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B. 11

TO THE
SHAREHOLDERS
OF THE
CRYSTAL PALACE.

FACTS AND FIGURES;

A

RETROSPECT

Of the Cost of Maintenance for Nine Years;

WITH

A few Observations on the

SUNDAY OPENING QUESTION,

Addressed to

THOMAS HUGHES, Esq., M.P.,

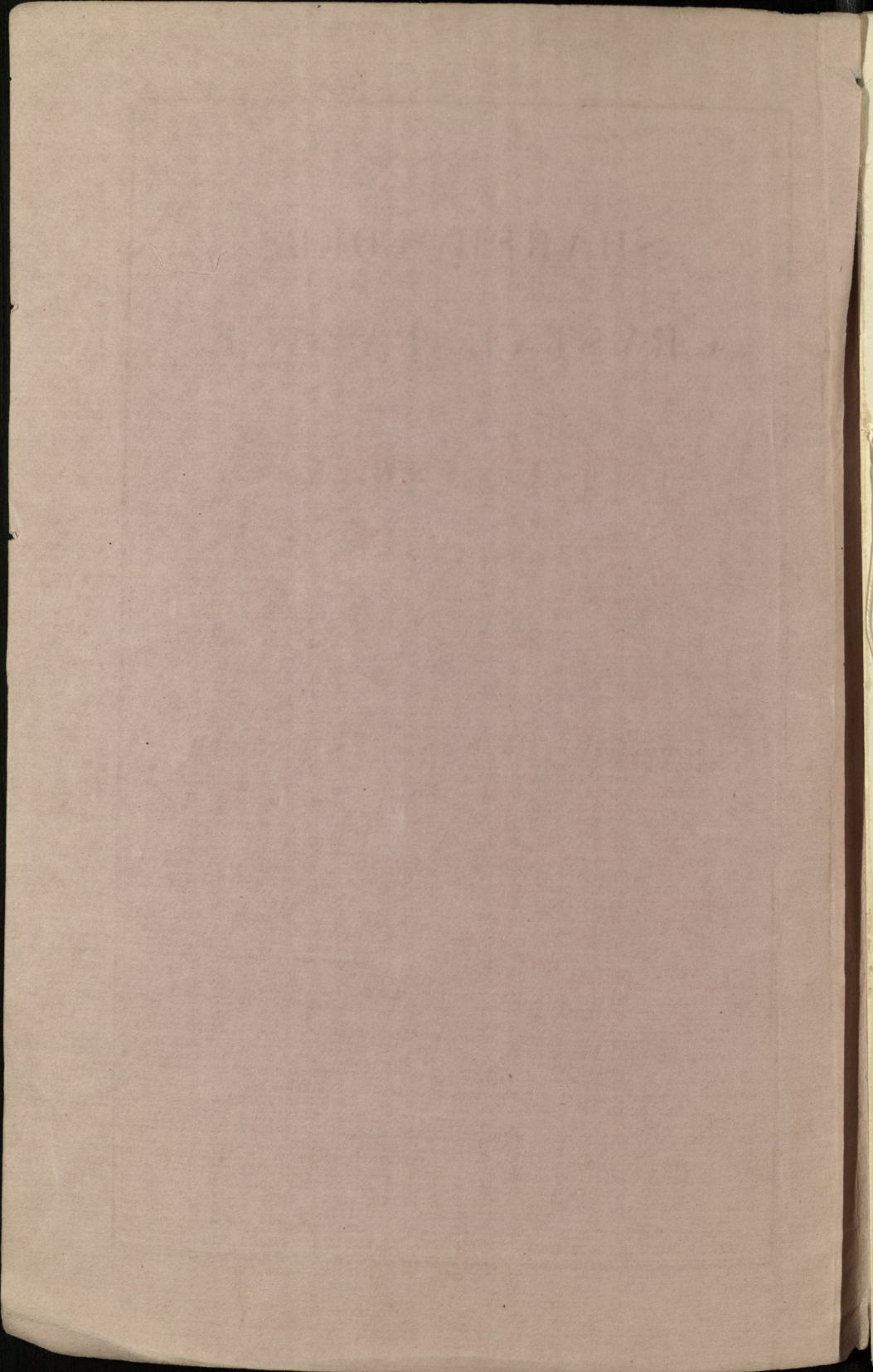
By H. M. WALTON.

LONDON:
EFFINGHAM WILSON, ROYAL EXCHANGE.

1868.

ONE SHILLING.





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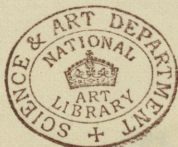
THOMAS HUGHES, Esq., M.P.,

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b. b. 68.



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CRYSTAL PALACE

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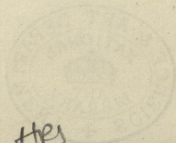
SUNDAY OPENING QUESTION

THOMAS HUGHES, ESQ. M.P.

By H. M. WALTON

LONDON

FRANKLIN AND ARNOLD, EXCHANGE



HPJ
27.10.76

TO THOMAS HUGHES, ESQ., M.P.,

Chairman of the Crystal Palace Company.

