of Palmerston North collected and remitted to the Board the sum of £200 towards the cost of a technical school for that town. The Board promised £1 for £1 on this sum, and they understood that the Minister of Education would have subsidised this £400 by a grant of £1 for £1. That such has not been done is a great disappointment to the Palmerston people. The art classes are still conducted at Palmerston North by one of the assistant masters from the Wanganui Technical School, and it is now contemplated to establish classes upon the same basis at Hawera.* In connection with the Technical School, cooking classes have been held at the Wanganui Girls' School during the year.

TEACHERS.—At the close of the year there were 288 teachers in the Board's employ, 148 being male and 140 female teachers. There are also thirty-four cadets, who are not counted on the staff

of the schools, and do not receive any pay.

Scholarships.—The annual competition for scholarships was held in December. In the senior division thirty-four candidates competed, twelve of whom qualified and twenty-two failed. Four scholarships were awarded to one girl and three boys. In the junior division thirty-eight candidates competed, and of these six qualified and thirty-two failed. Four scholarships were awarded to one girl and three boys. The Trustees of the Wanganui Collegiate School and the Board of Governors of the Wanganui High School continue to give free tuition to all who qualify, but for whom scholarships are not available within the limits of the grant, as mentioned in last year's report.

Pupil-teachers.—The annual examination was held in the month of June. In the first class twenty-four candidates presented themselves, and of these seventeen passed (a girl heading the list) and seven failed. In the second class twenty-eight candidates were present, of whom twenty-two passed and six failed. In the third class forty candidates were present, of whom thirty-one passed

and nine failed. The result of the examination, upon the whole, was deemed satisfactory.

Finance.—The state of the Board's finances is far from being satisfactory as far as the Building Account is concerned. The General Account shows a credit balance of £1,783 19s., with an asset of £158 due from the Rees bequest on account of the Technical School. The liabilities amount to £408 8s. 6d., leaving a net credit balance of £1,533 10s. 6d. as at 31st December, 1898. In the balance-sheet the Building Account shows a credit balance of £3,718 3s. 6d., but of this sum £1,658 4s. is money especially granted by the department for schools in newly settled districts which have yet to be built, leaving a net available balance of £2,059 19s. 6d. But the return of assets and liabilities shows the following liabilities: Balance of amount due under contracts let, £2,564 8s. 8d.; due on account of tenders ready and about to be advertised, £2,500; deposits on contracts, £142 2s. 6d.; balance required for Feilding School over and above the £900 insurance, £1,080: making a total of £6,276 11s. 2d., thus leaving a balance of liabilities over assets of £4,216 11s. 8d. As the greatest economy has been observed by the Board in its expenditure, it would beg to direct the special attention of the Hon, the Minister of Education to the above statement.

I have, &c.,

The Hon. the Minister of Education, Wellington.

G. S. BRIDGE, Chairman.

GENERAL	STATEMENT	of	RECEIPTS	and	EXPENDITURE	for	$_{ m the}$	Year	ending	31st	December,	1898.
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Receipts.					Expenditure. £ s. d	
To Balance— £	s. d	. £	g.	d.	By Office staff—salaries 476 5 (
On Building Account Dr. 1,25					Departmental contingencies 215 8 (_
On General Account Cr. 2,57					Members' expenses 162 5 8	-
		1,311	15	11	Inspectors' salaries 700 0	
Government grant for buildings		7,658			Inspectors' travelling-expenses 270 0	-
Subscriptions and donations for		.,			Examination of pupil-teachers 91 6	-
ings		34	10	0	Teachers' salaries and allowances (in-	-
Other receipts for buildings-					cluding rent, bonus, &c.) 28,957 13	5
School sites leases	٠.	40	15	10	Incidental expenses of schools 1,623 18	
Old material		3	0	0	Training of teachers 58 17	
Refund		1	2	6	Standard examination expenses 59 6	
Contractors' deposits		143	18	6	Scholarships-	-
Government statutory capitation		00 010		4	Paid to scholars 521 13	1
Scholarship grant	٠.	551			Examination expenses 30 17 8	
Inspection subsidy		300	0	0	Technical School 235 18	
Payments by School Commission		1,534	18	7	School buildings—	_
Truant fines		23	6	0	New buildings 757 12 5	5
Teachers' classes		21	11	6	Improvements of buildings 1,335 4	_
Donations for Palmerston North	Tech-				Furniture and appliances 266 10 11	_
nical School building		200	0	0	Sites 338 1 9	_
Technical School—					Plans, supervision, and fees 150 19 10	
Rees bequest		300	0	0	Contractors' deposits 56 5 6	-
Government grant, special		100	0	0	Truant inspection 337 9	Ĺ
Government grant, capitation		123	18	6	Hawera School inquiry 34 10	9
School fees, Board		235	18		Technical School—	
School fees, general		431	13	6	Teachers' salaries 841 11 8	3
Cooking fees		13	1	9	Scholarships 11 13	1
					Building 150 5 6	3
					Furniture 201 0 8	3
					Apparatus 13 5 2	2
					Plans and supervision 15 15 ()
					Expenses 223 10 5	5 '
					Contractors' deposits 6 17 ()
the state of the s					Balance—	
					On Building Account 3,718 3 6	ĵ
					On General Account 1,783 19)
		040 045		_		-
£43,646 4 10					£43,646 4 10)
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George S. Bridge, Chairman.

A. A. Browne, Secretary.

Examined and found correct—J. K. Warburton, Controller and Auditor-General.