

NEW ZEALAND
HONEY MARKETING AUTHORITY



ANNUAL REPORT
and
FINANCIAL STATEMENTS

for the
YEAR ENDED 31st AUGUST, 1961.

NEW ZEALAND HONEY MARKETING AUTHORITY

The Hon. B. E. Talboys,
Minister of Agriculture,
Parliament Buildings,
WELLINGTON.

P.O. Box 2615,
Auckland, C 1.,
30th March, 1962

Dear Sir,

It is my privilege to submit to you in accordance with Section 11 of the Primary Products Marketing Act 1953, the eighth annual report of the New Zealand Honey Marketing Authority. This report is in respect of the financial year ended 31st August, 1961.

Members of the Authority :

Last September saw another election for membership of the Authority when Messrs. W. T. Herron and G. E. Gumbrell completed their term. Mr. Herron did not seek re-election and Messrs. G. E. Gumbrell and J. D. Lorimer who were the only nominees for the vacancies were duly elected. Mr. G. E. Gumbrell was re-elected Chairman and suitable appreciation was recorded for the part that Mr. Herron had taken in the Industry's affairs. We welcome Mr. Lorimer to the Authority and feel sure that his experience and ability will be an asset to us. Mr. E. W. Lee who for some time has deputised for Mr. A. E. Wood has been specially appointed to the position of Government Representative on the Authority. His value to the Industry has already been proved and we are very pleased to have him with us.

Superannuation Scheme :

During the year a very attractive superannuation scheme was introduced on a voluntary basis for the benefit of employees. This should prove a real asset to all concerned.

Conditions of Supply :

These were exactly the same as for the previous year.

Honey Supplied to the Authority :

Crops throughout the country varied from poor to above average and the colour of the North Island supplies was better than for some years. Once again the year showed a substantial increase in supplies to the Authority the grand total exceeding 1,000 tons. A very satisfactory feature of this increase was the significant increase in the quantity of the white clover and E.L.A. honey supplied. The annual receipts from suppliers since 1953 are as follows :—

1953/54	1954/55	1955/56	1956/57	1957/58	1958/59	1959/60	1960/61
Tons	Tons	Tons	Tons	Tons	Tons	Tons	Tons
1,125	2,206	1,669	1,571	1,104	494	827	1,002

Marketing :

The overseas return for white clover honey reached an all time record in price. Although some quantities of the darker honeys have been sold at satisfactory prices, the volume of honey sold has not been as great as might be expected. The increased amount of white honey available has helped considerably in the disposal of the darker honeys but producers may have to revise their values of some of the less acceptable grades.

Supplies of Kamahi (Birch) were considerably in excess of the usual amounts and at the time of writing this report the greater portion remains unsold.

The quantity of Manuka available was not in excess of what could be disposed of and a complete clearance has been effected.

Altogether the Export Market accounted for 441 tons in bulk (of which 221 tons remain unsold) and 33 tons in retail containers.

The Retail market absorbed 216 tons of the Authority's intake in packed lines and 84 tons bulk.

Honey Levy :

This again showed a slight increase on the previous year. The actual comparison being as follows :

1953/54	1954/55	1955/56	1956/57	1957/58	1958/59	1959/60	1960/61
£15,893	£15,377	£15,883	£20,718	£20,226	£18,989	£20,228	£21,793

Depots :

Failure of supplies in the Christchurch area resulted in the closing of this depot, the small amount that was made available being diverted to Timaru. Otherwise there was no change in the previous arrangements.

Payment to Suppliers :

The advance payment of 10d per lb. pro rata was the same as in previous years and the bonus payment was again on a pro rata basis. The division of honey into categories when determining the amount of final payment was however a new procedure and a bonus of 5d per pound pro rata was paid on all honey grading 91 or better; 4½d on all grades between 84.85 and 90.99; 4d per lb. on all honey graded 84.84 and under. Kamahi (Birch) was divided into two categories and bonus payments of 4d and 1½d respectively were made on a flat payment basis. Manuka once again received a 3d per lb. final payment. Quality honey prices have reached an all time record and enjoyed the maximum return allowed under the Price Order, while the Authority's average payment per lb. on the total intake exceeded the previous season's average.