SIR,

You having been so recently appointed to occupy the place of our late Chairman, ARTHUR ANDERSON, Esq., I take the liberty of addressing you in that capacity. I shall endeavour, by facts and figures, to point out and prove (for your future guidance) that the whole Establishment of the Crystal Palace has been conducted in the most prodigal manner. You will be surprised and amazed, I am sure, when I inform you that the Total Cost for Maintenance, Repairs, Special Occasions and General Management for the last nine years has cost the Company the enormous sum of £693,564 17s. 1d., something approaching to nearly half the Original Cost.

I have no doubt the Directors will think me very presumptuous in going back so many years and analyzing their regularly Audited and Certified Accounts; but it would be totally impossible for me to make the Shareholders understand their position without my rendering the details from the several Abstracts of our Reports, and exposing the unbusiness-like manner in which our affairs have been conducted; and I am prepared to prove that, unless a change from the present expensive system is adopted, nothing can save our noble undertaking from ruin and bankruptcy.

I presume you are not acquainted with our past mismanagement. I shall, therefore, give you the exact cost

of each department in our Establishment, separating them under nine different heads; and I shall also give a detail of the expences in each department, which will afford the means of unravelling a scene of extravagance and a repetition of charges never, I believe, witnessed in any private or public Company before.

Expatiate free o'er all this scene of man,
A mighty maze! but not without a plan.

In taking this step I at once disclaim any animosity against the Board of Directors (with whom I am personally unacquainted), and beg to premise that I do not make any charge impugning their reputation for uprightness and probity, for they may have been actuated by the best motives in conducting our affairs; but I shall, without any design or ill-will towards the Directors, hope to satisfy you that they have proved themselves totally incompetent to grapple with the multifarious duties and commercial knowledge required to advantageously manage this concern, and if I express myself too strongly in the course of my exposition of their acts, I hope they will pardon me, for I hold that it is the duty, as well as the privilege, of every Shareholder (who is able to form a judgment) wherever he thinks the conduct of the Directors is in any degree inexpedient or unjust towards the Proprietors, to give his opinion and advice on the various subjects and matters in dispute.

My first object will be to offer a few remarks on our Accounts, and then distinctly show our present Financial position. Regarding the accounts, I am ready to bear testimony and admit that they are not only simple but accurately and explicitly kept, and deserve the best thanks from the Proprietors, for they are perfectly free from that conglomerated mystification generally found in similar documents of the present day.

For the present state of our financial position I must refer you to the Report, dated December 20th, 1859, and in that Report you will find the balance of our Capital stated at £106,337 3s. 1d., and on the 18th of December last (1867) it was reduced to the small sum of £7,981 2s. 1d., and our paid-up Capital, amounting to more than a million sterling, absorbed by the original Shareholders, and held by them, representing £100 Stock, is this day quoted at the Stock Exchange at the diminished value of £21 10s., and in addition our Directors have raised, at a high rate of interest, Preference and Debenture Stock amounting to £487,395, which has been the means of materially injuring the prospects of the original promoters, and nearly depriving them of a dividend. I am sure, Sir, you will candidly admit that this is a sad and disastrous state of affairs, after creating this noble and beautiful Palace.

I shall now proceed to give the exact cost of each department, and shall take them *seriatim*, as they appear in the several Reports and Abstracts of our Accounts.

	£	s.	d.
No. 1 Item—For Maintenance and Repairs of Gardens and Grounds	57,803	1	5
*No. 2 Item—Charges for Music (considerable sums not included in this Item) for Special Occasions	54,000	6	6
No. 3 Item—The costs for Chairs and Seats	2,597	18	1
No. 4 Item—Wages paid to Mechanics and for Timber and Stores used on Special Occasions (Flower and Bird Shows)	6,579	19	7
No. 5 Item—Charges for Picture Gallery ...	11,368	11	3
No. 6 Item—Directors, Audit Clerk's fees, Secretary, and Manager	75,839	11	9
No. 7 Item—Advertising, Printing, and Stationery	25,691	7	1
No. 8 Item—Maintenance and Repairs of Building and Alterations	166,121	0	8
No. 9 Item—Dulwich Wood Estate, Special and Ordinary Attractions, and Miscellaneous Charges	293,563	0	9
	<u>£693,564</u>	<u>17</u>	<u>1</u>

* Cost of extra Music and other expences incurred for Special Attractions for *Concerts, Fêtes, Festivals, Flower and Bird Shows*, £220,803 19s. 11d. during the nine years

This statement will clearly show the amount expended in each department, and at once exhibit the total sum named at the commencement of this letter.

My next object will be to prove, by comparisons and arguments, that our receipts have been encumbered by an enormous amount of useless and unnecessary expences and charges, and in doing so I appeal to the Directors to show a little sympathy for the Shareholders, and try and adopt some better system which will relieve the Company from its present dilemma, for I do think it hard upon the Proprietors, after creating the most useful Exhibition in the world, which almost every person will admit, has done more good in educating and improving the Queen's subjects, both morally and intellectually, than any other Exhibition, that they should not reap any reward.

