

The receipts exceeded the payments by £19,699, the Boards' cash balances being greater by that amount at the end than at the beginning of 1919. Excluding the amount received at the beginning of the year in trust for rebuilding, the principal saving was effected in the General Fund, and transfers were made to some extent from that fund to extinguish deficits on special accounts. The debit balances on all special accounts having been extinguished in 1918, the transfers necessary in 1919 were not very large.

The cost of the Boards' administration was nearly £5,000 greater than in the preceding year, owing principally to increased salaries of the staffs. The cost averaged 4·4s. per head of the average attendance, ranging in the various districts from 3·4s. to 6·1s. By the provisions of the Education Amendment Act, 1919, the capitation payment of 5s. was replaced by an annual grant of £750 and a capitation of 3s. 6d. on the average attendance, the new scale of payments coming into operation in November, 1920.

The payments on account of the incidental expenses of School Committees also show an increase of £17,190 compared with the previous year, the amount being met by additional allowances also provided under the Amendment Act and regulations made in 1919. The cost of incidental expenses of School Committees works out at 9·5s. per head of the average attendance, ranging from 8·7s. to 11·7s. in the various districts.

In the case of both the Manual Instruction Account and the Technical Instruction Account transfers from the General Fund were necessary in several instances to extinguish the deficits. Owing to certain amounts being due at the end of the year for capitation, however, the difference between the income and expenditure was not so great as the figures given above appear to indicate.

Payments to Boards to be held in trust for the purpose of rebuilding worn-out schools were discontinued in 1919, it being considered no longer desirable to continue this practice.

The total cash balances of the Boards amounted to £158,812 16s. 2d. at the end of 1919, all Boards having credit balances which ranged from £1,155 12s. 3d. to £89,209 8s. 11d. These balances include large sums paid to the Boards over a long period, to be held in trust for the purpose of rebuilding worn-out schools, and, as has been pointed out before, if these moneys had been strictly kept for the proper purpose many Boards would have had much larger credit balances to their account at the present time.

EDUCATION RESERVES.

The Education Reserves Amendment Act of 1914 provides for the revenue received from primary-education reserves to be paid by the Receiver of Land Revenue into the Public Account to the credit of a special deposit account called "The Primary Education Endowments Deposit Account." The moneys so received are applied without further appropriation than the Act mentioned towards the payment of amounts charged on the Consolidated Fund for the purposes of primary education. The revenue from this source during the year 1919-20 was £90,750.

KINDERGARTEN SCHOOLS.

The Education Act does not provide for the establishment of State kindergarten classes, except in the case of the practising schools attached to the four teachers' training colleges in each of which a kindergarten class of not more than forty pupils may be included.

Kindergarten schools under the control of free kindergarten associations are, however, conducted at each of the four chief centres, the total number of children in attendance being approximately 600. The Government pays a subsidy of £1 5s. to the pound upon moneys raised for the maintenance of these schools up to a limit of £3 2s. 6d. per head of the average attendance, the total amount paid on this account in the year 1919-20 being £1,945. In addition, a pound-for-pound subsidy is paid on moneys raised for buildings, sites, or initial equipment for the schools; the sum paid in this manner for the last financial year being £1,367.