

FINANCE

The financial year of the Loong Yip Co-operative Rice Mill Society, Ltd. is from 1st October to 30th September. The financial structure of the Society reflects its nature as a co-operative form of enterprise. The aspects of financial structure studied here are the assets and liabilities, share capital, reserves, investments, contribution of milling and marketing operations, and profits of the Society.

Share Capital

The share capital of the Society consists of an unrestricted number of shares of the value of \$10 each. The value of a share however shall in no case be more than its cost.¹ Shares in the Society do not appreciate or depreciate in value, in keeping with the ideals of co-operative enterprise. Over the years 1961 to 1965, the subscribed share capital of the Society is characterised by its stability, ranging from \$23,830 in 1961 to \$22,880 in 1962, this being the only year when the share capital fell below \$23,000. This stability in the amount of share capital is reflected in the average share capital per member over the same 5 year period. Average share capital per member ranged from \$73.22 in 1964 to \$69.82 in 1963. Table 14 below shows the size of share capital and the average share capital per member over the period 1961 to 1965.

Any member is free to withdraw his share capital invested in the Society, but the refund of share capital is subject to some provisions to protect the Society against sudden large withdrawals.² By-law 19 provides that not more than one-tenth of the paid-up

¹See By-law 20, By-laws of the Sekinchan Loong Yip Co-operative Rice Mill Society Ltd., 1953. Appendix I.

²See By-law 19, Appendix I, op. cit.

share capital shall be withdrawn each year. Also, the Committee of Management may at any time suspend for a specified period the right of withdrawal of share capital, subject to confirmation at the next General Meeting. Owing to the stability in the size of share capital however, the Society has not felt the need to create a Share Redemption Fund.

TABLE 14

SHARE CAPITAL OF THE LOONG YIP CO-OPERATIVE
RICE MILL SOCIETY, 1961 TO 1965

Year	Total Subscribed Share Capital (\$)	Average Share Capital per Member (\$)
1961	23,830.00	72.87
1962	22,880.00	69.97
1963	23,250.00	69.82
1964	23,210.00	73.22
1965	23,100.00	73.10

Source: Audit Reports of the Loong Yip Co-operative Rice Mill Society, 1961-1965, by Lim Yeok Shin & Co.

Reserves

The reserves of the Society consist of the Statutory Reserve Fund, the General Reserve Fund, the Building Fund and the Welfare Fund. Provision is made in by-law 27 for the creation of any other fund approved by the Registrar of Co-operative Societies.³ The Statutory Reserve Fund is the only fund to which annual contributions are compulsory. By-law 27 provides that

³See By-law 27, Appendix I, op. cit.

23% of each year's net profits be credited to the Statutory Reserve Fund. This fund has the first call on the disposal of net profits.

The Statutory Reserve Fund is indivisible and no member is entitled to a specific claim on it. However, it may be used to cover unforeseen losses, to meet unforeseen charges and may be used as security for the Society's contracts.⁴ Even upon liquidation of the Society, this fund is not divisible, but has to be put to a use approved by the Registrar.⁵

Over the years 1961 to 1965 the Statutory Reserve Fund of the Society has risen from \$12,546.82 in 1961 to \$24,271.00 in 1965, by the annual addition of 23% of net profits of each year.⁶ Over the same period no call has been made on this fund to meet any unforeseen expenses or losses.

The General Reserve Fund has no compulsory call on the profits of the Society. The use of, and appropriations to this fund are left to the Society itself. This General Reserve Fund stood at only \$1,000 in 1961. By 1962 it had been exhausted because of a transfer to the Welfare Fund. Since 1962 no appropriations to the General Reserve Fund have been made.

The Building Fund of the Society, created to meet unforeseen building expenses, has no compulsory call on profits and has stood unchanged over the period 1961 to 1965 at \$3,664.53.