The division of honey into categories for the purpose of arriving at its true value to producers seems an excellent procedure and really places a premium on quality. In order to place further emphasis on market requirements it was decided to exclude any honey grading less than 30 points colour and 75 flavour from the pool when inviting supplies for the coming season and only to purchase these honeys on a special arrangement basis.

After taking all this into account it was decided to raise the initial payment to 11d per lb. pro rata for graded honey for the coming season other lines remain as before.

Payments for Graded Honey excluding Manuka and Special Lines.

Year	Quantity Supplied lbs.	Average Grading	Pro Rata Advance per lb. Total	Contract Premiums per lb. Total	Final Payment per lb. Total	Overall Average payments per lb.
1953/54	2,156,913	89.75	8d £ 64,533	¾d £4,333	3½d flat - £31,455	11.16d
1954/55	4,425,505	85.22	9d £141,268	¾d £7,550	3½d " - £59,928	11.32d
1955/56	3,442,262	88.70	9d £115,502	¾d £8,964	3d " - £43,028	11.60d
1956/57	3,252,935	89.93	9d £109,707	¾d £8,024	3½d " - £44,050	11.93d
1957/58	2,323,404	86.33	9d £ 75,219	¾d £6,136	3½d " - £31,463	11.65d
1958/59	889,163	91.02	9d £ 30,348	¾d £2,188	4¾d pro rata £16,017	13.10d
1959/60	1,622,519	86.47	10d £ 58,463	Nil	4½d " " £26,308	12.53d
1960/61	1,910,861	87.39	10d £ 69,585	Nil	4d 4½d " " £31,642 5d	12.71d

Finance :

The full advantage of the 1% overdraft money for financing stock purchases was reflected in the smoothly running financial arrangements. After making a final payment to suppliers the balance of £1,720 was held in the appropriation account. The first regular payments under the mortgage on the building were made during the year and the exact position is revealed in the accounts.

Plant :

During the latter part of the year the new packing plant came into operation and modifications were made to existing plant to improve efficiency. The Authority now possesses the most modern and efficient processing and packing plant in the Dominion; we are equipped to meet any foreseeable contingency and face the future with confidence.

Manager and Staff :

The year has been a particularly exacting one for Mr. Gosse and his staff. Ordinary problems have been complicated by many unexpected contingencies and it is pleasing to note that these problems have been effectively dealt with. My fellow Members and I wish to thank the Manager and his Staff for their help and courtesy at all times, and our thanks are also due to Mr. Paterson, Apiculturist, Mr. Roberts, Honey Grader, and other Government officers for their help and co-operation.

Yours faithfully,
(sgd.) G. E. GUMBRELL,
Chairman,
New Zealand Honey Marketing Authority.

NEW ZEALAND HONEY MARKETING AUTHORITY
General Revenue Account for the Year Ended 31st August, 1961

