No. 8.

The Chairman, Mr. Todd, and the Right Hon. Mr. Seddon were appointed by His Excellency the Governor on 27th January, 1902, and Mr. Fraser was appointed by the Bank of New Zealand on 10th January, 1902, for term to expire on 1st January, 1905. J. B. H.

As to the valuation on the 1st January last, it disclosed a deficiency of over £500,000, and under these circumstances no action was taken to declare that the Assets Board should cease to exist (section 23 of "The Bank of New Zealand Act, 1903"). J. B. H.

The Controller and Auditor-General.
Please see replies as above [to No. 6].
13th April, 1904. Jas. B. Heywood.

No. 9.

The Controller and Auditor-General.
The Right Hon. the Colonial Treasurer regrets that great pressure of official business has caused delay in replying to your communication as within. The Colonial Treasurer directs me to inform you that a Chief Auditor having been duly appointed in the place of Mr. Macintosh, Mr. Seddon would be glad to be informed of the points upon which you still desire information, as it is possible that since your last writing you may have received satisfactory replies to some of your queries.
27th April, 1904. Jas. B. Heywood, Secretary.

No. 10.

The Hon. the Colonial Treasurer.
All that has yet been furnished of the evidence required by the Controller and Auditor-General is that which the Minister affords in the Treasury reply of the 13th April, that "no action has been taken to declare that the Board should cease to exist." With this exception the evidence first required is still required. If Mr. Macintosh could have been regarded as Chief Auditor when he wrote his letter of the 12th April, stating that he had been duly appointed to, and was then holding the position of, Chief Auditor, a reference to the records of the Government and of the Assets Board would no doubt have supplied all the additional evidence required. The present Chief Auditor should, as soon as he can, by an audit of the accounts from the date up to which Mr. Macintosh audited them before he became General Manager of the Bank, certify similarly to Mr. Macintosh, and produce his appointment as evidence of it; but if the person now appointed Chief Auditor has only just been so appointed he will not be prepared for some time to furnish a perfectly satisfactory certificate, and it may perhaps not be considered advisable to delay the countersigning of the debentures in the meantime.
28th April, 1904. J. K. Warburton, C. & A.-General.

No. 11.

The Controller and Auditor-General.
The Right Hon. the Colonial Treasurer directs me to inform you that he is satisfied that the Assets Board would not present debentures for countersignature without they were quite sure such debentures could be legally issued. With this opinion he would be glad if you could see your way to countersign the debentures for the Board.
30th April, 1904. Jas. B. Heywood, Secretary.

No. 12.

The Hon. the Colonial Treasurer.
The Controller and Auditor-General will do so as soon as these papers are returned, and he has made the necessary references to the Assets Board; and as, if he should thus countersign the debentures, he will do so on evidence which he does not consider perfectly satisfactory, he will report the matter to Parliament. He does not presume that there is anything wrong. But he is in doubt whether he ought to countersign before he is assured by perfectly satisfactory evidence that £1,800,000 is the amount authorised by the Act; and unless he assures himself by an audit of the accounts, or is assured by the Chief Auditor after he has audited them, the evidence would not be perfectly satisfactory.
3rd May, 1904. J. K. Warburton, C. & A.-General.

No. 13.

The Assets Realisation Board, Wellington, 4th May, 1904.

Debentures.

Sir,—

We are very anxious to complete the debenture transaction in terms of the Act, and my Board desires me to ask when it will be convenient to you to sign our new debentures.

I have, &c.,
Walter G. Foster,
General Manager.

The Controller and Auditor-General, Wellington.