

- (v.) Government payments—(a) Statutory capitation upon free pupils under the Act; (b) subsidies on voluntary contributions; (c) capitation for manual-instruction classes:
- (vi.) Special Government grants for buildings and apparatus:
- (vii.) Tuition fees of pupils:
- (viii.) Boarding-fees of pupils:
- (ix.) Miscellaneous sources, such as interest on moneys (other than those obtained by the sale of reserves), donations, and income from special endowments (for scholarships, prizes, &c.), rent of premises, &c.

The revenue derived from the sources (i) to (iv) is the income derived from endowments, and the "net annual income derived from endowments" is the average of this revenue for the three preceding years, less the expenditure upon the endowments and investments, upon buildings approved by the Minister, and less mortgage and other charges. Capitation payments on free pupils were (until the end of 1917) made on a specially defined sliding scale according to the net annual income from endowments, the maximum payment being £13 10s. per annum per head of the number of free pupils. By the provisions of the Statute Law Amendment Act, 1917, the scale was altered so that the capitation payment will in future be equal to the deficiency of the net annual income per head below £13 10s. per annum. In addition where the total annual income from endowments is less than £2 per head an annual grant of £200 is paid, and in all other cases a grant of £100. Certain conditions as to staffing and salaries of teachers have to be fulfilled before full rates of payment on account of the attendance of free pupils can be claimed.

The total income from endowments of the various schools in 1917 ranged from £0.61 to £26.01 per head of the roll number, while the net annual income from endowments, as defined above, was *nil* in eight cases, and ranged from £0.37 to £7.145 per head in the remaining schools. This difference was adjusted, as previously stated, by the Government's paying capitation on a sliding scale, which varied in 1917 from £7.391 to £13.5 per free pupil, the result being that the total income per free pupil from the two sources named ranged from £13.5 to £14.536. In future the amount will be £13.5 in every case, unless a Board's net income from endowments alone exceeds that figure.

The following is a summary of the receipts and expenditure of all secondary schools (lower departments included, Wanganui Collegiate and Christ's College Grammar Schools excluded) for the year 1917 :—

SUMMARY OF THE STATEMENTS OF RECEIPTS AND EXPENDITURE FOR THE YEAR 1917, FURNISHED
BY THE GOVERNING BODIES OF SECONDARY SCHOOLS.

(Wanganui Collegiate and Christ's College Grammar Schools not included.)

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As will be observed, the total expenditure exceeded the income by £8,373. It should be stated, however, that two Boards repaid loans amounting to £5,300, and in the case of the other eight Boards whose expenditure exceeded the income by any appreciable amount the excess was owing to expenditure on buildings.