The Sites Sales Account is one showing a heavy debit balance, although it was reduced during the year from £15,816 to £14,543. The Wellington Board occupies the least fortunate position in regard to this account in consequence mainly of the very high price of land in the vicinity of Wellington. The expenditure of all Boards was £3,391; the income from the Government was £2,765, and from other sources £1,923.

Table F6B in E.-2 shows the financial position of the individual Boards in the combined Buildings Account as at the 31st December, 1916. The following is a summary of the Table:—

COMBINED BUILDINGS ACCOUNT.

	Monetary Assets.		£		•	Liabilities.		£	
Bank balance				62,273	Overdrafts				2,225
Other assets			• •	50,967	Other liabilities		• •		24,518
						-			
Total	••	••	£	2113, 2 40	${f Total}$				£26,743
Credit balance				£86,497				•	

3. All Accounts.

The total bank balance of all the Boards has increased from £76,527 in 1915 to £103,765 in 1916, an increase of £27,238 on the year's working. As pointed out above, there was a large saving on the General Account, and a substantial portion of the maintenance and rebuilding grant was unexpended. All of the Boards show credit balances at the end of the year, ranging from £609 in the Nelson District to £61,018 in the Auckland District. The Wanganui and Nelson Boards converted their overdrafts of 1915 into credit balances, and the remaining Boards, with the exception of two, increased their credit balances. The deficits on many accounts might well be extinguished by transfers from the General Account in cases where sufficient income will not be derivable from any other source. With the exception of the Nelson and Wanganui Boards (the latter particularly), the financial position of the individual Boards may be regarded as fairly satisfactory.

EDUCATION RESERVES.

The Education Reserves Amendment Act of 1914 provides for the revenue received from primary-education reserves to be paid by the Receiver of Land Revenue into the Public Account to the credit of a special deposit account called "The Primary Education Endowments Deposit Account." The moneys so received are applied without further appropriation than the Act mentioned towards the payment of amounts charged on the Consolidated Fund for the purposes of primary education. The revenue from this source during the year 1916–17 was £76,110.

EDUCATION OF NATIVE CHILDREN.

(See also E.-3-Report on Education of Maori Children.)

Number of Schools.

There were 118 Native village schools, including two side schools, in operation at the end of the year 1916, as compared with 117 for the previous year. During the year three new schools (of which one was a part-time school) were opened; one school was reopened and three were closed, two temporarily and one permanently.

In addition to the Native village schools, three primary mission schools for Maori children and ten boarding-schools affording more advanced education to Maoris were inspected by the Inspectors of Native Schools. Throughout the Dominion there were 501 public schools at which Maori children were in attendance, this number being fifty less than the corresponding number for the pre-