

The Commissioners held sixteen meetings during the year, at which a large amount of routine business was transacted.

During the year the Commissioners leased thirty-one reserves for pastoral purposes, forty-four for agricultural purposes, and twenty-five township sections in various parts of Otago and Southland. The area of the pastoral land was 99,264 acres, leased to twenty-nine tenants, at an annual rent of £681 4s., or 1½d. per acre. The area of the agricultural land was 5,488 acres, leased to thirty-eight tenants at £761, or 2s. 7d. per acre. The township sections contain about 1 rood each, and were taken up by twenty-five tenants, at £28 18s. 6d. per annum. The total number of tenants on the Commissioners' rent-roll at the end of 1897 was 841.

During the year the sum of £2,082 19s. 11d. was received in repayment of loans, and £100 was advanced on mortgage. As the Commissioners have been unable as yet to find suitable security for the balance of the uninvested cash, it was placed in the Bank of New Zealand and National Bank of New Zealand on fixed deposit.

During the year the Commissioners were compelled to incur a large expenditure in destroying rabbits on the Wendon, Otama, and Greenvale Runs, for which they were unable to obtain tenants until recently, notwithstanding the fact that the runs were repeatedly offered by auction and tender at low upsets. After the deduction of a block of 4,401 acres, the country referred to was ultimately subdivided into eight runs containing from 1,200 to 22,000 acres each, which were taken up by seven separate tenants, at an average rent of 15-16ths of a penny per acre. The block of 4,401 acres was subdivided into six sections, containing from 400 to 979 acres each, which were taken up by six tenants, at from 5d. to 11d. per acre.

Of the amounts shown in the statement of receipts and expenditure as arrears of rent on 31st December, 1897, the sum of £3,321 16s. 7d. has since been collected, and as the tenants are now realising on their crops a large portion of the balance will shortly be paid.

The rents are all payable half-yearly in advance, a number of them not falling due until near the end of the year, and as a rule these are not paid until after harvest. The Commissioners find that in the case of new blocks, the lessees often take up the land at high rents at auction, and that, unless they have capital (which is seldom the case), they find a difficulty in paying the rent. In the case of the tenants in settled districts, who in most cases have freeholds as well, the rents are fairly well paid.

The amount of £1,587 8s. 2d., shown under the head of expenditure in the statement of accounts, appears to be somewhat large, and in explanation I would like to say that £250 was paid for rabbiting; £116 19s. 5s. was paid for improving the reserves by draining, road-making, and river-protection, &c.; while £98 14s. was paid to the Government in the shape of train-fares, stamps, and telegrams, &c. (£44 16s. 10d. being train-fares of country Commissioners in connection with their attendance at meetings). The sum of £27 10s. 6d. was collected for the preparation of leases by the office staff, and should be deducted from the cost of management.

If the foregoing figures are deducted, the actual cost of management would be £1,094 4s. 3d., or £5 11s. 8d. per cent. on the money collected during the year.

I have, &c.,

J. P. MAITLAND, Chairman.

The Hon. the Minister of Education, Wellington.

GENERAL STATEMENT of RECEIPTS and EXPENDITURE of the School Commissioners of Otago for Year ending 31st December, 1897" (supplied in accordance with section 13 of "The Education Reserves Act, 1877").

[See Circular No. 3 (June, 1890), with reference to dividing between primary and secondary education reserves any expenditure, such as office and any other expenditure which cannot clearly be separated.]

	Primary.	Secondary.	Total.
<i>Receipts.</i>			
To Credit balances, 1st January, 1897—	£ s. d.	£ s. d.	£ s. d.
Bank of New Zealand	...	...	220 16 7
Bank of New Zealand, fixed deposits...	...	...	2,300 0 0
National Bank of New Zealand, fixed deposits...	...	...	5,700 0 0
Arrears of revenue for previous years, viz.,—			
Rents of reserves	5,077 16 8	161 19 9	5,239 16 5
Interest on mortgages	285 16 3	...	285 16 3
Revenues, viz.,—			
Rent of reserves for current year	7,835 9 4	541 7 8	8,376 17 0
Interest on mortgages	1,157 4 2	...	1,157 4 2
Interest on fixed deposits	260 5 0	...	260 5 0
Other receipts, viz.,—			
Net proceeds of land sales	1,596 11 7	...	1,596 11 7
Repayment of loans	2,082 19 11	...	2,082 19 11
Costs received for preparing leases	27 10 6	...	27 10 6
Valuation for improvements	557 10 6	...	557 10 6
Total receipts	...	...	27,805 7 11