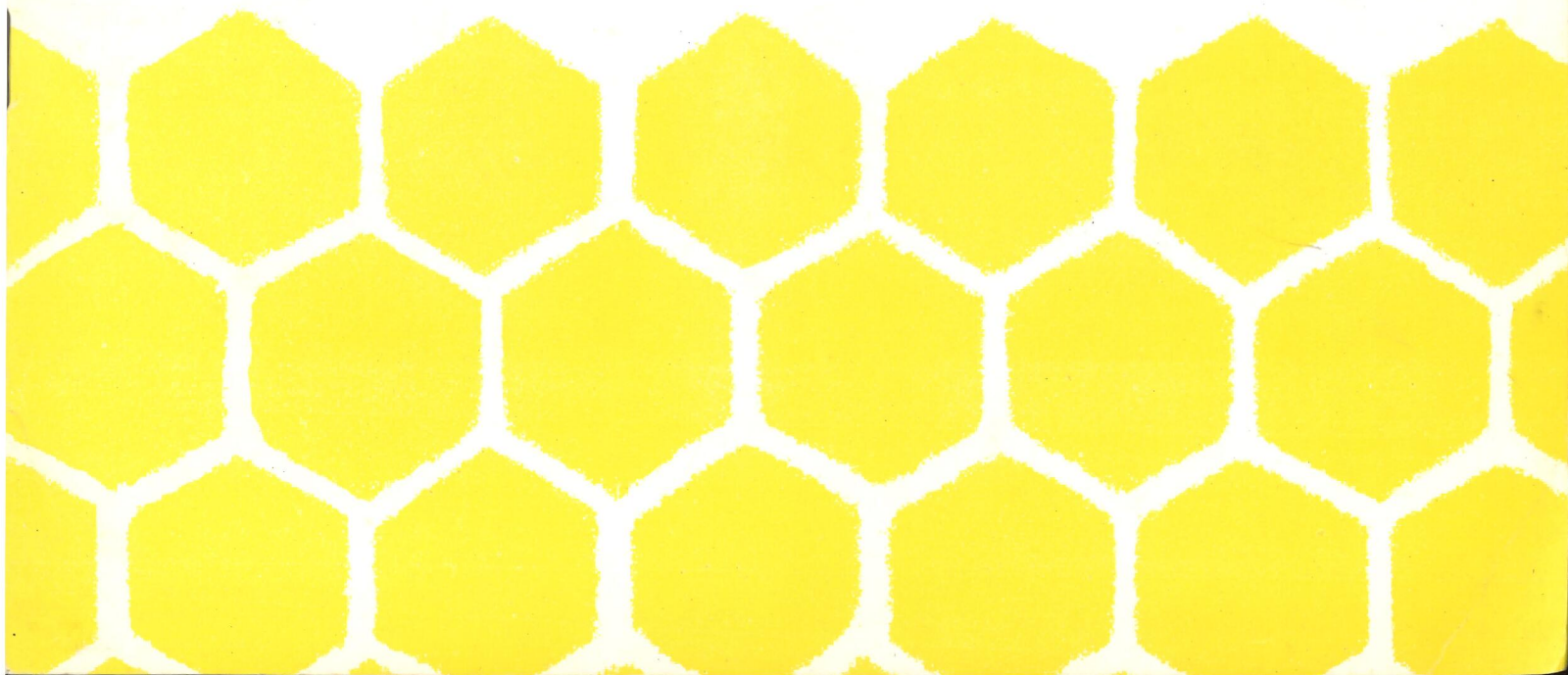


NEW ZEALAND  
HONEY MARKETING AUTHORITY



# **ANNUAL REPORT**

1976



## CONTENTS

	Page
Membership of Authority, Executive, Bankers, Solicitors Offices and Branches.	2
Chairman's Report.	3
Income & Expenditure Account.	4
Statements of Source & Application of Funds.	5
Balance Sheet.	6-7
Notes to Accounts – Auditors Report.	8
Comparative Financial & Statistical Review for 7 years 1970-1976	9-12

# NEW ZEALAND HONEY MARKETING AUTHORITY

## 23rd ANNUAL REPORT

### DIRECTORY

#### MEMBERS OF THE AUTHORITY:

CHAIRMAN

R.F. POOLE, CHRISTCHURCH

DEPUTY CHAIRMAN

A.K. ECROYD, CHRISTCHURCH

P. BERRY, HAVELOCK NORTH

F.A. BARTRUM, TIMARU

GOVERNMENT REPRESENTATIVE

D. HAYMAN

#### EXECUTIVE:

GENERAL MANAGER

C. WICHT

ACCOUNTANT

G.G. CHADWICK

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.

