

1947
NEW ZEALAND

INVERCARGILL LICENSING TRUST

THIRD ANNUAL REPORT, FOR THE YEAR ENDED 31st MARCH, 1947

Presented to both Houses of the General Assembly pursuant to the Invercargill Licensing Trust Act, 1944, Section 28

MEMBERS of the Invercargill Licensing Trust have pleasure in presenting their third annual report and balance-sheet. Progress during the year has, considering the difficulties with regard to labour and materials, &c., been good. The Grand Hotel renovations and alterations have now been completed and the hotel is fully open to the public. A start has been made on the Federal annex, but only the main lounge and a new roof is all that we have been permitted to do. Unfortunately, a fire did considerable damage to the Federal portion and ruined a portion of the new roof. The Chief Building Inspector has inspected the damage and has promised us a permit to complete our alterations sooner than waste money reconditioning. This will make the Grand Hotel one of the best hotels in New Zealand. Hotel Southland has now been completed and was opened in November last. Both the Grand and Southland have been very highly commended for their comfort, appointments, and service. They also feature the Trust's policy of "all sit-down drinking," which is proving reasonably successful, if not from the financial angle. The acquiring of the Rugby Park block was completed at the beginning of November, and a bottle-store was opened just prior to Christmas to help serve that area. Owing to lack of building permits there is still insufficient accommodation both for the travelling public and bar patrons. The Brown Owl Restaurant is proving a worth-while experiment, the sale of drink now being only a small part of the whole. However, having to pay hotel workers' wages to a greater portion of the staff, including waitresses, cooks, and to the Elmwood staff, has made it almost impossible to make this venture pay its way. We can see no reason why the restaurant staff should be paid different wages from the average restaurant, as, outside of the bar, attendants have nothing to do with the sale or handling of drink.

During the year two increases in the awards have taken place, one operating from the commencement of the year and the other from December. These apply, of course, to all branches of the Trust's activities. Wages and costs are all on the increase, whilst tariffs and prices received remain the same, hence the decrease in this year's profits.

SOUTHLAND BREWERY

The Trust have acquired a further number of shares and have now two directors on the board who are Trust members. Also, an agreement has been entered into which improves and consolidates our position with regard to supplies and brewery sales.

FINANCE

As at 31st March, 1947, the bank balance was a debit of £277,679 16s. Book value of assets included special reserves £356,642 16s. 5d., and if the license value is taken into account £600,000 would not be too high if assessed on a turnover of