

the receipts by £370, and in order to balance the account three Boards transferred substantial amounts from the general Fund, the highest amount transferred being £631, and the total amount transferred by all Boards being £1,222.

Although in the case of the Manual Instruction and Technical Instruction Accounts the payments exceeded the receipts by large sums, the position, when the amounts owing to the Boards are taken into consideration, is much better. In the Manual Instruction Account five Boards have credit balances amounting in all to £5,000, and in the case of four Boards transfers from the General Fund amounting in the total to £2,000 were necessary, in the case of one Board the overexpenditure being in connection with a building for manual instruction. In the case of the Technical Instruction Account seven Boards have credit balances amounting in all to £4,800, transfers from the General Fund totalling less than £500 being necessary to clear the accounts of the remaining two Boards.

The payments for sites, new buildings, and rebuilding exceeded the receipts by £33,590. The Boards, however, had large sums owing to them, amounting to nearly £37,000, so that no loss was sustained on the accounts. In only two cases were very small transfers made to the New Buildings Account in order that the account should not be in debit; in two cases there were small credit balances. In three cases the credit balance in the Rebuilding Account was reduced owing to legitimate charges or transfers. The total credit balance in the Rebuilding Account was £145,000.

In the Maintenance of Buildings Account some of the Boards have apparently experienced greater difficulty in making the revenue meet the expenditure, in spite of the fact that maintenance grants were again increased in 1920. In six cases the net credit balance was reduced on the year's transactions—in one case by over £5,000 and in another case by nearly £12,000; the reductions in the remaining cases were comparatively small. Previous credit balances obviated the necessity of making transfers to the account, except in the case where the largest deficit occurred, in which instance some adjustment will require to be made to extinguish the debit balance on the account at the end of the year.

The Education Amendment Act of 1920 invested Boards with the power of making (with the approval of the Minister) the necessary expenditure out of the General Fund or the fund for the maintenance of school buildings on workshop and plant and on the purchase of material, fittings, and furniture for school purposes. When it is ascertained to what fund the expenditure on the last-named articles is properly chargeable such charge is made to the proper fund together with reasonable charges for the workshop and plant. Some Boards now have workshops in operation, and are keeping Workshop Accounts in accordance with the provisions of the Act referred to.

Six Boards had cash credit balances at the end of 1920, and three had debit balances, the largest debit being £1,824 and the highest credit £56,926; the total cash credit balance of all Boards was £98,930. When the amounts owing to and by the Boards are taken into account it is found that all Boards' accounts were in credit, the credit balances ranging from £2,719 to £87,326, and the total credit being £186,000. Of this sum nearly £143,000 is earmarked for the purpose of rebuilding worn-out schools and schools destroyed by fire.

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 1920-21 was £91,543.

KINDERGARTEN SCHOOLS.

The Education Act does not provide for the establishment of State kindergarten classes, except in the case of practising schools attached to the four teachers' training colleges, in each of which a kindergarten class of not more than forty pupils may be included.