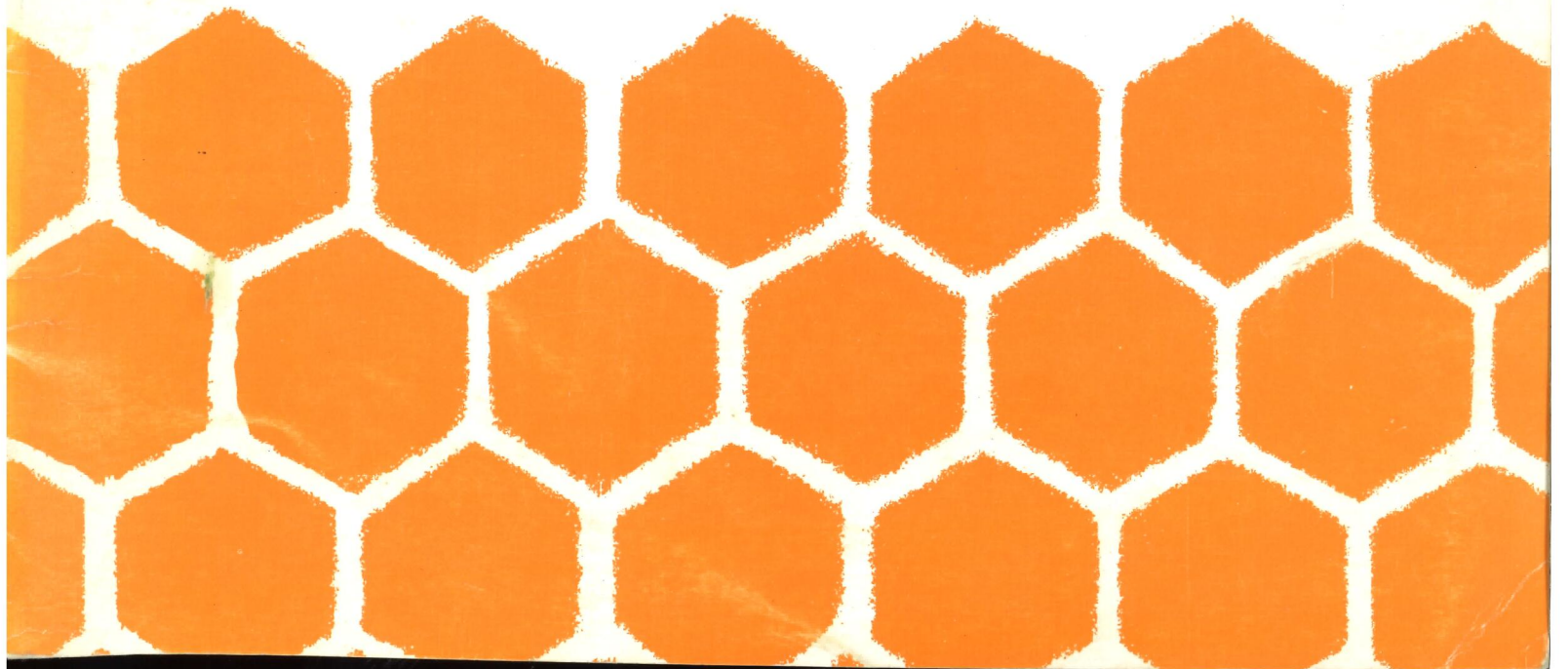


NEW ZEALAND  
HONEY MARKETING AUTHORITY



# **ANNUAL REPORT**

1975



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# NEW ZEALAND HONEY MARKETING AUTHORITY

## 22nd ANNUAL REPORT

### DIRECTORY

#### MEMBERS OF THE AUTHORITY:

CHAIRMAN

R.F. POOLE, CHRISTCHURCH

DEPUTY CHAIRMAN

A.K. ECROYD, CHRISTCHURCH

B.W. FORSYTH, OHAUPO

F.A. BARTRUM, TIMARU

GOVERNMENT REPRESENTATIVE

D. HAYMAN

#### EXECUTIVE:

GENERAL MANAGER

C. WICHT

SECRETARY

W.R. GREGORY

FACTORY MANAGERS

C. CHRISTIAN, AUCKLAND

J. OLYKAN, CHRISTCHURCH

W. MERRITT, TIMARU

BANKERS

BANK OF NEW ZEALAND

SOLICITORS

WYNYARD, WILSON & CO. AUCKLAND

#### HEAD OFFICE:

P.O. BOX 2615, AUCKLAND

TELEPHONE: 362-574

TELEGRAMS & CABLES: "HONEYMARK"

TELEX: C.P.O. AK NZ 2553.

