

(b) Te Kuiti Borough River Deviation, Land, and Streets Loan of £3,150, being part of the Loan of £6,680; then the annual amount of eighteen pounds three shillings (£18 3s.) mentioned in subclause (1) of this clause shall be increased by a two-hundred-and-fiftieth ($\frac{1}{250}$ th) part of the amounts paid yearly by the Borough Council towards the establishment of sinking funds for the above-mentioned loans, such increase in respect of amounts paid by the Borough Council to such sinking fund during any financial year, to be payable, together with the half-yearly instalment payable pursuant to subclause (2) of this clause on the 1st day of September next following the close of such financial year.

(5) Upon repayment by the Borough Council of any of the loans enumerated in the said Schedule G the said annual payment shall be reduced by the amount set out in the said Schedule as being payable in respect of the loan so repaid.

(6) Upon partial repayment by the Borough Council out of sinking fund of any of the loans enumerated in the said Schedule G the said annual payment shall be reduced by a sum bearing the same proportion to the amount so repaid as the amount set out in the said Schedule as being payable in respect of such loans bears to the whole loan.

(7) Upon maturity or upon repayment by the Borough Council of the whole or any part of the loans enumerated in the said Schedule G, if and so far as no sinking funds, or accrued profits of an undertaking, or proceeds of realization of assets created out of any respective loan, or other special fund in the hands or at the disposal of the Borough Council be available for repayment of such loan or part of a loan, so that such repayment cannot (except for the provisions of this subclause) be effected otherwise than by means of a special loan raised for the purpose, then the County Council shall pay to the Borough Council a two-hundred-and-fiftieth ($\frac{1}{250}$ th) part of the amount for which (except for the provisions of this subclause) such special loan for repayment would require to be raised.

(8) That whereas the adjustment effected by this clause is based on the fact that the proportion which the rateable value of the area severed from the borough upon the third alteration of boundaries (taken for the purposes of this adjustment at £1,100) bears to the total rateable value of the borough is in the proportion approximately of one to two hundred and fifty: Now, therefore, if upon the revision of the district valuation-roll for the borough next hereafter to be made pursuant to section 8 of the Valuation of Land Act, 1925, should the proportion of the rateable value of the area severed from the borough upon the third alteration of boundaries (as the same shall stand assessed upon the date at which such revision shall take effect) bear to the total rateable value of the borough as fixed upon such revision a proportion exceeding the proportion of one to two hundred and fifty then every instalment of eighteen pounds three shillings (£18 3s.) referred to in this clause falling due after the date when such revision takes effect shall be increased proportionately, and the two-hundred-and-fiftieth part referred to in subclause (4) and subclause (7) of this clause shall, as regards any payment required after the date aforesaid to be made under the said respective subclauses, be increased proportionately.

8. (1) The County Council shall, as from and including the 1st day of April, 1928, in every year during the currency of the loans enumerated in Schedule H hereto, and until the said loans and all interest charges thereon are fully discharged, pay to the Borough Council on account of the third alteration of boundaries the sum of two pounds eight shillings and sixpence (£2 8s. 6d.) as its share of the interest, principal repayment, and sinking fund charges on the said loans, being loans raised over areas now partly within the county.

(2) Such annual amount of two pounds eight shillings and sixpence (£2 8s. 6d.) shall be payable by equal half-yearly instalments on the 1st day of March and the 1st day of September commencing on the 1st day of September, 1928, the instalment due on the 1st day of September, 1928, being a proportionate one.

(3) Upon repayment by the Borough Council of any of the loans enumerated in the said Schedule H the said annual payment shall be reduced by the amount set out in the said Schedule as being payable in respect of the loan so repaid.

(4) In any year in which the County Council is called upon by the Borough Council to pay the sum of two pounds eight shillings and sixpence (£2 8s. 6d.) or any part thereof as provided by this clause the Borough Council shall return to the County Council an equivalent amount in consideration of the retention by the borough of the assets created out of the loans enumerated in the said Schedule H.

9. The Borough Council shall have and hold all implements, machinery, and plant, reserves, and other real and personal property possessed by it on the 31st day of March, 1926, and on the 31st day of March, 1928, respectively, as the absolute property of the borough, freed and discharged from all estate, interest, claim, and demand by the County Council.

10. The Borough Council shall assume entire liability for the aforementioned loans during the currency thereof, and until such loans and all interest charges thereon are fully discharged, and shall at all times indemnify and keep harmless the County Council from all liabilities, claims, and demands for or in respect of the aforementioned loans, interest, debts, and liabilities.

11. The costs of the inquiry made by means of the said Commission is fixed at thirty-four pounds eight shillings (£34 8s.), to be paid by the Borough Council and the County Council in equal shares.

SCHEDULE A.

MONEYS REFERRED TO IN CLAUSE 1 HEREOF.

Te Kuiti Borough Council to pay Waitomo County Council 1/142nd of:—

	£	s.	d.
Cash in hand	200		
Sundry debtors	300		
Estimated assets	4,000		
Waterworks	5,000		
Land reserves	6,360		
	15,800	111	5 4
Share of rates	4,270	30	1 5
		<u>£141</u>	<u>6 9</u>

Waitomo County Council to pay Te Kuiti Borough Council 1/142nd of:—

	£	s.	d.
General Account	1,250		
Sundry creditors	250		
Interest accounts	764		
	2,264	15	18 10

Net amount payable by Te Kuiti Borough Council

.. .. .	125	7	11
	<u>£141</u>	<u>6</u>	<u>9</u>

SCHEDULE B.

MONEYS REFERRED TO IN CLAUSE 2 HEREOF.

Te Kuiti Borough Council to pay Waitomo County Council.

	£	s.	d.
Share of Waterworks Account	4	0	8
.. .. . Interest Account No. 7	0	3	9
Share of sundry debtors—			
General Account	2	12	6
Waterworks Account	1	2	5
Abattoir Account	0	15	9
Share of outstanding rates	25	0	0
General stocks	1	5	8
Waterworks stocks	2	1	2
Tools, plant, furniture, and fittings, &c... .. .	27	10	0
Waterworks	90	0	0
Buildings, reserves, and real property	38	0	0
	<u>£192</u>	<u>11</u>	<u>11</u>

Waitomo County Council to pay Te Kuiti Borough Council.

	£	s.	d.
Share of General Account	5	2	4
.. .. . Abattoir Account	1	1	3
.. .. . Library Account	0	5	3
Share of Sundry creditors—			
General Account	3	10	10
Waterworks Account	0	2	9
Abattoir Account	0	10	6
Library Account	0	0	6
Share of interest due: Interest Account No. 5	4	17	10
.. .. . No. 13	1	16	0
.. .. . No. 15	0	12	0
Net amount payable by Te Kuiti Borough Council 174 12 8		<u>£192</u>	<u>11 11</u>