

The numerical strength of the staff, including attendants and cleaners, but excluding tea-room manageress and assistants, as at the 31st March, 1938, was thirty-one.

Income totalled £8,490 from these main sources:—

	£
New Zealand Government .. .. .	7,000
Wellington City Council .. .. .	1,000
New Zealand Academy of Fine Arts .. .. .	200

Cloak-room receipts were £44 14s. 8d., and the collection boxes distributed throughout the building produced £27 0s. 3d.

#### TEA-ROOM.

The tea-room is opened on three days a week and holidays, and, although we received £711 last year, a loss of £6 5s. 2d. was shown. Only direct expenses—viz., cost of food, wages, laundering, &c.—are charged to this special account, the indirect, such as cleaning, heating, &c., remaining a charge on the Main Income and Expenditure Account. Mention should be made that with existing revenues no provision can be made for replacements of equipment due to breakages and losses.

The tea-room is a decided adjunct to the building, and the service is provided with satisfaction to patrons. It is managed well and economically, and a little more patronage by the public would readily produce a credit instead of a debit balance. If I may say so, it would be a retrograde step to close the tea-room.

#### GENERAL REMARKS.

A close investigation of expenditure, has been made, and to carry on the policy of the Board with reasonable satisfaction and to give inducement to the staff to display their enterprise and initiative a curtailment is practically out of the question. Fortunately, in the Dominion Museum the every-day expenditure, including salaries, is somewhat of a "capital" nature, in that assets such as specimens, exhibits, photographs, and films are produced and added to the existing articles brought into possession in past years, in many cases by purchase. Thus the Museum is kept more or less up to date out of "revenue" moneys.

But such a position does not obtain in the Art Gallery. Acquisitions to the picture collection are made, but definitely not through the bank account of the Board. We certainly pay portion of the salaries and provide cleaners and attendants, light, &c., but we are unable to provide means to purchase additions to the collection. It is interesting to note here that the credit balance of the Empire Art Loan Collection Proceeds Account is only £310 5s., while income from the Sir Harold Beauchamp Trust does not yet accrue to the Board.

From the last paragraph it will be seen that improvement in the financial position must be sought from "income." I am submitting a separate report on the "budget" question, and it can be accepted here that the additional income we will receive henceforward from the Government and local authorities will be required for working-expenses and depreciation. There will be very little left with which to extend operations or to purchase additions to the collections in the Art Gallery or the Museum. The institution is in no sense commercial or trading, but it is reasonable to expect a measure of support from the public. A contribution of £27 through voluntary collections for twelve months measures the support of the visiting public, as many as three thousand in one day.

The public is the gainer; much more important, future adult public are provided with educational facilities and given an opportunity whereby their artistic potentialities may be realized and developed all free of charge. After twenty months of operation it is quite evident that the public is not seized with the sense of its responsibility, perhaps through ignorance of the true position, and, in my opinion, the time has arrived when this situation must be remedied. I therefore submit for consideration and recommend that from the 1st July, 1938, an admission charge be imposed on certain days of the week, say Wednesdays, Saturdays, and Sundays. On these days, or other days decided upon by the Board, adults could be charged 6d. and children 3d. It could be explained in the press that all net revenue from admission charges will be utilized for specific purposes to be determined by the Board—for example, the purchase of pictures and specimens, or, say, to establish a special fund for the Centennial year. If criticism is levied on the Board by the public, the answer is obvious and has been covered earlier in this report.

F. B. DWYER, Treasurer.

#### MAIN INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR 1ST APRIL, 1937, TO THE 31ST MARCH, 1938.

<i>Expenditure.</i>		£ s. d.		<i>Income.</i>			
		£	s. d.		£	s. d.	£ s. d.
Salaries .. .. .	6,611 0 9	Contributions —					
Fuel, light, water, and gas .. .. .	765 16 1	New Zealand Government ..	7,000 0 0				
Photographic supplies .. .. .	167 12 11	Wellington City Council ..	1,000 0 0				
Advertising .. .. .	22 17 6	Masterton County Council ..	15 0 0				
Printing and stationery .. .. .	148 0 0						8,015 0 0
Freight and cartage .. .. .	78 11 11	Contribution towards salaries by New Zealand					
Subscriptions to societies .. .. .	96 12 7	Academy of Fine Arts .. .. .	200 0 0				
Uniforms and overcoats .. .. .	45 17 7	Donations .. .. .	26 5 0				
Travelling allowances and expenses .. .. .	21 2 5	Catalogues, sales of .. .. .	45 12 3				
Telephones .. .. .	79 16 8	Cloak-room receipts .. .. .	44 14 8				
Specimens and pictures, preparation of .. .. .	130 10 9	Collection-boxes .. .. .	27 0 3				
Postage .. .. .	84 9 0	Hire of Lecture Hall .. .. .	22 1 0				
Insurances .. .. .	51 13 8	Sale Matthews Booklet: Net proceeds .. .. .	1 17 11				
Cleaning .. .. .	63 19 9	Dutch and Flemish Exhibition: Gross proceeds .. .. .	97 9 10				
Repairs and maintenance .. .. .	40 11 5	Miscellaneous receipts .. .. .	10 2 0				
Audit fees .. .. .	19 7 0	Balance carried to Income and Expenditure					
Carillon Tower: Maintenance .. .. .	10 17 1	Balances Account .. .. .	31 0 3				
Dutch and Flemish Exhibition .. .. .	26 5 3						
British Printing Exhibition .. .. .	3 19 7						
New South Wales Collection .. .. .	16 2 5						
Museum requisites .. .. .	27 2 0						
Contingencies .. .. .	8 16 10						
		£8,521 3 2			£8,521 3 2		