

OTAGO.

Sir,—

Education Reserves Office, Dunedin, 30th May, 1908.

In accordance with Order in Council dated 15th December, 1878, I have the honour to forward report of the School Commissioners of Otago for year ended 31st December, 1907.

The members of the School Commissioners are as follows: Messrs. William Dallas, Chairman, Donald Borrie, Thomas McGibbon, E. H. Wilmot, and the Hon. H. Feldwick.

The Commissioners take this opportunity of expressing their extreme regret at the loss of one of their colleagues during the year through the death of Mr. John Hay. During the time that Mr. Hay had a seat on the School Commissioners' Board his official knowledge was of great value in the management of the endowments. The Commissioners were pleased to welcome Mr. E. H. Wilmot, Commissioner of Crown Lands at Invercargill, as Mr. Hay's successor. During the year six auction sales were held, when forty-five reserves were leased for agricultural purposes, seven for pastoral, and sixteen town sections.

The area of the agricultural land was 2,656 acres, leased to thirty-five tenants at £714 8s. 11d. per annum, or an average of 5s. 4½d. per acre. The pastoral sections contained 3,287 acres, leased to seven tenants at £114 10s. 3d., or 8d. per acre. The sixteen town sections contained four acres, and were leased to fourteen tenants at £32 per annum. The Commissioners' rent roll at the end of 1907 contained 965 tenants, at an annual rent of £13,806 3s. 10d.

During the year the sum of £7,410 was invested on mortgage, and £3,740 16s. was received in repayment of loans. The amount now lent on mortgage over freehold security is £39,663 2s. 5d., and the annual interest is £1,894 16s., or £4 15s. 6½d. per cent. per annum. There is also an amount of £3,700 lodged in the Bank of New Zealand on fixed deposit.

Of the sum of £2,933 3s. shown in the statement of receipts and expenditure as rents in arrear on 31st December, 1907 (the bulk of which was for rent due in advance on 1st November last), £1,989 4s. 6d. has since been collected. I beg to say in explanation of the amounts shown as expenditure in the statement of accounts that £71 3s. 6d. was paid for train fares; £40 3s. for stamps and telephones; £403 9s. 2d. on improvement of endowments in the way of river protective works, drains, and ditches; and £776 5s. to outgoing tenants for valuation of improvements—the latter sum being collected from incoming tenants. I am pleased to report the unsatisfactory mode of dealing with mining revenue from the education endowments referred to in my report for the year 1906 has been amended, and the Commissioners now receive monthly payments from the Treasury of amounts accruing to them from this source. Annexed hereto is a copy of the balance-sheet and statement of income and expenditure for year ended 31st December, 1907, duly certified to by the Controller and Auditor-General.

I have, &c.,

WM. DALLAS, Chairman.

The Hon. the Minister of Education.

GENERAL STATEMENT OF RECEIPTS and EXPENDITURE for the Year ending the 31st December, 1907.

	Primary.	Secondary.	Total.
<i>Receipts.</i>			
To Credit balances on the 31st December, 1906—	£ s. d.	£ s. d.	£ s. d.
Bank of New Zealand and in hand ...	...	...	1,827 5 0
Bank of New Zealand on fixed deposit ...	...	...	5,500 0 0
Arrears of revenue for previous years, viz.,—			
Rents of reserves ...	2,837 13 1	174 6 10	3,011 19 11
Interest on mortgages ...	39 4 5	...	39 4 5
Revenues, viz.,—			
Rents of reserves for current year ...	10,326 5 11	752 17 11	11,079 3 10
Interest on mortgages ...	1,665 4 3	...	1,665 4 3
Interest on fixed deposits ...	198 0 0	...	198 0 0
Other receipts, viz.,—			
Net proceeds of land sales ...	...	...	526 8 3
Repayment of loans ...	...	...	3,740 16 0
Cash received from Treasury for refund of gold-fields revenue	388 12 0	...	388 12 0
Valuation for improvements collected from incoming tenants	...	...	860 15 0
Proceeds, sale of timber and flax ...	44 19 6	...	44 19 6
Total receipts ...	...	...	28,882 8 2