TABLE H.—SUMMARY OF BOARDS' EXPENDITURE.

Principal Heads.	Year 1877.	Year 1878.	Year 1879.	Year 1880.	Year 1881.	Year 1882.
	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
Management by Boards ...	10,484 14 10	10,225 12 2	11,109 8 10	10,037 17 6	8,109 6 9	8,458 16 10
Inspection and examination	5,606 19 7	6,142 14 5	7,735 4 0	8,273 13 9	8,387 15 4	9,115 16 7
Maintenance of schools* ...	173,726 9 7	192,736 19 7	221,053 4 0	247,121 3 5	243,257 3 6	258,683 3 0
School-buildings... ...	80,351 16 9	89,255 3 7	172,867 14 3	117,410 1 10	58,254 12 6	71,852 4 9
Ordinary expenditure	270,170 0 9	298,360 9 9	412,765 11 1	382,842 16 6	318,008 18 1	348,110 1 2
Refunds and advances ...	3,610 8 4	4,225 13 10	1,651 11 0	726 7 0	2,011 15 10	5,001 4 9
Total expenditure ...	273,780 9 1	302,586 3 7	414,417 2 1	383,569 3 6	320,020 13 11	353,111 5 11
Add, public libraries ...	...	...	6,074 0 7	4,658 1 5	1,553 17 8	24 1 5
Secondary schools ...	11,166 2 0	...	...	...	...	...
Balances, 31st December† ...	23,323 0 9	58,173 3 11	42,437 1 6	32,419 10 9	37,400 15 9	11,532 15 4
Totals	308,269 11 10	360,759 7 6	462,928 4 2	420,646 15 8	358,975 7 4	364,668 2 8

* Maintenance includes teachers' salaries and allowances, grants to Committees and schools, scholarships, training, fire insurance, &c.
† Deducting overdrafts.

In the accounts of nearly all the Boards there are included receipts and payments which cannot be strictly regarded as income and expenditure, such as deposits and refunds of deposits on contracts, advances and repayments to school-book and stationery accounts, &c. All such moneys have been entered in Tables G and H as deposits, refunds, and advances. There are entries in some of the Boards' accounts to which it may be necessary to call attention. The Boards of Taranaki, Wanganui, and Nelson have the following entries in their respective statements of income: "Advance from Education Fund, £800;" "Transfer from General Account, £434 16s. 3d.;" and "Loan from Maintenance Account, £800;" a corresponding entry being made in each case in the expenditure column, as follows: "Advance, School Buildings Account;" "Transfer, General to Building Account;" and "Loan to Building Account." The Boards of South Canterbury and Otago have respectively the following entries in their statements of assets: "Due from Building Account, £257 14s. 11d.;" and "Due from Building Fund, £720 18s. 9d." The only inference that can be drawn from these entries is that the Boards intend at some future time to withdraw corresponding amounts from the special building grants that may be hereafter voted by Parliament, and to use them for other purposes than the providing of school-buildings. But it is doubtful whether such a mode of dealing with the Board fund is in accordance with the Act; for although the special parliamentary vote for buildings must be wholly devoted to the purpose for which it was granted, yet the Act expressly provides that every Board shall, out of the Board Fund, from time to time make such provision as to it shall seem fit for the expense of purchasing or renting school-sites, playgrounds, and buildings, or for erecting, fitting-up, and improving school-buildings, just as much as for the payment of teachers' salaries, or for any of the other purposes specified by the Act. It would thus follow that, if a Board in any year can spare from its ordinary receipts a sum of money for expenditure on school-building purposes, it is bound to do so absolutely without having the power to deduct the amount so expended, or any portion of it, from any special school-buildings grant that may be made at a future time.* The Board of Taranaki, as shown by its accounts, was able not only to expend £800 on school buildings out of the

* This view of the case was brought under the notice of the Boards so long ago as February, 1878, as is shown by the following copy of a circular issued on 6th May, 1879: "With the view of removing misapprehensions which seem to exist in connection with the special vote for school-buildings, I have the honour, by direction of the Minister of Education, to point out that although the grants to Boards out of such vote must be expended wholly and exclusively upon school-buildings and school furniture of a permanent character, yet it is neither intended nor expected that the entire cost of buildings and furnishing should be defrayed out of the special vote, which is to be regarded as simply supplementary to the ordinary capitation grants under the Education Act. Section 43, subsection (2), of the Act clearly provides that Boards shall, out of the Board Fund, make payments 'for the expense of purchasing or renting school-sites, playgrounds, and buildings, or for erecting, fitting-up, and improving school-buildings,' just as much as 'for the payment of teachers' salaries,' or for any of the other purposes specified in section 43. This point was placed before Boards in paragraph 5 of Circular No. 2, dated 12th February, 1878, in the following words: 'While, however, the whole amount of the grants out of the special vote [for school-buildings] is intended to be expended on the providing of additional accommodation, Boards are clearly empowered by section 43 to expend also on the same purpose such portion of their ordinary Board fund as can be spared from the ordinary and necessary current expenditure.' I am to say, therefore, that Government cannot undertake to defray out of the special vote the entire cost of school-buildings and furniture, and that it is incumbent upon Boards, in conformity with the spirit and letter of the Education Act, to devote as large a proportion as possible of their ordinary capitation grants to this object, and to regard the special vote as merely supplementary."