N.Z. EXPRESS CO. LTD.,

35 WARD ST.,

DUNEDIN.

FREIGHTWAYS ROAD SERVICES

(SOUTHLAND) LTD. INVERCARGILL.

# NEW ZEALAND HONEY MARKETING AUTHORITY

## 23RD ANNUAL REPORT AND STATEMENT OF ACCOUNTS

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

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, 1976.

### **Personnel of the Authority**

An election for two producer representatives held in September 1975 resulted in Messrs. P. Berry and R.F. Poole being elected to the Authority.

### **Conditions of Supply**

The advance payable on honey graded for export remained at 40c per kg, and the freight allowance and early delivery bonus were both continued at last year's level. As an incentive to suppliers to buy suitable scales for weighing 44 gallon drums, a drum weighing bonus was instituted of \$1 per drum for all drums weighed to a net weight of 305 kg. The Authority also arranged a bulk purchase of scales from Avery Scales Ltd. and made these available to producers at a discount price.

### **Production and Intake**

The season proved to be one of the worst for many years with the result that intake of honey to the Authority was only 1700.2 tonnes. Of this 1532.7 tonnes came from South Island producers, with only 167.5 tonnes coming from the North Island.

### **Marketing**

In my report to you last year I pointed out that devaluation of the N.Z. dollar a few days before the end of the Authority's financial year in August 1975 resulted in some improved prices. I am pleased to further report that the upward trend which started then continued throughout the year under review. This was partly contributed to by the fact that the amount of honey available was much less than last year, and consequently we were able to demand higher prices from the overseas buyers.

### **Payout**

As a result of the increased prices, the amount of money available from trading was sufficient to pay the maximum allowed under the base price formula set by you in February. Consequently the payout for 100 point honey was 61.14 cents per kg. with the lower grades receiving a reduction of half a payout point for each grading point below 100. This payout absorbed \$170,245 leaving \$102,132 which could not be paid out, and was therefore credited to the Authority's Reserve Accounts.

### **Reserves**

As mentioned above \$102,132 was credited to reserves. Last year it was necessary to draw on reserves to the extent of \$91,620 in order to pay the minimum base price of 54c per kg. This year the amount put to reserves exceeds last year's withdrawal by \$10,512.

### **General**

Towards the end of July the Authority's General Manager went overseas to visit the main honey buying countries of the world. The Authority hopes to profit from the knowledge he gains from first hand study of the markets to which we are exporting. The General Manager and his staff have worked conscientiously in the interests of the Authority and the healthy state of the finances as shown in the attached accounts reflect their efforts.

Yours faithfully,

R.F. Poole  
CHAIRMAN

# NEW ZEALAND HONEY MARKETING AUTHORITY

## STATEMENT OF INCOME & EXPENDITURE

FOR THE YEAR ENDING 31st AUGUST 1976

1975 LAST YEAR \$		1976 THIS YEAR \$
	<b>TOTAL VALUE OF SALES</b>	
	Together with the estimated realisations of Stock on hand at 31st August, 1976.	<b>1,927,587</b>
2,140,263	Plus income from: Levies	7,433
1,780	Interest	110
—	Service Charges	<u>4,200</u>
<u>2,142,043</u>	<b>TOTAL INCOME FOR YEAR</b>	<b>1,939,330</b>
	The total manufacturing charges, ocean freights, overseas and domestic selling expenses (including Marketing Board expenses of \$5,092 and Audit Fees of \$781) for the twelve months amounted to:	<u>791,226</u>
<u>558,309</u>	<b>LEAVING AN EXCESS OF INCOME AMOUNTING TO</b>	<b>1,148,104</b>
1,583,734	The Fixed Assets have been depreciated by	5,759
5,677	The Marketing Board Honoraria amounted to	5,350
5,350	Seals Levy disbursements totalled	2,577
6,422	Payments made in respect of last Seasons final payout amounted to	<u>8,935</u>
—	<b>LEAVING A SURPLUS OF</b>	<b>1,125,483</b>
<u>1,566,285</u>	Your Board have transferred to:—	
—	Overhead Equalisation Reserve	43,706
5,774	Mortgage Redemption Reserve	5,614
—	General Reserve	52,812
<u>54,650</u>	Container Redemption Fund	—
<u>1,505,861</u>	<b>LEAVING A NETT SURPLUS OF</b>	<b>1,023,351</b>
	After charging to the Container Redemption Fund containers held by beekeepers, the amount overprovided was	<u>11,604</u>
<u>91,620</u>	<b>MAKING AVAILABLE FOR DISTRIBUTION TO SUPPLIERS</b>	<b><u>\$1,034,955</u></b>
<u><u>\$1,597,481</u></u>		