#### PROCESSING FACTORIES &

WAREHOUSES

AUCKLAND

CNR. GARFIELD & CHURTON ST.,

PARNELL.

CHRISTCHURCH

235 BUCHANANS ROAD, HORNBY

TIMARU

16 HORTON ROAD, PLEASANT POINT

#### DEPOTS:

JARRATT SANDES & CO. LTD.

PALMERSTON NORTH.

FREIGHTWAYS ROAD SERVICES

(SOUTHLAND) LTD. INVERCARGILL.

# NEW ZEALAND HONEY MARKETING AUTHORITY

## 22ND ANNUAL REPORT AND STATEMENT OF ACCOUNTS

The Hon. Minister of Agriculture & Fisheries,  
Parliament Buildings,  
Wellington.

Dear Sir,

In accordance with Section 11 of the Primary Products Marketing Act, 1953, I am submitting to you the Annual Report of the N.Z. Honey Marketing Authority for the year ended 31st August, 1975.

### **Personnel of the Authority.**

As there was no election in the last twelve months, the membership of the Authority is unchanged from that of last year.

### **Conditions of Supply**

The advance payable on honey graded for export remained at 40c per kg. and the freight allowance was also the same as last year. The early delivery bonus was varied to allow for a later production season in the lower half of the South Island, and it may be necessary to discontinue the bonus for water white honey as buyers were no longer paying a premium price for this grade.

### **Production and Intake**

The production of honey throughout New Zealand was higher than for many years with the result that the intake into the Authority was a record 2914 tonnes. This was 669 tonnes higher than the previous best year of 1971, when the intake was 2245 tonnes.

### **Payout**

In accordance with your directive, the Authority announced early in 1975 that the payout would be a minimum of 54c, with a maximum —subject to trading results, of 57c. Unfortunately, due to a fall off in overseas demand and prices, sales were very slow, and only improved after the August currency devaluation. The result is that in order to pay 54c per kg. it was necessary to draw over \$90,000 from reserves. The actual payout was 55.74c per kg for honey grading 100 points.

### **Marketing**

As mentioned above, overseas sales only picked up after currency devaluation, and as this happened within a few days of the end of the financial year, the full effects do not show in this year's accounts. The Authority priced its packed lines on the home market at a figure to recover the base price, but as many producers chose to supply the same market with their increased production at a lower price than the Authority's, our sales decreased in volume. This ability of the private sector of the Industry to undercut prices is of special concern to the Authority as it hampers our attempts to promote orderly marketing.

### **Land and Buildings**

The high intake proved to be too great for the covered storage at both Christchurch and Pleasant Point, with the result that a lot of honey was stored outside in 44 gallon drums. Although 5" x 2" tanalised timber was used as bearers for the drums, there was some ground subsidence due to the high winter rainfall. As a result, some rock fill and gravelling of the storage area was carried out. Normal maintenance has been carried out as required on plant and buildings.

### **Reserves**

The Reserve accounts have been reduced by \$91,620. Being the amount by which trading results fell short of the base payout of 54c per kg. average, plus the amounts of capital repayments on our Rural Bank mortgages.

### **Staff**

During the year Mr. C.W. Carr was forced by ill health to resign and the Authority was sorry to lose his services. All staff carried an increased work load due to the record intake, and their efforts are greatly appreciated.

Yours faithfully,

R.F. Poole Chairman.

