that the year closed with an overdraft of £4,740 2s. 3d. Assets amount to £3,991 4s. 7d., and liabilities to £2,950 11s. 1d. The overdraft on general account was reduced from £2,646 9s. 11d. to £25 4s. 2d.; but included in the receipts is the sum of £651 13s. 5d. from the School Commissioners on account of rents from education reserves which has since been deducted from the Government grant for February payments. Outstanding accounts existed High Schools and cookery classes for December quarter, £304 5s. The receipts for school buildings include—ordinary building grant, £4,012 10s.; special grants, £2,622; compensation for land taken for street-widening at Newtown, £437 4s. 6d.; sale of old buildings, &c., Hutt, £206 18s. 3d.; forfeited deposit, £12 10s.; house-allowance to teachers, £1,765 15s. 1d.; rents of school-site reserves, £113 4s. 6d. Of the £14,780 15s. 2d. expended during the year on account of school buildings, £10,707 4s. is for new buildings, additions, furniture, sites, &c., £1,840 7s. for general maintenance, rebuilding, furniture, rents, &c, £1,775 15s., for house-allowance to teachers, and £467 9s. 2d. for manual and technical purposes.

Buildings.—The present state of the Board's Building Account is due to exceptional demands for additions and new buildings without adequate special grants towards the cost of such works.

One was for additions to the Worser Bay School, where seventy-four children were crowded into one class-room having accommodation for fifty-five. Recognising the demands of this school, the Board decided that the additions should take the form of a large room to provide for sixty-four additional pupils-with the necessary extension of latrines and outbuildings. The cost of this work was £503.

Brooklyn had a roll-number of 145 in excess of the accommodation, and being situated in a portion of the Board's district where settlement was increasing very rapidly and continuously it

was decided to erect two additional rooms at a cost of £1,037.

The Petone School at the end of December, 1902, had accommodation for 445, with a roll-number of 854 and an actual attendance at the time of the last examination of 807. This building had been gradually altered and enlarged to meet the needs of the district until it would no longer readily admit of further extension. It was seriously reported upon by the Chief Officer of the Health Department, and the Inspectors had recommended that extra accommodation should be provided so that the children's health might not suffer. The importance of Petone urgently called for more up-to-date provision for the education of its children, and it became a question of reconstruction or rebuilding, either of which could not be expected to be undertaken out of ordinary revenue. The building, which has now been practically rebuilt at a cost of £2,730, provides convenient and adequate room for 895 pupils.

The Hutt School, originally an old concert-hall, provided very inadequately for the needs of the district, and was in dangerous proximity to the river. The Borough Council having decided to take the property for street and river improvements, the Board had to purchase a site elsewhere

and erect new buildings. The site cost £650 and the school buildings £2,610.

The establishment of the Epuni Hamlet, under the Land for Settlements Act, necessitated the erection of a school in that part of the Hutt Valley. Some of the sections that had been forfeited were placed at the Board's disposal by the Government for a school-site, and on one of these a building has been erected at a cost of £817. The school has now 115 children on the roll with an average attendance of ninety-one.

The demand for a school building at Muritai, where considerable difficulty has been experienced in securing an adequate site, had long been persistently urged; the cost of the site was met by a special grant of £250, and the new building just completed has cost £578, not including

fencing.

The growth of the population of Levin called for more adequate provision. This has been met by the erection of the new Central School at a cost for building alone of £1,628, towards which the Government has contributed £500.

The Board last year purchased a new school-site at Wadestown at a cost of £600.

New schools have been erected at Horoeka, Rongokokako, and Maungaraki, the cost of which was met by special grants.

During the year considerable improvements have been made at Cross's Creek, Paikakariki, Tokomaru, Pongaroa, Porirua, Clareville, Kaiwarra, Roseneath, Kilbirnie, Pahiatua, Mount Cook Infants', Thorndon, South Wellington, Clyde Quay, Masterton, and Newtown, and a new site purchased at Carterton.

The completion of the additions to Worser Bay, Brooklyn, and Petone, and erection of the new schools at Levin, Hutt, Epuni, and Muritai, necessitated a very large anticipation of future revenue.

None of the works above enumerated were undertaken until it had been made abundantly clear to the Board that they were not only required but urgently required, and their number and magnitude were such that only much larger special grants than the Board actually received would have enabled it to end the financial year free of a large debit in its Building Account. The grant of £500 was made towards the cost of Levin School, and, as the result of representation made by deputations to the present Minister of Education, £1,500 was granted which was apportioned as follows:-Brooklyn, £50; Epuni, £233 8s.; Hutt, £860; Levin, £77 10s.; Muritai, £116 5s.; Petone, £138 17s.; Worser Bay, £24. A number of other works, admittedly much required for the efficient working of the schools concerned, will be undertaken as soon as the means are provided.

I have, &c., F. Bradey, Chairman.

The Right Hon. the Minister of Education, Wellington.