

Since the formation of the association, fourteen years ago, 5,355 students have passed through the classes. The following tabular statement gives the enrolments for each year :—

1889	...	...	288	1896	...	...	458
1890	...	...	170	1897	...	...	701
1891	...	...	318	1898	...	...	731
1892	...	...	364	1899	...	...	767
1893	...	...	390	1900	...	...	781
1894	...	...	385	1901	...	...	753
1895	...	...	457	1902	...	...	634

Owing to a change in the method of communicating results, your committee has no official intimation of the successes achieved by our students in the examinations of the City and Guilds of London Institute, but according to reports in the daily Press the passes compare very favourably with those of previous years.

In the last annual report was given a statement of the negotiations by which your committee were allowed to transfer £2,000 from the Building Fund to a fund for the purchase of the property on which the school stands. A further sum of £500 was required to effect this purchase. By the regulations greater inducements to carry on such classes were given to Education Boards than to outside associations like ours; your committee therefore approached the Otago Education Board, and in consideration of receiving an advance to the above amount undertook to hand over the whole of their property. After several conferences between the two bodies the requisite amount was paid to your association, the purchase of the freehold was duly made, and the transfer of the whole property to the Board has quite recently been completed. Thus, after carrying on its work for fourteen years, the old Technical Classes Association has practically passed out of existence as an independent body, and in doing so has transferred to the Board property worth, at a low estimate, at least £3,670.

While these negotiations were proceeding new regulations were framed by the Education Department conferring upon the managers of associated classes, under a Board of Education as "controlling authority," the privileges which formerly Boards alone enjoyed. Your committee therefore approached the Otago Education Board, and expressed their willingness to carry on the classes as an association under the Board, a position which the latter body accepted. In order to give all the interested bodies due representation on the managing committee of the new associated classes, the Minister of Education decided that nine managers should be appointed, as follows: Four by the Education Board, three by the subscribers to the association, and two by the Dunedin City Council, that body having granted an annual donation of £50 to assist the work of the classes.

During the past year, by permission of your committee, the Education Board utilised rooms in the buildings for carrying on teachers' and school classes in woodwork and in cookery. The large number of pupils and teachers thus receiving instruction is not, of course, included in the returns of our classes.

The balance-sheet, giving particulars of receipts and expenditure, is herewith appended, and shows an apparent deficiency of £99 9s. 11d., but donations and capitation amounting to £150, and properly belonging to the year's operations, have been paid to the association's account since the balance-sheet was made out. Thus the new organization starts practically with a credit balance.

The thanks of the association are again due to the examiners for the large amount of gratuitous work so willingly performed, and to the Press for the ever ready assistance it has always rendered. The committee also desire to once more record their appreciation of the good work done by the teaching staff, and of the valuable assistance they have received from Mr. A. Marshall, the indefatigable superintendent.

By the new constitution it is now the duty of the members to elect three out of the nine managers required for the ensuing year. The retiring committee would direct the attention of the new Board of Managers to the urgent necessity that exists for the establishment of practical classes in electrical engineering, the valuable plant imported for this purpose being still in store. Seeing that about one-half of the students in attendance at the classes reside in the suburban boroughs, the suggestion has been made that the Councils of these boroughs might very appropriately grant financial assistance to this work, as is already done by the Dunedin City Council, and thus become entitled to representation on the governing body.

Statement of Receipts and Expenditure for the Year ended the 31st December, 1902.

<i>Receipts.</i>				<i>Expenditure.</i>			
		£	s. d.			£	s. d.
Fees	..	478	14 6	Bank balance, 31st December, 1901	..	42	15 6
Donations	..	72	19 6	Salaries	..	705	15 10
Government grants—				Printing, advertising, &c. ..	..	58	0 8
Capitation on attendance ..	..	189	12 8	Materials	..	39	10 7
Subsidy on donations ..	..	143	6 0	Gas	..	36	5 2
Refund railway fares ..	..	4	6 6	Water and rates ..	..	14	4 0
For apparatus	..	3	9 0	Insurance	..	16	12 4
Interest	..	10	0 0	Repairs, &c.	..	20	16 0
Education Board	..	500	0 0	Rent	..	40	0 0
Fixed deposit matured ..	..	2,000	0 0	Law-costs	..	17	8 0
Bank overdraft, 31st December, 1902	..	3	9 0	Architect	..	10	10 0
Unpresented cheques	..	96	0 11	Purchase of property ..	..	2,500	0 0
		<u>£3,501</u>	<u>18 1</u>			<u>£3,501</u>	<u>18 1</u>

Examined and found correct.—C. GRATER, F.N.Z.A.A., Auditor.—Dunedin, 18th January, 1903.