# NEW ZEALAND HONEY MARKETING AUTHORITY

## STATEMENT OF SOURCE & APPLICATION OF FUNDS

FOR THE YEAR ENDING 31st AUGUST, 1976

### SOURCE

Funds Available as per Appropriation Account		1,034,955
Distributed to Suppliers		<u>1,034,955</u>
Retained from Distribution		NIL
<b>Add</b> Increases in Reserves:-		
Overhead Equalisation Reserve	43,706	
General Reserve	52,812	
Mortgage Redemption Reserve	<u>5,614</u>	
		102,132
<b>Add</b> Non cash charges for:-		
Depreciation	5,759	
Pallets written off	<u>1,080</u>	
		<u>6,839</u>
<b>TOTAL FUNDS AVAILABLE</b>		<u><u>108,971</u></u>

### APPLICATION

Increase in Fixed Assets	2,611	
Mortgage Repayments Principal	<u>5,814</u>	
		8,425
Reduction Container Redemption Reserve	54,651	
Reduction in Hive Levy Fund	<u>2,951</u>	
		57,602
Increase in Working Capital		<u>42,944</u>
<b>TOTAL FUNDS APPLIED</b>		<u><u>108,971</u></u>

# NEW ZEALAND HONEY

## BALANCE SHEET AS

1975		1976
	<b>CURRENT LIABILITIES</b>	
655,625	Reserve Bank	182,527
98,865	Creditors: Trade	23,426
2,550	Other	13,263
<u>408,190</u>	Honey Suppliers Final Payout	<u>170,245</u>
1,165,230	<b>TOTAL CURRENT LIABILITIES</b>	<b>389,461</b>
	<b>LONG TERM LIABILITIES</b>	
<u>126,758</u>	Rural Banking & Finance Corporation (secd)	<u>120,944</u>
126,758	<b>TOTAL LONG TERM LIABILITIES</b>	<b>120,944</b>
	<b>REVENUE RESERVES &amp; ACCUMULATED FUNDS</b>	
83,040	Accumulated Funds	83,040
80,000	Stock Fluctuation Reserve	80,000
75,000	Overhead Equalisation Reserve	118,706
260,443	General Reserve	313,254
6,629	Hive Levy Fund	3,679
<u>54,650</u>	Container Redemption Fund	<u>—</u>
559,762	<b>TOTAL REVENUE RESERVES &amp; ACCUMULATED FUNDS</b>	<b>598,679</b>
	<b>CAPITAL RESERVES</b>	
<u>68,742</u>	Mortgage Redemption Reserve	<u>74,356</u>
628,504	<b>TOTAL REVENUE &amp; CAPITAL RESERVES</b>	<b>673,035</b>
 <u><u>\$1,920,492</u></u>		 <u><u>\$1,183,440</u></u>





# NEW ZEALAND HONEY MARKETING AUTHORITY

## HIVE LEVY ACCOUNT AT 31st AUGUST 1976

1975		1976	1975		1976
\$		\$	\$		\$
12,550	Grant to N.B.A.	20,000	—	Levies Rec'd in Advance	8,368
5,424	Grant to H.M.A.	7,433	25,105	Levies Received	25,038
501	Collection Costs	555	—	Levies in Arrears	140
8,368	Levies Rec'd in Advance	8,392	1,738	Prepayments to 31.12.76	4,573
—	Prepayments to 31.12.75	1,739			
<u>\$26,843</u>		<u>\$38,119</u>	<u>\$26,843</u>		<u>\$38,119</u>

## STATEMENT OF FUNDS AS AT 31st AUGUST 1976

1975		1976	1975		1976
\$		\$	\$		\$
8,368	Levies Rec'd in Advance	8,392	6,629	Bank of NZ (NZHMA)	3,679
			—	Debtors	140
			1,739	Prepayments	4,573
<u>\$8,368</u>		<u>\$8,392</u>	<u>\$8,368</u>		<u>\$8,392</u>

## 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 31 August, 1976.

The audit included such reviews of the accounting procedures and tests of the accounting 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 of the Authority as at 31 August, 1976, and of the results of the financial operations for the year.

