occupied at Bainham and Kaituna; a considerable addition has been made to the Millerton School, where increased accommodation was much needed; and new cottages have been built at Hillside and Appleby, in both cases to replace very old and worm-eaten structures, rendered quite unfit for habitation by decay. It is unfortunate that almost before the completion of the new school at Kaituna several of the settlers with large families—men who had been mainly instrumental in obtaining the new building—sold out their properties and left the district, so that it may be some time before the expenditure will be justified by the attendance. The repairs and improvements of buildings during the year absorbed £962 1s. of the building grant. The Board regrets that the Department has not seen its way to grant the necessary funds for the removal and enlargement of the school buildings, &c., at Coal Creek, where increase of settlement consequent on the Government's work at the State Coal-mine has rendered increased accommodation in a more central position very urgent.

Manual and Technical Instruction.—Handwork of various kinds has been taught at twenty-four of the Board's schools during the year, modelling in plasticine still being the subject most favoured by the teachers. Cookery classes have been held in Nelson under the management of Miss M. Tendall (diplomée of the National Training-school of Cookery, London); but they have been carried on at a loss, and it is doubtful whether they can be resumed this year unless the grant of 15s. a head be continued. A technical school, containing two rooms, one for woodwork and one for cookery, has been erected at Reefton, and arrangements are already made for the teaching of cookery, and it is expected that woodwork classes will be begun very shortly. The site for the building was purchased by a grant from the Inangahua County Council. A very excellent and valuable site for a technical school has been presented to the Board by the Nelson City Council, and it is expected that the new building will be erected, and it is hoped, ready for use before winter. Efforts have been made to secure a site for a technical school in Westport, and the Board regrets that the Westport Borough Council has not yet seen its way to present one to the Board.

General.—While the teachers of this district have generally benefited by the operation of the Public-School Teachers' Salaries Act, School Committees complain bitterly of the way in which their allowances have been reduced. The Board's grant to Committees formerly ranged from 5s. 6d. to 11s. 6d. a head on the average attendance, but now, owing to the altered method of payments to Boards, the amount has had to be largely reduced, with consequent discontent.

BOARD'S FUNDS.—At the beginning of the year the Board'S General Account showed a debit balance of £147 1s. 2d., other liabilities being £578 1s. 9d., while grants were due from Government to the amount of £215 1s. 2d. At the end of a year this account had a credit balance of £197 8s. 9d., grants due from Government £427 5s. 11d., and liabilities £621 10s. 6d. The Building Account at the beginning of the year had a credit balance of £1,406 10s. 9d., a year's building grant was due from the Government besides special grants for new buildings of £570, and the liabilities were £2,319 8s. 1d. At the end of the year there was a credit balance of £148 15s. 2d., amount due from Government £2,402, and from various other sources £381, while the liabilities were £1,252 10s. 6d.

I have, &c., GEO. TALBOT, Chairman.

The Right Hon. the Minister of Education, Wellington.

GENERAL STATEMENT of RECEIPTS and EXPENDE	TURE for the Year ending 31st December, 1903.
Receipts. \pounds s. d.	Expenditure. £ s. d.
Balance at beginning of year 1,214 19 7	Staff salaries and clerical assistance 942 0 4
Grants from Government for—	Office contingencies 679 2 11
Teachers' and pupil-teachers' salaries and	Teachers' and pupil-teachers' salaries and
allowances to pupil-teachers 18,090 10 3	allowances to pupil-teachers 18,735 14 8
Reserves revenue for primary education 635 4 0	Relieving-teachers' salaries 46 15 5
Capitation on 11s. 3d. and grant of £250 2,878 19 8	Drill-instruction 50 0 0
Capitation at 6d. for relieving-teachers 116 17 0	
Drill-instruction 50 0 0	School-books 228 14 6
Receipts from other sources—	Scholarships and examination expenses 359 10 0
Refund	
Sale of school material 271 19 0	paid out of special receipts 733 7 1
Grants from Government for—	Manual and technical instruction—
Scholarships	School classes 117 5 0
District High Schools 677 0 0	_ ~
Reserves revenue for secondary education 168 15 0	Maintenance of school buildings, &c 1,202 0 9
Grants from Government for manual and	House-allowances 477 12 1 New schools, additions, sites, &c 2.509 1 5
technical instruction— Capitation on attendance at classes 82 9 9	121011 BOLLOUIS, BRANCHES, SELVES, CO
	Buildings, class-rooms, furniture, &c., for
Subsidies on voluntary contributions and bequests	manual and technical purposes—
bequests 100 0 0 Grants from Government for—	School classes 599 17 10 Special classes 51 18 2
	Credit balance at end of year 346 3 11
House-allowances 477 12 2 New schools, additions, furniture, &c 554 10 0	
Technical-school buildings, fittings, &c. 249 5 0	
Other receipts—	
Sale of old house, Eighty-eight Valley 15 12 0	,
Rent of old school building 15 10 0	
20010 01 014 0011001 04114115	
£28,228 15 1	£28,228 15 1
	Cro Tirror Chairman

2nd May, 1904,

GEO. TALBOT, Chairman. STEAD ELLIS, Secretary.