ROLLS ROYCE LIMITED
CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST DECEMBER, 1960

THE PROFIT HAS BEEN EARNED AS FOLLOWS

<table>
<thead>
<tr>
<th></th>
<th>1960</th>
<th>1959</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue from all sources</td>
<td>109,270,697</td>
<td>97,533,321</td>
</tr>
<tr>
<td>Costs of manufacture, selling and administration</td>
<td>96,337,787</td>
<td>86,996,519</td>
</tr>
<tr>
<td></td>
<td>12,932,910</td>
<td>10,536,802</td>
</tr>
<tr>
<td>Research and development expenditure</td>
<td>7,758,274</td>
<td>5,660,333</td>
</tr>
<tr>
<td>Profit before taxation</td>
<td>5,174,636</td>
<td>4,876,469</td>
</tr>
<tr>
<td>Taxation</td>
<td>2,016,000</td>
<td>2,240,000</td>
</tr>
<tr>
<td></td>
<td>3,158,636</td>
<td>2,636,469</td>
</tr>
<tr>
<td>Interest of outside shareholders of subsidiary company</td>
<td>8,477</td>
<td>1,615</td>
</tr>
<tr>
<td>Profit after taxation</td>
<td>£3,150,159</td>
<td>£2,634,854</td>
</tr>
</tbody>
</table>

THE PROFIT HAS BEEN USED AS FOLLOWS

To pay dividends:

<table>
<thead>
<tr>
<th></th>
<th>£</th>
<th>£</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interim dividend of 2½%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>less income tax at 7s. 9d. in £</td>
<td>307,280</td>
<td>304,525</td>
</tr>
<tr>
<td>Proposed final dividend of 8½%</td>
<td>1,044,974</td>
<td>913,801</td>
</tr>
<tr>
<td>(1959: 7½% less income tax at 7s. 9d. in £)</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>1,352,254</td>
<td>1,218,326</td>
</tr>
<tr>
<td>Retained in the business</td>
<td>1,797,905</td>
<td>1,416,528</td>
</tr>
<tr>
<td></td>
<td>£3,150,159</td>
<td>£2,634,854</td>
</tr>
</tbody>
</table>

Notes on and forming part of the consolidated profit and loss account are given on page 602
ROLLS ROYCE LIMITED

NOTES ON THE CONSOLIDATED PROFIT AND LOSS ACCOUNT

<table>
<thead>
<tr>
<th>REVENUE FROM ALL SOURCES</th>
<th>1960</th>
<th>1959</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>108,347,379</td>
<td>96,559,372</td>
</tr>
<tr>
<td>Royalties</td>
<td>326,243</td>
<td>233,160</td>
</tr>
<tr>
<td>Income from trade investments</td>
<td>12,269</td>
<td>287,434</td>
</tr>
<tr>
<td>Interest and financing income</td>
<td>440,940</td>
<td>291,532</td>
</tr>
<tr>
<td>Management fees</td>
<td>143,866</td>
<td>161,823</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>£109,270,697</strong></td>
<td><strong>£97,533,321</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>COSTS OF MANUFACTURE, SELLING AND ADMINISTRATION</th>
<th>£</th>
<th>£</th>
</tr>
</thead>
<tbody>
<tr>
<td>Includes the following items:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation on property and plant</td>
<td>3,455,591</td>
<td>3,010,917</td>
</tr>
<tr>
<td><em>Transfer to provisions not capable of exact ascertainment:</em></td>
<td></td>
<td></td>
</tr>
<tr>
<td><em>Addition to provision for guarantee</em></td>
<td></td>
<td>845,091</td>
</tr>
<tr>
<td>Interest gross, on 4% Debenture Stock 1974-84</td>
<td>153,957</td>
<td>155,701</td>
</tr>
<tr>
<td>Remuneration of directors of the parent company:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fees</td>
<td>6,726</td>
<td>6,500</td>
</tr>
<tr>
<td>Management</td>
<td>104,855</td>
<td>102,806</td>
</tr>
<tr>
<td>Pension contributions</td>
<td>32,297</td>
<td>31,397</td>
</tr>
<tr>
<td>Auditors' fees and expenses:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Parent company</td>
<td>8,000</td>
<td>8,000</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>TAXATION</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>United Kingdom taxation has been estimated on the profit of the year thus:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Income tax</td>
<td>1,333,000</td>
<td>1,840,000</td>
</tr>
<tr>
<td>Profit tax</td>
<td>683,000</td>
<td>400,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>£2,016,000</strong></td>
<td><strong>£2,240,000</strong></td>
</tr>
</tbody>
</table>

The charge for income tax is reduced by substantial capital allowances, including investment allowances, on expenditure incurred during the year.

