

improved coverage. In determining the best frequencies to be used in New Zealand due heed had to be given to the programme of new stations contemplated by the Commonwealth authorities, who co-operated fully in making the best use of the wave-lengths available. It is true that some listeners are now unable to receive certain distant stations, but it must be borne in mind that every technical advance in broadcasting, whatever its nature, will adversely affect some listeners.

SUBSIDIZED PRIVATE BROADCASTING STATIONS.

The Board has continued to pay regular monthly subsidies to the following private broadcasting stations: 1ZH Hamilton, 2YB New Plymouth, 2ZF Palmerston North, 2ZD Masterton, 2ZJ Gisborne, 2ZH Napier, 4ZP Invercargill, 3ZR Greymouth.

Relays of programmes from the Board's main stations are regularly arranged to 2ZF Palmerston North, 2ZD Masterton, and 1ZH Hamilton, and further assistance is being given to the subsidized stations in the way of circulating programmes of gramophone recordings.

FINANCIAL REPORT.

At the end of this report appears the Board's second balance-sheet certified by the Audit Department, together with the relative Revenue Account. During the year the sum of £5,000 was paid off the amount owing for the assets of the Radio Broadcasting Co. of New Zealand, Ltd., which were acquired from the Minister when the Board commenced operations, making a total reduction in two years of £10,039 17s. 2d.

The expenditure in connection with the new 3YA transmitting-station will total £23,272 14s. 6d.; this includes cost of land, roading, buildings, and transmitter equipment.

BALANCE-SHEETS.

The cost of the arbitration proceedings between the Minister of Telegraphs and the Radio Broadcasting Co. of New Zealand, Ltd., which was a charge against the Board, has now been completely written off.

The Board has appropriated from the Revenue Account to Accumulated Fund the sum of £38,000 towards meeting capital expenditure. The Board's undertakings at Auckland, which include the erection of studio buildings and the installation of a high-power transmitter, will involve an expenditure of £76,000 approximately. The cost of land acquired at Auckland for sites for the studio building and the transmitting-station is included in the assets shown at 31st December, 1933.

The same rates of depreciation as were provided last year have been applied to the transmitting equipment and associated apparatus taken over by the Board. This also applies to such assets as office and studio equipment, &c.

Included in the assets is £3,800, the amount being paid by the Board for the transmitting-plant, furniture, recordings, &c., purchased by Government from the owners of Stations 1ZR (Auckland), 2ZW (Wellington), and 3ZC (Christchurch).

REVENUE ACCOUNT.

After transferring £38,000 to Accumulated Fund towards meeting capital expenditure, and providing for depreciation of assets, the excess of income over expenditure for the year ended 31st December, 1933, is £2,393 2s. 2d.

In addition to the sum of £2,619 10s. paid by way of subsidies to private broadcasting-stations, a further amount of £1,547 0s. 10d. was expended in providing relay lines, equipment, and gramophone recordings for the eight subsidized stations.

As predicted in our last report, the expenditure on programmes was considerably higher than during the preceding year, and the tendency will be for a steady increase in this class of expenditure.

H. D. VICKERY, Chairman.
 GEO. R. HUTCHINSON, }
 LESLIE MACFARLANE, } Members of the Board.