S. T. KEENE  
for Controller and Auditor-General

8th December, 1976

## COMPARATIVE FINANCIAL & STATISTICAL REVIEW

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

	1970	1971	1972	1973	1974	1975	1976
<b>SALES</b>	475	466	448	352	659	919	900
Less: Commission and Distribution Expenses	30	34	39	30	45	64	77
<b>EX STORE REALISATION</b>	445	432	409	322	614	855	823

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

	1970	1971	1972	1973	1974	1975	1976
<b>SALES</b>	199	735	711	1390	349	510	1669
Less: Commission and Export Charges	36	100	93	99	15	39	232
<b>EX STORE REALISATION</b>	163	635	618	1291	334	471	1437

### PARTICULARS OF ANNUAL SALES (IN TONNES)

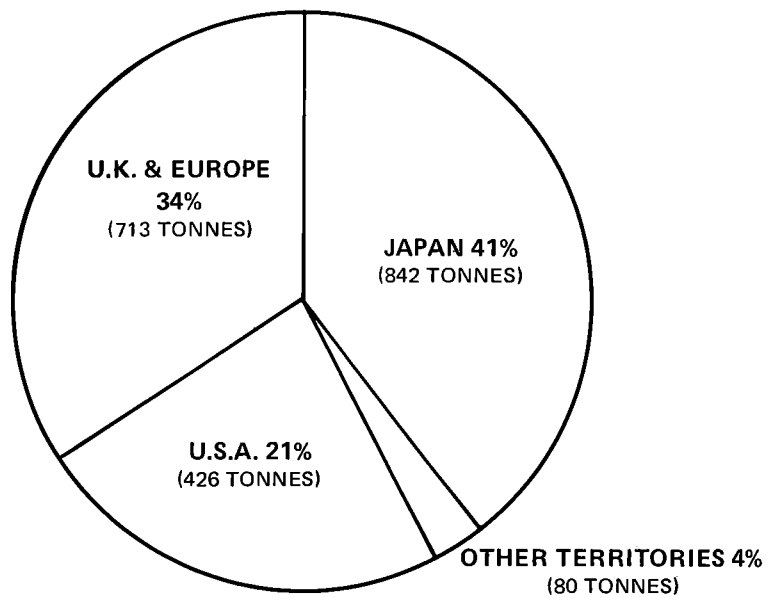
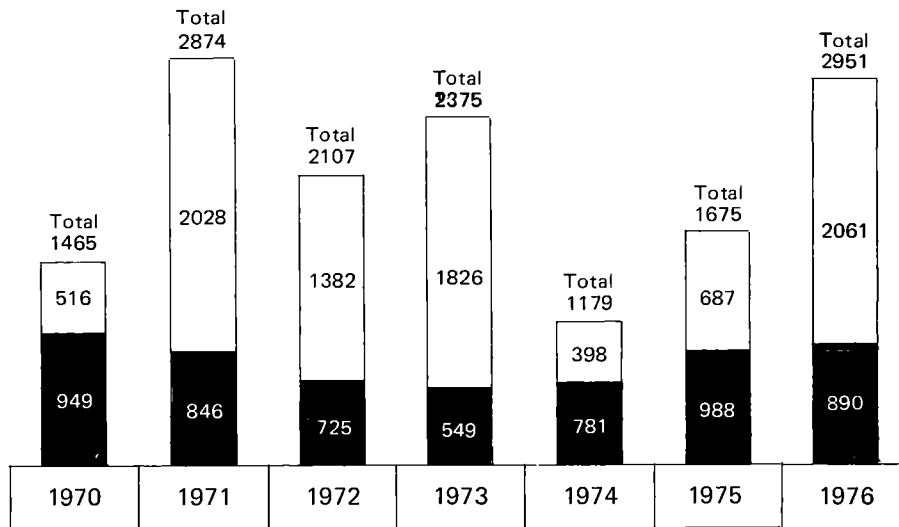
	1970	1971	1972	1973	1974	1975	1976
<b>Overseas:</b> Bulk	444	1,911	1,194	1,695	265	567	1,933
Packs	72	117	188	131	133	120	128
<b>TOTAL</b>	516	2,028	1,382	1,826	398	687	2,061
<b>Local:</b> Bulk	54	101	79	41	28	114	24
Packs	895	745	646	508	753	874	865
<b>TOTAL</b>	949	846	725	549	781	988	889

