Mine/equipment	Rate established by KOMEP Board	Rate billed

Note: (1) In all instances the rate billed is less than the established KOMEP Board rates; (2) Similar equipment (even when located at the same mine) is billed at different rates.

These findings were noted in our review of billings made to only five mines, but are probably indicative of the types of deficiencies and errors which occur in the

cable to AID financing. During January 1965, the BOK deposited 16,640,593 won in the AID Collection Suspense Account; however, to date the USOM has not rendered a billing to transfer the amount due to AID for rentals and royalties for the period from October 1 to December 31, 1964.

During 1965, the BOK deposited collections in the AID Collection Suspense Accounts as they were received, and on a monthly basis (approximately two to three months after the USOM is notified by the BOK) the USOM rendered a billing to transfer the collections from the AID Collection Suspense Account to [illegible] Through December 31, 1965, the

from October 1 to December [illegible] 1963 and September 30, 1964 were on an estimated basis, and no royalties were deposited from October 1 to December 31, 1964; and we cannot determine the excess amount of collections deposited during 1965. At this time, therefore, we wish to adjust all previous estimates, correct the errors which have been made, and bring all deposits for collections up to date. To do this we request KOMEP to prepare several analyses of rental, royalty, sales, and miscellaneous income billings and collections. Pertaining to rentals, sales, and miscellaneous income, the analyses should cover the period from January 1, 1964 through December 31, 1965. Since billings rendered by the USOM for royalties have thus far been on an estimated basis, it is necessary that the analyses pertaining to royalties show (a) the amount disbursed to each mine in the fiscal year disbursed, (b) if the exploratory work resulted in increasing production, and (c) the royalties paid in each of the fiscal years to date. Samples of the forms which should be used by KOMEP in compiling this data are provided in Schedules 3A, B and C of this report.

Although these analyses are required at this time to correct the amounts deposited in the AID Counterpart Fund Special Account, we recommend that KOMEP continue to compile similar data during 1966 and future years. This will not only assist KOMEP in modernizing its method of keeping records, but will also assist the USOM technicians to determine the success of the rental and exploration programs, the need for further rental equipment, and those mines being developed under exploration subsidies which require visits.