

BUILDINGS.—A reference to the Board's balance-sheet will disclose an apparently serious reduction in the amount of credit of the Building Fund. In last year's report it was stated that the very substantial amount (£5,470) to credit of this fund would be largely encroached on by the operations of the year to which this report has reference. This has in practice proved to be so, and the balance to credit of this fund at the end of 1909 was reduced to £1,029 18s. 2d. This fact, in the absence of any explanation, would indicate a somewhat serious state of affairs. It must be noted, however, that the balance to credit at the end of 1908 included (with the exception of a sum of £535) the total special grants paid by the Department for general maintenance of school buildings for that year. The present balance (£1,029) is, however, exclusive of any portion of the ordinary building grant for 1909, the amount (£2,743) allocated to this district not being paid over to the Board till after the close of the year, and so could not be brought to credit till 1910.

Various works of considerable importance have been carried out during the year, chief of which have been the re-erection of the Riverton School, destroyed by fire during the preceding year; the re-erection of the teacher's residence at Myross Bush, also destroyed by fire; the erection of new schools at Waikaka, Limestone Plains, Titipua, and additions to schools at East Gore, Otautau, Kennington; and the erection of new residences in the districts of Bluff, Limestone Plains, Waikaka, Wallacetown, Waimahaka, Waikouro, and Gladfield. Of the foregoing works, the new schools at Waikaka and Limestone Plains, and the residences at Bluff, Limestone Plains, Waikaka, and Wallacetown were erected to replace worn-out buildings; and the other works to provide for increased attendance at the schools in the districts named. The special grants received from the Department in aid of these works amounted to £5,183 15s. 9d., the balance of cost being provided by the Board out of ordinary buildings revenue.

This Board regrets the necessity which appears to have arisen whereby a serious (temporary it is hoped) reduction in the grant payable to Boards for the maintenance of school buildings has been made.

It is unfortunate that more timely notice of this reduction was not given, so that Boards, instead of basing their expenditure on the assumption that the grant (approximately, at least) of preceding years would be available, could have refrained from pledging themselves to the execution of works not now possible in view of a restricted income. Notwithstanding all that has been said as to the financial ability of Boards to provide for the deficiency so caused, this Board is of opinion that the reduction will be found to be a policy of unwise economy, and that the net result will undoubtedly be deterioration in the condition of school buildings generally, and a more urgent demand in the immediate future for increased grants for the reinstatement and renewal of worn-out-buildings. It should ever be remembered that the functions of Education Boards are purely administrative, and that they have practically no sources of revenue outside Government grants wherewith to provide for unforeseen contingencies. This being so, it seems reasonable to expect that no material change in the policy of the Department with respect to the probable income of Boards should be entered on without due notice.

FINANCIAL.—Reviewing the statement of receipts and expenditure for the year, the Board has again to express satisfaction at the financial aspect of the Board's operations. The balances to credit of the General and Building Accounts at the commencement of the year were £4,605 4s. 7d. and £5,470 8s. 4d. respectively, and at the close of the year these amounts had decreased to £2,782 11s. 3d. and £1,029 18s. 2d. The shrinkage on the Building Account, as indicated in last year's report, was anticipated, in consequence of the prospective abnormal expenditure during the year just closed. The aggregate income for the year, exclusive of credit balances amounting to £10,075 12s. 11d., was £55,921 8s. 9d., and the disbursements £62,184 12s. 3d., leaving a sum of £3,812 9s. 5d. standing to the credit as on the 31st December, 1909.

The grant (£2,743) due for maintenance of school buildings should, as previously stated, have been received during the period covered by this report, but not placed to the Board's credit till January of this (current) year. Had this amount been paid on due date, the Board's balance to the Building Account would, of course, have been increased by that amount.

For several years in succession the Board has urged that some definite action should be taken in the matter of securing uniformity in the statements of accounts required respectively by the Education and Audit Departments. It is surely an anomaly that two Departments—both controlled by and carried on in the interests of the State—should each require separate statements of accounts, involving no inconsiderable amount of clerical work in their preparation, and this without, so far as can be discerned, serving any useful purpose whatever. The Board would respectfully suggest that the present time is opportune for the removal of this anomaly, and trusts that ere another balance period comes round, some mutual arrangement, whereby the requirements of both Departments could be met, will be arrived at.

We have, &c.,

The Hon. the Minister of Education, Wellington.

THOMAS MACGIBBON, Chairman.
JOHN NEILL, Secretary.