# SALES ANALYSIS

## SALES BY MARKET (IN TONNES)

### 7 YEAR AVERAGE

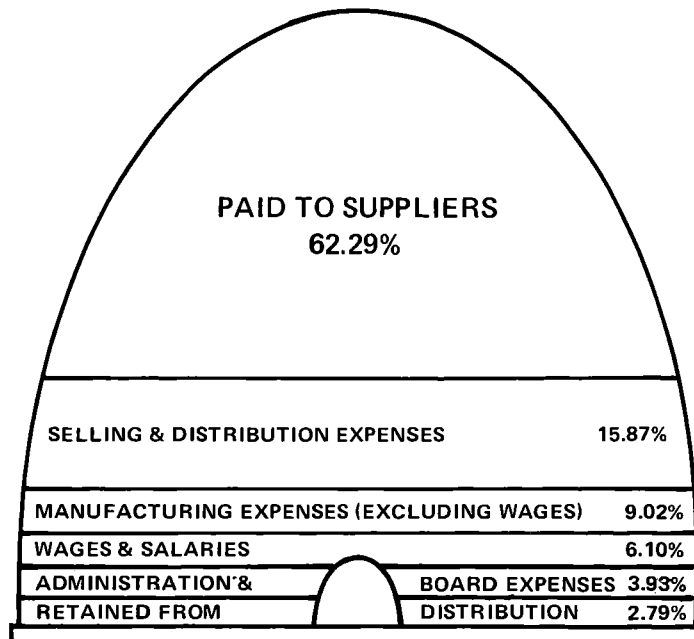
EXPORT	1271
LOCAL	818



PARTICULARS OF DISTRIBUTION TO SUPPLIERS

	1970	1971	1972	1973	1974	1975	1976
	\$	\$	\$	\$	\$	\$	\$
Straight Purchase	4,693	33,261	8,873	20,470	2,648	2,403	19,022
Advance Payment	343,874	361,342	470,257	800,828	581,129	1,156,999	656,811
Bonus Payments				17,411	13,867	29,889	22,736
Final Payment	116,874	242,633	218,649	114,704	216,676	408,190	336,387
<b>TOTAL</b>	465,441	637,236	697,779	935,413	814,320	1,597,481	1,034,956

USE OF 1976 REVENUE



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

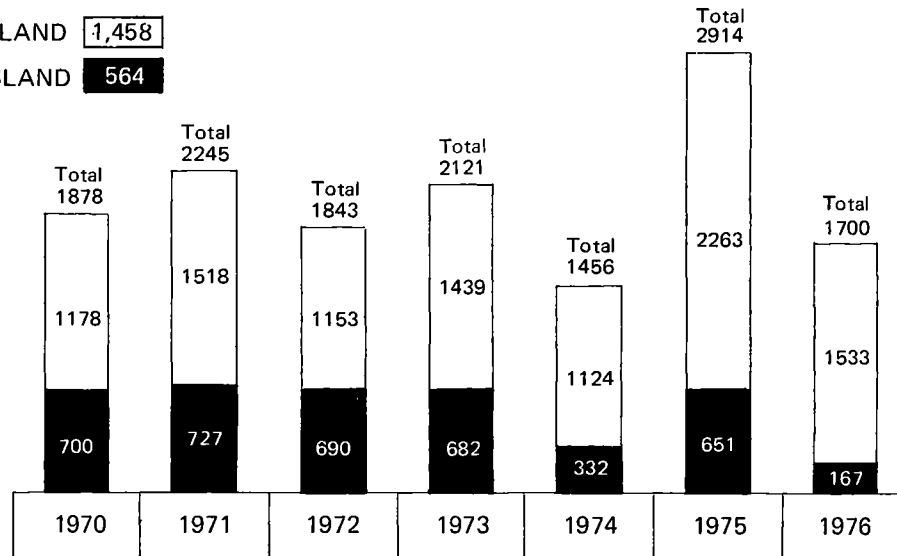
	1970	1971	1972	1973	1974	1975	1976
Tonnes Supplied	1,856	2,079	1,820	2,053	1,451	2,909	1,662
Average Payout Points	95.66	93.51	92.83	94.59	93.47	96.89	97.72
Average Payment (c per Kilo)	24.82	29.06	37.85	44.58	54.98	54.11	59.75

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

**7 YEAR AVERAGE**

SOUTH ISLAND **1,458**

NORTH ISLAND **564**



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

	1970	1971	1972	1973	1974	1975	1976
White	1,045	1,406	1,025	1,345	1,002	2,350	1,138
Extra Light Amber	427	347	462	376	226	285	266
Light Amber	339	289	300	304	186	199	170
Medium Amber	59	176	54	77	41	67	120
Dark Amber	8	27	2	19	1	13	6
<b>TOTAL</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>	<b>1,700</b>

HONEY  MARK

Trade Mark of the  
New Zealand Honey Marketing  
Authority

