

Trust Estate) expired, and the state of the dwelling-house and offices on the Farm was such, that no bargain for a re-letting could be made without a large expenditure on the buildings. The cost of the necessary works was estimated at upwards of £650, and a bargain for a new nineteen years' lease was eventually made, under which the Trustees and Governors executed a portion only of the works required, the tenant patching up to suit himself for the first five years of a new lease the old buildings; but the proprietors became bound, if required to do so by the tenant, to complete the new buildings on the elapse of five years from the said term of Whitsunday 1877. The sum expended on the portion of the works already executed amounted to upwards of £330, of which amount the tenant advanced the sum of £50, which has to be repaid to him, without interest, at the end of five years from the said term of Whitsunday 1877. The Trustees and Governors entered into the said arrangement in order to escape the necessity there would have been for borrowing money to a considerable amount, which would have greatly crippled the resources of the Trust for many years, and with an impression that it was possible that, during the five years referred to, the position of the Trust might be changed, through legislation or otherwise, and in the belief that even although it should not be so, the Trust, on the elapse of said period, would not be in a worse, but must be in at all events a somewhat better, position to encounter the cost of the completion of the works.

That the total revenue of the Trust (exclusive of the small sum of interest annually received from Clementina Fraser's Bequest, and applied as before mentioned) consists of the following, namely:—

1. Rent of Farm of Belterraigs, . . . . .	£90	0	0
2. Rent of Croft on Commonly of Cowie . . . . .	4	0	0
3. Rent of small portion of the building in Stonehaven not required for the School, and not suitable for a dwelling-house for the teacher, . . . . .	2	2	0
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	£96	2	0

while in an ordinary year, when no extraordinary or unforeseen outlay has to be provided for, the expenditure, consisting of teacher's salary and cost of books, &c., feu-duties and other burdens, ordinary repairs, and a small sum for management, amounts to upwards of £70. The balance in favour of the Trust as at 3d June last was about £40.

That while it is manifest, from what is above stated, that the Trustees and Governors will not be in a position in the year 1882 (when the foresaid sum of £50 falls to be repaid to the tenant of the Farm) to complete the works which they will then almost certainly be called on to execute, in accordance with bargain, without having recourse to a borrowing of large amount, when the income and position of the Trust are taken into consideration, it is further submitted that while in time past the School has been a boon to the persons for whose benefit it was intended by the founder, the time has more than arrived when, from the nature of the property from which the income is derived and the position of the funds, and by reason of the impossibility or at all events the improbability of procuring a well-qualified teacher for the emoluments which the Trustees and Governors have it in their power to offer, it is very desirable, in the

interests of the persons intended to be benefited by the founder, that provision should be made for the better government and administration of the Institution, and for the better application of the emoluments thereof. The emoluments of the teacher have never exceeded the maximum salary specified in the Deed of Mortification, namely, £40 per annum (without a dwelling-house), with the addition latterly of the small income arising from the Bequest of Clementina Fraser.

That in these circumstances, and under a conviction that it was their true line of duty, in the interests of the Institution under their charge, the Petitioners, at a special meeting duly called for the purpose, in terms of the Fourth Section of the Endowed Institutions (Scotland) Act, 1878, and held at Stonehaven on the 16th day of July last, unanimously resolved, 'that it is expedient that provision should be made for the better government and administration of the Institution, and for the better application of the endowments thereof; and (if necessary for these purposes) for the transference of the Institution and its endowments to other governing bodies; and that an application should be made under the Act 41 and 42 Victoria, cap. 48, to the Secretary of State for a Provisional Order.'

That the provisions for the better government and administration of the Institution under their charge, and the better application of the endowments thereof, which the Petitioners desire to have sanctioned, are the following, viz. :—

1. For authorizing the sale and conversion into cash of the whole property under the administration of the Petitioners.
2. For authorizing the division of the free proceeds between the Kirk Sessions of the Parishes of Fetteresso and Dunnottar, in the proportion of three-fifths to the former and two-fifths to the latter.
3. For authorizing the books and papers belonging to the Institution to be thereafter deposited in the Sheriff Court Record Room of the County of Kincardine.
4. For the Trusts created by the foresaid Deeds of Mortification of the said William Donaldson being then declared to be at an end.
5. For the investment by the said respective Kirk Sessions of the money so paid over to them in the purchase of any of the Government stocks, public funds, or securities of the United Kingdom, or by way of loan on the security of any of the aforesaid stocks or funds, or on the security of heritable property in Scotland, or for the investment of the money in the mortgages, or bonds, or debenture stock of any railway company in the United Kingdom paying at the time of investment a dividend on its ordinary stock or shares.
6. For the application by the respective Kirk Sessions of the free annual revenue to be derived from said investments in providing education and school books (when required) for thirty scholars from the Parish of Fetteresso, and twenty scholars from the Parish of Dunnottar (or such smaller number, in the same proportions, as the funds at command will admit of, in the event of the funds at command being insufficient for the full numbers above stated), to be called 'Donaldson Free Scholars.'
7. For the said 'Donaldson Free Scholars' being educated at the Public Schools situated