I notice the Directors are about to hold a Triennial celebration of the Handel Festival, next June, and I think it my duty to point out the frightful charges that appeared in our accounts in 1859, with a view to prevent a repetition of them, and for that purpose I wish to direct your particular attention to the Report dated December the 20th, 1859. In abstract G of that Report you will find the Company received for admissions at that Festival the sum of £34,913 12s., which I believe I may safely say, without fear of contradiction, was the largest amount ever taken at any public or private Institution or Exhibition in England, or I might further say in the world. So far as the patronage of the Nobility and the support of the Public were concerned, it proved a perfect success to the Crystal Palace Company. I would direct your attention to the debtor side of the account, and you will there find a list of extravagant and unnecessary charges, amounting to

£24,188 8s. 5d. Independant of this large sum I must remind you that, in preparing for a Festival of this extensive character, it must of course occupy nearly the whole attention of our numerous employés, at an extra cost, and seriously interfere with our regular business, in fact, for four days our receipts are entirely lost by the exclusion of the general public, and if the Board will take into consideration these matters I very much question whether we gained one shilling by that gigantic speculation.

I will give you a separate list of the several charges which appeared in our Report on that occasion, and further, I will state those charges which I consider ought not to have appeared, and other charges that ought to be considerably modified and reduced at the approaching Festival. I have no doubt the Directors will say that any alteration or reduction is totally impracticable, and would prove mischievous. However, I shall not be deterred from stating the sums, and I shall also make a few observations on each item—and then leave the matter in the hands of the Shareholders for their consideration.

The 1st Item is £13,646 16s. 2d. guaranteed by agreement to the Sacred Harmonic Society.—Now, to say the least of this arrangement, it was a dangerous and unbusiness-like speculation to commence with; and my firm belief is, that the Sacred Harmonic Society, by that one-sided bargain, obtained the lion's share of our large receipts on that occasion; they also, in addition, received £890 1s. 8d for feasting their staff of choristers and musicians, and also a further addition of £525 for medals to their performers. If the rumour I have heard, is true, that the ladies and gentlemen gave their services gratuitously, ought we to have been charged with the latter sums. Our Directors, I suppose, thought otherwise, and therefore paid them.

The 2nd Item is £2,418 17s. 2d., for re-painting and decorating a hired organ, enlarging Orchestra and for a Military Band.—You must understand this sum was charged merely for the four days special occasion. I shall not make any comment upon its preposterous extravagance,—it will best speak for itself.

The 3rd Item is £1,456 13s. 9d. for the purchase and hire of extra chairs and barriers and seats for these four days.—The Palace was already supplied with chairs, and I am ready to admit a few thousand extra chairs at 2s. each was necessary, but the charge I have stated is out of all reason—for I must inform you that, independently of this large amount, we are charged a large sum every year for renewals, and I am at a loss to know what becomes of the enormous quantity purchased, for I cannot find in our accounts any credit given for the sale of the surplus stock.

The 4th Item is £1,693 18s. 9d., paid for commission on the sale of tickets.—A pretty good round sum for a four days' Exhibition. I think some better arrangement might be adopted so as to dispense with the charge altogether.

The 5th item is £860 1s. 8d. for the cost of printing the books and words of music.—I quite agree that this was a necessary charge, and it ought to have produced a very large profit to the Company. I attended that Festival and was struck at the high price charged for these books, and also at the enormous number sold during the three days of the Festival; yet you will scarcely believe that not one shilling appeared to the credit of our account for the sale of these books. I refer you to the Report to prove my assertion is correct. The only credit you will find given at that Festival

is the sum paid for admissions, £34,913 12s. In examining our Reports you will find every year a regular charge is made for printing the Catalogues, and credit is given for the sale of them, and I ask why was it omitted on this special occasion? I should be very sorry to bring any charge against a body of gentlemen, or even to insinuate there was anything wrong in this omission, but at the same time it shows a laxity in the management that ought not to have occurred.

The 6th item is £2646 14s. 3d., the last charge for this Handel Festival, consisting of miscellaneous charges, Postages, Extra Clerks, Police, and Advertising. I am sure, Sir, on perusing this statement, you will candidly admit the total expences were unnecessarily large,—considering the Crystal Palace is the only place in England where such a grand combination of musical talent could be exhibited,—and I do think it a grave act of injustice of the Directors to allow other parties or Societies to reap the benefit and advantage of our great outlay.

I shall now proceed to give the total amount charged in each department, and at the same time make a few practical observations with the view to show by a new system of Management how they can be reduced.

Commencing with item No. 1, £57,803 1s. 5d., for the maintenance and repairs of the Gardens and Grounds, something near £6,500 per annum. I do not wish to express myself too rashly in forming my opinion, but I firmly believe that our gardens could be maintained and kept up efficiently at nearly half the present cost by a better system. Some of the charges are disgraceful, and ought not to appear in our accounts year after year; for instance, I wish to know why we should be annually charged £400 or £500 for the purchase of seeds, bulbs and