<table>
<thead>
<tr>
<th>PROFIT AFTER TAXATION</th>
<th>£</th>
<th>£</th>
</tr>
</thead>
<tbody>
<tr>
<td>Group profit</td>
<td>3,150,159</td>
<td>2,634,854</td>
</tr>
<tr>
<td>Profit dealt with in the accounts of the parent company</td>
<td>3,165,027</td>
<td>2,250,005</td>
</tr>
</tbody>
</table>
### APPENDIX

**ROLLS ROYCE LIMITED**

**CONSOLIDATED BALANCE SHEET AT 31st DECEMBER, 1960**

<table>
<thead>
<tr>
<th>Assets Less Current Liabilities</th>
<th>1960</th>
<th>1960</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current assets:</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Cash and bank balances</td>
<td>690,220</td>
<td>594,962</td>
</tr>
<tr>
<td>Debtors</td>
<td>27,271,376</td>
<td>24,044,893</td>
</tr>
<tr>
<td>Stocks</td>
<td>37,297,406</td>
<td>26,630,014</td>
</tr>
<tr>
<td></td>
<td>65,259,002</td>
<td>51,269,869</td>
</tr>
<tr>
<td>Current liabilities:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bank overdrafts</td>
<td>9,651,421</td>
<td>1,665,770</td>
</tr>
<tr>
<td>Creditors</td>
<td>19,556,929</td>
<td>13,273,575</td>
</tr>
<tr>
<td>Accrued taxation</td>
<td>3,282,485</td>
<td>2,786,421</td>
</tr>
<tr>
<td>Proposed final dividend (net)</td>
<td>1,044,974</td>
<td>913,801</td>
</tr>
<tr>
<td></td>
<td>33,535,809</td>
<td>18,639,567</td>
</tr>
<tr>
<td>Net current assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investments in other companies at cost</td>
<td>389,818</td>
<td>383,390</td>
</tr>
<tr>
<td>Property and plant</td>
<td>19,123,953</td>
<td>16,277,738</td>
</tr>
<tr>
<td>Goodwill, patents and trademarks</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>£51,236,965</td>
<td>£49,291,431</td>
</tr>
</tbody>
</table>

### FINANCED AS FOLLOWS

Capital and reserves: £

- Share capital: £20,145,063
- Capital reserves: £2,570,259
- Profits retained in the business: £18,487,886

Total: £41,203,208

4% Debenture Stock 1974-84 (Secured) £3,827,994

Deferred liabilities £6,147,671

Interests of outside shareholders of subsidiary company £58,092

Total: £51,236,965

On behalf of the board

KINDERSLEY

\[Directors\]

J. D. PEARSON

*Notes on and forming part of the balance sheet are given on pages 604 and 605*
ROLLS ROYCE LIMITED
NOTES ON THE BALANCE SHEETS

DEBTORS
Debtors outstanding at 31st December 1960 include £6,728,523 (1959: £3,985,288) for sales to overseas aero engine customers on extended credit terms.

STOCKS

<table>
<thead>
<tr>
<th>Group</th>
<th>1960</th>
<th>1959</th>
<th>Parent company</th>
<th>1960</th>
<th>1959</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
<td></td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Stocks at the lower of cost or net realizable value</td>
<td>49,896,042</td>
<td>39,346,858</td>
<td>44,501,718</td>
<td>34,173,301</td>
<td></td>
</tr>
<tr>
<td>Payments received on account</td>
<td>12,598,636</td>
<td>12,716,844</td>
<td>11,418,314</td>
<td>11,646,418</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>£37,297,406</td>
<td>£26,660,014</td>
<td></td>
<td>£33,083,404</td>
<td>£22,526,883</td>
</tr>
</tbody>
</table>

PROPERTY AND PLANT

<table>
<thead>
<tr>
<th>Group</th>
<th>Cost</th>
<th>Depreciation</th>
<th>Parent company</th>
<th>Cost</th>
<th>Depreciation</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
<td></td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td></td>
<td>9,977,895</td>
<td>5,053,936</td>
<td>Land and buildings</td>
<td>7,929,769</td>
<td>4,455,756</td>
</tr>
<tr>
<td></td>
<td>28,752,453</td>
<td>14,552,459</td>
<td>Plant and equipment</td>
<td>26,234,954</td>
<td>13,353,129</td>
</tr>
<tr>
<td>Total</td>
<td>£38,730,348</td>
<td>£19,606,395</td>
<td></td>
<td>£34,164,723</td>
<td>£17,808,885</td>
</tr>
<tr>
<td>Net book value</td>
<td>£19,123,953</td>
<td></td>
<td></td>
<td>£16,355,838</td>
<td></td>
</tr>
<tr>
<td>1959 totals</td>
<td>£32,833,225</td>
<td>£16,555,487</td>
<td></td>
<td>£27,962,011</td>
<td>£14,779,452</td>
</tr>
<tr>
<td>Total</td>
<td>£16,277,738</td>
<td></td>
<td></td>
<td>£13,182,559</td>
<td></td>
</tr>
</tbody>
</table>

