

<i>Expenditure.</i>				£	s.	d.
By Coal	...	...	...	1,444	11	10
Wages	...	...	...	1,034	16	0
Foundry-work, ironmongery, and requisites	...	...	...	237	12	8
Timber	...	...	...	13	18	2
Cartage	...	...	...	246	1	9
Gas- and water-supply	...	...	...	134	2	6
Board fees and travelling-expenses	...	...	...	166	19	0
Salaries, insurance, advertising, &c.	...	...	...	140	17	1
Rent, legal and miscellaneous expenses	...	...	...	104	14	9
Addition to deposit in Post-Office Savings-Bank—Interest for 1898	...	...	...	2	11	0
Deposit with tender refunded (P. Maxwell)	...	...	...	60	0	0
Balance at Bank of New Zealand	...	...	...	251	3	6
				£3,837	8	3

<i>Liabilities.</i>				£	s.	d.	<i>Assets.</i>				£	s.	d.
Contractors' deposits—							Thames Borough Council, arrears	..	..	..	30	0	0
J. J. Craig	..	..	..	50	0	0	Thames County Council, arrears	..	..	..	12	10	0
P. Maxwell	..	..	..	10	0	0	Sundry debtors for coal, scrap-iron, &c.	..	..	..	36	1	11
Sundry creditors	..	..	..	181	6	2	Coal on hand, 167½ tons at 11s. 5d. per ton	..	..	..	95	12	3
Balance	..	..	..	271	14	8	Cash—						
							Deposit in Post-Office Savings-Bank	..	..	..	87	13	2
							At Bank of New Zealand	..	..	..	251	3	6
				£513	0	10					£513	0	10

The manager's report is as follows: "I have the honour to inform you that pumping operations have been carried on continuously during the past year, the usual stoppages excepted. After the annual clean-out of the water-race pumping was resumed on the 3rd January. As soon as possible after starting I had the repairs to ladderway and the reflooring of the winding-engine room (mentioned in my last annual report) effected. I also obtained from Messrs. A. and G. Price new seating and valves for the plunger at the 400 ft. level. In accordance with instructions received from the Inspector of Mines, two watchmen had to be put on to look out for the gas rising, as the Kuranui Caledonian Company were working at the 400 ft. level. These watchmen were kept on until the company ceased working at that level on the 6th August, at a cost to the Board of £94. To supplement my arrangements for ventilating purposes, I applied in January last for an inch-pipe connection with the county water-mains. This I am still using, as the supply from the Moanataiari fluming is very scanty. In May last I had to obtain another set of seating and valves for the plunger at the 200 ft. level. Owing to a breakage in the water-race, pumping had to be discontinued from the 24th June to the 4th July. Pumping was again stopped on the 21st July, to make ready for the annual boiler inspection, which took place on the 26th July. Mr. Jobson passed the boilers as in fair condition, and allowed the same pressure as before, but ordered new gusset-stays for the four main boilers, which have been placed in position. Early in November the stocking of the plunger at the 400 ft. level showed signs of giving way, and I had to obtain two steel plates, glands, &c., to strengthen and secure it. In this month one of the blow-off pipes in connection with the pumping-boilers commenced leaking, and on examination it was found that two of them were badly corroded. New ones have been supplied and fixed in position by Messrs. A. and G. Price. On Christmas Day pumping was again stopped on account of the annual clean-out of the water-race. Pumping was again resumed on Monday morning last. I took advantage of the stoppages to have the pumps and machinery thoroughly overhauled, and the necessary repairs effected, so that everything is now in fair working-order. The smokestack in connection with the pumping boilers is getting in a dangerous condition, as the top is beginning to break away. I would recommend the heavy cornice at the top being removed and the chimney further secured with wire-rope stays. I estimate these repairs would cost about £35. The roof of the boiler-house is getting out of repair, and will require an outlay in the near future of about £25 to put it in fair condition. The substantial repairs effected in 1897 have had the effect of materially reducing the working-expenses, which amount to £2,771 for 1898, as against £3,061 for 1897, a saving of £290, to which may be added the watchmen's wages of £94, making a total saving of £384 for the last year. The consumption of coal during the past year has been 2,376 tons. The working-expenses for last month have been £184; the extra expenses for repairs £42. Monthly coal statement: 1898—1st December—Stock in hand, 54 tons 15 cwt.; 2nd December, received ex "Huon Belle," 72 tons, Hikurangi Coal Company; 3rd December, received ex "Norval," 79 tons 5 cwt., Hikurangi Coal Company; 15th December, received ex "Huon Belle," 71 tons 17 cwt., Hikurangi Coal Company; 17th December, received ex "Saucy Kate," 66 tons 14 cwt., Hikurangi Coal Company: total, 344 tons 11 cwt. Coal sold, 20 tons 1 cwt; consumption, 157 tons: total, 177 tons 1 cwt. 1st January, 1899—Stock in hand, 167 tons 10 cwt."

The drainage of the deep levels, which up to the middle of January last was effected by the Big Pump, is now shared by the pumping plant at the Queen of Beauty shaft, which has been in operation, with the exception of ten days, since the time mentioned. The effect that the lowering of the water-level in the latter shaft has had in lessening the flow in the direction of the Big Pump is already noticeable, especially in the May Queen and Cardigan workings, the old water-levels in those mines having been lowered considerably by drainage towards the Queen of Beauty end. What the ultimate effect of pumping at this shaft may be on the drainage of the adjacent country, or how far the lowering of the water-level may extend in the direction of the Big Pump, future continued operations alone will demonstrate. It is my opinion that until the Queen of