9. Finances.—The income received during the year 1887 exceeded the expenditure by £176 3s. 10. Returns, &c.—The prescribed answers to inquiries, the headmaster's report, and the audited statement of accounts have been forwarded.

13th March, 1888.

ROBERT KIDD, Secretary.

2. STATEMENT of RECEIPTS and EXPENDITURE for the Year ending 31st December, 1887.

Receipts.	£ s.	d.	Expenditure.	£ s.	a
To Donta	£ s. . 2,907 2	6			
			By Balance at beginning of year	132 14	U
School fees		0	Secretary's salary and commission to		
Books, &c., sold and other refunds .		6	collector	225 6	4
Insurance of house destroyed by fire.	. 146 10	0	Other office expenses	68 14	
		- 1	Teachers' salaries and allowances	2,805 10	10
		ı	Examination expenses	4 12	6
**			Scholarships	60 O	0
			Prizes	18 18	0
		- 1	Printing, stationery, and advertising		
			(£56 17s. 4d. for school)	134 7	5
		1	Cleaning, fuel, light, &c		•
			Gahaal	63 4	1
•		ĺ	Dyonoutes	29 18	5
		-		20 10	U
			Fencing, repairs, &c.— School	FO 14	^
		- 1		56 14	0
			Property	229 19	Ť
		-	Rents, insurance, and taxes	119 0	6
		l	Interest on current account	3 6	8
		1	School furniture	48 17	8
		i	Interest on loans	310 0	0
			Sports and cricket-ground	17 10	0
		- 1	Science school	$20 \ 16$	8
·		ļ	Law expenses	11 10	10
		-	Travelling expenses	5 10	0
			Balance at end of year	65 18	7
• •		_	· · · · · · · · · · · · · · · · · · ·		
	£4,432 10	0		£4,432 10	0

G. Maurice O'Rorke, Chairman. Robt. Kidd, Secretary.

Examined and found to be correct.—L. A. Durrieu, Auditor. 16th January, 1888.

3. Work of Highest and Lowest Classes.

Highest (Upper Fifth).—English: Shakespeare's Twelfth Night; Spenser's Faërie Queen, Book I., Cantos 1, 2, and 3; Chaucer's Clerke's Tale; Milton's L'Allegro and Il Penseroso; Johnson's Vanity of Human Wishes; Abbott's How to Write Clearly, pages 1-61; Morris's Elementary Lessons in Historical English Grammar; grammar papers, essays; Smith's Smaller History of Rome. Latin: Virgil, Æn. iv., and Eclogues i., iv., v., vi., ix., x.; Cicero, De Amicitiâ and In Catilinam, i., ii., iii.; "Unseens," weekly; Bradley's Arnold's Latin Prose, Exercises 39 to end; Frost's Materials, Exercises i.—xxxv. (one boy to Exercise xcv.); more advanced parts of Public School Primer; grammar papers weekly. French: Lascaris; Le Bourgeois Gentilhomme; Turrell's Leçons en Prose et Vers, about 60 pages; Blouet's Composition, Parts i., ii., and iii.; Chardenal's Advanced Book, Exercises i.—lx., with the grammar (syntax). Natural Science: Chemistry, heat, and electricity, to junior University scholarship standard. Mathematics (Class D): Geometry, trigonometry, algebra, arithmetic, to junior University scholarship standard: elementary mechanics.

ship standard; elementary mechanics.

Lowest.—Blackwood's Historical Readers, Nos. i. and ii.; Blackwood's Geography Primer and Reader, No. ii.; Geography of New Zealand and Australia (Patterson); Davidson and Alcock's Intermediate English Grammar, pages 1–61, &c.; Repetition and Reading from the Ancient Mariner, Lord of the Isles, John Gilpin, &c.; Spelling: Object-lessons, with composition thereon.

Arithmetic (Class D): Simple and compound rules, reduction, G.C.M., and L.C.M.

4. Scholarships held at the School during Last Quarter of Year.

College Scholarships.—Senior foundation (£40 and £20, and free education), 2; junior foundation (free education), 5; under Education Board's certificates of proficiency, 4; sons of members of staff (free education), 2. The college also gives free education to holders of Education Board scholarships.

Education Board Scholarships.—At £45, 3; at £40, 2; at £30, 8; at £20, 3.

Rawlings Scholarships (school-fees and books), 9.

4. REPORT OF THE INSPECTOR-GENERAL OF SCHOOLS TO THE HON. THE MINISTER OF EDUCATION.

Auckland College and Grammar School, 5th August, 1887.—The quality of the work done in this school is steadily improving. Especially in Latin the progress made during the last three or four years is very decided. The science classes might, I think, be made more interesting and profitable than they are. Several changes have taken place in the staff since the date of my last visit. I have before said that the school runs the risk of losing some very good masters by being obliged to pay rather low salaries.