

The sales of coal through the medium of the depots totalled 46,721 tons, value £85,200, as against 74,380 tons, value £118,554, for last year.

It will be noticed that there has been an increase of approximately 12,000 tons in the quantity of Liverpool coal supplied direct by the mines to the various gasworks throughout the Dominion, but notwithstanding the increased tonnage supplied the greatest difficulty has been experienced in securing sufficient coal to fulfil all orders placed, but the best possible has been done with the limited supplies available.

In connection with the transport of coal the arrangements made by our contractors for shipping were generally satisfactory, having regard to the exceptional conditions prevailing. A considerable amount of time, however, has been lost at the mines owing to bad weather and other stoppages, which are set out in detail in the report of the Manager of the collieries.

I would like to take this opportunity of pointing out that since the early part of 1918, under arrangements approved by the Hon. the Minister of Mines, my services have been practically solely placed at the disposal of the Hon. Minister in Charge of Coal-distribution, and since the termination of the Munitions and Supplies Department I have been entirely occupied as Officer in Charge of the Coal Control Department, which has consequently left me no time to devote to matters of detail arising out of my position as Sales Manager.

The following items taken from the balance-sheet will prove of interest as indicating the more important items of expenditure, and for reference in respect to the position of Capital Account, reserve funds, and other accounts shown therein :—

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The total amount paid as war bonus was	16,292
The amount written off for depreciation for the year was	11,468
The payments for interest totalled	8,739
The payments for sea carriage of coal amounted to	73,079
The cost of railway haulage amounted to	23,786
The total wages paid for coal-winning was	80,738
The amount paid for management and office salaries (Head Office and mines) totalled	3,149
The gross capital expenditure on the whole undertaking to 31st March last was	374,775
The total depreciation written off to date (equal to 58·66 per cent. on the gross capital expenditure) amounts to	219,868
The debenture and loan capital stands at	227,601
The sinking fund is in credit	13,200
The reserve fund stands at	5,884
The amount at credit of Profit and Loss is (last year £8,043)	38,650
The cash in hand and in the Public Account at 31st March last was (last year £102,823)	119,843
The present net book value of permanent or fixed assets is	148,718

In conclusion I have to acknowledge the services of the Acting Sales Manager, Accountant, Depot Managers, and staff for services rendered under difficult and trying conditions in connection with the conduct of the business.

The Under-Secretary, Mines Department, Wellington.

I have, &c.,

F. J. GUNN, Sales Manager.