plants. Every person possessing common sense, knows that these increase and multiply, *ad infinitum*, and when once the gardens are stocked, a very considerable profit ought (by good management) to accrue to the Company, and in order to prove that my statement is somewhat correct, I refer you to our Reports dated December, 1861, 1862, and 1863, and you will there find in these years the respective sums credited to our revenue account for the sale of surplus plants, amounting, 1861, to £281 9s. 2d.; 1862, £140 3s.; 1863 to £40 9s. I consider these small and diminishing credits an act of generosity on the part of our Directors, and I am at a loss to understand why this good precedent was discontinued since the year 1863. It appears to me a great pity there does not exist some mysterious Tribunal, like the Oracle of Delphi, or the sacred Temple of Diana of Ephesus, that the Shareholders might consult (by telegram) and ascertain what has become of the enormous surplus stock for renewals for the last nine years, for I can only find about £500 credited under the name of miscellaneous receipts. I cannot fairly make a comparison between the cost of our gardens and the gardens at Kew, but I believe if the Annual Parliamentary Grant was analyzed you would find we are paying considerably more than the Government for our garden labour—considering the vast extent of the Gardens at Kew, the number of glass houses for the tropical plants, which require the most skilful gardeners for the pot culture, whereas The Crystal Palace needs only a few practical men and a staff of labourers for mowing the lawns and bedding out the plants. I do not like to offer an opinion, but I think the best plan would be for the Board to advertise for a first-rate Landscape and Flower Gardener (there are plenty in the market) who would, by tender, undertake the whole superintendence, at a fixed sum, and that sum to

be progressive, as a stimulus for economy and improvement. This simple method would at once relieve the Directors of great anxiety, and at the same time enable them to get rid of a host of supernumeraries and be a large saving of those expences which go towards swelling the enormous outgoings that appear in the various abstracts of our accounts. My little knowledge of floriculture convinces me that by the plan I have suggested, and a stricter surveillance by the Directors, the beauty of the gardens could be maintained at nearly half the present cost.

Item No. 2, £54,000 6s. 6d. for Music.—I must first remind you that the music for special occasions, military bands for concerts, &c., are not included in this large amount. I find on examining this item, that after paying the regular appointed band something approaching £45,000 for their services, (I do not wish to say one word against the band, but I do most emphatically protest against such expence and extravagance) we are charged by the band £1,521 1s. 5d. for the copying and hire of music, and a further sum of £1,693 19s. 6d. for a daily organ performance, and £1,690 8s. for conveying the band by railway to the Palace. I think upon this principle the Board ought also to pay for their instruments, and also their board and lodging to make their liberality (with the Shareholders' funds) complete. The next charge is £4,057 10s. for the hire of an organ. Now, regarding this organ affair, I am in a position to clearly show, by reliable authority, that this charge is not only shameful but really disgraceful. I appeal to every Cathedral Sacristan and every Church Warden, if ever such a charge was known before. In order to prove my assertion, I have taken some trouble to ascertain the cost of an organ, and had an interview with a Mr W. Childs,

who has, at his own cost, erected in his New Concert Room, at Brighton, one of the finest and most complete organs in England, for the sum of £2,500, whilst our Company have been charged nearly double that sum for the mere hire of an inferior instrument. I must make a further remark regarding the sum we pay our Band, £5,000 per annum. I am connected with a Company that is negotiating for a first-rate Band to play three times a day for eight months in the year, and also in the winter months at the discretion of the Directors, for a sum of £1,200, or not to exceed £1,500 per annum. I do not attempt to compare such a Band to the one you employ at the Crystal Palace; all I maintain is, that our attractions are too expensive, and our Directors have had sufficient experience to guide them, and they ought also to exercise some discretion in providing these amusements, and see they do not feed on the vitals of the Parent Establishment. What is the result of the policy of these two Companies—one, by the prudence of the Directors, is enabled to pay the Shareholders Twelve per Cent. per Annum, and the Crystal Palace Company can just pay their Shareholders One and Half.

Item No. 3, £2,597 18s. 1d., for Chairs and Seats.—

It appears to me extraordinary that these large charges should appear in our accounts after Mr. Saml. Laing having stated, a short time before he retired from the Board of Directors, that the Palace was furnished and almost complete, and would require very little expence for renewals for many years to come; and he further said the annual sum for maintenance ought not to exceed £50,000 per annum. I ask you, Sir, is it right to have our receipts frittered away by such a repetition of charges. I understand (upon enquiry) that the chairs used at the Crystal Palace ought not to cost more than 2s. or 2s. 6d. each;

therefore, according to the thousands that have been charged in our accounts, we ought to have sufficient on hand to supply three Crystal Palaces; for, as I have said before, I cannot find One Shilling credited for the sale of the Surplus Stock.

