

The New Zealand Co-operative Honey Producers' Association, Ltd.

Authorised Capital: £35,000, in 17,500 Shares of £2 each.

Directors :

J. RENTOUL, Esq., Chairman and Managing Director.
ALLAN R. BATES, Esq. A. H. DAVIES, Esq. R. A. GIBB, Esq.
E. W. SAGE, Esq. W. WATSON, Esq.
and T. E. CLARK, Esq.

Bankers :

BANK OF NEW SOUTH WALES.

Solicitors :

STANTON, JOHNSTONE & SPENCE.

New Zealand Auditors :

THOMSON, GRAY & RODGER.

London Auditors :

SMALLFIELD, RAWLINS & CO.

Registered Office :

STANLEY STREET, AUCKLAND, N.Z.

FOURTEENTH ANNUAL REPORT

Balance Sheet and Accounts

For Year ended 31st December, 1927.

To be presented to the Shareholders at the ANNUAL GENERAL MEETING,
to be held in HAWERA, on THURSDAY, 28th JUNE, at 8 p.m.

REPORT.

The Directors herewith submit the Balance Sheet and Accounts for the year ending December 31st, 1927.

Accounts.—The results of the year's trading are shown in the General Revenue and Trading Account. The balances from the various accounts are absorbed as follows:—

Local Market Account.—In payment of interest to Shareholders, portion of the interim dividend of $\frac{1}{4}$ d. per lb. to suppliers.

Export Market Account, 1926.—This account is not final, a portion of 1926 honey being still unsold at December 31st. Stocks have therefore been taken in at cost less portions of the amounts shown as Interest Rebates and Premium on sale of Dunedin Buildings. The balance of these accounts have been used to write down stock values and as a set-off to London travelling expenses.

Export Market Account, 1927.—Stocks of 1927 honey have been valued at cost, the balance shown being a set-off against those costs.

Profit and Loss Account.—Accounts for 1926 not being final, stock values have been written down to cost, less deductions stated, leaving the debit balance of the previous year to be carried forward.

Export Market.—Sales in the Export Market Account during 1927 show an increase in packed honey over those of 1926 and a decrease in sales of bulk honey. The figures are as follows:—

1926—Packed	460,678 lbs.
Bulk	819,519 lbs.
Total Sales	1,280,197 lbs.
1927—Packed	558,197 lbs.
Bulk	353,715 lbs.
Total Sales	911,912 lbs.

The figures for bulk sales indicate the increase in competition in the United Kingdom, the usual competitive honeys having been supplemented during the past year by imports from Argentine and Siberia. The position emphasizes the value of our packing business in that packed sales are not subject to the intense competition affecting bulk sales. The increasing difficulty of making satisfactory sales of bulk honey at prices equivalent to those realised by our packed honey have induced your Directors to take up a more vigorous publicity campaign with a view to stimulating the sales of packed honey.

Local Market.—Sales on the Local Market for the year ending December 31st, 1927 amounted to 302,466 lbs., as compared with 280,608 lbs. for 1926. The net profit realised was £849/4/6. The position of your Company on the Local Market is very difficult, in that it has to base its costs on the advance paid to producers. Private packers fix their selling prices on this advance, putting their company at a considerable disadvantage. It is not expected, therefore, that the local business of the Company can be carried on indefinitely at a profit.

Payments.—The first advance on 1926 honey was increased during the year by an interim payment of $\frac{1}{4}$ d. per lb. Advance payments on 1926 honey are up to 5.1/12d. per lb. and on 1927 honey up to 4.5/6d. per lb.

Finance.—The paid-up Capital of the Company has been increased from £10,097/8/6 to £10,781/6/5; the number of shareholders from 1,091 to 1,115.

The number of new shares issued was 278.

The amount of the Company's debenture to the Bank was reduced to £2,700. The unsecured liability to Messrs. Mills & Co. stands at £11,955/18/2.

Retiring Directors.—Mr. T. E. Clark retires by rotation and Mr. W. Watson by ballot; they being eligible offer themselves for re-election.

J. RENTOUL.

Chairman of Directors.

New Zealand Co-operative Honey Producers' Association LIMITED.

GENERAL REVENUE & TRADING ACCOUNT, for Year ended 31st December, 1927.