The Welfare Fund of the Society was created to provide a ready source for welfare and charity donations. Donations are made to schools, cultural organisations and temples in Sekinchan. There has been no regular appropriation to this fund over the period 1961 to 1965 and welfare donations are often appropriated straight from the profit distribution scheme instead of from the Welfare Fund. However, this fund has increased from \$340.13 in 1961 to \$1,130.13 in 1965. Welfare donations over the 5 year period totalled \$3,165.00.

⁴See By-law 60, Appendix I, op. cit.

⁵See By-law 63, Appendix I, op. cit.

⁶For the annual addition to the Statutory Reserve Fund see section on Profit Distribution, this chapter.

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⁴See By-law 60, Appendix I, op. cit.

⁵See By-law 63, Appendix I, op. cit.

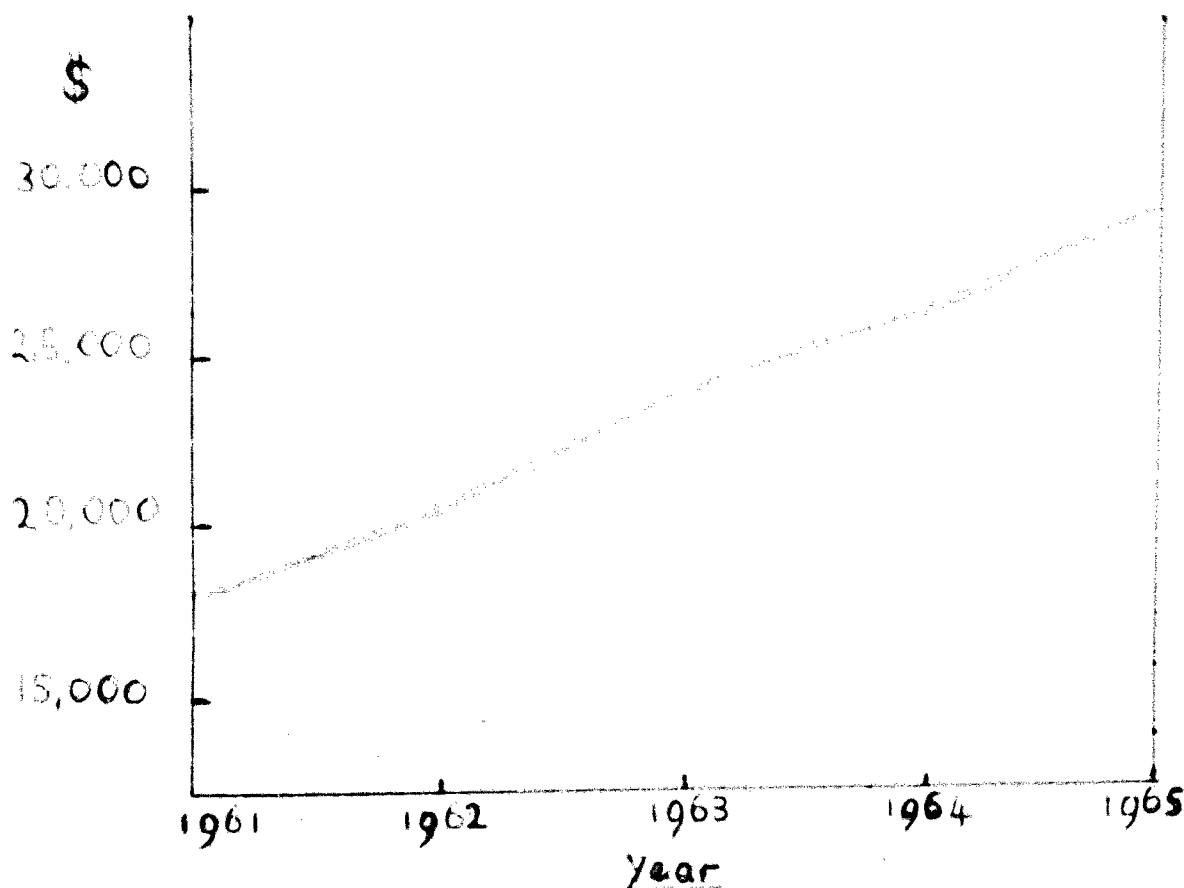
⁶For the annual addition to the Statutory Reserve Fund, see section on Profit Distribution, this chapter.