Item No. 4, £21,487 17s. 6d. for Flower, Bird, and Poultry Shows.—Now, I do not wish to blame the Directors for introducing these Special Exhibitions, which prove very attractive, but if they wish to trade with our Property, which has cost One and a Half Millions of Money, let them do so in a proper Mercantile manner, for these same Special Attractions ought to produce considerable profit, and not cause considerable loss. It is not to be supposed that a body of gentlemen (who have their own special engagements) can devote their time to carrying out technical matters of business that they are wholly unacquainted with; they may possess high characters, but that is no guarantee for sound judgment; therefore, they ought to select practical business men to carry out these Trading Transactions, or they are certain to be attended with loss, which I will prove. On reference to my summary, you will find I only complain of the charge in this Department, of the sum of £6,579 19s. 7d., for Mechanics' Wages, Timber, and Stores used on these Flower and Bird Shows, and I will maintain that, at least, £6,000 of this charge was totally unnecessary. For argument sake I will put to you a simple business question, and ask you whether it is usual or customary for a Banker, Merchant, or Tradesman to fit up his counting house, warehouse, magazine, or depot at a great expence, three or four times a year? What would be the result? Ruin, inevitable ruin, yet this is the course our Directors have adopted from the commencement of our undertaking. Independent of the sums I have stated, a number of Clerks and Supernu-

meraries must of course be employed to keep an account of the details of these useless and unnecessary expences, which do not appear in the various abstracts appertaining to these special matters, but are the main causes of the enormous amounts charged in the general maintenance. I will point out, by a simple method, how the greater part of this charge of £6,579 19s. 7d. might have been saved. In the first instance, when the Directors made up their minds to hold these Flower Shows, they ought to have contracted with a respectable builder or joiner to manufacture a certain number of suitable tables or stands expressly for these exhibitions, which, with the aid of a few iron supports, would have lasted for twenty or thirty years, and would only have required your own staff of Gardeners (who could easily have been spared on these special occasions) to fix these tables, and with the assistance of two or three of your own Clerks, and a Judge to award the prizes, would represent nearly all the expences necessary. Instead of adopting this simple plan, we have been charged three or four times a year large sums for timber, stores, mechanics' wages, and a considerable addition of items, swelling the total to the large amount stated. I wish the Directors would, for their own satisfaction, see what became of the enormous quantity of stores and timber used for these Special Shows for the last nine years. I refer you to the Reports: you will find they are repeated on every occasion.

Item No. 5, £11,868 11s. 3d. for The Picture Gallery.— This charge is for Salaries of Clerks, Superintendents, Mechanics' wages, stores, commission paid to foreign agents, cartage, and Railway for collecting and delivering Pictures, advertising, and printing. I think this is a pretty good list (to swell the expences) incurred for the privilege of allowing parties to exhibit their works (gratis) at our

beautiful Palace. I wish the Board to understand that I do not complain of an Annual Exhibition of Works of Art, but I do complain as a Shareholder and protest against our property being converted into an Emporium for the benefit of other parties. I firmly believe even this Exhibition could be made self-supporting, and benefit both the Exhibitor and the Shareholder, if conducted by care and economy, and would be mutually advantageous. I do not think there would be any difficulty in finding hundreds of English and foreign artists, connoisseurs, amateurs, and picture dealers, who would gladly avail themselves of the privilege of exhibiting their works (without our incurring the list of exorbitant charges named) upon a mutual and fair agreement that a portion of the profits arising from the sale of any picture shall be paid to the Company to compensate them for all expences incurred.

I think I have sufficiently ventilated and explained the first five items in my list to show the manner in which our undertaking has been conducted, and in looking minutely through the abstracts I think it would prove tiresome and unnecessary for me to wade through the labyrinth of figures. I shall, therefore, leave the reduction of the enormous charges stated in my summary—amounting to the sum of £561,215 Os. 3d.—to the discretion of the Board of Directors. I am sure upon reflection they will exercise their judgment, and at the same time show a little sympathy as Trustees to the unfortunate Shareholders, whose property is now reduced to one-fifth of its original cost, and will be further jeopardized unless the expences are reduced and a better system adopted.

I have a few observations to make on *The Dulwich Wood Estate*, which I shall treat as a speculation—you must

excuse my ignorance if I am wrong, but I must confess that I am totally unable to comprehend upon what principle the property of the Crystal Palace Company was mixed up in this House, Land, and Building Speculation, which has always appeared to me a mystification in our yearly reports, and had I been aware that there was such an adjunct to the Crystal Palace proper, I would never have taken a single share in the Company. In the absence of information regarding this property, I must content myself by merely giving the figures and the result as I find them in our accounts.

I refer you to the Report dated December 20th, 1859, and you will find the balance of our capital stood at the sum of £106,337 3s. 1d., and on the 18th of December, 1867, it was reduced to the small sum of £7,981 2s. 1d., or something near a deficiency of £98,356 1s. 0d. Now I have carefully looked through all the Reports to find out the cause of this reduction of our capital, and as far as I can ascertain, I have every reason to fear that it has been absorbed in this Dulwich Wood transaction—it may be, or may not be so. I will show you, in spite of unusually heavy payments, what little advantage the Crystal Palace Shareholders have derived by this speculation. In the first place I find we have paid in the shape of ground rents, building houses, roads, and making fences, and law charges, the sum of £5,223 8s. 4d., and you will scarcely believe it when I inform you that our total receipts (in nine years) arising from the Dulwich Wood Estate, amounts to £6,486 8s. 9d., thus showing a profit to the Crystal Palace Company of £1,263 3s. 5d. I ask you, Sir, is it fair, is it just, that our property should be mixed up with such speculations? Possibly there may be some extraordinary and prospective advantage arising from this estate that I am not

