PLAINTIFF'S EXHIBIT CSR-81

P.No.348.

16th April, 1952.

The Manager,
Australian Blue Asbestos Ltd.,
WITTENOOM GORGE.

Dear Sir,

FIBRE STOCKS. Valuation of as at 30th June, 1952.
We refer to our No.782 of 13th October, 1950, and No.906 of 9th November, 1951, in this connection.

The basis for valuation of stocks should, of course, be cost or selling price whichever is the lower, cost being the average of all fibre for the half year and selling the price current at the end of the half year.

If valued at selling price then the prices would be, providing they have not been altered at 30th June this year -

	Per short ton f.o.b. Fremantle	
No.1	£300	
No.2	£215	(allowing £10 for possible reduction in price of overseas sales)
No.3	£170.	

The above prices would be less selling expenses to be incurred, dependent on the location of the fibre and as set out on the sheet attached to our No.782, although as the costs have increased, it may be necessary to alter the figures previously used.

If valued at cost it would be necessary to add selling expenses to the cost at mill, dependent on the location of the fibre.

Please include with your accounts each ½ year a statement setting out details of the figures used for valuing your fibre stocks, similar to the sheet attached to our No.782, mentioned above, so that we can readily see how they have been compiled.

C 1751

The Manager,
Australian Blue Asbestos Ltd. P.No.346.

The whole of the reserve created at 30th June, 1951, viz £23,778, for loss on contract with Minerals Fibres will be written back at 30th June, 1952, as previously instructed.

If there are still unexecuted orders for Minerals Fibres at 30th June, it will be necessary to value the stocks representing them on the basis of our selling price to them viz/-

No.1	£132	per	short	ton	f.o.b.	Fremantle.
No.2	£110	"	"	"	"	"
No.3	£93	"	"	"	"	"

less expenses dependent on the location of the fibre.

Information as to these unexecuted orders should be obtained from C.S.R. Perth immediately prior to 30th June.

It will not be necessary to make any allowance for the No.3 grade fibre sold to Johns Manville as full price is now obtained for this fibre, Asbestos Products paying the difference between the price to Johns-Manville and the current selling price.

TECHNICAL. Mining & Metallurgical Congress. (P.433). We agree that it is desirable that Mr.Broadhurst and Mr.Thomas should attend not only to gain information and meet the personnel engaged in the mining and metallurgical world but also to enable such personnel to learn something of the size and importance of our asbestos project.

However we could not contemplate such an extensive tour as you have tentatively suggested which would mean the absence of these two officers from 10th April to almost the end of May. The most we could agree to would be for them to carry out the pre-sessional tour B and then attend the official business session in Melbourne possibly tour C in Melbourne. Alternatively it may be better for them to leave Melbourne almost directly after the business session and visit Wyalla on the way back to Western Australia as there is much of interest to see at this place.

We would not be prepared for these officers to be absent for more than approx. two weeks.

Please advise if you wish them to be given approval to attend the conference under these conditions.

COMPANY MATTERS. Minutes Directors Meeting. We attach hereto copy of Minutes of Meeting held on the 14th April, 1952.

FINANCE. You will note from the Minutes that, althou you asked for a loan of £21,000 from the C.S.R.Co.Ltd., no loan has been authorised. You have shown £29,479 as having been received for fibre sales during the last 4 weeks which presumabl includes invoices up to and including No.292 for Carters Ltd. I this is so we know that cash for invoices 293/297 for £28,018 has been received and that according to information received fr C.S.R. Perth, further shipments during April will total approx. £50,000 and this will more than cover your estimated requirement of £21,000 after allowing for your estimated receipts for fibre of £35,000. Should there be any delay in shipments during April and you are likely to be short of finance, please advise us. In future we would like you, when showing the amount received f fibre sales for the previous period, to advise us of the invoic numbers included in this amount e.g. 283-297 inclusive.

ENCLOSURES.

Copy of Minutes of Meeting.

Yours faithfully,

EB 16

Managing Director.