SCHOLARSHIPS.—The annual examination for scholarships was held in Wanganui in June. The number of candidates examined for the junior scholarships was ten—six boys and four girls, and for the senior scholarships, nineteen—nine boys and ten girls. Scholarships, each tenable for two years, were awarded to two boys in the junior class, and two girls and two boys in the senior class. In future the senior scholarships will be tenable for three years, and the examination will take place in December instead of in June. The amount expended on scholarships during the year was Paid to holders, £345, examination expenses, £21 14s. 9d total, £366 14s. 9d.

PUPIL-TEACHERS.—The annual examination of pupil-teachers and cadets was held in June, when sixty candidates presented themselves for examination. Their classification and the results of the examination are shown in the subjoined table:—

	Examined.	Failed.	Passed.
Class I.	15	2	13
Class II.	16	4	12
Class III. ..	29	12	17
Totals	60	18	42

It is but fair to add that several of the candidates in the Third, or lowest, Class had been, at the time of the examination, less than twelve months in the service of the Board. The Board dispensed with the services of two pupil-teachers who failed for the second time to pass the annual examination. Of the sixty candidates examined, forty-three were females and seventeen males. Notwithstanding the fact that female pupil-teachers are paid at a lower rate than males, the number of females offering themselves for employment is considerably in excess of the number of males. For the extra work of training the pupil-teachers and supervising their studies, the sum of £405 15s. 5d. was paid to the head teachers of the various schools for the year ending the 30th June last.

INSPECTION.—At the December meeting of the Board the resignation of Mr. W E. Spencer, M.A., B.Sc., was accepted with regret. Mr James Milne, M.A., who has for the last four years held the position of headmaster of the Waverley School, has been appointed to succeed Mr Spencer.

FINANCE.—The statement of receipts and expenditure shows a credit balance in the Building Account of £2,963 17s. 6d., and in the General Account of £2,111 12s. 11d., against which in the Building Account there are liabilities amounting to £2,645 12s. 1d., and in the General Account liabilities of £790 19s. 7d. The Building Account will thus show a bare credit of £493 5s. 5d. to meet the whole of the requirements of the district and when it is considered that the Board must paint a large number of buildings during the current year, the actual amount available for the erection of buildings and improvements will be nil, although the demands for increased accommodation and necessary repairs are numerous and urgent.

I have, &c.,

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

GENERAL STATEMENT of RECEIPTS and EXPENDITURE for the Year ending 31st December, 1894.

Receipts.	£	s.	d.
To Balance at beginning of year—			
On Building Account	1,420	4	3
On General Account ..	860	16	3
Government grant for buildings	3,350	0	0
Subscriptions and donations for buildings	2	0	0
Other receipts for buildings—			
School sites leased	17	1	6
School sites sold .	66	13	4
Contractors' deposits	136	0	6
Government statutory capitation	25,083	17	8
Government scholarship grant	466	14	9
Inspection subsidy	300	0	0
Payments by School Commissioners .	1 353	1	10
Rent of buildings	10	17	6
Technical School—			
Government grant	200	0	0
Education Board	100	0	0
School fees	156	11	6
Rees bequest	195	1	1
Apparatus refund	8	11	11
	£33 727	12	1

Expenditure.	£	s.	d.
By Office staff—Salaries	400	0	0
Clerical assistance	8	0	8
Departmental contingencies	405	14	6
Inspectors' salaries	687	10	0
Inspectors' travelling expenses	270	0	0
Examination of pupil-teachers	52	0	4
Teachers' salaries and allowances	22,545	16	10
Incidental expenses of schools	1 277	17	6
Training of teachers	100	0	0
Scholarships—			
Paid to scholars	345	0	0
Examination expenses	21	14	9
School buildings—			
New buildings	1 136	7	3
Improvements to buildings	275	9	0
Furniture and appliances	374	12	4
Sites	86	6	11
Plans, supervision, and fees	90	5	7
Contractors' deposits	65	1	0
Technical School—			
Salaries and fees	239	5	6
Science apparatus	134	2	8
Furniture	29	12	0
Working and other expenses	88	6	4
Balance—			
On Building Account	2,963	17	6
On General Account	2,111	12	11
Technical School	18	18	6
	£33 727	12	1

A. A. BROWNE, Secretary

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