SHARE CAPITAL

<table>
<thead>
<tr>
<th>Authorised</th>
<th>1960</th>
<th>1959</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ordinary stock</td>
<td>18,580,000</td>
<td>18,580,000</td>
</tr>
<tr>
<td>Ordinary shares of £1 each</td>
<td>4,220,000</td>
<td>4,220,000</td>
</tr>
<tr>
<td>Workers' (1955) shares or stock units of 10s. 0d. each</td>
<td>2,200,000</td>
<td>2,200,000</td>
</tr>
<tr>
<td>Total</td>
<td>£25,000,000</td>
<td>£25,000,000</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Issued</th>
<th>1960</th>
<th>1959</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ordinary stock</td>
<td>18,580,000</td>
<td>18,580,000</td>
</tr>
<tr>
<td>Workers' (1955) shares or stock units of 10s. 0d. each:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fully paid – 3,066,284 stock units; 1959, 2,806,441</td>
<td>1,533,142</td>
<td>1,403,220</td>
</tr>
<tr>
<td>Partly paid – 120,472 shares; 1959, 149,491</td>
<td>31,921</td>
<td>38,752</td>
</tr>
<tr>
<td>Total</td>
<td>3,186,756</td>
<td>2,955,932</td>
</tr>
<tr>
<td></td>
<td>£20,145,063</td>
<td>£20,021,972</td>
</tr>
</tbody>
</table>

A further 230,824 workers' (1955) shares were issued during the year for cash and at 31st December 1960 £28,315 was outstanding. This amount has now been received.
APPENDIX

ROLLS ROYCE LIMITED

NOTES ON THE BALANCE SHEETS

CAPITAL RESERVES

Group

Parent company

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1960</td>
<td>£1,202,102</td>
<td>1960</td>
<td>£1,202,102</td>
</tr>
<tr>
<td>1959</td>
<td>£1,202,102</td>
<td>1959</td>
<td>£1,202,102</td>
</tr>
<tr>
<td><strong>£2,570,259</strong></td>
<td></td>
<td><strong>£2,488,197</strong></td>
<td></td>
</tr>
</tbody>
</table>

The increase in other capital reserves is mainly attributable to capital receipts from licence agreements, £367,000, and profit on redemption of debentures £12,000.

DEBENTURE STOCK

Group

Parent company

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1960</td>
<td>£3,827,994</td>
<td>1960</td>
<td>£3,827,994</td>
</tr>
<tr>
<td>1959</td>
<td>£3,889,702</td>
<td>1959</td>
<td>£3,889,702</td>
</tr>
</tbody>
</table>

The company is required to set aside £49,038 for the redemption of stock during the year ending 30th September 1961. Of this sum £5,804 was expended prior to 31st December 1960 in the purchase of £8,000 of the stock for redemption.

DEFERRED LIABILITIES

Group

Parent company

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1960</td>
<td>£1,732,000</td>
<td>1960</td>
<td>£1,517,000</td>
</tr>
<tr>
<td>1959</td>
<td>£1,676,000</td>
<td>1959</td>
<td>£1,438,000</td>
</tr>
</tbody>
</table>

Estimated future taxation on profits earned to date

Provision for future expenditure on guarantee, retirement benefits and accident liability

| **£6,147,671** | **£6,451,964** |
| **£5,913,873** | **£6,199,866** |

CONTINGENT LIABILITIES

There are contingent liabilities of £1,500,000: 1959: £640,000

EXCHANGE RATES

Foreign currencies have been converted into sterling as follows:

Fixed assets at the rates ruling at the dates of acquisition; other assets and liabilities at the rates ruling at the date of the balance sheet.

COMMITMENTS FOR CAPITAL EXPENDITURE

Group

Parent company

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1960</td>
<td>£3,080,000</td>
<td>1960</td>
<td>£2,970,000</td>
</tr>
<tr>
<td>1959</td>
<td>£2,000,000</td>
<td>1959</td>
<td>£1,940,000</td>
</tr>
</tbody>
</table>

