

The schools were examined in January of this year (1903). The Inspector's reports show that under the new conditions considerable progress has been made, and that the children are receiving, as far as possible, similar training and tuition to that given to children in our New Zealand schools.

The first examination for the Chatham Islands scholarship proposed last year was held in January this year. This scholarship, which is offered every two years, is of the value of £40 per annum, and is tenable for three years. The first scholarship was awarded to Douglas Seymour, of Te One School, who is now attending Nelson College. The next scholarship examination will be held at the end of 1904.

#### EDUCATION RESERVES.

Table R is a summary of the accounts of the School Commissioners, which are given in full in the Appendix.

TABLE R.—SUMMARY OF SCHOOL COMMISSIONERS' ACCOUNTS.

Provincial Districts.		Income for the Year 1902.														
		Balances on 1st January, 1902.		Receipts during Year.						Total Income.						
				Primary Reserves.		Secondary Reserves.		Investments, &c.				Deposits.				
		£	s.	d.	£	s.	d.	£	s.	d.	£	s.	d.	£	s.	d.
Auckland ..	..	181	8	3	3,351	10	3	808	0	10	82	9	8	89	9	0
Taranaki ..	..	805	9	4	2,685	13	7	469	4	7	..	..	..	..	..	..
Wellington..	..	803	15	11	4,149	11	7	774	8	10	75	13	10	..	..	..
Hawke's Bay	..	2,126	8	1	3,078	11	5	946	10	10	48	3	7	..	..	..
Marlborough	..	156	6	1	275	9	6	29	0	0	2	8	0	..	..	..
Nelson ..	..	14	3	5	798	18	8	327	12	10	..	..	..	..	..	..
Westland ..	..	280	4	6	19	10	0	351	0	0	..	..	..	..	..	..
Canterbury..	..	1,504	16	4	18,051	19	7	..	..	..	4	17	9	..	..	..
Otago ..	..	7,052	10	8	12,953	14	0	682	14	5	8,127	5	3	..	..	..
Totals for 1902..		12,925	2	7	45,364	18	7	4,388	12	4	8,340	18	1	89	9	0
Totals for 1901..		18,732	11	7	44,463	9	2	4,004	5	8	3,560	14	2	46	4	0

Provincial Districts.		Expenditure for the Year 1902.														
		Office Expenses and Salaries.		Other Expenses of Management		Paid for Primary Education.		Paid for Secondary Education.		Investments and Refunds.		Balances on 31st December, 1902.		Total.		
		£	s.	d.	£	s.	d.	£	s.	d.	£	s.	d.	£	s.	d.
Auckland ..	..	163	16	9	623	3	4	2,800	0	0	699	10	8	71	8	0
Taranaki ..	..	170	17	1	273	19	2	2,600	0	0	300	0	0	261	1	0
Wellington..	..	385	13	4	171	5	7	3,700	0	0	1,050	0	0	..	..	..
Hawke's Bay	..	108	3	11	159	14	10	2,900	0	0	626	12	9	..	..	..
Marlborough	..	25	6	6	6	6	7	150	0	0	120	0	0	..	..	..
Nelson ..	..	57	7	5	9	4	0	750	0	0	277	10	0	..	..	..
Westland ..	..	26	11	6	117	12	4	..	..	..	300	0	0	..	..	..
Canterbury	..	563	16	10	129	3	4	16,500	0	0	..	..	..	..	..	..
Otago ..	..	818	19	1	608	14	7	13,925	19	4	674	18	8	10,500	0	0
Totals for 1902..		2,320	12	5	2,099	3	9	43,325	19	4	4,048	12	1	10,832	9	0
Totals for 1901..		2,320	0	0	1,886	1	6	40,971	0	11	4,499	6	3	5,789	11	4

Provincial Districts.		Assets and Liabilities, 31st December, 1902.														
		Balances of Accounts.		Arrears of Rent and Interest due.		Total Assets.		Amounts due to Capital Account.		Other Liabilities.		Balance of Assets.				
		£	s.	d.	£	s.	d.	£	s.	d.	£	s.	d.	£	s.	d.
Auckland ..	..	543	18	9	1,323	3	9	1,867	2	6	388	19	6	45	1	0
Taranaki ..	..	391	18	2	876	8	0	1,268	6	2	229	2	3	13	7	11
Wellington..	..	496	11	3	142	4	3	638	15	6	97	13	3	..	..	..
Hawke's Bay	..	2,405	2	5	418	0	5	2,823	2	10	506	6	0	1,691	15	1
Marlborough	..	161	10	6	147	15	0	309	5	6	..	..	..	..	..	..
Nelson ..	..	46	13	6	382	10	11	429	4	5	..	..	..	..	..	..
Westland ..	..	206	10	8	7	17	6	214	8	2	..	..	..	..	..	..
Canterbury..	..	2,368	13	6	1,961	18	7	4,330	12	1	264	5	11	45	0	0
Otago ..	..	41,589	14	6	5,769	10	10	47,359	5	4	..	..	..	2,331	1	7
Totals for 1902..		48,210	13	3	11,029	9	3	59,240	2	6	1,486	6	11	4,126	5	7
Totals for 1901..		51,890	17	8	9,653	8	5	61,544	6	1	4,099	15	10	3,275	16	2