A Dividend Equalization Fund exists but the amount in this fund has stood at \$19.06 since 1961.

The total reserves of the Society have increased steadily over the 5 year period 1961 to 1965, mainly because of the compulsory appropriation to the Statutory Reserve Fund. Total reserves amounted to \$17,570.53 in 1961 and \$29,520.16 in 1965, a net increase of \$11,949.63 over 5 years. Diagram 2 represents graphically the total reserves of the Society over the years 1961 to 1965.

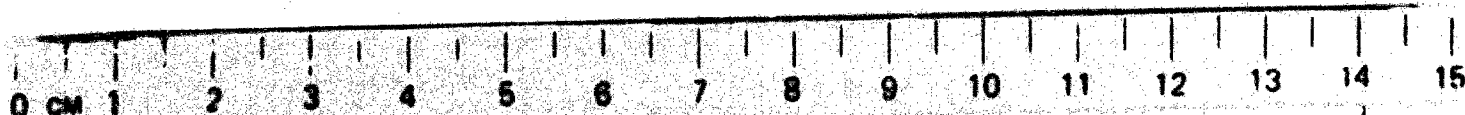
DIAGRAM 2

TOTAL RESERVES* OF THE LOONG YIP
CO-OPERATIVE RICE MILL SOCIETY,
1961 - 1965



Source: Financial Statements of the Society,
Lim Yeok Shin & Co., 1961-1965.

*Statutory Reserve Fund, General Reserve, Welfare,
Building and Dividend Equalization Funds.



Current Liabilities

The current liabilities of the Society over the 5 year period, 1961 to 1965, are extremely small when compared to the volume of business done by the Society. True to the co-operative ideal of cash trading, the amounts owing to sundry creditors have always been very small over the 5 year period. Current liabilities ranged from \$1,902.94 in 1961 to \$2,543.35 in 1965. The bulk of these amounts however were composed of unclaimed dividends and rebates on patronage, which ranged from \$418.85 in 1961 to \$720.46 in 1965. Other large items in the current liabilities of the Society are audit fees of \$400 per year and quit rent. Amounts owing to creditors for expenses incurred in marketing and milling operations are rare, and where they do occur, very small.

ASSETS OF THE SOCIETY

The assets of the Society consist of land and buildings, milling machinery, furniture and fittings in the Society's office, cemented drying yards, investments in land and shop buildings in Sekinchan, investments, shares in the Tanjong Karang Co-operative Milling Union, and cash in hand and at banks.

Land and Buildings

These are the land and buildings which comprise the Society's premises, and were bought over from a private milling enterprise in 1953. In 1961, the value of the land, and buildings less depreciation, stood at \$4,166.98. Since that year no additions have been made to the buildings and these have depreciated to \$1,819.92 in 1965 (depreciated at 20% per year). The buildings are wooden and have become quite decrepit and the need to erect new buildings will arise soon.

Milling Machinery

The milling machinery now being used was bought over from the private milling enterprise from which the Society purchased its land and buildings. The machinery is obsolete and has depreciated in value from \$1,385.27 in 1961 to only \$567.41 in 1965. No additions to milling machinery have been made since 1953.

Furniture and Fittings

The furniture and fittings of the Society were valued at \$1,071.42 in 1961. In 1962, additions were made, bringing the total to \$1,602.50. Since that year furniture has depreciated (at 20% per year) to \$879.20 in 1965.

Cemented Drying Yards

The cemented drying yards for padi, provided free of charge for the use of members and non-members of the Society, were valued at \$1,394.43 in 1961. In 1962 these drying yards were increased to the value of \$2,771.14 and since that year have depreciated (at 20% per year) to \$1,418.82 in 1965. The road and bridge leading to the Society and built by the Society were valued at \$393.97 in 1965.

