

thorough success, and I believe I am safe in saying that every one in attendance now admits that the craft of working in wood is a much more scientific art than they have hitherto had any idea of."

BUILDINGS.—Notwithstanding the most rigid economy in its administration of the parliamentary vote for school buildings, the Board finds itself unable from this source alone to satisfy the reasonable requirements of the various school districts under its supervision. School buildings more or less suitable for teaching purposes have been provided in all but seven school districts: in these latter the temporary structures used are not the property of the Board, and will have to be superseded by properly-equipped school buildings at no distant. In twenty-five school districts no residences have as yet been erected for the use of the teachers. In a great majority of these cases a residence would prove a real convenience to the teacher, who is seldom able to secure suitable lodgings within reasonable distance of his work. During the past few years much has been done to remedy this state of affairs by the erection of small and inexpensive residences of two or three rooms, which, when the teacher is unmarried, answer the purpose very well.

To provide for the repairs and painting necessary to the maintenance of over 240 separate school buildings and residences is no easy matter when the limited sum appropriated for school buildings is taken into account. The buildings in this district almost without exception are of timber, and the annually-recurring expenditure necessary to prevent deterioration in value is very heavy.

During the period to which this report refers new school buildings have been erected at Clifden and Niagara (Waikawa), the latter superseding the temporary building erected at the joint cost of the Board and settlers interested, which did duty till the permanency of the settlement was assured. The former (Clifden) may be regarded as the pioneer school west of the Waiau. Additions to the schools in the Bluff, Otatau, Tisbury, and Makarewa Districts, in each case rendered urgently necessary by the increased attendance, have been undertaken. In the districts of Eastern Bush, Waimumu, Seaward Moss, Ardhussa, and Springbank, small residences for the use of the teachers have been erected; while additions to the residences at Queenstown and Oteramika have also been provided. Besides the foregoing, the most important work undertaken during the year was the reinstatement of a section of the Invercargill South School, unfortunately destroyed by fire in August last. This work, for which a special vote of £455 was received from Government, was successfully accomplished at a total cost of £460 16s.

The total expenditure on account of the foregoing new works (including the South School reinstatement) was £1,826 9s. 1d. Painting, repairs, and improvement of buildings absorbed a sum of £917 10s. 7d., chiefly disbursed through the medium of School Committees, while the supply of furniture and appliances and incidental expenditure, such as architect's salary and expenses, advertising tenders, involved an outlay of £335 12s. 5d., the total expenditure on buildings thus amounting to £3,079 12s. 1d., which sum was less than the actual receipts for buildings by £241. As against this surplus of receipts over expenditure there stood at the close of the year an unusually heavy list of liabilities, chief amongst which was a contract entered into for renovation and improvements to the Middle School, Invercargill. This work was an absolute necessity, the building, though accommodating (with one exception) the largest number of pupils in any school in the district, was neither externally nor internally so attractive as it should have been. Now, however, that the ceilings have been raised some 3½ft., the walls lined throughout, the outside and inside painted in bright attractive colours, the building is all that a school should be, and will tender good service for perhaps a generation to come.

Other heavy liabilities have been incurred in connection with the supply of additional accommodation to teachers and pupils alike, for repairs to existing buildings, and other necessary works. No less a sum than £1,160 will be required to meet these engagements, and will seriously diminish the amount at present standing to credit of the Board's Building Account.

FINANCE AND ACCOUNTS.—The Board's balance-sheet has been certified by the Auditor-General and duly forwarded to your department. This statement shows the aggregate amounts received and expended in respect of the different accounts. The total sum received, including a credit balance at the beginning of the year of £6,013 11s. 11d., was £39,591 2s. 2d. The expenditure absorbed a sum of £34,530 1s. 4d., leaving to credit a sum of £5,061 0s. 10d., which balance was almost equally divided between the General and Building Accounts. The principal sources of income were as follows: Capitation-grants, £25,479 8s. 10d.; primary-reserves rents, £3,744 6s. 2d.; building vote, £2,850; reinstatement of South School, £455; scholarship grants, £512 1s. 6d.; inspection subsidy, £300. Several smaller receipts make up the balance of income.

The following were the chief items of expenditure: Teachers' salaries, £25,493 4s. 11d.; School Committees' allowances for incidental expenses, £1,757 7s. 2d.; erection of offices, £1,585 7s. 8d.; for school furniture, repairs, improvements, additions to and erection of school buildings and residences, £3,079 12s. 1d.

The exact amounts standing to credit of the General and Building Accounts respectively were as follows: To General Account, £2,520 14s. 2d.; to Building Account, £2,540 6s. 8d. From the latter will require to be drawn from time to time during the now current year the sums necessary to clear off the liabilities already referred to, and also to carry out all works which may be authorised by the Board during the same period. The statement of liabilities as at the close of the year shows an amount of £565 3s. 1d. as standing against the General Account, and £1,160 7s. 4d. against that for buildings. When provision is made for discharging these liabilities, the actual amount standing to credit, which of course exhibits the Board's true financial position, is reduced to £3,335 10s. 5d.

I have, &c.,

The Hon. the Minister of Education.

JOHN NEILL, Secretary.