

School Buildings Maintenance Account should stand as shown in Table F11, of which the following is a summary :—

SCHOOL BUILDINGS MAINTENANCE ACCOUNT, ALL BOARDS, 31ST DECEMBER, 1912.

Cash balances	£	89,930
Net excess of amounts due to Boards over amounts due by Boards ..		859
Net balance, 31st December, 1912		<u>£90,789</u>

It would appear, then, that at the 1st January, 1913, this net balance of £90,789 was available for the purposes indicated. However, the combined Buildings Account shows the actual balance to be £37,294, and obviously, therefore, a sum of £53,495 has been diverted from the Maintenance Fund to other purposes. This is far more than would be warranted by the provision allowing the Boards to spend up to 7 per cent. on such items as are indicated above.

EDUCATION RESERVES.

(See also E.-2, Appendix B.)

By the provisions of the Education Reserves Amendment Act, 1910, these reserves are vested in the Crown, and are placed under the administration of the several Land Boards. The revenues derived from these reserves, subject to a charge for expenses of administration, are paid by the Receivers of Land Revenue into the Public Account to the credit of a separate account for each provincial district.

The above provisions of the Act apply only to revenue derived from reserves since the date of the Act coming into force.

All funds, mortgages, and investments which were at that date vested in the School Commissioners the Act provided should be taken over by the Public Trustee, the revenue to be dealt with similarly to that received by Land Boards.

The revenue is distributed quarterly by the Minister of Finance on a basis provided by statute. Sums equal to the amounts paid to Education Boards are deducted from sums due by this Department to the Boards.

In this report the transactions of the Education Department only are given.

(a.) *Primary.*

The revenue from all sources received during the year 1912 was £58,182 3s. 7d. This was the total amount received by Education Boards for the year ended the 31st December, 1912.

The interest on mortgages and investments received from the Public Trustee for the financial year 1912-13 was £1,714 1s. 10d.

Table G shows the reserves revenue and interest on mortgages and investments received on account of primary education, together with the distribution to Education Boards.

(b.) *Secondary.*

The total amount received by High School Boards during the year 1912 was £5,991 8s. 7d. Details of the distribution are shown in Table K10 of E.-6.

NATIVE SCHOOLS.

(See E.-3.)

At the end of 1911 there were 104 Native village schools in operation. During the year 1912 five new schools were opened, and one was transferred to the Auckland Board of Education. The number of village schools in operation at the 31st December, 1912, was thus 108, which is the highest number yet reached since the inception of the system.