

- (iv.) Income from the secondary-school reserves controlled by the Land Boards divided among the secondary schools in the several land districts in proportion to the number of pupils in average attendance (lower departments excluded):
- (v.) Government payments—(a) For teachers' salaries and incidental expenses; (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, donations, and income from special endowments (for scholarships, prizes, &c.), rent of premises, &c.

The revenue derived from sources (i) to (iv) is the income from endowments, the "net annual income derived from endowments" being this sum less the expenditure incurred in connection with the endowments and school property and upon building purposes approved by the Minister. The "net annual income" and receipts from tuition fees are deducted from the amount payable to the High School Board by the Department for salaries.

The following is a summary of the receipts and payments of all operative secondary schools:—

SUMMARY OF THE STATEMENTS OF RECEIPTS AND PAYMENTS FOR THE YEAR 1922 FURNISHED BY
THE GOVERNING BODIES OF PUBLIC OPERATIVE SECONDARY SCHOOLS.

<i>Receipts.</i>	<i>£</i>	<i>Payments.</i>	<i>£</i>
Endowments—		Endowments (including proportion of office ex-	
Sales	451	penses)	6,812
Lands vested in High School Boards	46,843	Teachers' salaries and allowances	156,705
Secondary-education reserves	10,413	Incidental expenses of secondary departments—	
Interest on moneys invested	675	Office expenses and salaries (excluding endow-	
Government grants—		ments)	5,016
Grants for buildings, sites, rent, apparatus,		Printing, stationery, and advertising	3,096
&c., and subsidies	42,489	Cleaning, heating, lighting, and care of school-	
For salaries	123,859	grounds	12,778
For incidental expenses	27,353	Material, examinations, prizes, games, and	
Tuition fees	10,278	other incidentals	4,043
Lower Department Account	6,369	Maintenance of buildings, rates, and taxes	6,869
Hostels Account	63,442	Sites, buildings, furniture, and apparatus	61,099
Loans, interest, &c.	3,315	Lower Department Account	7,134
Technical Classes Account	4,770	Hostels Account	60,571
Voluntary contributions, income from property		Loans repaid, and interest	7,670
not reserves, refunds, and sundries	8,964	Technical Classes Account	5,237
		Scholarships, manual instruction, advances to	
		pupils, and miscellaneous	8,594
	<u>£349,221</u>		<u>£345,624</u>

The total amount expended was £79,500 less than in the previous year, the reduction being principally in the item, "Sites, new buildings, furniture, and apparatus." The expenditure of £61,000 on new buildings, &c., included, among other items, part of the cost of a new boys' school at Auckland, of rebuilding the boys' school at Oamaru, of a new site at Whangarei, of additions to the buildings at Hamilton and New Plymouth, and of a hostel at Gore. The Government's contribution towards the expenditure was £46,000.

The cost of maintenance, including salaries and incidental expenses, was practically the same as in the previous year. The Department pays the Boards the cost of salaries (less net income from endowments), and also a grant of £2·5 per pupil to cover the cost of incidental expenses. The cost of incidentals ranged in the various schools from £1·6 to £4·6, the average cost being £2·25. The total net income from endowments, being the sum the Boards contributed towards the cost of salaries, was £17,000.

As stated above, the majority of the hostels are being managed without any financial loss, and when certain changes are made in the administration of one or two of them it should be unnecessary for any of them to lose money on the year's working.

Several secondary-school Boards have raised loans on the security of their income from endowments with which to carry out their building operations, the loans being repaid gradually from the said income. The total indebtedness of all Boards on this account is about £75,000, the value of their property, of course, far exceeding this amount.