Investments

Investments of the Society are in hand and shop-buildings in Sekinchan, and shares in the Tanjong Karang Co-operative Milling Union.

Investments in land valued at \$177.00 in Sekinchan were made in 1956. The true value of the land today is not known. Shop-buildings on this land, valued at \$29,768.05, were completed in 1963 and rent-
ed out at a monthly rental of \$200. This investment yielded annual rent incomes of \$1,000 in 1963 and \$2,400 for the years 1964 and 1965. In 1965, this investment had depreciated to \$28,008.76 (at 3% per year).

Investment in shares in the Tanjong Karang Co-operative Milling Union amounted to \$5,000.00 in 1961, and by 1965 no increase in this investment has been made. No dividends have been earned on this investment. Another investment of \$5,000 of shares in the Chemical Company of Malaya was decided upon in December, 1965.⁷

⁷ File on the Loong Yip Co-operative Rice Mill Society, Ltd., No. 560/53, at the Department of Co-operative Development.

Cash in Hand and at Banks

The Society has always maintained a large cash balance to finance its padi marketing operations and eliminate the need for loans. Its cash balance stood at \$41,056.34 in 1961. By 1963, only \$14,121.43 was left because of withdrawals to finance the Society's new shop buildings. By 1965 however, the cash balance had been built up to \$27,846.78.

True to the co-operative ideal of cash trading, the Society does not have any accounts receivable. Since 1963 however, the Society seems to be in the practice of giving loans. These loans amounted to \$3,578.50 in 1963; \$1,158.50 in 1964 and \$5,008.33 in 1965.⁸ No explanation as to who these debtors are is available, and there seems to be no interest earned on these loans. It is rumoured that these debtors are committee members.⁹

Loans to the Society were taken in 1961, 1962 and 1963 to finance padi marketing. No loans were taken in 1964 and 1965. The only source of loans was the Panjong Karang Co-operative Milling Union and the interest charged was 6% per year. However, the Society repaid the loans in full within 2 months in 1961 and 1962, and within 4½ months in 1963. The amounts of loans were \$20,000 in 1961, \$15,000 in 1962 and \$20,000 in 1963. The interest paid on these loans (at 6% per year) amounted to \$200 in 1961, \$150 in 1962 and \$450 in 1963.

REVENUE FROM MILLING AND MARKETING OPERATIONS

Milling and marketing operations constitute the main source of the Society's revenue. Other minor sources are rent received from the shop-building investment since 1963, and interest earned on deposits at banks.

Milling Operations

The net profit from milling operations varied

⁸ Audited Balance Sheets of the Society for the years mentioned.

⁹ Personal interview.

From \$5,005.47 in 1961 to a maximum of \$14,208.99 in 1963. The range of revenue from milling operations is high and is out of proportion to the volume of padi milled. The volume of padi milled annually has actually decreased from 10,283.75 piculs in 1961 to 9,381.89 piculs in 1965 (see Chapter III), while the net profit from milling has actually increased to \$10,147.27 in 1965. The explanation for this is the general increase in bran prices since 1961. Thus, while the revenue from milling charges has remained in proportion to the volume milled, the revenue from the sale of bran varied from \$18,694.45 (for 3,789.95 piculs) in 1961 to \$22,638.90 (for 3,751.74 piculs) in 1965. Table 15 shows the revenue from milling operations over the 5 year period 1961-1965. This Table shows the relative stability in milling and bran sales volumes and revenue from milling charges, and high increase in revenue from bran sales over the same period. Bran sales have thus increased in importance as a source of revenue.

(See Table 15 on next page)

While total milling revenue has been always high, net profit from milling has been relatively low. This is due to high milling expenses. Table 16 shows gross milling revenue, milling expenses and net profits from milling over the period 1961 to 1965.

