Penny Banks.—The circulars issued by the Department in reference to Penny Banks called forth esponse from the school committees. The Te Aro Penny Bank, long established, and entirely no response from the school committees. independent of the Board, is the only one in operation.

DISTRICT HIGH SCHOOL.—Applications made to the Department for constituting the Terrace and Featherston Schools District High Schools, have been met with the reply that the matter should stand

over for the report of the Commission on higher education.

NORMAL SCHOOL.—The new Normal School containing students' lecture room, school of art, class room, and laboratory is nearly ready for opening; and the room built as an educational museum for the colony is now available for the purpose. The Board are about to draw up rules and regulations for the conduct of the Normal School, and they are are desirous of knowing specifically what amount of grant will be available during the current year for salaries and maintenance.

Buildings Required.—Particulars as to the building grant required have already been forwarded

Inspector's Report.—Touching matters indicated in your letter of the 8th December, information

will be found in the report of the Inspector attached as appendix.

School of Art. A school of art class for teachers has been opened in one of the rooms of the Wellington Athenaum during the present year, and instruction was given by the late Mrs. Holmes, a lady well qualified for the work. Her loss was a public one. The Board have continued the classes under the direction of her daughters; but it is now found that only the pupil teachers and a few female teachers in charge of schools voluntarily attend. The new school of art room in the Normal School will give better facilities for the instruction of the classes. The cost of £100 per annum for salary has been allowed by the Department, to become a charge upon the vote for Normal training. I have, &c.,

The Hon. the Minister of Education.

C. J. Pharazyn, Chairman.

GENERAL STATEMENT OF RECEIPTS and EXPENDITURE for the Year ending 31st December, 1879.

Receipts.		£	s.	d.	Expenditure.	£	s.	d.
To Balances 1st January, 1879.					Office and Board—			
Maintenance Account		132		$^{6}$	Office staff, salaries	270	0	0
Special Buildings Grant		1,961	18	8	Departmental contingencies	803	4	7
Grants from Government—					School Inspection—			
Statutory capitation (£3 15s.)		13,857	3	9	Salaries	500	0	0
Grants to Committees (10s.)		1,847	12	6	Travelling expenses	162	6	4
Inspection subsidy		300	0	0	Teachers' salaries and allowances	12,880	17	2
Specially for buildings	٠.	11,800	0	0	School committees for educational pur-			
Arrears of rates collected		150	0	0	poses	1,626	7	6
From Public Libraries vote		415	10	0	Scholarships, expenses of examinations	21	ò	ŏ
Arrears of school fees		6	17	0	Training of teachers	76	6	8
Refund overpayment, teachers' salaries		0	10	0	Insurance of school buildings		17	6
Rents of school sites		66	16	6	School Buildings-		~.	•
Sale of old building		34	4	0	New buildings	6,632	0	6
Deposits on contracts		148	14	0	Enlargement, improvements, and re-	-,	·	·
Overdraft		378	. 3	7	pairs	1,591	8	10
Overdian	• •			•	School furniture and appliances not	-,00-	•	-0
					included in preceding	812	10	2
					Purchase of sites	4,600	Õ	õ
					Plans, supervision, &c	221	1	3
					Library Committees, out of Public Libraries		-	U
★ Property Control of the Contro					vote	415	15	0
					Rents of school sites and buildings	238	7	8
					Deposits on contracts	98	14	ŏ
					Standard prizes		$\overline{12}$	•
					Education reserves (moiety of fencing)	$\frac{10}{92}$	8	6
					Commission on school fees collected	0	8	ñ
					Conditional of Box of 1000 Concount			
	4	31,100	6	6	<b>.</b>	31,100	6	ß
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C. J. Pharazyn, Chairman. ROBERT LEE, Secretary.

Note.—This Balance Sheet, with accounts, &c., duly passed examination by Mr. R. Macalister. Owing to absence on sick leave, his signature cannot now be obtained.—For Provincial District Auditor, P. W. Telford.

STATEMENT of Assets and Liabilities for the Year ending 31st December, 1879.

MAINTENANCE ACCOUNT.

Liabilities. Assets.  $\widetilde{157}$ NIL. Grant to Committees for December quarter ... £605 9