The grants made by the Department for schools at Mohaka, Nuhaka, and Waipiro have not yet been expended. The delay in the case of Mohaka arises from the extreme difficulty in securing a title to the two acres agreed to be given by the Natives for this school. It is now proposed to acquire the land through the Public Works Act. The Nuhaka vote has not been expended for the reason that the settlers could not be brought to agree on a site. Pending this result a school has been opened in a hired building in the district. The Waipiro building simply awaits the defining of a site by the Government surveyors, who are working on the block.

School Committees.—The Board has pleasure in reporting that the most cordial relations continue to exist between itself and the School Committees. Apart from some grumbling on the part of a few of the Committees—that the Board does not provide for certain necessary requirements, which, it must be admitted, is not wholly without cause—there has been no complaint from any Committee. Even in the matters referred to it is generally admitted that the Board has done its utmost to meet all cases from the means placed at its disposal. The schools have been repainted during the last two years, and consequently have a much brighter appearance than they have had for years before. Several Committees have subsidised the Board's grants, and thereby enabled much needed work to be proceeded with which otherwise could not have been done. Residents in districts in which aided schools have been established have contributed during the year the sum of £106 11s. 8d. towards teachers' salaries.

Pupil-teachers.—The regulations for the training of pupil-teachers and for the conduct of the Training School have undergone some modification during the year. They are now regarded as fairly satisfactory. Results clearly foreshadow that the hopes entertained by the Inspector of Schools when he recommended the establishment of the Training School, will be amply realised in the increased fitness of the young teachers for their future calling.

Technical Education.—The Board has not been able as yet to make any real advance in this branch of school work. Drawing classes have been set up in various schools in the district, and arrangements made for the instruction of the ex-pupil-teachers attending the Training School and the pupil-teachers generally, under the care of Mr. R. N. Anderson. For these services the Board has voted a sum of £50 for the year. Toward the close of the year the Board received copies of the new Act passed by the last Parliament for the conduct of manual and technical classes, and at once set itself to ascertain how far it could take advantage of the same. It was felt that there might be some difficulties in carrying out the provisions of the Act, and the question was left open for more serious consideration in the year to follow.

Scholarships.—There are forty-three scholarship holders from the public schools attending the Napier High School and Gisborne District High School. Six of the scholarships were of the value of £50 per annum each; nine of £30 each; one of £30 4s.; one of £20 4s.; two of £16 4s. each; one of £16; eleven of £12 4s. each; and thirteen of £10 4s. each. The larger scholarships are granted to children from the country districts. The total of the scholarships granted amount to £907 4s., a portion of which is provided by the School Commissioners. Only three scholarship holders have left during the year.

The account of the Board's income and expenditure for the year, duly audited by the Government Auditor, is appended hereto. The amount paid for teachers' salaries, &c., was £20,872 14s.; the amount paid to School Committees, £2,335 7s.; and the amount expended on purchase of school sites, erection of school buildings, repairs, &c., £5,234 7s. 6d.

I have, &c.,

The Hon. the Minister of Education, Wellington. David Sidey, Chairman.

General Statement of Receipts and Expenditure for the Year ending 31st December, 1900.

Receipts.	£	s.	d.	£	s.	d.
Balance—						
On General Account ..	2,466	8	0			
Deposit	102	0	0			
	2,568	8	0			
On Building Account, *Dr.*	231	16	10			
				2,336	11	2
Government grant for buildings				4,574	7	6
Subscriptions and donations for buildings				10	0	0
Other receipts for buildings—						
Site				15	10	0
Transfer from School Fund				835	0	0
Government statutory capitation ..				21,861	8	7
Scholarship grant				459	5	1
Inspection subsidy				300	0	0
School Commissioners				2,938	4	10
District High School—Subsidy from High School Board, fees, &c.				376	14	7
Fees: Manual and technical instruction ..				53	19	7
Other receipts—						
Donation in aid of teachers' salaries ..				106	11	8
Refund fees				8	8	4
Rent				3	1	0
Contractor's deposit				15	0	0
				£33,894	2	4

Expenditure.	£	s.	d.	£	s.	d.
Office staff—Salaries				329	3	4
Departmental contingencies				353	12	2
Inspector's salary				500	0	0
Inspector's travelling-expenses				175	0	0
Truant Officer's salary and expenses ..				141	13	6
Examination of pupil-teachers				52	13	10
Teachers' salaries and allowances (including rent, bonus, &c.)				20,827	14	0
Incidental expenses of schools				2,335	7	0
Scholarships—						
Paid to scholars				406	2	0
Examination expenses				77	11	6
School buildings—						
New buildings				2,967	3	0
Improvements of buildings				1,197	13	8
Furniture and appliances				436	16	4
Sites				340	3	8
Plans, supervision, and fees				292	10	10
Manual and technical instruction—Salaries				89	7	11
Exchange				18	18	0
Gisborne District High School—Sundry payments				40	9	7
Deposits refunded				74	0	0
Transfer to Building Fund				835	0	0
Balance—	£	s.	d.			
On General Account ..	2,391	8	10			
Deposit Account ..	43	0	0			
	2,434	8	10			
On Building Account, *Dr.*	31	6	10			
				2,404	2	0
				£33,894	2	4

G. T. Fannin, Treasurer and Secretary.

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