

The balance sheet of the Corporation, as at Mar. 31, 1945, showed a net operating deficit of \$72,747 for the fiscal year, after providing for depreciation and obsolescence at the rate of 2½ p.c. on buildings and 10 p.c. on equipment. During the year the fixed assets of the Corporation were increased by approximately \$255,000, and to finance these expenditures, working capital was reduced by approximately \$100,000 to \$1,034,934, the balance being provided out of current revenues. Capital developments during the year included the purchase and improvement of the property for the National Program Administration Building and Studios, now located at 354 Jarvis Street, Toronto, Ont.; purchase of technical equipment for the Engineering Headquarters, Montreal Studios; the International Service Studios in Montreal, Que.; CJBC transmitter at Dixie, Ont.; and CBA transmitter at Sackville, N.B. Improvements to leased properties, chiefly at International Service Studios, Crescent Street, Montreal, Que., and Palais Montcalm, Quebec, Que., amounted to \$105,000.

Operating costs in percentage terms for the past three years are:—

Item	1942-43	1943-44	1944-45
	p.c.	p.c.	p.c.
General and administrative.....	4.48	4.10	4.17
Operations.....	17.46	18.50	20.40
Programs.....	52.17	56.18	54.24
Station network.....	16.75	16.90	17.02
Depreciation.....	8.87	4.32	4.17
Interest on loans.....	0.27	—	—
	100.00	100.00	100.00

The International Short-Wave Station at Sackville, N.B., was completed by the Corporation for the Dominion Government at a capital cost of \$1,038,985 up to Mar. 31, 1945. The cost of the operation of this service during 1944-45, amounted to \$189,407.

#### 10.—Income and Expenditures of the CBC, Years Ended Mar. 31, 1943-45

Item	1943		1944		1945	
	\$	p.c.	\$	p.c.	\$	p.c.
<b>Income</b>						
Licence fees.....	3,701,690	74.48	3,787,886	72.39	3,783,453	68.81
Commercial.....	1,204,645	24.24	1,421,906	27.18	1,639,160	29.81
Subsidiary hookups.....	38,909	0.78	—	—	—	—
Miscellaneous.....	25,026	0.50	22,249	0.43	75,785	1.38
<b>Totals, Net Income....</b>	<b>4,970,270</b>	<b>100.00</b>	<b>5,232,041</b>	<b>100.00</b>	<b>5,498,398</b>	<b>100.00</b>
<b>Expenditures</b>						
Programs.....	2,329,649	49.15	2,713,977	52.77	2,824,188	50.69
Station network.....	777,307	16.40	849,504	16.52	1,114,153	20.00
Engineering.....	809,610	17.08	930,249	18.09	929,819	16.69
General and administration.....	207,891	4.38	206,177	4.01	227,741	4.09
Press and information.....	89,983	1.90	109,172	2.12	138,241	2.48
Interest on loans.....	12,307	0.26	—	—	—	—
Commercial.....	102,016	2.15	116,562	2.27	109,344	1.96
Depreciation.....	411,245	8.68	217,224	4.22	227,659	4.09
<b>Totals, Expenditures..</b>	<b>4,740,008</b>	<b>100.00</b>	<b>5,142,865</b>	<b>100.00</b>	<b>5,571,145</b>	<b>100.00</b>
Operating surpluses.....	230,262	—	89,176	—	—	—
Operating deficit.....	—	—	—	—	72,747	—