The bulk of milling expenses is made up of salaries and allowances which amounted to \$19,988.65 in 1961 and \$16,242.05 in 1965, or about 80% of total milling expenses over the whole 5 year period. Salaries and allowances are high because of the low capacity of the milling machinery which necessitates overtime work every day (see Chapter III). The contribution of milling operations is therefore not as high as it could be and it is in the best interests of the Society to purchase new machinery of greater capacity. The drain on milling revenue caused by payment of overtime allowances would then stop, and increased profits from milling would result.

(See Table 16 on page 54)

MILLING REVENUE OF THE LOONG YIP CO-OPERATIVE
RICE MILL SOCIETY, 1961-1965

Year	Volume of Padi Milled (Piculs)	Milling Charges (\$)	Bran Sales (Piculs)	Bran Sales (\$)	Total Milling Revenue (\$)
1961	10,283.75	9,262.95	3,789.95	18,694.45	28,057.40
1962	10,214.96	9,169.85	3,894.64	21,772.10	30,941.95
1963	10,133.87	9,120.05	3,859.33	21,928.25	31,048.30
1964	9,316.72	8,352.85	3,477.32	18,484.75	26,837.60
1965	9,381.89	8,457.25	3,751.74	22,638.90	31,099.15

Source: Financial Statements and Audit Reports of the Society
by Lim Yeok Shin & Co., 1961-1965.

TABLE 16

**MILLING EXPENSES AND PROFITS OF THE
LOONG YIP CO-OPERATIVE RICE MILL
SOCIETY, 1961-1965**

Year	Gross Revenue from Milling (\$)	Gross Expenses of Milling (\$)	Profit on Milling (\$)
1961	28,057.40	23,051.93	5,005.47
1962	30,941.95	24,510.91	7,431.04
1963	31,048.30	16,839.31	14,208.99
1964	26,837.30	18,771.90	8,065.70
1965	31,096.15	20,948.88	10,147.27

Source: Financial Statements of the Society,
Lim Yeek Shin & Co., 1961-1965.

Padi Marketing Operations

Revenue from the padi accounts of the Society does not consist only of profits from padi sales. Included in the padi accounts are sales and purchases of gunny sacks. Trading in gunny sacks cannot be strictly considered as padi marketing activity. The Society purchases gunny sacks for sale to members and non-members alike. No rebates are paid on patronage of members for gunny sacks. Also, the Society sells used and torn gunny sacks to vegetable farmers, ice-merchants and fishermen from nearby fishing villages.

Profits from the padi accounts of the Society thus consist of profits from padi marketing and sales of gunny sacks. Except for 1961 however, when purchases of gunny sacks amounted to \$36,828.95, the other years over the period 1961 to 1965 show only small purchases, sales and profits in gunny sacks. In 1964, a net loss of \$480.00 resulted from sales of gunny sacks.

Profits from total padi marketing operations¹⁰ fluctuated widely over the 5 year period 1961-1965. Profits in 1961 amounted to \$17,658.77, in 1963 a net loss of \$4,208.33 was incurred, and in 1965 profits were \$4,566.90. Fluctuations in profits cannot be attributed to fluctuations in the volume of padi purchases and sales alone (see Tables 9 and 11, Chapter IV). Marketing expenses also play a significant part in causing instability in profits from padi marketing. Over the period 1961 to 1965, marketing expenses varied from \$20,801.08 in 1961 to \$7,255.00 in 1964. Marketing expenses do not vary in proportion to the volume of sales. Table 17 shows the value of net sales and the marketing expenses incurred in making these sales over the period 1961 to 1965. The lack of consistency in marketing expenses can be compared for the years 1963 and 1964. In 1963, the net sales were \$491,846.02 and in 1964 they were \$429,793.53. Yet for these two years marketing expenses were \$13,535.40 in 1963 and \$7,255.- in 1964. While the difference in net sales over these two years was about 12%, the marketing expenses for 1964 were about 50%⁽¹³⁾ compared with 1963.

