

Department. Portions of the endowment have been let on building and grazing leases. A list of tenants, and the rents payable by them, will be found amongst the exhibits.

We are of opinion that the income from the endowment would have been materially increased had the land been drained, roaded, and otherwise improved, and subdivided into suitable business and residential areas. Although the trustees have not been as active as, in our opinion, they should have been, it is only fair to point out that they have been much hampered in their operations in consequence of their not possessing the power to borrow money for building purposes, and the general development and improvement (subdivision, roading, &c.) of the endowment. Heretofore the income from the endowment has been absorbed in the upkeep of the school buildings, payment of salaries (which we may mention in passing are somewhat inadequate), and other necessary working-expenses.

#### *Recommendations.*

We respectfully recommend,—

1. That the Wanganui Collegiate School be maintained as a secondary school for Europeans and Maoris.
2. That the hostel system of boarding be introduced.
3. That as soon as practicable the school buildings be reconstructed and reorganized in classrooms, lighting, seating, and educational equipment, &c.
4. That the school be inspected and reported on by the Education Department. (See sec. 91, subsecs. (1) and (2), of "The Education Act, 1904.")
5. That the trustees shall, within three months after the receipt of a notice from the Hon. the Minister of Education so to do, forward to the Hon. the Minister a copy of the scheme or regulations defining the curriculum, and stating the provision made for pupils living away from home, and the provision made for the periodic examination of the pupils of such school. That if the scheme so forwarded is not, after conference between the trustees, the headmaster, and the Hon. the Minister, approved by the Hon. the Minister, or if the trustees fail to comply with such notice, the question or questions in dispute shall be referred to a Commission consisting of the Chancellor for the time being of the University of New Zealand, a person (not being an officer of the Education Department) appointed by the Governor, and a third person (not being one of the trustees) appointed in that behalf by the trustees. The determination of the Commissioners, or any two of them (after hearing evidence), to be final and binding. The Commissioners to have all the powers of Commissioners appointed under "The Commissioners Act, 1903."
6. That the number of trustees be five, appointed from time to time in the following manner: Two by the Mayor and Councillors for the time being of Wanganui, and the remaining three by the General Synod. That the trustees be capable business men, and that at least three of them be persons who reside within fifty miles of Wanganui. The appointment of trustees to be gazetted, and advertised in the local papers.
7. That the trustees be required to keep, or cause to be kept, proper books of account, containing full, true, and particular accounts of all receipts and expenditure, assets, liabilities, &c.
8. That the accounts be audited at least once a year by a Government auditor.
9. That a banking (trust) account be kept at Wanganui, into which all moneys received be paid, and that all cheques be signed by at least two trustees, and countersigned by the secretary.
10. That the trustees endeavour to meet at regular intervals at Wanganui to discuss matters relating to the trust, and that full minutes of the business transacted at such meetings be kept by the secretary, and signed by the chairman.
11. That within one month after the 31st March of every year an account giving full and true particulars of all receipts and expenditure, assets and liabilities, &c., up to the 31st March be made out, signed by the secretary and trustees, audited, forwarded to the Education Department, and published in the Inspector-General's annual report to Parliament.
12. That all applications by parents or guardians for admission of children to the school be reported on by the headmaster and submitted to the trustees, or any three of them, for approval or rejection.
13. That the parent or guardian whose application is rejected shall be entitled to have the decision of the trustees reviewed by the Hon. the Minister of Education, whose decision (after hearing evidence) shall be final.
14. That the trustees appoint all teachers.
15. That power be given to the trustees to borrow (subject to the approval of the Hon. the Minister of Education) money on security of the trust property, or any part thereof, or the income