

- (v.) Statutory capitation upon free pupils under the Act ;
- (vi.) Capitation on pupils in classes recognised under the Manual and Technical Instruction Regulations ;
- (vii.) Special grants from Government for buildings and apparatus ;
- (viii.) Statutory subsidies on voluntary contributions ;
- (ix.) Tuition fees of pupils ;
- (x.) Boarding fees of pupils ;
- (xi.) Miscellaneous sources, such as interest on moneys other than those obtained by the sale of reserves, donations and special endowments (for scholarships, prizes, &c.), rent of premises, &c.

The revenue derived from the sources (i) to (iv) is the income derived from endowments, and the "net annual income derived from endowments" is the average for the three preceding years of this revenue, less the expenditure upon the endowments and investments and upon buildings, and less mortgage and other charges.

Table J gives a summary of the receipts under the several heads named above, and of the various items of expenditure for the year.

TABLE J—SUMMARY OF THE ACCOUNTS OF INCOME AND EXPENDITURE FOR 1908 FURNISHED BY THE GOVERNING BODIES OF SECONDARY SCHOOLS.

<i>Receipts.</i>			<i>Expenditure.</i>		
	£	s. d.		£	s. d.
Credit balances on 1st January, 1908 ..	27,729	4 4	Liabilities on 1st January, 1906..	5,781	7 11
Endowment reserves sold and mortgage moneys repaid	4,517	14 11	Expenses of management	3,412	3 9
Rents of reserves	28,788	9 1	School salaries	52,340	3 1
Interest on moneys invested	3,781	6 10	Boarding-school accounts	15,390	11 9
Reserves Commissioners' payments ..	4,204	9 3	Scholarships and prizes	2,031	14
Government payments—			Printing, stationery, fuel, light, &c. ..	3,949	11 2
For manual instruction	881	18 6	Buildings, furniture, insurance, rent, and rates	40,102	11 4
For free places	24,538	15 10	On endowments	3,883	13 10
Subsidy on voluntary contributions ..	1,080	0 6	On manual instruction	754	12 7
Grants for buildings, sites, furniture, &c. Statutory grant (Marlborough High School)	16,164	2 3	Interest	1,895	2 5
Technical instruction—	400	0 0	Examination expenses	207	16 3
Government payments	2,207	10 4	Sundries not classified	5,934	9 8
From other sources	1,534	8 2	On technical instruction	4,043	15 3
School fees (tuition)	19,159	12 6	Credit balances, 31st December, 1908 ..	25,937	17 9
Boarding-school fees	16,892	16 5			
Books, &c., sold, and refunds	368	0 9			
Sundries not classified	6,789	7 1			
Debit balances, 31st December, 1908 ..	6,627	14 6			
	<u>£165,665</u>	<u>11 3</u>		<u>£165,665</u>	<u>11 3</u>

This table shows that, generally speaking, the finances of the secondary schools are in a sound condition, notwithstanding the large expenditure under the head of buildings. It may be as well to compare the chief items of income and expenditure in 1907 and 1908.

	1907.	1908.
	£	£
Income from reserves and endowments	33,636	36,774
Grants from Government (exclusive of building grants) ..	24,948	29,108
Building grants	9,473	16,164
Tuition fees	20,128	19,160
	<u>50,038</u>	<u>52,340</u>
Salaries of staff	50,038	52,340
Expenses of management	3,421	3,412
Buildings, &c.	38,153	40,103

As the free-place system is extended, the amount received in tuition fees will naturally diminish, and the capitation grants from Government will increase.

The Education Amendment Act of last session will, by the introduction of a higher scale of capitation on free pupils, benefit not only those secondary schools which have few if any endowments, but also the more numerous class of schools whose income from endowments is small in proportion to the number of pupils ; further, it will relieve from anxiety those schools where a necessity arises for a large building expenditure in any year, as the effect of the new sliding scale is that in any year the total of the net annual income from endowments and the capitation—that is, of the moneys available for the payment of staff salaries and working-expenses—cannot, with due safeguards, fall below £12 10s. per pupil—a sum which past experience shows to be just sufficient.