

FINANCIAL

The following is a concise review of the financial result of the internal service for the year ended 31st March, 1950 :—

			£	s.	d.
Operating and incidental revenue	..	..	1,050,993	9	2
Operating expenditure, excluding depreciation and interest	..	..	1,152,727	10	6
			101,734	1	4
		£	s.	d.	
Depreciation	..	..	182,520	6	4
Interest	..	..	44,421	3	8
			226,941	10	0
			£328,675	11	4

The total revenue, £1,050,993, showed an increase of 15·171 per cent. on the revenue for the previous year.

Passenger revenue, £840,727, increased by 10·37 per cent., freight and excess baggage increased by 40·8 per cent., revenue from carriage of mail increased by 5·61 per cent., and charter revenue increased by 61·06 per cent.

Of the total operating revenue, passenger revenue contributed 80·42 per cent., freight and excess contributed 5·68 per cent., mail revenue contributed 4·31 per cent., charter revenue contributed 7·8 per cent., and incidental revenue contributed 1·79 per cent.

Total operating expenditure, including depreciation and interest, represented 41·06d. per saleable ton-mile created, or 0·66d. per ton-mile less than the previous year (a reduction of 1·582 per cent.). On the other hand, the cost per revenue ton-mile—viz., 62·013d.—was 2·06d. per ton-mile greater than in the previous year (an increase of 3·436 per cent.). These circumstances are largely indicative of the reduced loadings during the winter months, which were responsible for the reduction of the passenger load factor for the year to 71·25 per cent., as compared with 79·55 per cent. for the previous year, and the over-all load factor to 66·2 per cent., as compared with 67·48 per cent. in 1948-49.

The revenue trend is illustrated by comparing the revenue earnings for certain periods of the year, as under :—

Period.	Operating Days.	Revenue.
		£
1st April to 25th June	74	211,565
26th June to 17th September	72	202,441
18th September to 10th December	72	232,680
11th December to 31st March (1950)	95	404,308

The reduction in the average cost per ton-mile created has been accomplished, notwithstanding rising costs in various directions. There have, for example, been general wage increases, including retrospective payments to aircrews in accordance with the Arbitration Court award; the annual depreciation charge on flight equipment has been increased considerably by reason of the additional outlay on aircraft converted and brought into service during the year or late in the previous year, and by reason also of additional provision on the Lodestar aircraft to complete their amortization by 31st March, 1952.