TABLE 17

NET SALES AND MARKETING EXPENSES
OF THE LOONG YIP CO-OPERATIVE
RICE MILL SOCIETY, 1961-1965

Year	Net Sales of Padi (\$)	Marketing Expenses (\$)
1961	1,085,718.14	20,801.08
1962	798,159.38	14,596.40
1963	491,846.02	13,535.40
1964	429,793.53	7,255.00
1965	637,526.69	9,504.74

Source: Padi Accounts of the Society by Lim Yeok Shin & Co., 1961-1965.

¹⁰ Includes profits on sales of gunny sacks.

The reason for the relative inflexibility of marketing expenses is the high amount of fixed overheads ~~contribution~~ of ~~the~~ padi marketing, ~~contribution~~.

Table 18 shows the volume of padi purchases, sales, marketing expenses and net profits of padi marketing operations over the years 1961 to 1965. In 1963, expenses exceeded gross revenue, and caused a net loss of \$4,206.33.

(See Table 18 on next page)

Contribution of Milling and Marketing Operations to Total Revenue

Milling and marketing operations constitute the main sources of the revenue of the Society. Other minor sources of revenue are rent from shop buildings since 1963, interest earned on savings accounts at banks, and telephone charges.¹¹

Over the period 1961 to 1965 milling and marketing operations have changed in their relative importance as sources of the Society's revenue. In 1961, profits from milling were far below those from padi marketing. Milling profits amounted to \$5,005.47 while marketing profits were \$17,658.77. Since 1963 however, milling operations have become the main source of the revenue of the Society. In that year milling profits amounted to \$14,208.99, while marketing operations resulted in a net loss of \$4,206.33. Since 1963, milling has remained the main source of revenue. Table 19 shows the consolidated sources of the Society's revenue for the years 1961 to 1965.

(See Table 19 on page 58)

The trend in profits from milling over this 5 year period has been upward, and with the present milling machinery, future profits can be expected to remain fairly stable around \$10,000 to \$12,000 per year.

¹¹ These are charges made for the use of the Society's telephone for private purposes. They do not constitute profits because they are ultimately used to pay the telephone expenses of the Society, which are partly caused by such private calls.

EXPENSES AND NET PROFITS OF PADJ MARKETING
OPERATIONS OF THE LOONG YIP CO-OPERATIVE
RICE MILL SOCIETY, 1961-1965

Year

	1961	1962	1963	1964	1965
Net Sales and Closing Stocks	1,119,899.14	809,490.66	495,145.12	442,606.56	643,277.09
Gross Purchases and Opening Stocks	1,081,439.29	778,775.00	485,816.05	432,636.25	629,205.45
Gross Revenue	38,459.85	30,715.66	9,327.07	9,970.31	14,071.64
Less Marketing Expenses	20,801.08	14,596.40	13,535.40	7,255.00	9,504.74
Net Profits	17,658.77	16,119.26	4,206.33 (net loss)	2,715.31	4,566.90

Source: Padi Accounts of the Society by Lim Yeok Shin & Co., 1961-1965.

* Purchases, Sales & Stocks refer to combined padi and gunny sacks purchases, sales and stocks.

SOURCES OF REVENUE OF THE LOONG YIP CO-OPERATIVE
RICE MILL SOCIETY, 1961-1965

Source of Revenue	Year				
	1961	1962	1963	1964	1965
(in \$)					
Profit on Padi Marketing	17,658.77	16,119.26	(4206.33) (net loss)	2,915.31	4,566.90
Profit on Rice Milling	5,005.47	7,431.04	14,208.99	8,065.70	10,147.27
Rent from Shop Buildings	-	-	1,600.00	2,400.00	2,400.00
Telephone Charges Received	36.25	13.60	-	21.25	20.85
Interest Earned	70.70	15.50	15.90	16.28	21.09
Gross Revenue	22,771.19	23,759.40	15,824.89	13,444.54	17,156.11

Source: Financial Statements of the Society by Lim Yeok Shin & Co., 1961-1965.

