

GENERAL STATEMENT of RECEIPTS and EXPENDITURE for the Year ended 31st December, 1900—*continued*.

	Primary Education Estate.	Total.
<i>Assets.</i>		
Cash in bank, as above	£ s. d.	£ s. d.
Arrears of rent due 1st November, 1899	...	950 17 10
Rents payable in advance, 1st May, 1900—Proportion uncollected ...	289 4 7	13 8 8
Rents payable in advance, 1st Nov., 1900—Proportion uncollected ...	2,147 16 8	
		2,437 1 3
Total assets	...	3,401 7 9
<i>Liabilities.</i>		
Steward's salary, December, 1900	£ s. d.	£ s. d.
Awaiting appropriation in purchase of land	...	45 0 0
		251 15 11
Total liabilities	...	296 15 11

JOHN RENNIE,
Chairman.

Examined and found correct.—J. K. WARBURTON, Controller and Auditor-General.

OTAGO.

SIR,—

Dunedin, 17th May, 1901.

In conformity with Order in Council of 15th December, 1878, and in obedience to circular from the Education Department, I have now the honour to forward herewith report of the School Commissioners for the Provincial District of Otago for the year ended on the 31st December, 1900.

During the year the Commissioners held twelve meetings, at which a large amount of routine business was transacted. The Commissioners are all practical men, with a thorough knowledge of farming, which enables them to manage the large and important estate intrusted to their keeping to the best advantage, and in order to satisfy themselves as to the necessity or otherwise of granting reductions in rents, as well as to make themselves acquainted with the endowments, the Commissioners, in addition to attending the monthly meetings, have spent a considerable portion of their time in visiting a number of the holdings, and making a detailed inspection of the same, which enables them to deal with the reserves in a comprehensive and systematic manner. In this connection the Commissioners desire to refer to the proposal which from time to time has been brought forward in Parliament to remove the control of the endowments from their hands and give it to the Land Boards, and to ask you, as their political head, to seriously consider whether such a course would be in the best interests of the Trust and education generally. The services of the Commissioners are given gratuitously, and their duties involve anxious and diligent attention, not only to general principles, but to matters of detail. The supervision of the estates in Otago and Southland is close and thorough, and the extra expense of their management is money well spent. The fact that the rent-roll contains 883 names goes to prove that the interests of close settlement has been fully maintained, and the custodianship of such a large and important estate requires far more time and attention than could be given to it by the Land Boards and their officers.

In addition to the management of the endowments, the Commissioners have the sum of £29,544 11s. 5d. invested on mortgage over freehold securities, the number of mortgages being thirty-three.

Besides obtaining a report and recommendation from outside valuers, as provided for in the Trustees Act, the School Commissioners satisfy themselves personally as to the value of the security before accepting it, and they only lend money on properties that could be added to the endowment and worked to advantage in the event of them falling into their hands under power of sale.

In the course of the year the Commissioners leased twenty-five holdings for pastoral purposes, fifty-three for agricultural purposes, and twenty-six township sections in various parts of the provincial district. The area of the pastoral land was 39,706 acres leased to twenty tenants at £757 3s. 4d., or 4½d. per acre; the area of the agricultural land was 5,524 acres, leased to forty-three tenants at £851 0s. 7d., or 3s. 1d. per acre; the area of the township sections was 9 acres 1 rood 5 perches, leased to twenty tenants at £23 15s. per annum.

During the year the sum of £1,306 0s. 5d. was received in repayment of loans, and £4,300 was advanced on mortgage at 4½ per cent.

Of the amount shown in the statement of receipts and expenditure as arrears of rent, &c., on the 31st December, 1900, the sum of £3,197 3s. 2d. has since been collected. As explained in former reports the rents are payable half-yearly in advance, and a great number of them are never paid until after harvest.

In reference to the amounts of £1,324 3s. 4d. and £29 7s. 4d., shown in the statement of accounts as expenses of management, I beg to explain that £59 11s. 7d. appears on the other side of the account under the following heads—viz., "Cash received for preparing leases by the