

Board in many matters affecting the educational welfare of the community. Keeping this fact in view, the Board does not hesitate, in matters of importance, to avail itself to the fullest extent of local information, which Committees are so well able to supply. No serious case of friction with any of its School Committees has arisen in this education district for many years.

**INSPECTION OF SCHOOLS.**—The progress of education generally throughout the district is exhaustively dealt with in the report of the Board's Inspectors, hence it follows that but little requires to be said on that subject in this report. The practice of reading the examination and inspection reports at each monthly meeting of the Board is still continued. The knowledge of this fact, and the certainty that specially unsatisfactory results in individual schools will receive merited censure, doubtless operate powerfully in securing a stricter attention to duty—on the part of some teachers at any rate. In cases where the Inspectors' criticism of work done during the year is adverse an opportunity is always afforded the teacher of supplying such explanation as he or she may desire to offer, and thus of accounting for unfavourable results which may be produced by circumstances beyond his or her control. The Board, however, recognises that, taken as a whole, the teaching staff in this district is doing faithful and conscientious work.

**BUILDING OPERATIONS.**—As years roll on, the Board finds itself restricted in its operations to a greater or less degree by the inadequacy of the annual vote specially passed for school-building purposes. While recognising that for the past two years this district's share of the parliamentary grant for buildings has been allocated on a somewhat more liberal basis than was the case for the immediately preceding period, the Board has to report that the sum annually granted is still insufficient to meet the requirements of a district in many parts of which the progress of settlement still proceeds with unabated vigour. Towards the west (Waiau district) and south-east (Waikawa) the unoccupied Crown lands are being rapidly taken up, and the demand for educational privileges (with its consequent expenditure) has been, and will continue to be, such as to tax the Board's financial resources to the utmost. During the year new schools have been erected in the districts of Koromiko, Ardlussa, Waipounamu, Seaward Moss, Chatton Road, and Pyramid Siding while the buildings which have hitherto done service at Macetown and Slopedown, and which were past profitable repair, have been superseded by new ones. Additions to the teachers' residences at Wallacetown, Waikaka, Dipton, and to the school building at Winton have also been undertaken. The total sum expended on these works by the Board was £1,292 14s.

In addition to the works specified in the foregoing paragraph, the erection of five additional residences, two new school buildings, and several additions to schools and residences in various parts of the district have been authorised, and will form a heavy liability for the now current year.

The total sum disbursed on account of buildings during the year, inclusive of the sum of £1,292 14s., already referred to, is £2,673 12s. 8d. This amount is £277 less than the grant received from the Government for building purposes at the close of the year, but it must be borne in mind that a sum of £250 in excess of income was expended during the preceding year, 1893, so that, taken together, the income and expenditure for the two years may be said to have almost balanced each other. These figures appear to indicate that the Board has been provided with ample funds to meet its building necessities, but this is not so, as the execution of many works, all of a more or less urgent nature, have had to be delayed from a prudent desire on the part of the Board to keep its expenditure in this department, as in the others, strictly within its income.

This Board's annual estimates of income and expenditure, already submitted to your department, give an approximate idea of all the works which, to render the education system in this district fully effective, require to be provided for during the current year or as soon thereafter as may be. It may be here mentioned that the Board has deemed it expedient to enter into a contract for the erection of a suite of offices suitable for the transaction of its business. These, when finished, will prove a great convenience to the Board, its officials, and the general public.

**INCOME AND EXPENDITURE.**—The prospects of the Board from a financial point of view continue to be encouraging. At no period of its history has the Board allowed its financial operations to become embarrassed, ever holding that, as an administrative body pure and simple, its only prudent course is to carry out its functions to the very best of its ability, but on no consideration to permit its expenditure to exceed its actual and prospective income.

The Board's balance-sheet, duly submitted to and approved by the Controller and Auditor-General, is sent herewith, and shows a satisfactory balance to the credit of both Maintenance and Building Accounts. The administration of the year's revenue has been conducted on a sound basis, and, while the total balance to credit is somewhat in excess of that shown in last year's statement, the actual liabilities are much greater than in previous years.

The total income of the Board for the year, including a sum of £5,541 11s. 5d. brought forward from the previous year's accounts, was £37,832 6s. 9d. The following are the principal items (omitting shillings and pence) from which this aggregate is derived: Capitation grants, £24,554; Board's share of primary reserves rents, £3,578, parliamentary grant for buildings for the year 1894-95, £2,950. The balance-sheet shows in the aggregate the various services to which the year's expenditure was applied, while Departmental Return No. 7 gives full information respecting the application of the most important items to individual schools and districts.

As previously mentioned, the statement of money assets and liabilities shows that greater financial responsibilities (to be met early in the now current year) have been incurred. When provision has been made for actual liabilities the balances to credit of Maintenance and Building Accounts will stand at £1,714 5s. 9d. and £1,306 10s. 7d. respectively, and these show approximately the Board's actual financial position as at the close of the year.

By order of the Board.

JOHN NEILL, Secretary

The Hon. the Minister of Education.