

In every estate of a deceased or mentally defective person coming within the Public Trustee's control inquiry is made whether the death or disability is due to an accident giving rise to a claim for compensation. If such a claim is found to exist it then becomes the Public Trustee's duty to pursue it and, if necessary, to take Court proceedings to establish it.

By reason of its long and wide experience in such matters the Office has acquired a special knowledge of matters relating to workers' compensation.

RECEIVERSHIP AND LIQUIDATION OF COMPANIES.

12. Since the last report steady progress has been made in the general administration and the realization of the assets of the various companies which are subject to the provisions of the Companies (Special Liquidations) Act, 1934-35.

In the Investment Executive Trust of New Zealand, Ltd., which is the principal company under administration, the realization of the stocks, shares, debentures, and other assets has been given constant attention, and sales amounting to a substantial sum have been arranged during the year. The Public Trustee has had the benefit of expert advice in deciding what holdings were to be sold, and every effort has been made to obtain the best prices for the various assets. In those cases where it was considered that the prospects of a satisfactory sale were unfavourable the assets have been withheld from sale pending an improvement in the market.

During the year the Trust Building, Sydney, was sold. This was the principal asset in New South Wales and was vested in the Public Trustee, Sydney. In accordance with the terms of the special legislation in New South Wales the Investment Executive Trust was entitled to two-thirds of the proceeds of the sale, and the major portion of the amount due to the company has been received from the Public Trustee of New South Wales and distributed to debenture-holders.

As a result of this remittance and the realizations of other assets it has been possible to pay to debenture-holders to date five dividends totalling in all 9/9 in the £. The payment of a dividend entails a considerable amount of work as the number of debenture-holders is substantial. As soon as sufficient funds are available a further distribution will be made.

There have been several Court actions arising out of the liquidation of the various companies, and much work has been done by the Office in assembling the available information and in assisting counsel in the preparation of each case.

In the Transport Mutual and General Insurance Co., Ltd., a writ was issued by the Public Trustee against one of the salesmen, and judgment was obtained for the full amount of approximately £1,800.

In the Sterling Investments Co. (New Zealand), Ltd., and in the Pacific Exploration Co., Ltd., a writ was issued by the Public Trustee against Mr. J. W. S. McArthur in connection with the yacht "Morewa." Judgment in the Supreme Court was for the defendant, but the Public Trustee, on the advice of his counsel, decided to appeal against this decision. The Court of Appeal reversed the decision of the Supreme Court, and judgment has now been given in favour of the Sterling Investments Co. (New Zealand), Ltd., for £8,931, with costs. Mr. McArthur subsequently applied to the Court for leave to appeal to the Privy Council and for a stay of execution in regard to the judgment. Conditional leave to appeal was granted by the Court subject to the giving of security, but the Court refused the application for stay of execution, and the Public Trustee is now considering the action necessary to endeavour to enforce the judgment.

In the Investment Executive Trust of New Zealand, Ltd., a writ was issued against Mr. J. W. S. McArthur for misfeasance. The action was successful, and judgment for £19,340 was given in favour of the Public Trustee, as liquidator.

As mentioned in the previous report, several of the companies were possessed of blocks of land at Putaruru. An attempt was made to dispose of these properties by auction, but the results were disappointing. Efforts have been continued since the auction to dispose of the land, and during recent months the Office has been successful in selling several holdings.