

Profit and Loss Account.

£	s.	d.	£	s.	d.
Interest allowed on Post Office Savings-Bank Account to 31st December, 1880 ...	0	2	8	Surplus of funds to meet liabilities ...	0 2 8
<u>£0 2 8</u>			<u>£0 2 8</u>		

KATAPOI ISLAND NORTH SCHOOL.—*General Account.*

£	s.	d.	£	s.	d.
Balance at credit of depositors on 31st December, 1879...	7	7	4	Repayments from 1st January to 31st December, 1880...	5 6 0
Deposits received from 1st January to 31st December, 1880 ...	5	10	1	Balance due depositors on 31st December, 1880 ...	7 11 5
<u>£12 17 5</u>			<u>£12 17 5</u>		

Balance-sheet.

<i>Liabilities.</i>			<i>Assets.</i>		
£	s.	d.	£	s.	d.
Balance due depositors on 31st December, 1880...	7	11	5	Cash in Post Office Savings-Bank at 31st December, 1880, including interest ...	7 16 3
Surplus of funds to meet liabilities ...	0	4	10		
<u>£7 16 3</u>			<u>£7 16 3</u>		

Profit and Loss Account.

£	s.	d.	£	s.	d.
Interest allowed on Post Office Savings-Bank Account to 31st December, 1880 ...	0	4	10	Surplus of funds to meet liabilities ...	0 4 10
<u>£0 4 10</u>			<u>£0 4 10</u>		

SOUTH CANTERBURY.

SIR,—

Timaru, March, 1881.

As required by clause 102 of the Education Act, I have the honor to submit the general report of the Education Board of South Canterbury for the year ending 1880.

BOARD.—At the commencement of the year the Board consisted of Messrs. H. Belfield (Chairman), M. Gray, W. B. Howell, W. Postlethwaite, R. A. Barker, G. F. Lovegrove, S. W. Goldsmith, E. Wakefield, and Rev. G. Barclay. The ballot in December, 1879, had decided that Messrs. Postlethwaite, Wakefield, and Goldsmith should retire in March, 1880; and at the election, March, 1880, Messrs. Goldsmith, Postlethwaite, and Wakefield were elected. At the end of the year the Board consisted of Herbert Belfield, Esq. (Chairman), Rev. George Barclay, Richard A. Barker, Esq., Samuel W. Goldsmith, Esq., Melville Gray, Esq., William B. Howell, Esq., G. F. Lovegrove, Esq., William Postlethwaite, Esq., and Edward Wakefield, Esq. During the year 15 (12 ordinary and 3 special) meetings of the Board were held, with an average attendance of 6.06 members present.

NEW SCHOOL DISTRICTS.—New districts have been proclaimed at Orari Bridge and Geraldine Flat; and Albury, Makikihi Township, Redcliff, and Waitaki North will probably follow.

NEW BUILDINGS.—During the past year new school-buildings, consisting of school and master's house, have been erected at Saint Andrews, and a side school has been built at the south end of Timaru. Repairs and additions have been made to the master's house at Geraldine. Additional accommodation has been provided at the Washdyke School. The old school-buildings at Waibi Bush are being re-erected at Orari Bridge and Geraldine Flat respectively, where schools will be established under the Board's regulations for aided schools. New outbuildings and lavatory have been provided for the Temuka School. The infants' department at Waimate has been properly furnished, and grants of various amounts have been made to nearly every school for additional furniture and apparatus or for repairs. The total amount expended from the Building Fund during the year is £3,046 0s. 11d., being slightly in excess of the grant from Government of £3,000. The condition of the existing buildings at Waimate and Temuka respectively is such as to leave no doubt that a large outlay will be absolutely necessary to meet the requirements of these important districts.

MAINTENANCE.—This fund has been severely taxed during the year, and a great deal of discretion was needed on the part of the Board in meeting the sudden reduction of the statutory grant in August last. The Board made strenuous efforts to cope with the difficulty by cutting down its expenditure in every branch. As a temporary measure, all salaries of teachers and officers of the Board, and other expenditure under the Maintenance Account, were reduced according to the following schedule: All salaries from £50 to £100, reduced 7 per cent; £100 to £150, 8 per cent.; £150 to £200, 9 per cent.; £200 to £250, 10 per cent.; £250 to £300, 11 per cent.; £300 upwards, 12 per cent.; salary of Inspector and Secretary, 12 per cent.; salary of Assistant Secretary, 8 per cent.; bonus for passing pupil-teachers, 50 per cent.; payment for instructing first pupil-teachers, 25 per cent.; general office expenditure reduced by £50; incidental grants to Committees reduced by one-third. Even this heavy reduction was found insufficient to equalize the Board's income and expenditure, and a new scale of staff and salaries was subsequently adopted which made a considerable reduction in the staff employed without further reducing the salaries of the teachers retained. The Board believes that the efficiency of the schools will not materially suffer from these reductions so long as a staff of teachers equal to those at present in the service can be retained at the salaries given; but any further reduction