1959/60 Amounts to nearest £	1960/61 Amounts to nearest £		1959/60 Amounts to nearest £	1960/61 Amounts to nearest £	
	Honey Stocks on hand, 1/9/60 :				
38,960	New Zealand	54,793			
10,228	Overseas	7,718			
		62,511			
	Payments to Suppliers :				
64,642	Advance Payments	79,553			
29,064	Final Payments	34,149			
		113,702			
2,048	Freight & Cartage Inward				
		2,077			
	Store Costs :				
1,267	Oil Fuel, Electricity and Factory Expenses	1,249			
308	Storage and other Depot Expenses	736			
9,399	Packing Materials	8,900			
5,705	Wages	5,921			
1,618	Depreciation on Plant and Equipment	1,575			
		18,381			
	Local Sales Expenses :				
981	Commission	1,413			
1,277	Freight and Cartage Outward	1,272			
		2,685			
	Export Expenses :				
6,404	Freight, Landing Charges & Cartage	5,596			
2,985	Commission & Incentive Payments	2,567			
133	Insurance	167			
57	General Expenses	165			
158	Warehousing	149			
12	Advertising Expenses—Overseas	5			
		8,649			
	Premises :				
689	Rates	740			
67	Maintenance	74			
813	Depreciation on Building	813			
		1,627			
	Interest :				
4,513	State Advances Corporation	4,478			
21	Reserve Bank of New Zealand	119			
426	Department of Agriculture	Nil			
		4,597			
	Administration :				
81	Cleaning	71			
205	Printing & Stationery	297			
	Salaries & Superannuation Contributions	5,781			
4,810	General Expenses	1,059			
606	Telephones, Telegrams & Postage	353			
266	Insurance	382			
307	Maintenance of Office Equipment	33			
34	Depreciation on Office Equipment	202			
210		8,178			
1,799	Advertising :				
		1,126			
	Marketing Authority				
1,400	Members' Honoraria	1,225			
949	Members' Travelling Expenses	884			
Nil	Election Expenses	31			
		2,140			
	Surplus :				
611	Transferred to Appropriation Account	3,056			
£193,053		£228,729	£193,053		£228,729

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Honey Levy Account for the Year Ended 31st August, 1961

1959/60 Amounts to nearest £		1960/61 Amounts to nearest £		1959/60 Amounts to nearest £		1960/61 Amounts to nearest £
874	Printing and General Expenses	1,126		20,228	Revenue from Honey Levy	21,793
1,000	Grant to National Beekeepers' Association of N.Z. (Inc.)	1,000				
18,354	Balance transferred to General Revenue Account	19,667				
£20,228		£21,793		£20,228		£21,793

Appropriation Account for the Year Ended 31st August, 1961

1969/60 Amounts to nearest £		1960/61 Amounts to nearest £		1959/60 Amounts to nearest £		1960/61 Amounts to nearest £
Nil	Principal Repayment on Mortgage appropriated to Mortgage Redemption Reserve	1,336		Nil	Surplus from General Revenue Account	3,056
Nil	Surplus for year ended 31/8/61	1,720				
Nil		£3,056		Nil		£3,056
				Nil	Balance brought down	1,720

Balance Sheet as at 31st August, 1961

1959/60 Amounts to nearest £		1960/61 Amounts to nearest £		1959/60 Amounts to nearest £		1960/61 Amounts to nearest £
90,000	Mortgage : State Advances Corporation	90,000		6,168	Bank (Current A/c) : Bank of New Zealand, Auckland	3,569
	Less Principal repaid	1,336		7,708	Sundry Debtors : Overseas Account	3,444
				12,289	Current Accounts	17,314
		88,664				20,758
9,660	Bank Overdraft : Reserve Bank of New Zealand	41,884		62,511	Honey Stocks (at standard valuation)	104,280
2,775	Sundry Creditors : Trade Creditors & Accrued Expenses	5,585		6,472	Packing Materials (at cost)	4,723
29,064	Honey Suppliers — Final Payment	34,149		207	Stationery (at valuation)	295
		39,734		29	Air Travel Deposit A/c	58
40,000	Stock Fluctuation Account :	40,000		83,449	Land & Buildings : (at cost less depreciation)	83,440
Nil	Mortgage Redemption Reserve :	1,336		12,826	Factory Plant : (at cost less depreciation)	15,860
22,850	Accumulated Fund : Balance as at 1/9/60	22,850		1,720	Office Furniture & Equipment : (at cost less depreciation)	1,722
				970	Loose Tools & Equipment : (at valuation)	1,483
Nil	Appropriation Account :	1,720				
£194,349		£236,188		£194,349		£236,188

The Audit Office having made such examination as was considered necessary certifies that in its opinion the above balance sheet and accompanying accounts are correct.

(sgd.) A. D. BURNS,
Controller and Auditor General

C. T. GOSSE, F.C.I.S., A.R.A.N.Z.
Manager. 30/3/62