	£	s. d.		£	s. d.
1927—Dec. 31st			1927—Dec. 31st		
To Advertising	8	11	4		
.. Directors' Fees	70	7	0		
.. Directors' Travelling Expenses	126	17	9		
.. General Expenses	210	0	3		
.. Insurance	52	9	6		
.. Office Travelling Expenses	74	6	9		
.. Salaries	1,175	16	8		
.. Stamps, Telegrams, Postages	40	15	3		
.. Interest	51	13	3		
.. Interest—Bank New South Wales	54	10	4		
.. Rent and Rates	614	0	6		
.. Repairs	3	18	8		
.. Stationery	43	0	10		
.. Depreciation—Fittings and Fixtures	89	6	0		
.. Travelling Expenses—London	327	19	3		
.. 2nd Payment—1926 Honey	1,493	15	4		
.. Balance to Profit and Loss Account	503	12	6		
	£4,941	9	2		
			By Balance—		
			From Local Market Account	1,721	5
			From Export Market Account, 1926	785	5
			From Export Market Account, 1927	1,511	1
			.. Interest Rebate—London	441	8
			.. Premium from Sale Dunedin Buildings	382	8
				£4,941	9
				2	

PROFIT & LOSS ACCOUNT, for Year ending 31st December, 1927.

	£	s. d.		£	s. d.
1927—Dec. 31st			1927—Dec. 31st		
To Balance, 1/1/27	16,867	3	8		
.. Interest on Fully Paid Deduction Shares and Amount Paid on Call Shares	503	12	6		
	£17,370	16	2		
			By Balance from General Revenue and Trading Account	503	12
			.. Loss Carried to Balance Sheet	16,867	3
				£17,370	16
				2	

BALANCE SHEET as at December 31st, 1927.

LIABILITIES.				ASSETS.			
	£	s. d.	£	s. d.	£	s. d.	
Nominal Capital	35,000	0	0		Office—Furniture and Fittings	1,025	2
(17,500 Shares of £2 each)					Grade Store—Fittings	83	9
Less Unallotted Shares (7,506)	15,012	0	0		Auckland Depot Plant	158	12
					London Depot Plant	378	18
	19,988	0	0			1,646	2
Less Uncalled Capital—					Deposit Wiring Machines	36	6
Deduction Shares £2,855	8	7			Deposit Stamping Machine	4	0
Call Shares	23,241	17	6			40	6
					Smedley Invention	40	17
	9,097	6	1		Rates and Insurance Paid in Advance	32	0
					Stocks	31,667	11
10,890	12	11			Shares in Farmers' Co-operative Society Limited—		
Less Calls in Arrear	379	9	9		5 at £10	50	0
					Less Amount Uncalled	42	0
	10,511	4	2			7	10
Plus Calls Paid in Advance	270	2	3		Sundry Debtors	1,483	19
					Reserve for Bad Debts	204	0
Shares Suspense Account	44	2	5			1,281	19
Forfeited Shares Account	25	9	4		Cash in Hand	3	18
A. J. Mills & Co., Ltd., London	38,652	14	11		Cash at Bank	1,422	17
Debitures—Bank New South Wales	2,700	0	0			1,425	16
Sundry Creditors	803	17	4		Loss from Profit and Loss Account	16,867	3
Unclaimed Dividends	1	16	0			£53,009	6
						6	
	£53,009	6	5				

We certify that our requirements as Auditors have been complied with, and report to the Shareholders that we have audited the above Balance Sheet, Profit and Loss Account and Trading Account for the year ended 31st December, 1927, together with the Books and Vouchers relating thereto.

In our opinion the above Balance Sheet is a full and fair one in accordance with the Articles of Association, and drawn up so as to exhibit a true and correct view of the affairs of the Company as shown by the Books as at 31st December, 1927. We have accepted the Directors' Valuation of the stocks, and on the basis of this valuation advances to suppliers have been made.

THOMSON, GRAY & RODGER, F.P.A.N.Z.
Auditors.

Auckland, 2nd May, 1928.

The New Zealand Co-operative Honey Producers' Association

Limited.

NOTICE is hereby given that the FOURTEENTH ORDINARY GENERAL MEETING of Shareholders will be held in the Borough Council Chambers, HAWERA, on THURSDAY, JUNE 28th, at 8 p.m., for the following business:—

- (1) To receive and consider the Directors' Report, Balance Sheet, and Accounts for the year ended 31st December, 1927.
- (2) To elect Directors in the place of those who retire in accordance with the provisions of the Articles of Association.
- (3) To appoint Auditors for the ensuing year, to fix their remuneration, and to transact the ordinary general business of the Company.

By Order of the Board,

J. RENTOUL, Secretary.