

from Scholarships and District High Schools Accounts are desirable from the fact that, under existing conditions, the receipts and expenditure in respect of each of those services should, under normal conditions, now balance each other. Referring further to the balance-sheet, the Board would direct attention to the very considerable debit balance against the New Schools Account, arising in consequence of the excess of expenditure over income on these works during past years. The deficit referred to will in part be met by considerable payments due, or to fall due, by the Department in respect of several important buildings now (March) completed, or in course of erection. It will be necessary—probably in the next year's statement of accounts—to provide for a transfer from this to the General Maintenance of Schools Account. It should be noted that, of the total sum—£6,701 17s. 11d.—standing to credit of the Board at the close of the year, a large proportion thereof represents the balance in favour of the Technical Building Account, and will be absorbed early in the current year to meet existing liabilities for works now in progress. In Departmental Return No. 5 particulars in detail are given of the money assets and liabilities of the Board as at the close of the year. From this return, in conjunction with the general statement of the Board's financial operations during the past year, it will be seen that the Board is in a sound position financially.

The Board, in conclusion, would place on record its appreciation of the valuable assistance willingly and cheerfully rendered by the School Committees throughout its district—services not always appraised at their true value, and often given at considerable personal inconvenience.

We have, &c..

W. N. STIRLING, Chairman.

JOHN NEILL, Secretary.

The Hon. the Minister of Education, Wellington.

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