# NEW ZEALAND HONEY MARKETING AUTHORITY

## STATEMENT OF INCOME & EXPENDITURE

FOR THE YEAR ENDING 31st AUGUST 1975

1974 LAST YEAR \$		1975 THIS YEAR \$
	<b>TOTAL VALUE OF SALES</b>	
	Together with the estimated realizations of Stock on hand at 31st August, 1975	2,140,263
1,236,738	Plus Income from:- Levies (Net)	1,780
31,532	Interest (Net)	—
5,665		
<u>1,273,935</u>	<b>TOTAL INCOME FOR YEAR</b>	<u>2,142,043</u>
	The total manufacturing charges, ocean freights, overseas and domestic selling expenses (including Marketing Board expenses of \$2,469 and Audit Fees of \$786) for the twelve months amounted to	558,309
366,817	<b>LEAVING AN EXCESS OF INCOME AMOUNTING TO</b>	1,583,734
<u>907,118</u>	Seals Levy disbursements amounted to	6,422
—	Fixed Assets have been depreciated by	5,677
5,043	Marketing Board Honoraria amounted to	<u>5,350</u>
5,350	<b>LEAVING A SURPLUS OF</b>	1,566,285
<u>896,725</u>	Your Board have transferred to:-	
	Overhead Equalisation Reserve	—
25,000	Mortgage Redemption Reserve	5,774
5,302	General Reserve	—
52,103	Container Redemption Fund	<u>54,650</u>
—	<b>LEAVING A NETT SURPLUS</b>	1,505,861
<u>814,320</u>	To achieve the minimum guaranteed payment of 54c per kilo, set by the Minister of Agriculture & Fisheries for the year it was necessary to withdraw from General Reserves	91,620
	<b>MAKING AVAILABLE FOR DISTRIBUTION TO SUPPLIERS</b>	<u>\$1,597,481</u>
<u>\$ 814,320</u>		

# NEW ZEALAND HONEY MARKETING AUTHORITY

## STATEMENT OF SOURCE & APPLICATION OF FUNDS

FOR THE YEAR ENDED 31st AUGUST 1975

<b>SOURCE</b>		\$
Funds Available as per Appropriation Account		1,597,481
		<hr/>
		1,597,481
Distributed to Suppliers		1,597,481
		<hr/>
Funds retained from Distribution		NIL
<b>Add</b> Increases in Current Liabilities		
Reserve Bank	655,625	
Creditors	97,648	
Final Payout	191,514	
	<hr/>	
		944,787
<b>Less</b> Increases in Current Assets		
Bank of New Zealand	8,448	
Debtors	179,188	
Stocks	724,805	
	<hr/>	
		912,441
		<hr/>
<b>Net Increase in Working Capital</b>		32,346
<b>Add</b> Increases in Reserve Funds		
Hive Levy Fund	6,629	
Container Fund	54,651	
Mortgage Redemption Fund	5,774	
	<hr/>	
		67,054
		<hr/>
<b>TOTAL FUNDS AVAILABLE</b>		<u>99,400</u>
		<hr/>
<b>APPLICATION</b>		
Nett Increase in Fixed Assets	2,206	
Mortgage Repayments Principal	5,574	
Reduction in General Reserve	91,620	
	<hr/>	
<b>TOTAL FUNDS APPLIED</b>		<u>\$ 99,400</u>

# NEW ZEALAND HONEY

## BALANCE SHEET AS

1974		1975
	<b>CURRENT LIABILITIES</b>	
—	Reserve Bank	655,625
3,767	Creditors	
	Trade	98,865
	Other	2,550
		101,415
216,676	Honey Suppliers Final Payout	408,190
		1,165,230
220,443	<b>TOTAL CURRENT LIABILITES</b>	
	<b>RESERVE &amp; ACCUMULATED FUNDS</b>	
83,040	Accumulated Funds	83,040
80,000	Stock Fluctuation Account	80,000
75,000	Overhead Equalisation Reserve	75,000
352,063	General Reserve	260,443
—	Hive Levy Fund	6,629
—	Container Redemption Fund	54,650
		559,762
590,103	<b>TOTAL RESERVES &amp; ACCUMULATED FUNDS</b>	
	<b>LONG TERM LIABILITIES &amp; CAPITAL RESERVES</b>	
132,332	Rural Banking and Finance Corporation (Secured)	126,758
62,967	Mortgage Redemption Reserve	68,742
		195,500
195,299	<b>TOTAL LONG TERM LIABILITIES &amp; CAPITAL RESERVES</b>	
\$1,005,845		\$1,920,492
\$1,005,845		\$1,920,492