Without any further increases in bran prices, profits from milling will remain fairly stable. However, the Society should not place too much reliance on revenue from bran sales (see Table 15) because there is always the probability that bran prices will decrease in the future as they have increased in the past. The main problem of milling revenue is its excessive dependence on bran sales.

Padi marketing profits have proved unreliable over the 5 years 1961-1965 and show wide fluctuations from year to year. In 1963, a net loss of \$4,206.33 resulted. However, the increased profits from milling in that year covered this loss and even enabled patronage dividends on padi sales to the Society to be paid.¹² The future of profits from padi marketing is not quite certain. Under the new padi marketing scheme to be implemented in October, 1966, by the Federal Agricultural Marketing Authority (FAMA), only licensed agents of FAMA will be allowed to purchase padi on a commission basis.¹³ Whether or not the Society will be appointed as a purchasing agent for FAMA is not yet known. Assuming that the Society does secure such an appointment as commissioned padi purchase agent for F.A.M.A., it is still too early to say how much these new padi marketing activities will contribute to the revenue of the Society.

If profits from padi marketing since 1963 are any indication of the future, total stopping of all marketing operations will not be too great a loss to the Society.

PROFITS OF THE SOCIETY

The net profits from milling and marketing operations, rent, interest earned and telephone charges (shown in Table 19) together constitute the gross profits of the Society. To the gross profits are charged expenses of the Society, that is, expenses not incurred by either milling or marketing operations.

¹²See section on 'Profit Distribution', this chapter.

¹³See "Proposed Padi Marketing Scheme by the Federal Agricultural Marketing Authority", Appendix IV.

The expenses of the Society are: Audit Fees (\$400), printing and stationery, telephone, quit rent and assessment, depreciation on office furniture and buildings, sundry allowances, and other miscellaneous charges. Over the years 1961 to 1965 these expenses show remarkable stability. Expenses amounted to \$6,602.12 in 1961, and ranged from \$4,346.11 in 1963 to \$4,903.15 in 1965, for the remainder of the 5 year period. Table 20 shows the profits and expenses of the Society over the period 1961 to 1965. The net profits show no definite trend but tend to fluctuate. This cannot be attributed to the expenses of the Society which remained fairly stable, but was mainly due to the instability of profits from padi marketing operations (see Table 19).

TABLE 20

GROSS REVENUE, EXPENSES AND NET PROFITS
OF THE LOONG YIP CO-OPERATIVE
RICE MILL SOCIETY, 1961-1965

Year	Gross Revenue to General Profit & Loss Account (\$)	Expenses** (\$)	Losses Incurred Operations (\$)	Net Profit of the Society (\$)
1961	22,771.19	6,602.12	-	16,169.07
1962	23,759.40	4,865.43	-	18,893.97
1963	15,824.89	4,346.11	4,206.33#	7,272.45
1964	13,444.54	4,803.39	-	8,641.15
1965	17,156.11	4,903.15	-	12,252.96

Source: Financial Statements of the Society by
Lim Yeek Shin & Co., 1961-1965.

* Net profits from milling and marketing operations, telephone charges received, rent received and interest earned.

** Expenses of the Society, not milling and marketing expenses.

This loss arose from padi marketing operations.

Profit Distribution

The profit distribution schemes of the Society over the years 1961 to 1965 consist of appropriations to the Statutory Reserve Fund, contribution to the Co-operative College, dividends on share capital, rebates on milling and padi sales by members, bonuses to employees, honoraria to the Committee and appropriations to the other Funds which the Society maintains.

Appropriations of 23% of net profits to the Statutory Reserve Fund and 2% of net profits to the Co-operative College are compulsory.¹⁴ Dividends on share capital may not exceed 6%.¹⁵ Determination of the disposal of the remainder of the profits is left to the Society to decide for itself, within the rules imposed by the By-laws.

Every year over the period 1961 to 1965, the compulsory appropriations to the Statutory Reserve Fund and the Co-operative College have been met. Dividends, bonuses and honoraria have also been paid every year. Rebates on padi sales by members varying from 6 cents per picul in 1963 to 15 cents per picul in 1962, and rebates on milling varying from 15 cents per picul in 1963 to 40 cents per picul in 1962 have been paid every year. Appropriations to other Funds of the Society were not made regularly.

