

change in procedure it has been thought advisable to adopt: "In my capacity as treasurer I have had, in conjunction with your auditor, an opportunity of examining the books and accounts of the various School Committees throughout the district as submitted to the auditor, in terms of the resolution of the Board, and have to report that in a great majority of cases the accounts have been kept in an entirely methodical and satisfactory manner, and the balance-sheets made up with great care and exactness. As, however, the exceptions only prove the rule, I regret to report that in some instances very considerable trouble has been experienced in obtaining such documentary evidence of the financial transactions of Committees as would warrant the auditor in certifying to the accuracy of the statements of accounts submitted. Absence of proper receipts in many instances caused the trouble, while in a few cases Committees entirely ignored the Order in Council (copy of which was furnished them) regulating the audit of such accounts. In only a few instances did we find it necessary to call in question the legality of any of the items of expenditure, and in only one instance to ask for a refund of money wrongfully received from the Board. In this case the Committee may have misunderstood, to its own advantage, the plain meaning of the Board's regulations controlling the payment of pound-for-pound subsidies; at all events, the sum overpaid was promptly refunded. Looking at the results of the audit as a whole, I am convinced that, in the main, Committees act with the utmost care, and conscientiously endeavour to carry out their duties. I am also of opinion that sufficient evidence has been obtained to justify the change of method resolved on by the Board in auditing the accounts of School Committees. The advantages gained may be briefly stated as follows: (1.) The permanent officers of the Board have a certain knowledge of sums paid by the Board to Committees either as subsidies on works or as School Fund allowance. This information was not in possession of teachers who previously performed the duty of auditors. (2.) The objects for which moneys may be lawfully expended are probably better known to the Board's officials than to those formerly appointed to this office. (3.) The danger of friction between Committees and teachers (not an unknown quantity in the past) is entirely avoided. With the supply to School Committees of a uniform cash-book, as authorised by the Board, there is very good reason to hope that in future years the audit will become increasingly satisfactory."

Some years ago this Board directed attention to a defect in the abstract of account forms supplied to Committees by the omission of a space in which could be set forth in simple form a statement of assets and liabilities. Owing to the absence of information such as would be contained in a statement of this kind, the result has been that in many instances the incoming Committee is grievously disappointed to find that the balance to credit is altogether absorbed in the payment of outstanding liabilities of which they had no previous knowledge. It may thus happen—and frequently does—that the best efforts of a Committee to promote the welfare of the school under its charge are rendered nugatory by the financial shortcomings of its predecessors in office. The Board recognises the great assistance rendered by School Committees in the administration of the educational interests of its extensive district.

PUPIL-TEACHERS.—At the close of the year to which this report refers there were sixty-two young people employed by the Board on its pupil-teacher staff. Of these, nine were boys and fifty-three girls. Of this number, thirty-eight candidates presented themselves at the annual examination which was held on the 16th June last and following days, the remainder being exempted from attendance on the grounds of—(1) Having technically completed their apprenticeship, or (2) having succeeded in passing a higher-grade examination. Only three candidates failed to attain the required standard of proficiency—two in the Third and one in the Fourth Class.

The Inspectors report that the average quality of the work is satisfactory, and the same may be said of the style of the papers in respect of neatness and arrangement. While it is pleasing to note the uniform success attending the passing of the annual examinations by our pupil-teachers, it is to be feared that in many instances they do not take full advantage of their opportunities to prepare for the higher tests of scholarship required in passing the teachers' certificate examination. On completion of their pupil-teacher apprenticeship it should not be difficult for each pupil-teacher to secure at least Class E certificate of competency at the next ensuing departmental examination of teachers. This and even a greater measure of success is attained by some, and there appears to be no valid reason why all pupil-teachers should not similarly qualify themselves for the profession they have adopted as their life-work.

SCHOOL SITES AND GLEBES.—The Board desires to acknowledge with gratitude the courtesy and promptitude displayed by the local Waste Lands Board and the School Commissioners of Otago in dealing with applications made for the reservation of school sites and glebes wherever such have been required by the Board. In no case where the necessity to establish a school has been shown have either of these public bodies refused to set apart a suitable area as a school site. This generosity has relieved the Board from what would otherwise have proved a very heavy drain on its Buildings Account, against which the charges incidental to the acquisition of school sites require to be placed. The Board still continues to subsidise the efforts of School Committees and teachers in the matter of the improvements of school glebes and grounds by granting half-cost of fencing, gravelling, draining, and other works of a similar nature. The regulation under which these subsidies are granted is largely taken advantage of throughout the district, and it is safe to say that, but for the existence of some such regulation, many useful and highly desirable improvements could not possibly be undertaken, neither the Board nor Committee directly interested being alone able to contribute the full cost.

INSPECTION OF SCHOOLS.—The systematic examination and inspection of schools throughout the district has been carried out during the year, the report of the Inspectors being read at each monthly meeting of the Board. An exhaustive report, with full statistical information respecting the condition and progress of education generally throughout the district, has been submitted by the Inspectors, and adopted by the Board, a copy of which will be duly transmitted to your department.