

13. Austin Friars.

London. 31st Dec 1884

E.C.

My dear Mr Sanford

I am much obliged for your letter dated 14th inst, and it is gratifying to learn that you have found matters in a satisfactory condition and that you anticipate a rapid improvement in our affairs.

Yesterday I telegraphed to you that the Board recognize you as having control over affairs and I am sorry our letter dated 16th had failed to convey this to your mind. The only restriction is in connection with the expenditure of money, which unfortunately we do not possess.

The offer of the Almayntz Bonds to advance £20,000 or double the amount of Bonds is hardly one which I think we could accept.

From time to time Gray Dawes & Co have advanced smaller amounts on this basis but this has not involved the locking up of the whole of our means, as would be the case under the proposal of the Almayntz Bonds.

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If the Bank would advance money with a margin of 25% it would be desirable to avail of it to the extent of our requirements and we are writing to the Bank to this effect.

I hope the large sale of land for the College will go through but both the advices from yourself and Beardall leave this ^amatter of uncertainty.

As you are perhaps aware I am leaving England in March for the Colonies and will be away probably for 6 or 7 months. I hope you will be back before I leave in order that we may consider what should be done in respect to the changes which must necessarily take place in the constitution of the London Board.

It is my sincere wish to see more life instilled into the business. I have made a proposition to Mr. Mackinnon which I believe would be very beneficial but naturally he hesitates to give it any serious thought in your absence.

I must frankly admit that all your colleagues, myself included have felt a good deal of timidity in following you in all that you have recommended and chiefly on financial grounds. The result of this has been very trying to you but we are, as a Company,

holding a large amount of property which must have increased considerably in value during the period of this delay and if new life could be instilled by the introduction of new men and more capital it might result in larger profits in the future.

I must, however, defer the consideration until you return and we can take counsel with Mr MacKinnon.

As mentioned in the official letter to you the appointment of a successor to Trafford is the most important matter at the present time and I shall be very glad to hear from you with regard to this. I do not know anything more difficult than the securing of a man who combines in himself all the qualifications we require. A go-a-head popular man such as is needed for effecting sales is so apt to be reckless in money matters and careless in details and unless we can get someone of known probity we might in a few months find our affairs in hopeless embarrass.

Your interests in the Company far exceed those of any one else but apart from the shareholders we have always to consider those who have advanced money on debentures.

Whilst admitting that Beurdall is lacking in important qualifications it would be a serious matter to lose him unless we were quite certain that we had got the right man to replace him. On this point I hope you will not take it amiss if I ask you to take counsel with Mr. Shelton.

The participation of Mr. Shelton in the management of our affairs is a matter of the first importance.

I know what a high regard he has for you and how anxious he is to protect your interests.

His knowledge of the details of American business is far superior to that which any of us possess & I am sure we can all rely upon him giving the most disinterested advice in the appointment of a manager.

If things go wrong and you are not in the spot it is to Shelton that we must all look to help us and I am sure it would be a satisfaction to you, to Mr. Attraction and to those interested if in this important matter you act with the knowledge and concurrence of Mr. Shelton.

With kind regards to all good wishes for the new year - Believe me

Yours very truly
Edwards Davies