

Preamble.

1. **Future Administration of Endowment.**—This Endowment shall henceforth be administered under this Scheme by the governing body hereinafter constituted, which is hereby incorporated by the name of 'The Governors of Anderson Educational Trust.'

2. **Transference of Property.**—From and after the date of this Scheme, the buildings of the Anderson Educational Institute, with the site and pertinents thereof, shall be transferred to and vested in the governing body hereinafter constituted, and the trustees of the said Arthur Anderson shall pay to the governing body hereinafter constituted the annual sum of £200 by half-yearly payments; beginning the first half-yearly payment at the first term of Whitsunday or Martinmas, after the date of this Scheme.

3. **Constitution and Election of Governing Body.**—The governing body, hereinafter called the governors, shall be constituted as follows:—

Two shall be elected by the Commissioners of Supply of the Shetland Division of the County of Orkney and Shetland;

One shall be appointed by the Sheriff of the County of Orkney and Shetland, hereinafter called the Sheriff;

One shall be elected by the Commissioners of Police of the Burgh of Lerwick;

One shall be elected by the School Board of Lerwick and Gulberwick;

Two shall be appointed by the existing Trustees of the said Arthur Anderson to hold office for their lives.

With regulations as to election and duration of office of governors.

4-11. **Vacancies, Meetings, Chairman, Quorum and Execution of Deeds, Minutes, and Committees.**

12-17. **Business Arrangements, Casual Profits, Accounts and Audit, Powers of Sale and Investment.**

18-21. **Clauses relating to Transference of Administration.**

22. **Preservation of Vested Interests.**

Application of Income.

23. **Application of Income.**—The governors, after paying the necessary expenses of management, shall apply the free income of the Endowment in the manner hereinafter provided.

24. **Use of School Buildings.**—The governors shall, within twelve months after the date of this Scheme, cease to maintain and manage the school presently maintained by them in the buildings of the Anderson Educational Institute, and shall transfer the use and possession of the said buildings to the School Board of Lerwick and Gulberwick, to be held by them, so long as they observe the conditions of the immediately succeeding section.

25. **Payment of Free Income to School Board.**—The governors on ceasing to maintain the school in the buildings of the Anderson Educational Institute shall pay the free annual income of the Endowment to the School Board of Lerwick and Gulberwick, subject to the following conditions:—

(1) The School Board shall maintain and keep in good repair the buildings of the Anderson Educational Institute and maintain a school therein consisting of a higher and lower department. The lowest class in the higher department shall correspond to the sixth standard of the present Scotch Code. (2) The annual sum paid to the School

Board by the governors, together with the whole fees drawn from the higher department, shall be wholly applied to salaries and other educational expenses in the higher department. (3) The headmaster of the higher department shall be a graduate of some University in the United Kingdom, and shall receive a salary of not less than £150. (4) The accounts of the school, so far as they relate to the higher department, shall be annually submitted to the governors. (5) The fees in the higher department shall be fixed on such a scale as the parents of children attending the department may reasonably be expected to pay, and shall not be reduced so as to impair the efficiency of the department for higher instruction. The table of fees in the department shall be subject to the approval of the governors, and in the event of a difference of opinion between the governors and the School Board, the questions shall be referred to the determination of the Scotch Education Department. (6) The School Board shall give free education in the higher department to the children whose parents or guardians require aid in giving them higher education. The children shall be elected by the governors, and in the event of there being more candidates than vacancies, the free scholarships shall be awarded on the result of such examination as the governors may determine. (7) The School Board may let or give the use of the hall so far as not required for educational purposes, for lectures, meetings, or such other purposes as they may determine. (8) The portraits of Mr. and Mrs. Anderson shall be hung in the hall of the Educational Institute.

26. **Provision in case of School Board failing to Implement Conditions.**—In the event of the School Board refusing or failing at any time to implement the conditions imposed under the immediately preceding section, the governors shall cease to make payment to them of the sum provided to be paid under said section, but it shall be in the power of the School Board to appeal against the resolution of the governors to the Scotch Education Department, who shall have it in their power either to sanction or annul such resolution. It shall further be competent at any time to any two of the governors, if it appear to them that such conditions are not being fulfilled by the School Board, to make application to the Scotch Education Department to examine into the application of the aforesaid grant; and if it appear to the Scotch Education Department that the conditions of the grant are not being fulfilled by the said School Board, they shall have the power to intimate their decision to that effect to the governors, who shall thereupon suspend payment of the annual grant. It shall be in the power of the governors, with consent of the Scotch Education Department, to resume payment of the annual grant on their being satisfied that the School Board are ready to comply with the aforesaid conditions. In the event of the grant being suspended for one whole year in consequence of the foregoing provisions, the governors shall pass a resolution to that effect, and shall be entitled and bound to resume possession of the buildings of the Anderson Educational Institute with their site and pertinents. The governors shall thereupon establish and maintain a school in the said buildings under the same conditions and obligations as those imposed upon the School Board under the immediately preceding section; provided always that they shall maintain the buildings out of the free revenue; and that in the lower department of the school they shall charge such