Approximate commitment
ROLLS ROYCE LIMITED

PARENT COMPANY BALANCE SHEET AT 31st DECEMBER, 1960

ASSETS LESS CURRENT LIABILITIES

<table>
<thead>
<tr>
<th></th>
<th>1960</th>
<th>1959</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current assets:</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Cash and bank balances</td>
<td>202,592</td>
<td>186,427</td>
</tr>
<tr>
<td>Debtors</td>
<td>24,019,224</td>
<td>21,579,674</td>
</tr>
<tr>
<td>Stocks</td>
<td>33,083,404</td>
<td>22,526,883</td>
</tr>
<tr>
<td></td>
<td><strong>57,305,220</strong></td>
<td><strong>44,292,984</strong></td>
</tr>
<tr>
<td>Current liabilities:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bank overdraft</td>
<td>8,206,825</td>
<td>1,125,121</td>
</tr>
<tr>
<td>Creditors</td>
<td>17,868,385</td>
<td>12,155,524</td>
</tr>
<tr>
<td>Accrued taxation</td>
<td>2,914,109</td>
<td>2,473,344</td>
</tr>
<tr>
<td>Subsidiary companies</td>
<td>173,915</td>
<td>880,924</td>
</tr>
<tr>
<td>Proposed final dividend (net)</td>
<td>1,044,974</td>
<td>913,801</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>30,208,208</strong></td>
<td><strong>17,548,714</strong></td>
</tr>
<tr>
<td>Net current assets</td>
<td>27,097,012</td>
<td>26,744,270</td>
</tr>
</tbody>
</table>

Interests in other companies:

Subsidiary companies:

Investments at cost | 3,940,079 | 3,831,845 |
Loans and current accounts | 1,779,205 | 3,450,051 |
Other trade investments at cost | 389,818 | 383,390 |

|                           |              |              |
|                          | **6,109,102** | **7,665,286** |

Property and plant

Goodwill, patents and trade marks | 1 | 1 |

|                           | £            | £            |
|                          | **49,561,953** | **47,592,116** |

FINANCED AS FOLLOWS

Capital and reserves:

Share capital | 20,145,063 | 20,021,972 |
Capital reserves | 2,663,943 | 2,282,269 |
Profits retained in the business | 17,011,080 | 15,198,307 |

|                           | £            | £            |
|                          | **39,820,086** | **37,502,548** |

4% Debenture Stock 1974-84 (Secured) | 3,827,994 | 3,889,702 |
Deferred liabilities | 5,913,873 | 6,199,866 |

|                           | £            | £            |
|                          | **49,561,953** | **47,592,116** |

On behalf of the board

Kindersley                  Directors

J. D. Pearson
APPENDIX

ATKINSON LORRIES (HOLDINGS) LIMITED

BALANCE SHEET AS AT 31st MARCH, 1961

<table>
<thead>
<tr>
<th>1960</th>
<th>£</th>
<th>£</th>
<th>£</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>INVESTMENTS</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td></td>
<td>Subsidiary Companies</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Shares (Note 1)</td>
<td>431,374</td>
<td></td>
</tr>
<tr>
<td>415,426</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Advances</td>
<td>536,500</td>
<td></td>
</tr>
<tr>
<td>235,000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Deduct: Indebtedness</td>
<td>40,500</td>
<td></td>
</tr>
<tr>
<td>650,426</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Associate Company (Unquoted) at Cost, less Provision £5,000</td>
<td>927,374</td>
<td></td>
</tr>
<tr>
<td>10,000</td>
<td>(1960 (£2,000)</td>
<td>7,000</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Trade, at Cost</td>
<td>100</td>
<td></td>
</tr>
<tr>
<td>614,426</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>CURRENT ASSETS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>24,000</td>
<td>Dividends Receivable from Subsidiary Companies (Net)</td>
<td>58,500</td>
<td></td>
</tr>
<tr>
<td>562</td>
<td>Cash at Bank</td>
<td>1,085</td>
<td></td>
</tr>
<tr>
<td>24,562</td>
<td></td>
<td></td>
<td>39,585</td>
</tr>
<tr>
<td></td>
<td>Deduct:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>252</td>
<td>Creditors</td>
<td>638</td>
<td></td>
</tr>
<tr>
<td>830</td>
<td>Current Taxation</td>
<td>1,221</td>
<td></td>
</tr>
<tr>
<td>18,375</td>
<td>Proposed Dividend on Ordinary Shares, less Tax</td>
<td>30,625</td>
<td></td>
</tr>
<tr>
<td>19,457</td>
<td></td>
<td></td>
<td>32,484</td>
</tr>
<tr>
<td>5,105</td>
<td></td>
<td></td>
<td>27,101</td>
</tr>
<tr>
<td></td>
<td>TOTAL NET ASSETS</td>
<td></td>
<td>£961,575</td>
</tr>
<tr>
<td></td>
<td>Representing</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>SHARE CAPITAL</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>51% Redeemable Cumulative Preference Shares of £1 each (redeemable</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>at the option of the Company)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>85,000</td>
<td>Authorized</td>
<td>100,000</td>
<td>85,000</td>
</tr>
<tr>
<td>300,000</td>
<td>Issued and Still Fully Paid</td>
<td>600,000</td>
<td>500,000</td>
</tr>
<tr>
<td>385,000</td>
<td></td>
<td>£700,000</td>
<td>585,000</td>
</tr>
<tr>
<td>78,568</td>
<td>CAPITAL RESERVES: (Note 3)</td>
<td>194,876</td>
<td></td>
</tr>
<tr>
<td>160,101</td>
<td>REVENUE RESERVE</td>
<td></td>
<td></td>
</tr>
<tr>
<td>25,476</td>
<td>Profit and Loss Account (Note 2)</td>
<td>155,963</td>
<td></td>
</tr>
<tr>
<td>134,625</td>
<td>Balance at credit, 1st April, 1960</td>
<td></td>
<td></td>
</tr>
<tr>
<td>21,338</td>
<td>Deduct: Amounts Capitalised in Subsidiary Companies</td>
<td></td>
<td></td>
</tr>
<tr>
<td>155,963</td>
<td>Undistributed Profits of the Year</td>
<td>25,036</td>
<td>180,999</td>
</tr>
<tr>
<td></td>
<td>AMOUNT SET ASIDE for FUTURE TAXATION</td>
<td>700</td>
<td></td>
</tr>
<tr>
<td></td>
<td>£619,531</td>
<td></td>
<td>£961,575</td>
</tr>
</tbody>
</table>

