

1948

NEW ZEALAND

CANTEEN BOARD

REPORT AND STATEMENT OF ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 1947

Laid on the Table of Both Houses of the General Assembly by Leave

A REPORT on the operations of the Canteen Board, together with principal accounts and Balance-sheet for the year ended 31st March, 1947, is hereunder submitted.

The Board, which was established under the Defence Canteen Emergency Regulations 1939, consisted of the following members:

Hon. F. Jones (Chairman).
 Commander (S) H. W. Sleeman, M.B.E.
 Lieutenant-Colonel C. J. S. Duff, D.S.O.
 Air-Commodore Sidney Wallingford, C.B.E.
 B. C. Ashwin, Esq.
 R. P. Fraser, Esq.

Mr. A. G. Hedgman is Secretary of the Board.

The activities of the Board have been continued along similar lines to those expressed in previous reports, but pertinent features of general interest are reiterated.

The Board is the medium through which canteen facilities are provided for servicemen attached to the Navy, Army, and Air Force in New Zealand, Fiji, and Norfolk Island. Jay Force, as part of B.C.O.F., is catered for by the Australian Army Canteen Services, but the Board assists the supply position within reasonable limits as the necessity arises.

The policy to be followed in all matters relating to the canteen service is determined by the Board for implemation by the Secretary, who, with his staff, are members of the Public Service.

The Board's aim has been to provide a reasonable range of popular commodities at prices closely related to those obtaining in chain stores, thus giving to the purchasers the immediate benefits of keen prices, which, though attractive, are such that no incentive exists for goods to be purchased for disposal out of camp.

Wet canteens are operated where warranted, and these, being under strict supervision from both hygienic and disciplinary standpoints, have been highly satisfactory, reflecting credit on the operators and evoking praise from distinguished visitors.

Cinemas are still being operated in main camps, but activities such as hairdressing, photography, &c., have been discontinued as the need declined.

An organization has thus been built up which is regarded most favourably by servicemen of all ranks, past and present, and canteen facilities are now looked upon as an integral part of those amenities which are calculated to improve the conditions of camp life.

Activities are conducted on fully commercial lines and no privileges exist whereby the Board secures any advantages in the acquisition of supplies or the purchase-price thereof. All operating-costs, including freights, salaries, and wages, are paid by the Board, which is entirely self-supporting.

As a consequence of the greatly reduced strengths in our Forces, the number of canteens and the volume of sales are proportionately less, and this trend will be still more evident in the coming year when strengths reach their intended peacetime levels.

Canteen services are now being provided for those establishments where sufficient patronage exists to meet expenses or where remoteness or other considerations justify a service irrespective of the revenue to be derived. Except in the latter instance, where circumstances do not warrant full-scale canteen services, unit canteens carry on in their stead, these being able to draw supplies from the Board's bulk stores and so permit the men concerned to enjoy the same range of supplies and prices as those obtaining in the fully operative canteens.

Notwithstanding the greatly reduced sales and the small profit margins, it is gratifying to observe from the accounts that a net profit of £62,000 has resulted from the past year's operations, thereby increasing the accumulated fund to £918,000.

The Board has carefully husbanded its resources, having particular regard to its obligations as expressed in the following extract from the regulations under which the Board is established :—

After such provision has been made as the Board thinks proper for liabilities, whether accrued or contingent, for reserves, and for future activities of the Board, the profits arising from the operations of the Board shall be disposed of in such manner as the Board, with the approval of the Minister, thinks fit, by way of grant to regimental funds or any other manner for the benefit of members past and present of the military Forces serving or enrolled for service during the present war (including the Naval, Army, and Air Forces of the Crown), and their dependants.

Consequently, apart from the sum of approximately £289,000 allocated between the three Services from time to time in the past eight years, the remaining profits have been conserved to fulfil the requirements of the above regulation.

The figures appearing in the table which follows clearly indicate the trend of operations over the war and post-war periods, and the percentages for the present year compare favourably with those of previous years :—

Year ended 31st March,	(1) Sales.	(2) Net Profit.	(3) Gross Profit.	(4) All Expenditure.	(5) Net Profit.	(6) Administration Expenses included in Expenses.
	£	£	Per Cent.	Per Cent.	Per Cent.	Per Cent.
1940 ..	85,626	11,608	26·88	13·32	13·56	3·83
1941 ..	338,623	51,066	29·08	14·00	15·08	1·97
1942 ..	574,739	87,739	26·67	11·40	15·27	0·95
1943 ..	1,742,871	278,514	21·99	6·01	15·98	0·40
1944 ..	2,284,962	307,101	18·69	5·32	13·37	0·36
1945 ..	1,810,897	265,865	20·57	6·09	14·68	0·39
1946 ..	1,151,944	143,071	18·60	7·56	12·42	0·59
1947 ..	393,732	62,157	23·25	13·62	15·79	1·28
	8,383,394	..				
Total net profit ..		1,207,121				
Distributed ..		288,756				
Undistributed ..		918,365				

I desire to express appreciation of the loyal services of the staff of the Canteen Board. Without their co-operation the satisfactory results of the year could not have been achieved.

F. JONES, Minister of Defence, Chairman.

CANTEEN BOARD

TRADING ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1947

<i>Dr.</i>	Per Cent.	£	s.	d.	<i>Cr.</i>	Per Cent.	£	s.	d.
Stock, 1st April, 1946 .. ..	..	113,928	6	4	Sales	100.00	393,732	6	8
Plus purchases .. ..	..	224,139	0	3					
		338,067	6	7					
Less stock, 31st March, 1947 .. ..	..	35,879	12	3					
Cost price of goods sold	76.75	302,187	14	4					
Gross profit, transferred to Profit and Loss Account	23.25	91,544	12	4					
		£393,732	6	8			£393,732	6	8

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1947

<i>Dr.</i>	Per Cent.	£	s.	d.	<i>Cr.</i>	Per Cent.	£	s.	d.
Canteens salaries and wages	9.94	39,155	15	0	Gross profit, transferred from Trading Account	23.25	91,544	12	4
Canteens freights, cartage, postage, and sundry expenses ..	1.94	7,657	12	9	Commission on shipments to Japan ..	0.33	1,313	8	11
Gratuity payments on account of overseas staff	0.46	1,795	0	10	Interest on investments	5.05	19,881	0	2
Administrative expenses	1.28	5,046	13	11	Profit on realization of assets	0.78	3,073	5	10
Net profit, transferred to Appropriation Account	15.79	62,157	4	9					
	29.41	£115,812	7	3		29.41	£115,812	7	3

PROFIT AND LOSS APPROPRIATION ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1947

<i>Dr.</i>	£	s.	d.	<i>Cr.</i>	£	s.	d.
Distribution of profits to defence services	13,190	8	10	Balance brought forward ..	869,398	17	0
Balance forward to next year ..	918,365	12	11	Net profit from Profit and Loss Account	62,157	4	9
	£931,556	1	9		£931,556	1	9

