

The Board's finances are in a sound position, and it is safe to say that cash to equal the profit and loss appropriation balance could be obtained on a forced realization.

Relative to the disposal of trading surpluses, the Defence Canteen Regulations 1939, under which the Board was established, provide : —

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 in 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.

Arrangements are now in hand to give effect to these provisions, and the Canteen Board is supporting a proposal to merge its surplus funds with those of the patriotic interests and have same administered by a body which is fairly representative of those entitled to participate in the distribution thereof.

It is intended that the Canteen service will continue for the benefit of the post-war defence Forces.

This opportunity is taken to express thanks to the Canteen staff and to those in the Service Departments whose co-operation has in no small measure contributed to the success of the Service since the establishment of the Board over six years ago.

F. JONES, Minister of Defence.

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