W. G. ALLEN  
F. R. COWELL  
Directors
ATKINSON LORRIES (HOLDINGS) LIMITED AND SUBSIDIARY COMPANIES

CONSOLIDATED PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31ST MARCH, 1961

<table>
<thead>
<tr>
<th>1960</th>
<th>£</th>
<th>£</th>
</tr>
</thead>
<tbody>
<tr>
<td>£</td>
<td></td>
<td></td>
</tr>
<tr>
<td>GROSS PROFIT on Manufacturing and Trading before crediting or charging the items set out below</td>
<td>110,191</td>
<td>151,272</td>
</tr>
<tr>
<td>Add: Deposit Interest and Investment Income</td>
<td>141</td>
<td>—</td>
</tr>
<tr>
<td><strong>110,332</strong></td>
<td></td>
<td><strong>151,272</strong></td>
</tr>
</tbody>
</table>

Deduct:

| Emoluments of Directors of Holding Company: |  |
| Fees | 1,000 |
| Management Salaries | 15,250 |
| Superannuation Contributions | 640 |
| **16,702** |  | **16,890** |

| Depreciation of Fixed Assets (other than Freehold Property) | 12,797 | 14,380 |
| Expenses re Increase of Capital | 1,000 | — |
| Audit Fees and Expenses | 1,458 | 1,446 |
| Provision against Investment in Associated Company | 2,000 | 3,000 |
| **33,952** |  | **35,716** |

**CONSOLIDATED NET PROFIT before Taxation** 115,556

Deduct:

Taxation (Estimated) on the Profit of the Year:

| United Kingdom: |  |
| Income Tax | 24,767 | 40,111 |
| Profits Tax | 5,806 | 13,003 |
| **30,573** |  | **53,114** |

Less: Overprovision in respect of previous year

| 2,200 |  |

| South African |  |
| 28,373 | 53,114 |
| 7,029 | 5,043 |
| **35,402** |  | **58,157** |

**CONSOLIDATED NET PROFIT after Taxation** 57,399

Add: Interest of Minority Shareholders in Losses, less Profits of Subsidiary Companies

| 1,598 | 1,125 |
| **42,576** |  | **58,524** |

Deduct:

Dividends (less Tax) of Holding Company for the year to 31st March, 1961:

| 2,863 |  |
| Dividends on Redeemable Cumulative Preference Shares at 5½% per annum | 2,863 |
| Proposed Dividend on Ordinary Shares at 10% per annum (1960: 10% on £300,000) | 18,375 | 30,625 |
| **21,238** |  | **33,488** |

UNDISTROYED PROFIT of the Year

| Subsidiary Companies |  |
| 20,216 | 2,448 |
| Holding Company | 1,122 | 22,588 |
| **£21,338** |  | **£25,036** |
APPENDIX

