

During the past year the Commissioners let thirty-six reserves, being thirty-one rural and suburban, containing 3,976 acres, and five small town sections containing 2 acres. The income derived from the country lands is £326 3s. 11d., and from the town lands £8 10s., or a total of £334 13s. 11d. per annum. The Commissioners have just concluded a series of sales of leases of reserves, most of which were vested in them last year, and in doing so have taken advantage of "The Educational Reserves Leasing Act, 1890," which permits rural lands to be let for thirty years. This provision has no doubt operated favourably with regard to the reserves submitted for public competition, while the tenants under "The Education Reserves Act, 1877," are largely seeking to avail themselves of the provisions of the former Act, under which they may obtain extension of their leases. The Commissioners would have preferred that this Act should have covered suburban as well as "rural lands for the most part covered with bush," as they think a certain amount of hardship has been created in the case of those settlers who hold suburban lands which were formerly covered with bush, and in respect of which such settlers have had all the labour and expense of clearing, but who are excluded from the benefits to be derived from "The Educational Reserves Leasing Act, 1890."

The annual sales of leases for 1891 have just concluded, with result as follows, viz.: Twenty-five sections, representing 5,544 acres, were sold to twenty-four purchasers for the sum total of £233 0s. 9d. per annum. These sections comprise one town (£3), one village (£3 10s.), eighteen first- and second-class rural lands (£194 16s.), and five third-class rural lands (£31 14s. 9d.). There were many inquiries for more; but the sections sold were, by reason of their position or good quality, the most marketable. There are, however, some which are laid off, and appear on the plans as primary-education reserves, in respect of which inquiry is continually being made by the neighbouring owners; but until these are vested in the Commissioners they cannot be dealt with, and as the lands are lying idle the Commissioners would like to see them permanently reserved, as they (the Commissioners) are of opinion the lands would find ready buyers at fair rentals.

The Commissioners are glad to report that the recent sales included two unprofitable reserves in the Pahau Block. These reserves were held at a cost of £40 per annum for the destruction of rabbits only, and were liable also for rates and fencing. The rent to be received is, however, exceedingly small (2d. per acre per annum); but, as this actually represents a large saving of annual expenditure, the Commissioners consider the sale of these sections satisfactory under all circumstances.

The Commissioners have to express their regret that no portion of the funds derivable from the recent sales can be applied to the maintenance of secondary education, and again appeal to the Government for a fair share of the lands of the district as endowments for this purpose. The whole revenue available for secondary education, as derived from reserves vested in the Commissioners, amounts to £61 1s. 3d. per annum, which is subject to reduction by proportion of annual expenditure. For some years past this revenue has been absorbed by compulsory expenditure upon the reserves which, in 1888, entailed an advance from the Primary Fund Account, the reimbursement to which will be completed from the revenue arising from secondary reserves at the expiration of the year 1891. After this time there will accrue a small revenue available for secondary schools; but, as this is but small and divisible between three institutions, the Commissioners would repeat their appeal for further assistance in the manner indicated above, for which they believe there is sufficient authority given in "The Education Reserves Act, 1877."

In conclusion, the Commissioners desire to draw attention to the increased business of the Trust. In 1878, when they took over the administration, there were on the rent-roll forty-six tenants, contributing £390 10s. 9d. At the present time there are 185 tenants, and the income is £1,832 18s. 3d., which may be augmented by further lettings during the present year.

Statement of receipts and expenditure is forwarded herewith.

I have, &c.,

J. R. BLAIR, Chairman of Commissioners.

The Hon. the Minister of Education, Wellington.

GENERAL STATEMENT of RECEIPTS and EXPENDITURE for the Year ending 31st December, 1890.

Receipts.

	Primary.	Secondary.	Total.
	£ s. d.	£ s. d.	£ s. d.
To Balance on 1st January, 1890 ...	841 8 8	...	841 8 8
Rents of previous years ...	144 4 1	7 3 3	151 7 4
Rents of current year ...	1,230 10 1	46 10 8	1,277 0 9
Rents of 1891 ...	54 2 0	...	54 2 0
Miscellaneous receipts—			
Compensation from Government ...	50 0 0	...	50 0 0
For account of Mr. John Riley ...	40 12 0	...	40 12 0
Law-costs recovered ...	1 2 0	...	1 2 0
Sale of waste paper ...	0 7 6	...	0 7 6
Rebate advertising charges ...	0 3 10	...	0 3 10
Refund rates ...	0 12 11	...	0 12 11
Bank exchange remitted ...	0 10 3	0 1 11	0 12 2
Transfer from Secondary Account ...	47 16 4	...	47 16 4
Total receipts ...	2,411 9 8	53 15 10	2,465 5 6