acquainted with, but up to the present time it has proved a dead weight to the Crystal Palace Company. My advice to the Shareholders is to insist upon the Directors giving, in their next Report, a distinct and separate account of this project, and stating the amount of capital employed (that we may see the value of it), also the receipts and expenditure. I believe a portion of the sum of £38,000, received from the Insurance Office in respect of the fire, has also been mixed up in this Dulwich Wood affair, and our Directors are now trying to recoup the amount by applying to Parliament for the purpose of raising another £100,000, and issuing the £100 Stock or Debentures for the Shareholders, at a preference seven per cent. dividend. Rather than consent to such a proposition I would insist upon this Dulwich Wood Estate (which seems to me to hang like an incubus upon our property) should be sold, if the money be required. If our property is to be managed in this manner, what protection is there for the Shareholders? I hope the New Government Bill, introduced into Parliament lately by the Board of Trade, intituled the New Regulation Bill, will contain severe and stringent clauses to prevent the Directors of Public Companies raising unnecessary loans and speculating with the funds and receipts of the Proprietors.

On looking through the Report of the year 1866 I find a charge of £3,000 in our capital account, for a sum paid to the Executors of the late Sir Joseph Paxton, for improvement of our estate called Rockhills. I should be sorry to say one disrespectful word of that late lamented gentleman (*de mortuis nil nisi bonum*). "The evil that men do lives after them, the good is oft interred with their bones;" so let it be with Sir Joseph. But I cannot help, nevertheless, blaming our Directors for paying this

large demand without consulting the Shareholders. I have always been given to understand that Sir Joseph Paxton was amply paid for his services during the construction of the Palace and Grounds, and in addition, as a matter of favor, was allowed to occupy the Estate of Rockhills rent free. During his occupation, he, for his own will and pleasure, made certain improvements and erected some glass houses on our property; therefore I humbly think the application from his Trustees came with a very bad grace. I am no lawyer, but I believe it is not usual or customary to compensate an out-going tenant for any improvements, in fact, I very much question the legality of paying this demand at all, without the consent of the Shareholders, and my firm belief is that not one gentleman sitting at our Board would in his private capacity have voted for this payment. Having stated this incident, I will yield to no person in my admiration of the late Sir Joseph Paxton and Mr. Brunell. Both these gentlemen truly deserve the thanks of their country, for creating, by their inventive genius, those vast and noble works, the Crystal Palace and the Great Western Railway. For pleasure and usefulness, they are not to be surpassed in the world; but I am sorry to say these gentlemen, by no fault of their own, but by the improvidence and indiscretion of Boards of Directors in giving them unlimited power to consume the funds entrusted to the Directors by the Shareholders, have been the means of injuring their own fair fame by creating enormous debts and liabilities for the promoters and their posterity to liquidate. If Directors could only imagine or witness the heartrending scenes of distress, and the many happy homes destroyed and broken up, and the calamity and ruin produced by their acts, I think they would pause and consider before they

would make themselves answerable for such a lamentable state of things. Now this Estate having reverted to the Company, by the death of Sir Joseph Paxton, our Directors stated in their Report "Many offers from parties of the highest respectability have been received for the occupancy of these premises and gardens at an advantageous rent, but it appears to the Board to be for the interest of the Proprietors that this question should stand over for a short time till it has been fully considered how the property should be dealt with." From this paragraph the Shareholders would very naturally assume our Directors intended to let this unique property at a considerable rent, but to my surprise I hear they have, in their usual liberal manner, transferred this valuable estate to Mr Bowley (our present Manager) to reside in rent free, and if it is true that Mr Bowley is now receiving a salary nearly equal to that of a Minister of State, I cannot find language sufficiently strong to condemn such a proceeding as an act of manifest injustice to the Shareholders. I do not wish to say anything in disparagement of Mr Bowley's undoubted abilities as a Manager, but if we look at the depreciation of our property it don't speak very favorably for his management. I cannot help thinking that if the Directors continue trading with our property, it would be advisable to select a gentleman from one of the large City establishments, who would attend to the many technical matters required, at a considerably less salary than we are now paying Mr Bowley, and without the addition of a Villa, worth some five or six hundred pounds per annum, to reside in. I cannot allow the opportunity to escape without reverting to that unfortunate catastrophe which partly destroyed the most magnificent portion of our Palace, and I wish to point out the cold and trifling insensibility of our Directors on that occasion by their sending a Circular to the Shareholders

asking them to forego their trifling twelve months' dividend, and what did they obtain by that application? Why, £500. I look upon the Crystal Palace as a National Institution, and although as a private Company it has, at an enormous outlay, educated and amused the Public at the smallest possible cost, it has almost ruined the prospects of the Shareholders, as a commercial speculation, and I am sure if the Directors had made an appeal to the country for the purpose of restoring those beautiful and gorgeous Courts, the Alhambra and Assyrian, a sufficient sum would have been realized (for the Company have a fair claim on the country for their restoration), as the English people never omit the opportunity of promoting a good cause, but by the omission of the Directors they have allowed two foreign potentates, viz., the Sultan and Viceroy of Egypt to usurp their place, who were so struck by the unrivalled beauty of the Palace, that they liberally and kindly presented the Company with the munificent sum of £1,500. Now I do think the example set by those noble and illustrious Princes was sufficient to rouse the highest members of the realm, the nobility and the public to assist this Company in its present necessity. We subscribe large sums for monuments for the dead, and why not for the living? Notwithstanding the loss I have sustained by the Company, I feel proud of the Crystal Palace, and would cheerfully have given my mite towards its reconstruction, for I wish to uphold this useful Institution as a lasting honor to the British nation.

