

1949
NEW ZEALAND

CANTEEN BOARD

REPORT AND STATEMENT OF ACCOUNTS FOR THE YEAR ENDED 31st MARCH, 1948

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

A REPORT on the operations of the Canteen Board, together with the principal accounts and Balance-sheet herein is submitted as required by the Defence Canteen Emergency Regulations 1939, under which the Canteen Board is constituted.

In the year under review, due to the absence overseas of some Board members and the retirement of R. P. Fraser, Esq., the affairs of the Board were in the hands of—

Hon. F. Jones (Chairman).
 Commander (S) H. R. Sleeman, O.B.E.
 Lieutenant-Colonel J. Brooke-White.
 Air Commodore C. Kay, C.B.E., D.F.C.
 G. Hope, Esq.
 K. B. Longmore, Esq.
 Mr. A. G. Hedgman (Secretary of the Board).

During the past year the Board, in its ninth year of operations, has continued to provide canteen facilities in the main Navy, Army, and Air Force establishments, and, as forecast in the last annual report, a further recession in sales has been experienced as a result of the gradual closing of canteens in accordance with the reduced strength of the Armed Forces. A steady rise and fall in revenue in sympathy with the rise and fall in the numerical strength of canteen patrons can be traced in the statistics presented since the inception of the Board in 1939. The present trading level is commensurate with the number of canteens still in operation, and the results are quite gratifying having regard to the changed circumstances which the Board is now meeting.

The operation of the law of inverse proportions may be seen in the percentage figures relating expenses to sales, and similar effects must be anticipated until the plans for the future are brought to fruition, but notwithstanding the small reduction in the percentage of net profit the activities of the past year have resulted in an addition of £25,357 to the accumulated profits, which in the years 1940–48 inclusive reach the aggregate total of £1,232,480. It is doubtful if a profit will be made in the coming year, for accrued and prospective expenses disproportionate to next year's trading will be experienced in shaping a new course along the lines made imperative by the impending reconstitution of the Board and the transfer of the bulk of its profits, to which further reference is made in a later section of this report. These profits are held principally in the form of investments, which, when transferred, will mean a substantial loss of interest to the Board. Accrued leave and other staff entitlements will have to be settled in cash, contingent liabilities will have to be adjusted, and extra expenses consequential to the closure of further stores and canteens will have to be met. It is anticipated that after the coming year steady profits again will be earned for return to the services for the purpose of enabling them to meet expenditure incurred on recreational and other pursuits not covered by Armed Forces votes.