Library.—Towards the close of the year the newly appointed Librarian, Mr. John Harris, returned from England, where he had taken a course of training in the School of Librarianship, University of London. In an endeavour to provide reasonable facilities the Council has added to the library two small lecture-rooms, and a professors' private room, but the result may be regarded only as a temporary expedient. The library accommodation is not yet sufficient to allow of our receiving the gift of books offered by the Carnegie Corporation, whilst the loss of the lecture-rooms is causing difficulty in providing space for all classes. The Council feels strongly, therefore, that a new library building is urgently needed, and it trusts that means will be found during the current year for meeting this requirement.

Benefactions.—The Council received during the past year a generous bequest from Dr. Daniel Colquhoun, Emeritus Professor of Medicine, who died early in the year. The bequest of £8,000 was to be invested and the income applied partly for general purposes, partly for the Medical library, and partly for the museum. Other benefactions include a gift of £500 from Mrs. Mickle, of Christchurch, for the endowment of a scholarship in Medicine, a gift of £157 10s. from the New Zealand Branch of the British Medical Association to the Sir Lindo Ferguson Fund, for assistance to the Medical School, and a gift of £106 from former students of Dr. Colquhoun for the establishment of a memorial to their former teacher.

Training College.—The Council desires to record its appreciation of the action of the Government in re-establishing teacher-training in the four chief centres of New Zealand. This step, in the Council's opinion, will be of marked benefit to the educational system of the Dominion.

STATEMENT OF ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 1935.

ARTS AND GENERAL ACCOUNT.

STATEMENT OF RECEIPTS AND PAYMENTS.

Receipts.

	£ s. d.	£ s. d.
Balance on 1st January, 1935 ..	..	2,184 1 8
Government grants—		
Annual	5,009 19 3	
On account of national endowment	2,284 18 10	
On account of Sir George Grey Scholarship	50 0 0	
On account of chemistry laboratory	6 6 0	
		7,351 4 1
University of New Zealand—On account of national endowment ..	..	991 7 10
Donations—		
Presbyterian Church Board ..	2,400 0 0	
Trustees Executors Co., Ltd.—On account of music	550 0 0	
Sundry donations	5 5 0	
		2,955 5 0
Rent—		
Pastoral reserves—		
Arts	2,193 13 0	
Law	58 7 2	
Castle Street	450 10 4	
Professors' houses	374 12 6	
Education Board	0 5 0	
King Street property	40 0 1	
Sundries	22 0 6	
		3,139 8 7
Fees for chemical analysis ..	.. ..	22 11 6
Students' fees	..	11,343 10 7
Interest on investments ..	.. ..	1,796 12 3
Calendar sales	..	9 9 2
Sale of notes, &c.	..	7 10 0
Sundry receipts, including Government subsidies on work in grounds, &c.	..	648 8 11
Transfer from Beverly Trust Account—Salaries ..	..	789 8 9
Students' Association Account—Salary ..	..	134 11 5
Transfer from Hocken Library Account—Salary ..		92 12 3
Transfer from sundry accounts for administration—	£ s. d.	
Dental	169 19 0	
Medical	465 3 11	
Mining	48 7 8	
Museum	20 0 0	
Home science	117 17 0	
Studholme House (two years) ..	150 0 0	
Studholme House Account—Insurance	1 7 5	
		972 15 0
Transfer from Hocken Bequest Account	..	154 4 11
Fees for vocational-guidance test, less paid to assistant	..	5 14 0
Dr. cash balance at 31st December, 1935	..	36 19 11
		£32,635 15 10

Payments.

	£ s. d.	£ s. d.
Salaries (including superannuation contributions and unemployment tax)—		
Professors, lecturers, &c. ..	18,992 2 1	
Cleaning and caretaking ..	999 15 1	
Office	1,674 3 8	
Library	544 14 5	
		22,210 15 3
Printing, advertising, and stationery ..	..	592 7 1
Telephones, postages, &c. ..	..	166 6 6
Insurance	..	128 6 4
Water	..	43 5 7
Power	..	81 15 5
Lighting	..	212 9 3
Heating	..	456 10 10
Travelling-expenses	..	60 16 8
Material—	£ s. d.	
Physics	139 4 9	
Biology	74 8 4	
Chemistry	389 5 7	
Botany	1 12 3	
Geology	6 1 8	
General	10 17 8	
		621 10 3
Equipment and apparatus—		
Physics	296 9 9	
Biology	185 9 3	
Chemistry	35 7 11	
Botany	57 14 7	
Geology	52 11 11	
Psychology	133 5 5	
General	123 0 5	
		883 19 3
Fees paid to lecturer on account of chemical analysis		15 6 0
Furniture	..	151 5 8
Library	..	790 6 10
Buildings—Stoker and boiler, &c. ..	..	373 10 3
Repairs and maintenance of buildings ..	..	1,654 14 6
Cleaning materials and expenses ..	..	43 11 1
Fees paid to professors and lecturers and Students' Association	..	632 15 9
Interest on University debentures ..	..	297 10 0
Fees refunded to students	..	187 8 6
Miscellaneous expenses—	£ s. d.	
Audit	83 5 0	
Law-costs	83 2 1	
		166 7 1
Rates	..	46 9 8
Government subsidy on account of work in grounds (paid to O.U.S.A.) ..	142 6 0	
O.U.S.A. proportion cost of tennis-courts	44 0 0	
		186 6 0
Other expenses	..	558 4 0
Bank of New Zealand commissions and bank charge		14 1 7
Sir George Grey Scholarship	..	50 0 0
Transfer to Mining School for adjustment of account wrongly debited	..	9 16 6
Balance at 31st December, 1935, on fixed deposit ..		2,000 0 0
		£32,635 15 10