# NEW ZEALAND HONEY MARKETING AUTHORITY

## NOTES TO ACCOUNTS

### HIVE LEVY ACCOUNT AT 31st AUGUST 1975

	\$		\$
Levies Received in Advance	8,368	Levies Received	25,105
Payments to:		Balance C/D	1,738
National Beekeepers Association	12,550		
New Zealand Honey Marketing Authority	5,925		
	<u>26,843</u>		<u>26,843</u>
Balance Brought Down	<u>1,738</u>		
		Hive Levy Received in Advance at 31.8.75	
		Hive Levy Account	8,368

### REPORT OF THE AUDIT OFFICE

To the Chairman and Members of the New Zealand Honey Marketing Authority

The Audit Office, acting under statutory authority, has audited the accounts of the New Zealand Honey Marketing Authority for the year ended 31st August, 1975.

The audit included such reviews of the accounting procedures and tests of the account records and other supporting evidence as were considered necessary in terms of Section 20, Public Revenues Act 1953. All the information and explanations required have been obtained. The financial transactions which have come under notice have been within statutory authority.

In the opinion of the Audit Office the attached Balance Sheet and accompanying accounts give a true and fair view of the state of affairs and the Authority as at 31st August, 1975 and of the results of the financial operations for the year.

G. J. CONNELLY  
Deputy Controller and Auditor-General

27th April, 1976

## COMPARATIVE FINANCIAL & STATISTICAL REVIEW

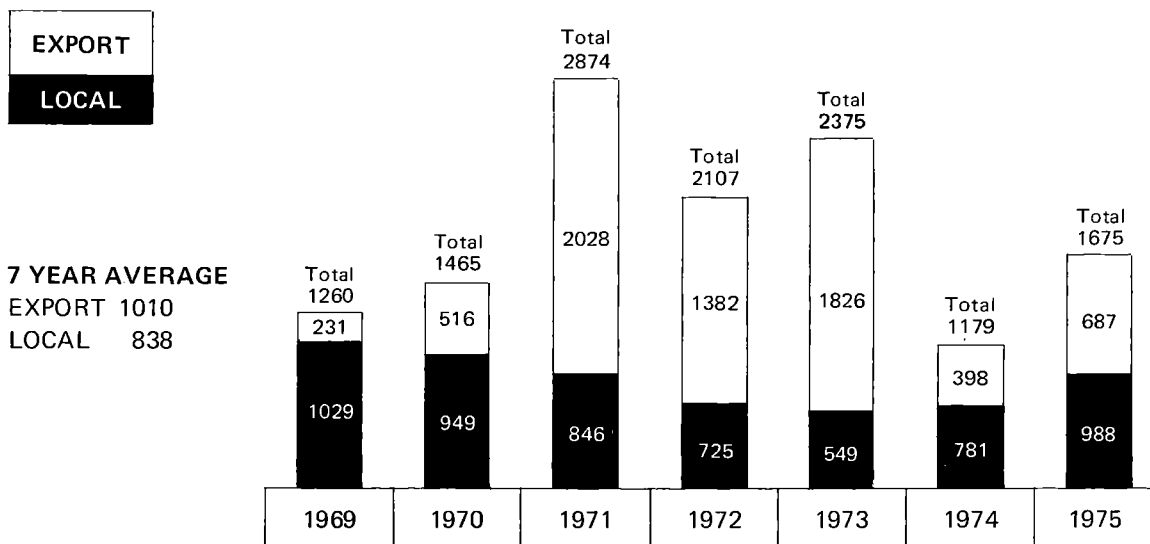
### ANALYSIS OF NEW ZEALAND TRADING (IN \$ 000)

	1969	1970	1971	1972	1973	1974	1975
<b>SALES</b>	513	475	466	448	352	659	919
Less: Commission and Distribution Expenses	33	30	34	39	30	45	64
<b>EX STORE REALISATION</b>	480	445	432	409	322	614	855

