leaving £700 outstanding, £500 of which has been dealt with under the Lost Debentures Act.

Item £1,500: Drawn by Stock Agents to provide for sundry conversion expenses.

Item £146,600: This amount represents the Sinking Fund set free on account of drawn Consol 5-per-cent. bonds, which had been converted into 5-per-cent. bonds, convertible in 1892 into 4-per-cent. stock.

Item £510 12s.: The actual sale of the £68,000 stock realised £510 12s. less than the estimated amount as credited on the preceding account. This is now adjusted.

Item £110,900: This is the amount of 1863 debentures (March series) sent in up to the present date to the Crown Agents for payment, as distinguished from those sent in to the Bank of England for direct conversion into 3½-per-cent. stock.

Item £554: This is part of a Commissioners' order for £1,285, being payment of the Crown Agents' commission (½ per cent.) for paying off £110,800 of the 1863 debentures (March series).

Item £15,800: This amount was provided out of the Public Account to meet the payments in respect to the purchase in the open market of 1863 debentures (June series), the debentures being then sent in to the Bank of England for conversion into 3½-per-cent. stock inscribed in the names of the Agent-General and Audit officer.

Item £158,700: This is the amount of 1863 debentures (June series) sent in up to the present date to the Crown Agents for payment, as distinguished from those sent in to the Bank of England for direct conversion into 3½-per-cent. stock.

Item £731: This is part of the Commissioners' order for £1,285 referred to above, and provides for payment of the Crown Agents' commission (½ per cent.) for paying off £146,200 of the 1863 debentures (June series).

Item £228,000: This amount represents the repayment of the advances made to the Stock Agents by the Bank of England on the security of 3½-per-cent. stock, which, on being released by such repayment, became available for inscription in the names of the Agent-General and Audit Officer.

Item £52,800: This is the amount of debentures of the 1860 loan received through the Union Bank of Australia, the debentures being sent in to the Bank of England for conversion into 3½-per-cent. stock, inscribed in the names of the Agent-General and Audit Officer.

Item £264: This is the amount of commission (½ per cent.) payable to the Union Bank of Australia in respect of the £52,800 1860 debentures mentioned in the preceding paragraph.

Item £14,000: This amount was provided out of the Public Account to meet the payments in respect to the purchase in the open market of 1860 debentures, the debentures being then sent to the Bank of England for conversion into 3½-per-cent. stock, inscribed in the names of the Agent-General and Audit Officer.

Item £3,822 1s. 3d.: This is a payment on account for commutation of stamp duty, payable to the Imperial Inland Revenue on the inscription of the 3½-per-cent. stock.

Credit Side.

Item £146,600: This is the amount of the Sinking Fund set free on account of drawn Consol 5-per-cent. bonds.

Items from £100,000 to £7,700, both inclusive: These amounts were provided out of the advances made to the Stock Agents by the Bank of England on the security of 3½-per-cent. stock.

Item £831 16s. 3d.: Balance of interest due to Stock Agents, such interest having been computed on daily balances at 1½ per cent. per annum below bank rate varying.

Items from £10,400 to £100 (19th September) both inclusive: These amounts were provided out of the advances made to the Stock Agents by the Bank of England.

Item £352,200: This amount, on account of which stock has been inscribed in the names of the Agent-General and Audit Officer, holding the same on behalf of the Government, represents the following amounts of debentures:—

	£
Debentures of 1863 (March series)	110,900
" 1863 (June series)	15,800
" 1863 (June series)	158,700
" 1860	52,800
" 1860	14,000
	£352,200

Item £5,921 11s. 7d.: This amount is the balance payable in cash to the Public Account by the Stock Agents, who will provide the same in due course by the sale of 3½-per-cent. stock.

For the Stock Agents,
F. D. BELL.

London, 25th September, 1891.