

- (v.) Government payments — (a) Statutory capitation upon free pupils under the Act; (b) subsidies on voluntary contributions; (c) capitation for manual-instruction classes:
- (vi.) Special Government grants for buildings and apparatus:
- (vii.) Tuition fees of pupils:
- (viii.) Boarding-fees of pupils:
- (ix.) 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, loans raised, &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 of this revenue for the three preceding years, less the expenditure upon the endowments and investments upon buildings approved by the Minister, and less mortgage and other charges. Capitation payments are made on a sliding scale according to the net annual income of a school from endowments, the maximum payment per free pupil being £13 10s. per annum. In addition a lump sum of £100 is paid to each secondary school. Certain conditions as to staffing and salaries of teachers have to be fulfilled before full rates of payment on account of the attendance of free pupils can be claimed.

The question of extending the provisions for secondary education sometimes raises the question of endowments. It should be pointed out that all secondary schools are not on the same footing with respect to endowments; the net annual income from endowments of one-half of the schools is nil, while in the case of the others it ranges from about £29 to £2,238 per annum. As indicated above, however, the difference is adjusted by the Government making the capitation grant on a sliding scale which varied in 1915 from £6 12s. to £13 10s. per free pupil. The result is that the sum of the net income from endowments and the capitation grant is practically the same for all schools. Nearly the whole of the endowments consists of grants of public lands.

The following is a summary of the receipts and expenditure of all secondary schools for the year 1915:—

SUMMARY OF THE ACCOUNTS OF INCOME AND EXPENDITURE FOR 1915 FURNISHED BY THE GOVERNING BODIES OF SECONDARY SCHOOLS.

<i>Receipts.</i>			<i>Expenditure.</i>		
	£	s. d.		£	s. d.
Credit balances on 1st January, 1915 ..	31,018	16 9	Debit balances on 1st January, 1915 ..	20,238	14 0
Endowment reserves sold, mortgage-moneys repaid, and insurances ..	166	14 8	School salaries	87,681	15 10
Rents, &c., of reserves vested in Boards ..	40,412	15 7	Incidental expenses—		
Secondary-education reserves ..	8,034	11 4	Office expenses and salaries (excluding endowments)	3,752	1 1
Interest on moneys invested	1,561	15 11	Material, printing, stationery, advertising, cleaning, games, prizes, &c. ..	9,775	12 8
Government payments—			Expenditure on manual instruction, exclusive of buildings and equipment	1,148	2 10
Capitation for free places, and subsidies	68,316	0 6	Lands, buildings, furniture, insurance, rent, and rates	38,760	1 2
Capitation and subsidies for manual instruction	1,802	15 10	Expenditure in endowments, including proportion of office expenses	6,327	4 1
Grants for buildings, sites, furniture, apparatus, &c.	3,414	18 3	Interest, repayment of mortgages and investments	16,660	1 5
Statutory grant (Marlborough High School)	400	0 0	Boarding-school Account	24,544	9 4
Technical instruction (receipts from Government and other sources) ..	2,579	19 4	Expenditure on technical instruction ..	2,665	7 0
School fees (tuition)	19,477	0 6	Advances to pupils, and sundries, unclassified	10,045	18 9
Boarding-school fees, &c.	33,162	9 0	Credit balances, 31st December, 1915 ..	25,168	3 5
Transfers from Capital Account, loans and sundries not classified	14,200	11 7			
Debit balances, 31st December, 1915 ..	22,219	2 4			
	<u>£246,767</u>	<u>11 7</u>		<u>£246,767</u>	<u>11 7</u>

It will be observed that the net credit balance of all Boards at the end of 1915 was £2,949, as compared with £10,780 at the end of 1914. The decrease is largely due to the expenditure on buildings, which amounted to £38,760, against which Government grants of only £3,415 were paid. The account in connection with boarding-establishments shows a profit in the aggregate of £8,618, although in a number of instances the finances of such establishments are not in the hands of the