

DIRECTIONS FOR PREPARATION OF ACCOUNT.

- (1) Cream collection should include—
 - (a) Railage on cream.
 - (b) Lorry-running expenses, including heavy traffic fees, comprehensive insurance, registration, wages, employers' liability insurance, maintenance, repairs, depreciation.
 - (c) Cartage by contract.
- Amounts recovered from suppliers should be shown separately as a deduction from the above.
- (2) Wages: This item should cover factory wages only, including employers' liability insurance and superannuation and/or other subsidy, if any.
 Materials: This item should include cartage and railage on materials.
 Fuel and power: This item should include cartage and railage on fuel.
 Sundry charges: This item should include insurance and rates, fees for inspection of machinery, license fees (other than heavy traffic), and travelling-expenses (general manager).
 - (3) Depreciation: This item covers buildings, plant, and equipment.
 - (4) Repairs and maintenance: This item covers factory buildings and plant only.
 - (5) Charges factory to f.o.b.: Cartage and railage should include these charges on produce sold locally.
 - (6) Overhead charges: The item "Office expenses" should include salaries, travelling-expenses, other than directors' and general manager's, postages, stationery, &c.
 - (7) Sales: Separate sales accounts should be kept for dairy-produce sold for export and sold locally. At balance date stocks of dairy-produce on hand should be credited respectively to export sales account and to local sales account. After balance date a reversing entry should be passed debiting such stocks to the respective accounts. Stocks of materials and fuel should *not* be included with stocks of dairy-produce but should be credited to materials account and fuel account.
- General: Separate accounts should be kept for creamery butter, cheese, and casein, except in the case of cheese-factory companies that manufacture creamery butter during periods not exceeding eight weeks each at the beginning and end of the season and during no other periods.
- All accrued charges such as bank interest, grading fees, Dairy Board levy, wages, freezing and storage and other charges to f.o.b. on produce unshipped, and also charges paid in advance, such as insurance, should be estimated and brought into the respective accounts.

[Form No. 4.

Form of Appropriation Account to be attached to Directors' Report, Balance-sheet, Manufacturing and Marketing Account, and Statement of Statistics.

APPROPRIATION ACCOUNT.

	£	s.	d.		£	s.	d.
To Final payments, 19 season				By Balance, 19			
Reserves				Surplus on realization ..			
Balance carried forward ..							
	£				£		
	£				£		
	£				£		

DIRECTIONS FOR PREPARATION OF ACCOUNT.

In the top section the appropriation account should show the balance brought forward from the previous year, the surplus or deficit on realization of the previous year's dairy-produce, the further and/or final payments to suppliers, the amount placed to reserve account or applied in any other manner, and the balance (if any) carried forward.

In the bottom section the appropriation account should show any balance brought forward from the previous year, and the balance from manufacturing and marketing account.

Separate appropriation accounts should be kept for creamery butter, cheese, and casein in conformity with separate manufacturing and marketing accounts.

[Form No. 5.

Form of Statement of Statistics to be attached to Director's Report, Balance-sheet, Manufacturing and Marketing Account, and Appropriation Account.

STATISTICS.

	Previous Year 19	Current Year 19
Payout previous year per pound butterfat (season average)		
Payout current year per pound butterfat		
Number of suppliers		
Pounds of { milk received		
{ cream received		
Pounds of butterfat from { milk		
{ cream		
Average butterfat test of { milk		
{ cream		
Total charges, including repairs and depreciation, up to f.o.b. at per pound butterfat		