ATKINSON LORRIES (HOLDINGS) LIMITED AND SUBSIDIARY COMPANIES

CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 1961

<table>
<thead>
<tr>
<th>1960</th>
<th>Cost or Valuation</th>
<th>Aggregate Depreciation</th>
</tr>
</thead>
<tbody>
<tr>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td><strong>FIXED ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>270,160</td>
<td>Freehold Land and Buildings</td>
<td>307,066</td>
</tr>
<tr>
<td>1,323</td>
<td>Leasehold Property</td>
<td>1,375</td>
</tr>
<tr>
<td>50,566</td>
<td>Plant and Machinery, Furniture and Fittings</td>
<td>108,779</td>
</tr>
<tr>
<td>13,873</td>
<td>Motor Vehicles</td>
<td>32,978</td>
</tr>
<tr>
<td>3,371</td>
<td>Insurance Policy on the Life of a Director (Surrender value £3,804. 1960: £3,281)</td>
<td>3,746</td>
</tr>
<tr>
<td>6,567</td>
<td>Patterns at Valuation</td>
<td>4,964</td>
</tr>
<tr>
<td><strong>345,860</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>INVESTMENTS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10,000</td>
<td>Associate Company (Unquoted) at Cost, less Provision £5,000 (1960: £2,000)</td>
<td>7,000</td>
</tr>
<tr>
<td></td>
<td>Trade, at Cost</td>
<td>100</td>
</tr>
<tr>
<td><strong>10,000</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>CURRENT ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>925,727</td>
<td>Stocks and Work in Progress</td>
<td>957,279</td>
</tr>
<tr>
<td>312,788</td>
<td>Debtors, Deposits and Prepayments</td>
<td>462,443</td>
</tr>
<tr>
<td>80,713</td>
<td>Associated Company, less Provision £5,000 (1960: Nil)</td>
<td>122,347</td>
</tr>
<tr>
<td>55,354</td>
<td>Bills Receivable</td>
<td>40,606</td>
</tr>
<tr>
<td>33,754</td>
<td>Cash at Bank and in Hand</td>
<td>31,629</td>
</tr>
<tr>
<td><strong>1,408,336</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Deduct:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>CURRENT LIABILITIES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>372,896</td>
<td>Bank Overdrafts</td>
<td>162,010</td>
</tr>
<tr>
<td></td>
<td>Loan</td>
<td>100,000</td>
</tr>
<tr>
<td>675,985</td>
<td>Creditors and Accrued Expenses</td>
<td>639,103</td>
</tr>
<tr>
<td>10,962</td>
<td>Current Taxation</td>
<td>17,255</td>
</tr>
<tr>
<td>18,375</td>
<td>Proposed Dividend on Ordinary Shares of Atkinson Lorries (Holdings) Ltd., less Tax</td>
<td>30,625</td>
</tr>
<tr>
<td><strong>1,078,218</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>WORKING CAPITAL</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>£685,978</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL NET ASSETS</strong></td>
<td></td>
<td><strong>£1,041,697</strong></td>
</tr>
</tbody>
</table>

Representing

| £685,978 | SHARE CAPITAL of Atkinson Lorries (Holdings) Limited | 585,000 |
|         | CAPITAL RESERVES (Note 3) | 234,029 |
|         | REVENUE RESERVE |                         |
| 160,101 | Balance at credit, 1st April, 1960 | 155,963 |
| 25,476  | Deduct: Amounts capitalised in Subsidiary Companies |                         |
| 155,963 | Add: Undistributed Profit of the Year | 180,999 |
| 659,051 | AMOUNT SET ASIDE for FUTURE TAXATION | 1,000,028 |
| 22,525  | MINORITY INTERESTS in SUBSIDIARY COMPANIES | 39,025 |
| 4,402   |                                           | 2,644 |
| **£685,978** |                   | **£1,041,697** |

W. G. ALLEN  
F. R. COWELL  
Directors
1. SHARES IN SUBSIDIARY COMPANIES
These are valued at Cost plus undistributed revenue profits since date of acquisition, less amounts capitalised in Subsidiary Companies.

2. REVENUE RESERVE
The Holding Company has brought into its own Accounts all the revenue profits of its Subsidiaries since the date of acquisition (whether or not distributed) less amounts capitalised in Subsidiary Companies.

3. CAPITAL RESERVES

<table>
<thead>
<tr>
<th>Year</th>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1960</td>
<td>Holding Company</td>
<td>£</td>
</tr>
<tr>
<td></td>
<td>Shares Premium: As at 1st April, 1960</td>
<td>77,725</td>
</tr>
<tr>
<td></td>
<td>Premium arising on shares issued during year, less expenses applicable thereto £8,692</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Group</td>
<td>£</td>
</tr>
<tr>
<td></td>
<td>Capital Redemption Reserve Fund</td>
<td>5,500</td>
</tr>
<tr>
<td></td>
<td>General</td>
<td>8,449</td>
</tr>
<tr>
<td></td>
<td>Surplus on Consolidation: As at 1st April, 1960</td>
<td>25,571</td>
</tr>
<tr>
<td></td>
<td>Less: Arising on acquisition of shares in a Subsidiary Company</td>
<td>367</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>£118,088</td>
<td>£234,029</td>
</tr>
</tbody>
</table>

