is a waiting-list of advertisers wishing to secure any cancellations. Due no doubt to this state of affairs, advertisers in some centres are experimenting with programmes between 11 p.m. and midnight, and, judging from reports, sales results are being obtained.

It is interesting to note that although licensed listeners have increased considerably during the last few years, which means a larger audience, the advertising rates remain the same as in 1939.

Financial Report.—Audited accounts for the year under review will be published in parliamentary paper B.–1 [Pt. IV]. Items of particular interest contained therein are as follow, corresponding figures for the previous year being shown in parentheses:—

National Division: Income for the year totalled £480,193 (£468,359), comprising radio license fees £441,371, miscellaneous revenue £30,805, and net profit on publication of the *New Zealand Listener*, £8,017.

Expenditure on programmes absorbed £116,177, including £17,541 paid to members of orchestras, £46,578 on talent, £6,423 was spent on the welfare and entertainment of the fighting Forces stationed in New Zealand and overseas, while copyright, features, and miscellaneous programme charges amounted to £45,635. General administrative and running expenses cost £140,367. Total expenditure (including provision for depreciation of assets, £19,465) amounted to £276,009 (£263,436), leaving a working surplus on the year's operations of £204,184 (£204,923). Of this surplus, £260,000 was invested, making a total of £1,830,000 set aside to provide for future development and to overtake arrears of construction and replacement of equipment. The impact of war conditions has been particularly severe in curtailing development and reducing maintenance work as far as possible, with the result that a heavy programme of expenditure must be faced as soon as labour and materials are available.

Commercial Division: Sales of station time established a record turnover of £289,379, other revenue headings accounted for £6,191, making a total income of £295,570 (£280,444). In addition to time sales, local and national community organizations were assisted by free announcements to the value of £6,770. Rate concessions on advertising placed by Government Departments and by non-profit-making organizations equalled £12,595. Programme expenditure amounted to £20,893. It must be remembered that the foregoing figure does not represent the total cost of programmes used on the Commercial stations, as a substantial percentage of advertisers engage their own talent and supply their own features. General administrative and running expenses amounted to £158,902, and depreciation £8,467, the expenditure for the year totalling £188,262 (£176,168), leaving a net profit of £107,308 (£104,276). £82,000 has been provided to meet taxation and Appropriation Account now stands at £109,947. Investments of £120,000 have been set aside to meet capital extensions and major improvements in office and studio accommodation.

Engineering Section

Number of Stations.—There has been no change in the total number of stations in use during the twelve months under review, there being twenty-three medium-wave stations in operation altogether.

This total includes stations in five main centres transmitting Commercial Division programmes, and four small stations, two of which are still operated under contract to the Department, and the other two being privately-owned stations to each of which a subsidy is granted.

All the stations, with the exception of the latter four, are staffed and maintained by the New Zealand Broadcasting Service.