

that, in some way or other, "The Kumara Education Reserve Act, 1879," would have the effect of releasing the lessees from the further payment of rent; but it is the intention of the Commissioners to enforce the payment of rents in the usual way. The Commissioners regret that they are unable to speak in favourable terms of the Act above quoted, as a fortunate piece of legislation. It has complicated instead of clearing up the question of fees for mining on the reserve; it has taken away from the Commissioners the power of granting leases, the deprivation of which makes it incorrect to speak of the reserve being vested in them in any substantial sense; and, lastly, the Act throws upon the Governor the onus of taking the initiative in regard to the sale of the land—the great boon for which the tenants have always clamoured—leaving to the Commissioners the bare power of consenting or otherwise. The Governor having taken no steps in the matter, the Commissioners at last resolved to recommend the sale, upon certain terms and conditions, of the town sections upon the reserve held under lease. They have done so partly because the lessees wished it, and partly because they themselves feel no desire to retain in their hands a property, the title to which is in so confused a state, and with which their power of dealing is so restricted and hampered. The revenue of the Commissioners has hitherto been mainly devoted to the payment of an overdraft at the Bank of New Zealand, amounting to £791 Os. 3d. at the time they took over charge of the Kumara Reserve from the Education Board. Had there been no overdraft, the sum of £391 7s. 3d. would have gone to the funds for secondary education; and it is presumed that the sum thus diverted must be regarded as a debt due to that fund, which is to be reduced by any available moneys hereafter coming into the hands of the Commissioners. The revenue received during the year amounted to £298 16s., and the expenditure to £298 16s., including reduction of overdraft existing at the end of the year 1879, to the extent of £132 15s. 2d.; legal expenses, £39 18s. 7d.; Kumara Borough rates, £49 2s.; interest on overdraft, £14 3s., this leaving the ordinary expenses and management at £62 17s. 3d.

No alteration has been made during the year in the Rules and Regulations of the Commissioners.

I have, &c.,

To the Hon. the Minister of Education.

J. A. BONAR, Chairman.

GENERAL STATEMENT of RECEIPTS and EXPENDITURE for the Year ended 31st December, 1880.

Receipts.

	Primary Educa- tion Reserves.	Secondary Educa- tion Reserves.	Total.
	£ s. d.	£ s. d.	£ s. d.
To Arrears due 1st January, 1880, collected in 1880—			
(1.) Rents, issues, profits, or receipts of reserves ...	35 5 6	159 5 0	194 10 6
Moneys payable and collected within 1880—			
(1.) Rents, &c., of reserves ...	20 1 0	77 10 0	97 11 0
(2.) Other receipts ...	4 18 6	1 16 0	6 14 6
Debit balance, 31st December, 1880 ...	67 8 0	...	67 8 0
	127 13 0	238 11 0	366 4 0

Expenditure.

	£ s. d.	£ s. d.	£ s. d.
By Office—			
Salaries and allowances to officers ...	13 17 9	27 15 7	41 13 4
Travelling expenses ...	...	8 8 10	8 8 10
Printing, stationery, &c. ...	3 2 0	6 4 0	9 6 0
Expenses of Leasing—			
Advertising and other expenses ...	1 3 0	2 6 1	3 9 1
Legal expenses ...	4 0 0	35 18 7	39 18 7
Interest, Bank of New Zealand ...	14 3 0	...	14 3 0
Borough rates ...	40 0 0	9 2 0	49 2 0
Debit balance, 31st December, 1879 ...	200 3 2	...	200 3 2
	276 8 11	89 15 1	366 4 0

Arrears.

	£ s. d.	£ s. d.	£ s. d.
Arrears, due on 31st December, 1880—			
(1.) Arrears at 31st December, 1879, still unpaid ...	18 0 0	108 0 0	126 0 0
(2.) Arrears of payments due within year 1880 ...	64 0 0	457 10 0	521 10 0
	82 0 0	565 10 0	647 10 0