Tables O and P show the financial position of the Boards at the end of the year 1898. On the whole, the position was better than on the 31st December, 1897. In December, 1897, the total assets of the Boards amounted to £46,416 11s. 11d.; the total liabilities to £35,330 2s. 1d.; and the total net balance (excess of balances over deficits) to £11,086 9s. 10d. In December, 1898, the total assets were £59,253 7s. 4d.; total liabilities, £41,397 3s. 5d.; and total net balance (excess of balances over deficits), £17,856 3s. 11d. These figures included both the Buildings Accounts and the General Accounts. Only one Board—Auckland—showed a deficit on the Buildings Account for 1898; in 1897 seven did so. On the other hand, in 1897 only two Boards had deficits on their General Accounts; while at the close of last year eight Boards were on the wrong side in their General Accounts, but most of them for comparatively small amounts. Taking both the Building Account and the General Account into consideration, the Boards showing adverse balances were Auckland, £479, and Otago, £3,037. In the latter district there is a close correspondence between the amount of the deficit and the capitation lost in consequence of the decrease of the average attendance, which seems to suggest that in the district in question the expenditure has not yet accommodated itself to the falling revenue.

Table Q shows that, out of the 1,521 schools with ten or more pupils each, 191 are carried on in buildings not belonging to Boards; 457 are without teachers' houses; and 41 are more or less overcrowded.

Education Districts.	Schools in Opera- tion (omitting those with less than Ten Pupils each).	Schools not belonging to Boards.	Schools without Residences.	Schools with less than 10 sq. ft. for each Child (but not less than 8 sq. ft.).	Schools with less than 8 sq. ft. for each Child.	Available in 1899 for Buildings. (Tables O and P.)
Auckland	347	48	143	7	2	£ s. d2,020 9 11
Taranaki	61	4	22	6	••	1,544 0 0
Wanganui	129	17	45	4		1,896 12 4
Wellington	127	18	75	6	2	234 5 1
Hawke's Bay	68	.9	14	2	• •	1,765 5 0
Marlborough	25	34	6		••	875 0 0
Nelson	99	18	53		••	1,937 12 10
Grey	23		12	1	2	827 11 7
Westland	21	8 -	. 7			808 2 9
North Canterbury	195	13	34	2		1,923 4 0
South Canterbury	67	3	17		••	1,843 0 0
Otago	216	8	4		••	258 10 0
Southland	143	11	25	7 .	••	1,724 10 8
Totals for 1898	1,521	191	457	35	6	13,617 4 4
Totals for 1897	1,484	125	437	41	10	Net-7,024 7 5

TABLE Q.—Deficiency of School Buildings.

The ordinary vote for school buildings, 1898–99, was distributed as follows: Auckland, £9,125; Taranaki, £1,600; Wanganui, £3,875; Wellington, £4,950; Hawke's Bay, £2,475; Marlborough, £1,075; Nelson, £2,025; Grey, £1,025; Westland, £750; North Canterbury, £5,925; South Canterbury, £1,750; Otago, £5,925; Southland, £3,300: total, £43,800.

The following distribution was made of the special vote for schools in newly settled districts: Auckland, £1,932; Taranaki, £520; Wanganui, £2,716; Wellington, £4,250; Hawke's Bay, £513; Nelson, £298; Grey, £420; Westland, £300; North Canterbury, £927; South Canterbury, £421; Otago, £1,555; Southland, £1,630: total, £15,482.

The Boards received from the department £7,932 3s. 10d. for scholarships, and their expenditure for scholarships amounted to £8,109 8s. 8d. In some districts holders of Education Board scholarships are received into the high schools without payment of fees; in other districts they have to pay high school fees out of their scholarship money. It appears doubtful whether, in some cases, the amounts paid to holders of scholarships coming from country schools are sufficiently liberal to allow the children of poor parents reasonable amounts for board and lodging and other necessary expenses.