

“The amount allotted to your education district for the current year is £

“This grant is made to the Board primarily for the following purposes :—

“(a.) To provide for maintenance and repair of school buildings, furniture, fittings, &c.

“(b.) To meet the cost of rebuilding worn-out schools, and of replacing worn-out furniture, fittings, fencing, &c.

“(c.) To provide for all new furniture and fittings required by increase of attendance at existing schools, or by the establishment of small or temporary schools not provided for by special grant.

“The Board, after having made due provision for the requirements named above, may, at its discretion, devote the whole or part of the balance of the grant to other purposes named in the vote; but the amount expended upon additions in any year is not to exceed 7 per cent. of the grant for the year, and the additional floor-space provided in any one school or residence during the year is not to exceed 400 square feet.”

For the replacement of schools destroyed by fire special provision is made in accordance with the report of the Education Committee.

A further examination has been made into the condition of the Maintenance Fund so far as it can be ascertained from the various returns rendered by the Boards to the Department. One of these returns purports to give the result of the year's transactions on the various special accounts, and from this the following summary of the assets and liabilities of the Maintenance Fund has been compiled.

TABLE F4.—SCHOOL BUILDING MAINTENANCE ACCOUNT: ASSETS AND LIABILITIES.

	1906.			1907.		
	Balances.	Assets.	Total.	Balances.	Assets.	Total.
	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
Auckland ..	9,136 15 3	1,247 13 5	10,384 8 8	10,017 13 0	2,517 0 0	12,534 13 0
Taranaki ..	2,376 6 11	Dr. 165 0 0	2,211 6 11	1,637 6 8	Dr. 42 0 0	1,595 6 8
Wanganui ..	6,390 15 1	621 17 5	7,012 12 6	7,738 19 7	2,206 9 10	9,945 9 5
Wellington ..	5,028 15 4	1,131 18 6	6,160 13 10	5,732 15 3	1,912 6 9	7,645 2 0
Hawke's Bay ..	6,598 5 11	639 10 0	7,237 15 11	7,084 7 10	961 14 0	8,046 1 10
Marlborough ..	2,230 12 2	248 0 0	2,478 12 2	1,992 1 6	486 5 5	2,478 6 11
Nelson ..	4,864 3 7	Dr. 455 10 8	4,408 12 11	2,798 3 10	Dr. 378 3 6	2,420 0 4
Grey ..	699 13 5	214 7 6	914 0 11	650 7 2	497 14 7	1,148 1 9
Westland ..	902 18 2	272 0 0	1,174 18 2	Dr. 67 3 8	630 0 0	562 16 4
North Canterbury ..	11,865 12 8	Dr. 461 10 6	11,404 2 2	11,184 11 3	2,106 2 8	13,290 13 11
South Canterbury ..	2,082 17 5	1,713 7 10	3,796 5 3	2,697 19 5	Dr. 234 5 6	2,463 13 11
Otago ..	10,294 15 10	1,227 10 0	11,522 5 10	10,566 4 2	2,091 4 3	12,657 8 5
Southland ..	8,392 8 5	1,459 0 0	9,851 8 5	7,352 1 5	1,188 7 2	8,540 8 7
Totals, 1907 ..	70,864 0 2	7,693 3 6	78,557 3 8	69,385 7 5	13,942 15 8	83,328 3 1
Totals, 1906 ..	..	..	..	70,864 0 2	7,693 3 6	78,557 3 8
Difference ..	..	..	..	-1,478 12 9	6,249 12 2	4,770 19 5

According to this statement, the Boards should have had on the Maintenance Account, at the end of 1907, a cash balance of £69,385. Of course, no such fund is in existence. The total cash in hand on all accounts was only £50,178 [Table F.—1], while on the joint Buildings Account it was £26,614 [Table F.—3], or, deducting £19,339, the unexpended balance of the special donation of £20,000 referred to in last year's report [E.—1, 1907] as having been paid to the Auckland Education Board for the purposes of erecting a technical college, £7,275. The account for new buildings shows a deficit of £42,771. It is evident that the restrictions with which it was intended to invest the funds granted for maintenance purposes have not been effective. In the case of two Boards, the proposal to transfer £12,925 [£8,471 and £4,454] from the Maintenance Account to the Account for New Buildings has not been given effect to in compiling these tables, the proposal being contrary to the terms of the circular memorandum referred to above, and also the Education Committee's Reports of 1903 and 1904.