

Liabilities.

	Primary- education Estate.	Total.
	£ s. d.	£ s. d.
Steward's salary, December, 1894 ..		45 0 0
Awaiting appropriation in purchase of land ..		163 3 5
Total liabilities		208 3

H. R. WEBB,
Chairman, School Commissioners.
H. H. PITMAN,
Steward of Education Reserves.

5th January, 1895.

Examined and found correct.—JAMES EDWARD FITZGERALD, Controller and Auditor-General.

OTAGO.

Dunedin, 7th May, 1895.

SIR,—

In accordance with Order in Council of the 17th December, 1878, and in compliance with circular from the Education Department dated the 10th December last, I have the honour to submit the following report of the School Commissioners of Otago for the year ending the 31st December, 1894 :—

During the year twelve regular and two special meetings were held, which, with the exceptions of three occasions during Mr Green's absence on parliamentary duty, were attended by the whole of the Commissioners.

During the year the Commissioners leased twenty-four pastoral, forty-eight agricultural, and twenty-one town sections in different parts of Otago and Southland. The total area of the pastoral sections was 26,126 acres, leased to nine tenants, and the annual rent was £736 18s., or 6½d. per acre. The area of the agricultural sections was 6,803 acres, leased to forty-eight tenants, at £969 3s. 8d., or 2s. 10½d. per acre. The town sections contained about 1 rood each, and they were leased to twenty-one tenants, at £41 8s. 6d. per annum, or an average of £1 19s. 5¼d. each. The total number of tenants on the rent-roll of the Commissioners at the close of 1894 was 840.

During the year the sum of £4,000 was advanced on mortgage over freehold rural securities in sums of £500, £1,000, and £2,500, the rate of interest on the first-named amount was 7 per cent., and on the other two 6 per cent. The securities show an ample margin, and, in the event of their falling into the Commissioners' hands, can be treated advantageously as part of the endowment for primary education. The total sum now advanced on mortgage by the Commissioners is £35,825 11s. 7d.

Of the amounts shown in the statement of receipts and expenditure as arrears on the 31st December, 1894, £1,356 12s. 8d. has been collected during the first quarter of the current year. The rents are in every case debited half-yearly in advance, and, as a great number of them do not become due until late in the year, they are not received in time for inclusion in the year's accounts. The continued low price of produce has rendered the prompt collection of rents a matter of extreme difficulty, and this difficulty is intensified in many instances by the fact that the tenants have taken up their holdings at rents considerably in excess of the upsets put upon them. This was the case mainly in connection with the tenants of Blocks III., IV., and V., Wendonside, which were leased in 1892.

Referring to the items of £1,275 10s. 6d. and £31 15s. 6d., shown in the statement of accounts under the head of expenditure, I desire to explain that £95 was paid to the Southland County Council as a subsidy to road-making, £84 7s. 6d. was expended on draining and improving some of the reserves, and £8 5s. 4d. was paid for rates, while £98 10s. 3d. went to the Government in the shape of train-fares, stamps, telegrams, and telephone—£46 13s. 8d. of this amount representing train-fares of School Commissioners from Southland in connection with their attendance at meetings at Dunedin. The sum of £41 19s. 6d. was received for the preparation of leases by the Commissioners' office staff, and should therefore be deducted from the cost of management. After deducting the foregoing amounts from the figures shown under the head of expenditure, the actual cost of management was £979 3s. 5d., or 5 per cent. on the amount of money collected during the year

I have, &c.,

J P MITLAND, Chairman.

The Hon. the Minister of Education, Wellington.