I observe in our Report a motion from Mr H. J. A. Goes, for the construction of a large concert room, which he thinks would prove very profitable. I am sorry to differ with the honourable proprietor, believing we have

already quite sufficient room for concerts, for music provided, and I believe nine proprietors out of ten would vote for the original restoration in preference of any other object.

Before I conclude my letter, I must say a few words on a very important question, "The Sunday Opening," and as there are so many divers and complex opinions on that subject, I think it advisable to give (*in extenso*) two or three resolutions of the Proprietors, which appear in our reports. The first Resolution was moved by Lieut.-Colonel H. Young, in 1862, as follows:—"That no person, either Shareholders or their friends, be admitted to the Crystal Palace without payment. "That such admission on the Lord's day is especially injurious to the character and interests of the Company; and is virtually, if not actually, a violation of the Company's Charter, and of the injunction granted by the Vice-Chancellor against the Directors in 1858—while it openly sets at nought the commandment of God, 'remember the Sabbath day, to keep it holy.'" The second resolution was moved by Lieut.-Colonel Young, "That no persons, except those who are officially privileged or have engagements to fulfil, be admitted to the Crystal Palace and Grounds without payment." An amendment on this resolution was moved by Mr J. Baxter Langley, "That the words except on Sundays be added to Colonel Young's resolution," and was carried by a very large majority. The third resolution was proposed and moved by James Anderson, Esq., "That this meeting is of opinion that the Sunday opening of the Crystal Palace and grounds to the public,—by tickets purchaseable during the week—would afford the means of intellectual and healthful recreation to a large portion of the community, and be beneficial to the Financial interests of the

Company; that the advance made in public opinion, and the expression of the Legislature, warrant the Shareholders in requesting the Directors to make an early application to Parliament for the repeal of so much of the Charter as will permit the carrying such an arrangement into effect." The fourth resolution was moved by Sir Charles Fox, in 1866, "That the opening of the Palace and grounds to the Shareholders or their friends on Sunday is not in accordance with the sacred character of the day, is an evasion of the Company's Charter, and is productive both of pecuniary loss to the Shareholders generally, and of detriment to those servants of the Company, who have in consequence to attend on that day: and that the Directors be therefore requested to make arrangements for keeping the Palace and grounds entirely closed during every Sunday."

At a meeting held in the year 1857 our Directors submitted a proposition for enabling the Proprietors to exchange their shares in the Company into transferable tickets of admission, available upon all ordinary days, and also on Sundays. This resolution was passed by a considerable majority, but an injunction from the Court of Chancery was obtained by a Shareholder to restrain its operation. In the course of a discussion on the motion Vice-Chancellor Sir Page Wood, while granting the injunction, and thus preventing the exchange of Shares into Sunday Tickets, observed that, "The Crystal Palace being their own property he decided that the Shareholders could not be prevented going there when they pleased." Upon this important decision I think the Non-Shareholders ought to be admitted also on the Sabbath Day. I have now given opinions—pro and con—that I scarcely know how to approach this grave and delicate subject without displeasing somebody. My object is not to create

controversy, but to conciliate all parties, and I hope by fair arguments, to convince a certain body of devout (and no doubt disinterested) pious, good men, that they are not only wrong but uncharitable to their fellow-man. Read the words of Pope :—

“ Whate'er is best administer'd is best :
 For modes of faith let graceless zealots fight ;
 His can't be wrong whose life is in the right ;
 In faith and hope the world will disagree,
 But all mankind's concern is Charity :
 All must be false that thwarts this one great end,
 And all of God that bless mankind, or mend.”

I know that religious convictions exercise great power over the minds of most men, and all I plead for is that these gentlemen will open their hearts and show a little charity towards those persons who differ with them, particularly, I ask it for the Poor Man—the hard-working Mechanic—and above all, for the over-taxed industrious Tradesman. I maintain these men have equal right to conscientious freedom, and who consider that in seeking to enjoy the beauties of the Crystal Palace and its enchanting grounds, on Sunday, they are not committing any sin against any Christian principle. The question was decided in the year 1858, by a ballot from the whole Proprietary, on the general question of the desirability of opening the Palace and Grounds on the Sabbath Day. The result of the ballot was that 48,480 votes were recorded for the Sunday opening, and 19,405 against it. I respect the minority, notwithstanding, and should be very sorry to ignore or persevere in opposing the views of such a large minority. I now come to consider those who oppose the opening on the Sabbath Day, and who complain of the impiety of employing a few Railway and Crystal Palace Officials. I

simply ask is it right that so slight an evil should be the means of debarring thousands of rational people from enjoying themselves? I maintain there is no good without some evil attending it, and as the Poet justly and rightly says—

“ All discord, harmony not understood,
All partial evil, universal good.”