4. CAPITAL COMMITMENTS
Commitments for Capital Expenditure not provided in these Accounts are approximately:

<table>
<thead>
<tr>
<th>Year</th>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1960</td>
<td>Holding Company</td>
<td>£</td>
</tr>
<tr>
<td></td>
<td></td>
<td>6,000</td>
</tr>
<tr>
<td></td>
<td>Subsidiaries</td>
<td>8,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>NIL</td>
</tr>
</tbody>
</table>

5. CONTINGENT LIABILITIES
The Holding Company has guaranteed Bank Overdrafts and Loans of its Subsidiaries and Associate Company up to a maximum of £646,000. In addition it has guaranteed bills drawn by certain of its Subsidiaries and its Associate Company.

6. SOUTH AFRICAN SUBSIDIARIES
The Assets and Liabilities have been incorporated into the Consolidated Accounts at par.
**APPENDIX**

**THE 'SHELL' TRANSPORT AND TRADING COMPANY LIMITED**

**BALANCE SHEET**

<table>
<thead>
<tr>
<th></th>
<th>As at 1st Dec. 1961 £</th>
<th>As at 31st Dec. 1960 £</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Fixed Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investments in companies of the Royal Dutch/Shell Group <em>(Note 2)</em></td>
<td>899,868,400</td>
<td>853,663,935</td>
</tr>
<tr>
<td>Investment in Commonwealth Development Finance Company Limited – at cost <em>(Note 6)</em></td>
<td>50,000</td>
<td>50,000</td>
</tr>
<tr>
<td></td>
<td><strong>899,918,400</strong></td>
<td><strong>853,713,935</strong></td>
</tr>
<tr>
<td><strong>Current Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dividends due from companies of the Royal Dutch/Shell Group</td>
<td>16,520,000</td>
<td>14,880,000</td>
</tr>
<tr>
<td>Other receivables</td>
<td>16,689</td>
<td>37,844</td>
</tr>
<tr>
<td>Short-term government securities <em>(Note 4)</em></td>
<td>10,822,305</td>
<td>9,913,083</td>
</tr>
<tr>
<td>Cash</td>
<td>109,541</td>
<td>440,207</td>
</tr>
<tr>
<td></td>
<td><strong>27,468,535</strong></td>
<td><strong>25,271,134</strong></td>
</tr>
<tr>
<td><strong>Current Liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Taxation</td>
<td>103,406</td>
<td>24,800</td>
</tr>
<tr>
<td>Accounts payable and accrued liabilities</td>
<td>93,637</td>
<td>69,156</td>
</tr>
<tr>
<td>Unclaimed dividends</td>
<td>202,888</td>
<td>224,302</td>
</tr>
<tr>
<td>Dividends (net)</td>
<td>17,458,527</td>
<td>14,581,355</td>
</tr>
<tr>
<td></td>
<td><strong>17,858,458</strong></td>
<td><strong>14,899,613</strong></td>
</tr>
<tr>
<td><strong>Total Current Liabilities</strong></td>
<td><strong>9,610,077</strong></td>
<td><strong>10,371,521</strong></td>
</tr>
<tr>
<td><strong>Excess of Current Assets over Current Liabilities</strong></td>
<td><strong>9,610,077</strong></td>
<td><strong>10,371,521</strong></td>
</tr>
<tr>
<td><strong>Net Assets</strong></td>
<td><strong>£909,528,477</strong></td>
<td><strong>£864,085,456</strong></td>
</tr>
</tbody>
</table>

**Share Capital *(Note 5)***

|                         |                        |                        |
| Ordinary Shares         | 115,086,918            | 115,086,918            |
| 5\% First Preference Shares | 2,000,000             | 2,000,000              |
| 7% Second Preference Shares | 10,000,000           | 10,000,000             |
|                         | **127,086,918**        | **127,086,918**        |

**Capital Reserves**

|                         |                        |                        |
| Share Premiums *(Note 5)* | 50,389,761            | 50,738,934             |
| Investments *(Note 2)*   | 615,106,334            | 568,901,869            |
| Other *(Note 2)*         | 106,695,164            | 106,695,164            |
|                         | **615,106,334**        | **568,901,869**        |

**Retained Earnings**

|                         |                        |                        |
| Retained Earnings       | 10,250,300             | 10,662,571             |
|                         | **10,250,300**         | **10,662,571**         |

**Total Capital, Reserves and Retained Earnings**

|                         |                        |                        |
| Total Capital, Reserves and Retained Earnings | £909,528,477 | £864,085,456 |

