

Gross expenditures of the International Broadcasting Service during the year, totalling \$4,250,000 showed an increase of \$942,000, or 28.5% over the previous year's gross expenditures of \$3,308,000. From this was deducted revenue of \$470,000 paid by the Corporation to the International Broadcasting Service for occupancy of the Radio Canada Building in Montreal and for use of the shortwave transmitter facilities by the Northern Radio Service. The net expenditures of \$3,780,000 represented an increase of \$940,000 or 33.1% over the previous year which amounted to \$2,840,000.

AUDIT

In accordance with Section 34 of the Broadcasting Act, the accounts and financial statements of the Corporation are examined by the Auditor General of Canada and his report, in compliance with the requirements of Section 87 (3) of the Financial Administration Act, accompanies this report.