The Rees Bequest Investment Account is in credit to the extent of £3,325, besides the balance of £348 8s. above mentioned. It has before been explained that under the will of the late Dr. Rees the proceeds of this bequest are limited to defraying the cost of education within the Town of Wanganui. The Board has used every care and economy in the administration of its affairs, and trusts that the statement which it has the honour of placing before you will be found satisfactory.

For any further information respecting the state and progress of education in this district, I beg leave to refer you to the report of the Inspector of Schools.

I have, &c.,

The Hon. the Minister of Education. GILBERT CARSON, Chairman.

GENERAL STATEMENT of RECEIPTS and EXPENDITURE for the Year ending 31st December, 1888.

Receipts.	£	s.	d.
To Balance at beginning of year—On General Account	2,505	1	0
Government grant for buildings	2,697	17	6
Subscriptions and donations for buildings	2	0	0
Other receipts for buildings—			
Contractor's deposit forfeited	4	14	0
School sites leased	3	7	6
Government statutory capitation	19,328	8	2
Scholarship grant	366	10	3
Inspection subsidy	300	0	0
Grant for training of teachers	4	3	4
Payments by School Commissioners	340	13	0
Rees bequest, mortgage and interest	400	8	0
Refund for medals	100	13	4
Contractors' deposits	77	15	6
Disallowed by Auditor-General	33	2	8
Balance at end of year—Building Account	463	8	3
	£26,628	2	6

Expenditure.	£	s.	d.
By Balance at beginning of year	1,691	14	8
Office staff—Salaries	400	0	0
Departmental contingencies	277	7	5
Inspector's salary	446	12	8
Inspector's travelling expenses	150	0	0
Inspector's standard examination expenses, printing cards, &c.	40	7	6
Examination of pupil-teachers	48	17	0
Teachers' salaries and allowances (including rent, bonus, &c.)	17,015	4	1
Incidental expenses of schools	1,035	1	8
Scholarships—Paid to scholars	286	0	3
School buildings—			
New buildings	452	5	0
Improvements of buildings	557	14	0
Furniture and appliances	220	15	6
Sites	61	13	3
Plans, supervision, and fees	115	15	4
Good-attendance medals	100	13	4
Contractors' deposits	49	5	0
Rees bequest, commission on sale of property	15	1	0
Rent of Wanganui School site	5	0	0
Balance at end of year—On General Account	3,658	14	10
	£26,628	2	6

GILBERT CARSON, Chairman.
A. A. BROWNE, Secretary.

Examined and found correct.—JAMES EDWARD FITZGERALD, Controller and Auditor-General.

WELLINGTON.

Education Board, Wellington, 31st March, 1889.

SIR,—

In accordance with section 102 of the Education Act, I have the honour, by direction of the Board, to transmit the following report for the year ending the 31st December, 1888:—

The Board consists of the following members: Mr. J. R. Blair (Chairman), Mr. G. Beetham, M.H.R., Mr. W. C. Buchanan, M.H.R., Mr. H. Bunny, Mr. A. W. Brown, Mr. F. H. Fraser, Mr. J. Young, the Rev. J. Paterson, and Dr. Newman, M.H.R.

The Finance Committee hold monthly meetings on the day immediately preceding the regular Board meetings, and carefully examine and pass all accounts to be submitted to the Board for payment, and deal generally with all matters of finance. The School of Design Committee meet at regular intervals, and deal with all ordinary matters connected with that institution. Special committees have also held numerous meetings during the year to deal with important matters which have been referred to them by the Board from time to time.

New school districts have been constituted at Mauriceville East, Clyde Quay, Mungaroa, Whiteman's Valley, Paikakariki, Shannon, Manukau, and Mangaone; and the boundaries of the districts of Upper Hutt, Mauriceville, Mount Cook, Horokiwi, and Otaki districts have been redefined as became necessary.

There are now fifty-six school districts and seventy-four separate schools. The schools are classified as follows: Under 15 pupils, 6; 15 and under 20 pupils, 2; 20 and under 25 pupils, 13; 25 and under 50 pupils, 21; 50 and under 75 pupils, 8; 75 and under 100 pupils, 2; 100 and under 150 pupils, 7; 150 and under 300 pupils, 7; 300 and under 500 pupils, 5; 500 and upwards, 3: total, 74. Included in these are nine aided schools, but no half-time schools. The teaching staff consists of forty head teachers, thirty-four sole teachers, fifty-five assistants, and 113 pupil-teachers.

Aided schools have been opened at Hastwell, Taipos, and Waikanae. The new schools at Mangaone, Manukau, and Clyde Quay were completed; and a new infant school erected at Newtown. Additions have been made to Vogeltown, Pahautanui, and Waihakeke; and the whole of the city schools have been thoroughly overhauled, and much-needed repairs