I will now point out how the exclusion from the Crystal Palace operates on a working man residing in that Babylonian City, called London. He is employed from Monday morning to Saturday night in some unhealthy neighbourhood, and hourly breathing in a bad and unwholesome atmosphere. Such a man, and there are thousands similarly situated, might reasonably wish to spend his Sabbath Day at the Crystal Palace, in company with his wife and family, and there enjoy the many advantages of that beautiful place; where he will be able to breathe the sweet and balmy air in those enchanting Gardens, and, at the same time, contemplate the wonderful and marvellous works of art contained in the Palace. My object in urging this question is to see a little more liberality extended to our poorer brethren, and hope the privilege (which has hitherto been denied), will be granted with a good grace, and thus allow of the industrious classes having rational and healthful enjoyments, and not compelling them to remain at home in a murky atmosphere, or to resort to Public Houses and Immoral Places, which is the true cause of the “ Desecration of the Sabbath.”

I have undertaken the arduous and difficult task of laying open the whole state of our management for the last nine years, and have shown our present financial position, and I regret to say I almost despair of seeing

much improvement or much relief from our difficulties under present circumstances. The Directors began with excessive expences, and have continued to increase them up to the present time. Our expences last year amounted to £82,283 9s. 4d., or upwards of Sixteen Hundred Pounds per week,—the sum is so unnecessarily large that it almost drives me giddy in thinking of it. I have hoped against hope for some reduction or amelioration of our expences, but to no purpose, therefore have now quite abandoned the idea as a forlorn expectation.

I recollect a little incident that occurred some ten years since, at the last meeting of the Shareholders I attended, which was held at the Bridge House Hotel, London Bridge, when two gentlemen, who now occupy seats at our Board, appeared at that meeting, and loudly and enthusiastically condemned and vociferously protested against the mismanagement of the then Directors. As a matter of course, from their promises and professions, they were elected seats at the Board. What has been the result? Their voices have remained silent as the grave, and the expences, more or less, have increased ever since. Notwithstanding all the extravagancies I have related, I still have faith in the elasticity of the property, and sincerely believe, by proper and economical management, it contains the elements of prosperity. What is the cause of our present position? Why we have been paying at a monstrous rate for an uncertain, irregular, and precarious service arising from a defective system. I have, in the foregoing pages, furnished the Proprietors with sufficient information for their guidance, and must now leave all further proceedings entirely in their hands, for my age and the uncertain state of my health will not allow me to take an active part in any process they may think proper to adopt. Now, my first advice to the Shareholders is to apply to

the Secretary for a copy of the registry (which can be printed at a small cost, and ascertain the amount of stock held by each Director, distinguishing the Preference from the Ordinary, and I also recommend those Proprietors who have not Reports to apply for them also, and endeavour (as I have done) to wade through the abstracts and see for themselves how the enormous expenditure, amounting to £563,215 Os. 3d., has been employed in conducting our affairs; for I must remind you that, in the course of my statement, I have only treated of five items, amounting to £130,349 16s. 10d., and no doubt they will discover quite as much extravagance, if not more, than I have related. I also strongly recommend the Shareholders to insist upon the Capital Account being closed at once—for I cannot help believing much of the evil result that has attended our property has been caused by the unnecessary expenditure of capital, and I also recommend a more independent system of audit, for I place no value on the present theory. I have no doubt our Directors will oppose some, if not all, the objects I have named, and will issue proxies to prevent any resolution being carried in favor of them. Now, regarding the use of proxies, I should like to see the system abolished altogether, in the first place they put the Company to considerable expence, and give the Directors great advantage over the Proprietors, and are too often used against the interests of the Shareholders. I beg to remind my brother Shareholders that the remedy is in their own hands; they can at any time remove the whole Board by a majority of the Shareholders.

I have nearly exhausted the subject, and my only regret is that some person, possessing more energy and more ability, has not taken up this matter. I declare, in addressing you, Sir, as a part of the Body-Politic of our Company that I am not influenced by any sordid or selfish

motives (*ducie amor patri*); my only purpose is to save this noble and useful Institution for the benefit of the country in general.

In conclusion, I believe there can be no second opinion that the Crystal Palace, as an Institution, has rendered the State some service; but in the case of individual Shareholders (who, by their enterprise, ought to have reaped some advantage)—it has hitherto, in a pecuniary point of view, proved a decided failure. There must be fault somewhere or the result would not be so bad as it is, and it remains for the Shareholders to find out the cause and seek a remedy.

I have devoted considerable time, trouble, and great anxiety in giving this retrospect of the past management without consulting a single Shareholder on the subject, and if any errors or inaccuracies unfortunately appear in my various calculations and statements, they will arise solely from the want of information. I have even been debarred from obtaining a Registry of the Shareholders, without the payment of ten pounds, and much more other information which was required to propound and perfect the object I had in view. My motive has been to give the Shareholders a truthful and unvarnished statement of our affairs, and I maintain that unless a radical change can be brought about in the management of our Company, "that gorgeous Palace, and all which it inherits, will dissolve into thin air, and, like the baseless fabric of a vision, leave not a rack behind."

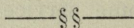
I have the honour to remain, Sir,

Your most obedient Servant,

H. M. WALTON.

Brighton, March, 1868.

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