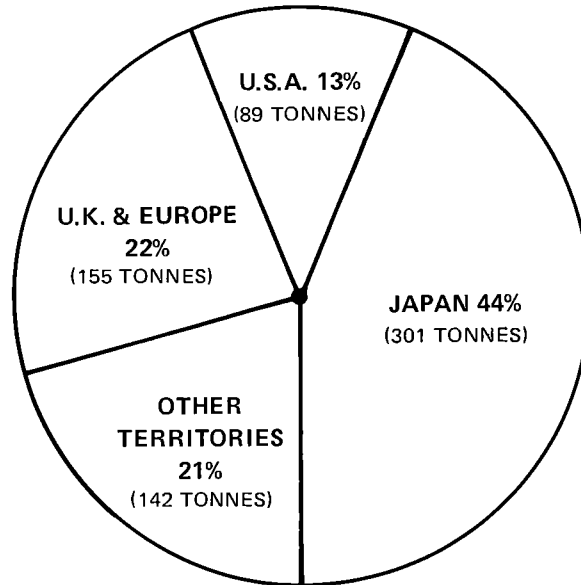
### ANALYSIS OF OVERSEAS TRADING (IN \$ 000)

	1969	1970	1971	1972	1973	1974	1975
<b>SALES</b>	105	199	735	711	1390	349	510
Less: Commission and Export Charges	16	36	100	93	99	15	39
<b>EX STORE REALISATION</b>	89	163	635	618	1291	334	471

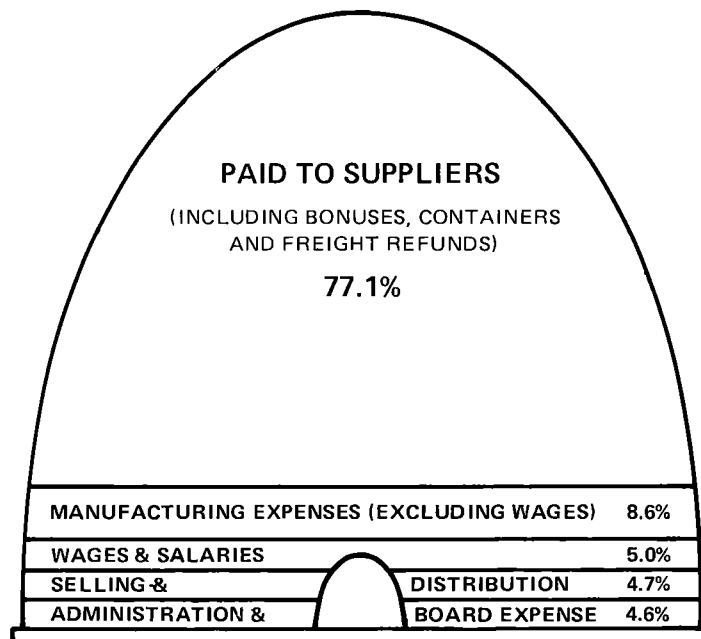
### SALES BY MARKET (IN TONNES)



## EXPORT SALES ANALYSIS



## USE OF 1975 REVENUE



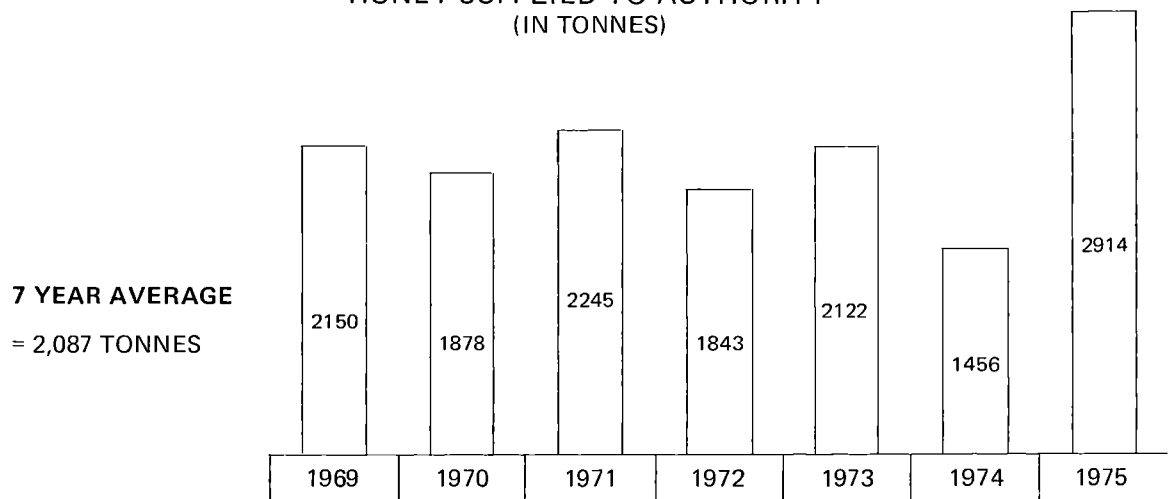
**PARTICULARS OF DISTRIBUTION TO SUPPLIERS**

