

The very small amount raised in loans, &c.—i.e., £608—should also be compared with the corresponding figure for the previous year, which was £34,016.

The total expenditure on salaries (excluding lower departments) was £90,534 and on incidentals (which include office administration, caretaking, school material, &c.), £14,808, as compared with £81,999 and £14,961 respectively for the previous year. The expenditure per head of roll number on salaries amounted to £11·81 and on incidental expenses to £1·93, the latter figure ranging in the various schools from £1·39 to £4·1. The expenditure on buildings, &c., was £30,209, as compared with £62,561 in the previous year.

The income from endowments did not differ materially from that of 1916; the Government grants for buildings, &c., on the other hand, amounted to only £954, as compared with £9,097 in the previous year. The free place capitation receipts were also £9,536 less than in 1916, the decrease being largely due to the inclusion in the payments for 1916 of capitation for the last term of 1915, no corresponding amount for 1916 being paid in the year 1917.

The Education Act stipulates that the total expenditure on staff salaries and incidental expenses must not be less than the total amount calculated at the rate of £13 10s. per free pupil, together with the amount of tuition fees received. As the latter sum in 1917 amounted to £97,491, and the expenditure on the items named was £105,343, it will be seen that, taking all the schools together, the conditions of the Act were complied with. A few of the Boards, however, did not carry out this condition—owing in most cases to the impossibility of obtaining the required number of suitable teachers—and in all such cases refunds have been made to the Department.

Taking into account all the assets and liabilities of the various Boards, it appears that the total debit balance at the end of 1917 was £25,613, eleven Boards having a debit, and fifteen a credit balance. The debit balances are for the most part due to loans raised or overdrafts incurred on account of the erection of necessary buildings. The following is a summary of the monetary assets and liabilities at the end of the year:—

<i>Monetary Assets.</i>				<i>Liabilities.</i>			
			£				£
Bank balances	..	..	44,805	Overdrafts and loans	..	..	72,203
Other assets	..	..	13,861	Other liabilities	..	..	12,076
			<u>£58,666</u>				<u>£84,279</u>
				Debit balance	..	..	£25,613

It should be stated that the debit balance is far exceeded by the value of the Boards' buildings and that, with one possible exception, all Boards are in a position to discharge their liabilities within a reasonable time.

Further details of the income and expenditure of individual secondary schools will be found in Tables K6–K9 in E.–6.

Secondary Education Reserves Revenue.

The total amount received by High School Boards from this fund amounted in 1917 to £8,561. Details of the distribution are shown in Table K10 in E.–6.

LOWER DEPARTMENTS OF SECONDARY SCHOOLS.

(E.–6, Table K11.)

The Education Act provides that pupils who have not obtained a certificate of competency in the subjects of Standard V or a higher standard of the public-school syllabus may be admitted to a lower department of a secondary school if they are taught in a separate building or class-room, and if no part of the actual cost of their instruction or maintenance of the department is met out of the endowments of the secondary school or out of any moneys granted by the Government. There were lower departments in fourteen secondary schools during 1917; the total number of pupils in these departments was 530—365 boys and 215 girls; the total expenditure on salaries of teachers and incidental expenses was £4,556; the total income from fees, &c., was £4,680. Taken as a whole these departments were therefore self-supporting; in a few cases, however, the expenditure exceeded the income, and controlling authorities are warned against the illegality of using secondary-school funds for the upkeep of such institutions.