Table 21 shows the details of profit distribution over the years 1961 to 1965. The total profits available for distribution each year consist of the net profits of that year and the unappropriated profits of the previous year brought forward. In 1963, a sum of \$5,000 received as goodwill from the renting out of the shop building completed in that year was included in the profit distribution scheme. The distribution of profits shown for each year in Table 21 applies to the previous year. For example, the 6% dividends on share capital paid in 1965 are for 1964, and the rebates

¹⁴See By-law 27, Appendix I, op. cit.

¹⁵See By-law 27, clause (ii), Appendix I, op. cit.

on padi sales and milling paid in 1965 are for the patronage of 1964. Profit distribution for 1965 will therefore appear only on the 1966 financial statements of the Society and hence is not shown.

Most of the aspects of profit distribution reflect the nature of the Society as a co-operative form of enterprise. One aspect of profit distribution which is open to criticism is the payment of honoraria to the committee (see Chapter II). In 1965, honoraria exceeded bonuses to employees. Payment of honoraria has defeated the ideal of honorary service, and was an otherwise creditable profit distribution scheme.

In retrospect, the finances of the Society stand witness to the ability of the Committee of Management as capable and efficient businessmen. In this chapter I have studied all aspects of the financial structure of the Society over the years 1961 to 1965. For a comprehensive picture of the financial position of the Society in 1965, however, reference should be made to the complete financial statements of the Society, as at 30th September, 1965, in Appendix V.¹⁶

¹⁶ See "Financial Statements of the Sekinchan Loong Yip Co-operative Rice Mill Society, Ltd., as at 30.9.65", Appendix V.

TABLE 21

PROFIT DISTRIBUTION OF THE LOONG YIP CO-OPERATIVE RICE MILL SOCIETY, 1961-1965

Profits (\$)	YEAR				
	1961	1962	1963	1964	1965
By Balance brought forward from Previous Year	13,466.02	16,205.29	18,822.95	14,250.45	15,610.33
Net Profit for the Year	16,169.07	18,893.97	7,272.45	8,641.15	12,252.96
Miscellaneous	-	-	5,000.00*	-	-
Total Profit Available for Distribution	29,635.09	35,099.26	31,095.43	22,891.60	27,863.29
Profit Distribution of Net Profits (\$)					
23% to Statutory Reserve Fund	3,121.01	3,718.89	4,345.61	1,672.67	1,987.46
2% to Co-operative College	271.39	323.38	377.88	148.45	172.82
6% Dividends	1,444.20	1,429.80	1,372.80	1,395.00	1,392.60
Rebates on Milling	2,813.18	2,784.78	2,863.60	1,172.70	1,816.42
Rebates on Padi Sales	4,280.02	5,367.60	5,525.55	2,083.65	2,006.07
Honoraria to Committee	650.00	1,212.68	1,179.77	405.90	763.23
Bonus to Employees	850.00	1,439.18	1,179.77	405.90	254.41
Sundry Allowances	-	-	-	-	144.00
General Reserve Fund	-	-	-	-	1,000.00
Welfare Fund	-	-	-	-	1,000.00
Total Profits Distributed \$	13,429.80	16,276.31	16,844.98	7,281.27	10,537.01
Balance carried forward	16,205.29	18,822.95	14,250.45	15,610.33	17,326.28
\$	29,635.09	35,099.26	31,095.43	22,891.60	27,863.29

Source: Profit and Loss Appropriation Accounts for 1961 to 1965. (Lim Yeek Shin & Co.)

* This sum of \$5,000 was received as goodwill from the lease of shop buildings of the Society.

Note: The rate of rebates on milling and padi sales were:

	1961	1962	1963	1964
Rate per picul	40¢	40¢	15¢	25¢
Milling				
Padi Sales	10¢	15¢	6¢	7¢