

seeing that the early and late milk is much the best of the season. We also did not take the Sunday morning milk. I value this at 6d. per cow per day. The true statement then stands thus:

| Each cow has produced to the factory—                |     |     |     | £  | s. | d. |
|------------------------------------------------------|-----|-----|-----|----|----|----|
| 418 gallons milk, at 3d., amounting to ...           | ... | ... | ... | 5  | 4  | 6  |
| Value of milk kept at home made into butter, say ... | ... | ... | ... | 1  | 0  | 0  |
| 28 Sunday mornings, at 6d. per milking ...           | ... | ... | ... | 0  | 14 | 0  |
| Total value per cow for the season ...               |     |     |     | £6 | 18 | 6  |

The next point is cost of production:

|                                                          |     |     |     |     |
|----------------------------------------------------------|-----|-----|-----|-----|
| In labour and material 1lb. of cured cheese has cost ... | ... | ... | ... | 3d. |
| Shrinkage, 7 per cent. ...                               | ... | ... | ... | 4d. |
|                                                          |     |     |     | 1d. |

I subjoin an epitome of the results of the season's work:

|                                   | Tons | ct. | qr. | lb. |
|-----------------------------------|------|-----|-----|-----|
| Quantity of green cheese made ... | 48   | 14  | 0   | 21  |
| Quantity cured and sold ...       | 45   | 8   | 2   | 21  |
| Shrinkage, 7 per cent. ...        | 3    | 5   | 2   | 0   |

9lb. 12oz. milk produced 1lb. green cheese; 10lb. 8oz. milk produced 1lb. cured cheese: cost of production, 1d. per lb. The cream has shown an average of 11 per cent. Quantity of milk per cow received at factory, 418 gallons.

This return of 418 gallons of milk per cow, as a result of seven months' work, must be considered very satisfactory, as, in the best dairy districts of England, 4cwt. of cheese per cow is a high average, and would require at least 480 gallons of milk to produce it.

We may therefore conclude that this land, with proper management and careful attention to the breed of cows, will compare favourably in the production of milk with the far-famed pastures of the lowlands of Old England.

Upwards of 30 tons of the cheese have been placed on the English markets, and has averaged £3 7s. per cwt.; the top price was £3 13s., realized in Bristol by a gentleman who bought it from the factory and consigned it himself. It is a matter of congratulation that such enterprise has been so rewarded.

As to quality, one of our latest reports cautions us to be careful how we do anything to spoil the reputation we have already obtained on the London market.

There is no doubt that, when the expenses of transit have been reduced, we shall find London a steady market for our goods, and the system of dairying in factories will be a large source of revenue to this colony.

WILLIAM HARDING,  
Manager.

#### WAIKATO DAIRY FACTORY COMPANY.—SECOND ANNUAL MEETING OF SHAREHOLDERS.

THE second annual general meeting of the shareholders in this company was held at the registered office, the Hamilton Auction Mart, on Thursday evening, the 24th July, 1884. There were about twenty-five shareholders present, and Mr. S. T. Seddon, chairman of directors, presided.

The Chairman read the report and balance-sheet as follows:—

#### CHAIRMAN'S REPORT.

GENTLEMEN,—In laying before you the balance-sheet for the year ending the 30th June, 1884, the directors regret that the accounts show, on this our first year's operations, a loss of £82 6s. 5d. This loss may be accounted for as follows: (1.) Mr. Bowron and Captain Runciman, gentlemen of high authority, held that one gallon of milk would produce 1lb. of marketable cheese, and upon this assumption our calculations were based, whereas our returns show only 15oz. instead of 16oz. to the gallon. This alone causes a monetary difference in the season's operations of £144 3s. 5d. In one sale in the Queensland market this miscalculation caused us a loss of £20, but this is to some extent repaid by procuring for our cheese a good reputation in that colony, and thereby assuring for us an additional market. (2.) The want of a tenant for our surplus land caused us a loss of £50. (3.) The profit shown on our pig account has not been so much as it ought to have been by at least £100. In consequence of our farmers having given up pig-breeding the last few years, for months after the factory commenced operations a sufficient supply of young pigs of from 50lb. to 80lb. weight could not be procured, but only large low-bred animals, incapable of producing a profit by any management. A further heavy loss was occasioned by our continuing to sell our pigs by live weight after the cooler weather had set in and when our milk supply was decreasing, instead of converting it into bacon. In these two respects the directors think a large addition to our profits may be secured another year. You will be glad to hear that the quality of our cheese gives general satisfaction, and our brand is established. It is worthy of notice that during the whole season the company has paid 4d. per gallon for the milk supplied, whereas the ruling price at the other factories has been 3½d. This alone would have made a difference in the balance-sheet of £235. The directors, however, think themselves justified in continuing to pay 4d. per gallon, as they confidently see their way to show a sufficient profit without lowering the price to the producers. The management of the factory by Mr. Thomas Shipherd Runciman has given every satisfaction, and the machinery, &c., is in excellent order. It will be the duty of the shareholders to elect two directors in place of Mr. John Blair Whyte and Mr. Brown Wood, who retire agreeably with our articles of association, but are eligible for re-election. Auditors will also have to be elected for the ensuing year.

SAMUEL THOMAS SEDDON,  
Chairman.