	1969	1970	1971	1972	1973	1974	1975
	\$	\$	\$	\$	\$	\$	\$
Straight Purchase	16,953	4,693	33,261	8,873	20,470	2,648	6,086
Advance Payment	380,402	343,874	361,342	470,257	800,828	581,129	1,153,316
Premium Bonus						1,724	4,567
Early Delivery Bonus					17,411	12,143	25,322
Final Payment	144,642	116,874	242,633	218,649	114,704	216,676	408,190
<b>TOTAL</b>	<b>541,997</b>	<b>465,441</b>	<b>637,236</b>	<b>697,779</b>	<b>953,413</b>	<b>814,320</b>	<b>1,597,481</b>

**COMPARISON OF OVERALL AVERAGE PAYMENT  
(PER KILOGRAM)  
EXCLUDING STRAIGHT PURCHASES AND BONUS PAYMENTS**

	1969	1970	1971	1972	1973	1974	1975
Tonnes Supplied	1,968	1,856	2,079	1,820	2,053	1,451	2,909
Average Payout Points	96.45	95.66	93.51	92.83	94.59	93.47	96.89
Average Payment	24.98	24.82	29.06	37.85	44.58	54.98	54.11

**HONEY SUPPLIED TO AUTHORITY  
(IN TONNES)**



**PARTICULARS OF SUPPLY  
(IN TONNES)**

	<b>1969</b>	<b>1970</b>	<b>1971</b>	<b>1972</b>	<b>1973</b>	<b>1974</b>	<b>1975</b>
North Island	809	700	727	690	682	332	651
South Island	1,341	1,178	1,518	1,153	1,439	1,124	2,263
<b>TOTAL</b>	<b>2,150</b>	<b>1,878</b>	<b>2,245</b>	<b>1,843</b>	<b>2,121</b>	<b>1,456</b>	<b>2,914</b>

**GRADES OF HONEY SUPPLIED  
(IN TONNES)**

	<b>1969</b>	<b>1970</b>	<b>1971</b>	<b>1972</b>	<b>1973</b>	<b>1974</b>	<b>1975</b>
White	1,423	1,045	1,406	1,025	1,345	1,002	2,350
Extra Light Amber	340	427	347	462	376	226	285
Light Amber	275	339	289	300	304	186	199
Medium Amber	109	59	176	54	77	41	67
Dark Amber	3	8	27	2	19	1	13
<b>TOTAL</b>	<b>2,150</b>	<b>1,878</b>	<b>2,245</b>	<b>1,843</b>	<b>2,121</b>	<b>1,456</b>	<b>2,914</b>

**PARTICULARS OF ANNUAL SALES  
(IN TONNES)**

	<b>1969</b>	<b>1970</b>	<b>1971</b>	<b>1972</b>	<b>1973</b>	<b>1974</b>	<b>1975</b>
<b>Overseas:</b> Bulk	163	444	1,911	1,194	1,695	265	567
Packs	68	72	117	188	131	133	120
<b>TOTAL</b>	<b>231</b>	<b>516</b>	<b>2,028</b>	<b>1,382</b>	<b>1,826</b>	<b>398</b>	<b>687</b>
<b>Local:</b> Bulk	52	54	101	79	41	28	114
Packs	977	895	745	646	508	753	874
<b>TOTAL</b>	<b>1,029</b>	<b>949</b>	<b>846</b>	<b>725</b>	<b>549</b>	<b>781</b>	<b>988</b>



Trade Mark of the  
New Zealand Honey Marketing  
Authority

