STATEMENT of Assets and LIABILITIES at 31st December, 1880.

Assets.				s.	d.	Liabilities.	£	g.	d.
To Cash in bank and in hand			110	5	6	By Third instalment, purchase of lease of site	263	15	5
Cash in bank, fixed deposit			183	2	4	Unpresented accounts	10	13	0
Interest accrued thereon			10	5	3	•			
Rents uncollected			365	9	4				
Purchase-money of release of	site t	o 31st							
March, 1882, uncollected			338	7	0				
		-			!				
		ē	£1,007	9	5		£274	8	5

Correct.-H. LIVINGSTON, Auditor.

OTAGO BOYS' AND GIRLS' HIGH SCHOOLS.

Sir,— Dunedin, 23rd May, 1881.

In accordance with section 8 of "The Otago Boys' and Girls' High Schools Act, 1877," and your Circular No. 84, dated the 10th December, 1880, I have the honor to forward report of the Board of Governors of the Otago Boys' and Girls' High Schools for the year ended the 31st December, 1880.

I am glad to be in a position to state that the attendance, both in the Boys' and in the Girls' High Schools, has improved very considerably during the year, there being an increase of 31 boys and 21 girls. In view of a still larger increase, the Governors are anxiously looking forward to the time when they will be in a position to erect more commodious buildings.

In November last the Inspector-General of Schools inspected both the Boys' and Girls' High

Schools. Several members of the Board also visited the same from time to time.

Annexed hereto you will find schedules giving the detailed information required by your circular; also annual reports from the rector and the lady-principal; and balance-sheet, duly audited, showing the particulars of receipts and expenditure of the Board of Governors for the year.

I have, &c.,

The Hon. the Minister of Education.

D. M. STUART, Chairman.

RECTOR'S REPORT.

DURING the past session, 80 boys have entered the school for the first time, and the total number enrolled is 233—171 in the lower, and 62 in the upper school. This is an increase of 31 over last year—11 in the lower, and 20 in the upper school. The numbers on the roll for the four quarters were 202, 206, 207, and 205. Ten senior and four junior provincial scholars of the Otago Education Board, and two provincial scholars of the Westland Education Board, have been in attendance throughout the year. Mr. Thomson informs me that 23 boys have been received into the boarding establishment.

I wish to say a few words with respect to the preparatory class, which has been increasing during the past two seasons, in consequence, no doubt, of the skill with which it has been taught and managed by its teachers. This class was instituted by the Education Board in 1875, apparently with the view of introducing boys at as early an age as possible to regular high-school training. I consider this, in the circumstances, a wise arrangement; provided always that a sufficient staff is maintained, and that the fees of the class cover the additional outlay. While, however, properly organized feeding-schools are an essential part of a complete system of secondary education, it must be admitted that there is a limit to the extent to which a high school can advantageously supply elementary instruction within its own buildings and by means of its own teachers. The report of the Royal Commission on University and Higher Education recommends Standard III. of the primary school in reading, writing, and arithmetic, as a suitable test for admission to the secondary school. The adoption of such a standard would, in my opinion, adequately protect the interests of secondary education, and also recognize, to use the words of the Commissioners, "that the proper subjects of the secondary-school course should be begun early, and that children who are intended to receive the full benefit of such a course should enter upon it as soon as they can profitably do so."

The report of the Royal Commissioners on University and Higher Education, to which I have just referred, contains a review of the state of secondary education throughout New Zealand. With respect to the organization of the schools, the Commissioners make some excellent recommendations which well deserve the careful consideration of the various governing bodies. It is obvious, however, that for some time to come serious obstacles will tend to retard an entirely satisfactory organization of the schools. Head masters, for example, refer in their evidence to the difficulty which arises from the influx of pupils at widely different stages in the knowledge of Latin. I can illustrate this difficulty from our own experience this year. During the first two quarters it became apparent that a considerable number of boys who had joined one of the Latin classes of the lower school were unable to keep pace with their companions, or to make any satisfactory progress in the subject. Such boys could not but lose all heart in their work and become a hindrance to the progress of their class-fellows, and a serious addition to the work and anxiety of the teacher. I laid the matter before the Governors, who at once sanctioned the withdrawal of these boys from the study of Latin, and appointed a teacher to give them additional instruction in arithmetic. Such expedients, however, are not always practicable or indeed desirable. It is satisfactory to reflect that the adoption of the recommendations of the Commissioners with respect to primary and middle schools, and the more careful classification of our own lower forms, will gradually remove this difficulty: and in the meantime we must hopefully work on.

lower forms, will gradually remove this difficulty; and in the meantime we must hopefully work on.

Mr. Arthur Buechler, after five years of faithful service, leaves us to become the second master of the new high school at Timaru. His fellow-masters part with deep regret from one who has always been most kindly and helpful in his intercourse with them, and heartily wish him all success in that important position. The Board of Governors has appointed to the vacant mastership Dr. F. A. Bülau, who was for some years a successful master of the German language and literature in the high school of Berne.

William Macdonald.