

2. *Buildings Account.*

The Buildings Account refers to moneys granted for two purposes, which by parliamentary appropriation and by the terms of the grants made by the Department are quite distinct, namely,—

- (a.) Moneys granted from the Consolidated Fund for the general maintenance and replacement of school buildings, furniture, fittings, &c., and additional sums paid for the rebuilding of schools destroyed by fire, and for the rent of temporary premises during such rebuilding;
- (b.) Moneys granted from the Public Works Fund specially for the erection of new public and technical schools and the extension of existing schools rendered necessary by increased attendance, for the purchase of school-sites, and for building teachers' residences in certain cases where suitable houses cannot be rented.

The moneys so granted to the various Boards in the year 1916 for the two purposes named in connection with public schools are shown in Tables F7 and F8 in E.-2.

The total income of the Boards on account of the erection of new public-school buildings and additions was £30,970, and from other sources £1,268; while the expenditure was £34,899, as compared with £65,648 in 1915 and £92,192 in 1914. While the cost of individual buildings has been very greatly increased, the reduction in expenditure is due largely to the postponement of action and economies enforced by war conditions. In a number of cases where grants have been made the Boards have not found themselves in a position to have the work carried out. The debit balance on the account continues to increase (although not so rapidly as in previous years), standing at £40,993 on the 31st December, 1916, which sum may be reduced by an excess of assets over liabilities of £12,013. The Wanganui, Wellington, and Hawke's Bay Boards have the largest deficits on this account.

With reference to the Manual and Technical Buildings Account, the Boards' income was £4,416, and the expenditure £8,649. The deficit was reduced by transfers from other accounts amounting to £3,359, but with the debit balance carried over from previous years the deficit amounted to £17,362 at the end of 1916.

For the maintenance and replacement of public-school buildings the Boards received £80,467 from the Government and £4,373 from other sources. The expenditure for the year amounted to £63,426, and £4,112 was transferred to other accounts, the credit balance at the end of the year on account of maintenance, rebuilding, and rent standing at £133,834. The unfortunate aspect of this credit balance is that the money has not been especially earmarked for the purpose for which it was intended, and that instead of its actually existing as a cash asset a large proportion of it has been used to pay off other deficits. The actual total bank balances of all the Boards to the credit of the combined Buildings Account at the end of 1916 was only £60,048, hence less than half of the paper credit balance actually exists. It must be conceded, however, that the figures show a considerable improvement on those of the previous year, when the paper credit balance was £118,048 and the actual bank balance on account of all buildings was £46,361. A proposal for making other arrangements than those now existing for the replacement of school buildings is at present under consideration.

Table F6c in E.-2 shows the balances and assets and liabilities of the various Boards in respect of the Maintenance, Rebuilding, and Rents Account, of which the following is a summary :—

							£
Ledger balance	...	...	...	...	...	...	133,834
Assets	...	...	...	...	...	...	13,355
Liabilities	...	...	...	...	...	...	3,873
Net credit balance	...	...	...	...	...	...	143,316