**F. J. STEPHENS, Chairman.**

**SOUTHBOROUGH, Director.**
THE 'SHELL' TRANSPORT AND TRADING COMPANY LIMITED

STATEMENT OF INCOME

<table>
<thead>
<tr>
<th></th>
<th>Year ended 31st Dec. 1961</th>
<th>Year ended 31st Dec. 1960</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Dividends from companies of the Royal Dutch/Shell Group (Note 1)</td>
<td>28,600,000</td>
<td>25,300,000</td>
</tr>
<tr>
<td>Interest and other income</td>
<td>792,756</td>
<td>595,488</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>29,392,756</td>
<td>25,895,488</td>
</tr>
</tbody>
</table>

Deduct:

|                      |                           |                           |
| Administrative and other expenses | 350,700                   | 352,975                   |
| Taxation (Note 3):               |                           |                           |
| Income Tax                      | 132,655                   | 75,979                    |
| Profits Tax                      | 53,818                    | 19,988                    |
|                      |                           |                           |
|                      | 537,173                   | 448,942                   |

Net Income for the year

|                      | £28,855,583               | £25,446,546               |

STATEMENT OF RETAINED EARNINGS

<table>
<thead>
<tr>
<th></th>
<th>Year ended 31st Dec. 1961</th>
<th>Year ended 31st Dec. 1960</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Retained earnings at beginning of year</td>
<td>10,662,571</td>
<td>9,688,591</td>
</tr>
<tr>
<td>Net income for the year</td>
<td>28,855,583</td>
<td>25,446,546</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>39,518,154</td>
<td>35,135,137</td>
</tr>
</tbody>
</table>

Deduct:

|                      |                           |                           |
| Dividends:           |                           |                           |
| 5 1/2% First Preference Shares (less income tax) | 67,375                   | 67,375                   |
| 7% Second Preference Shares (less income tax)    | 428,750                   | 428,750                   |
| Ordinary Shares – interim dividend of 2s. 0d. per £1 Unit and proposed final dividend of 9d. per 5s. 0d. Share, free of income tax | 28,771,729               | 23,976,441               |
|                      |                           |                           |
|                      | 29,267,854                | 24,472,566                |

Retained Earnings at end of year

|                      | £10,250,300               | £10,662,571               |
NOTES TO FINANCIAL STATEMENTS

1. The Royal Dutch/Shell Group of Companies

Shell Transport is a holding company which, in conjunction with Royal Dutch Petroleum Company, owns, directly or indirectly, investments in the numerous companies comprising the Royal Dutch/Shell Group.

Arrangements between Shell Transport and Royal Dutch provide, inter alia, that notwithstanding variations in shareholdings Shell Transport and Royal Dutch shall share in the aggregate net assets and in the aggregate dividends and interest received from Group companies in the proportion of 40:60.

It is further arranged that the burden of all taxes in the nature of or corresponding to an income tax leviable in respect of such dividends and interest shall fall in the same proportion.

2. Investments in Royal Dutch/Shell Group and Capital Reserves

The investments of Shell Transport in companies of the Royal Dutch/Shell Group are stated at an amount equivalent to its 40 per cent interest in the net assets, as shown in the Statement of Assets and Liabilities, of the Group. The cost of these investments at 31st December 1960 and at 31st December 1961 was £178,066,902. The difference between the cost and the amount at which the investments are stated in the Balance Sheet has been taken to Capital Reserves, as follows:

<table>
<thead>
<tr>
<th>Investments</th>
<th>Amounts taken to Capital Reserves</th>
</tr>
</thead>
<tbody>
<tr>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Balance at 31st December 1960</td>
<td>853,663,935</td>
</tr>
<tr>
<td>The 40 per cent interest of Shell Transport in earnings retained by the Group out of net income for 1961</td>
<td>46,204,465</td>
</tr>
<tr>
<td>Balance at 31st December 1961</td>
<td>£899,868,400</td>
</tr>
</tbody>
</table>

*Subject to any additional taxation payable in the event of further distributions from retained earnings of Group companies.

Of the amounts taken to Capital Reserves, £615,106,334 is shown as 'Capital Reserves - Investments' and £106,695,164, representing the difference between the nominal value and the fair market value of the 1961 share distribution, is shown as 'Capital Reserves - Other'.

3. Taxation

Dividends from companies of the Royal Dutch/Shell Group have been declared payable without deduction of income tax and the amount shown is the aggregate of the sums actually receivable.

The charge for taxation is in respect of interest and other income of the year.

4. Short-term Government Securities

These securities are stated at cost adjusted by the accrual of discounts over periods to maturity. The market value at 31st December 1961 was £10,745,734.

5. Share Capital and Share Premiums

<table>
<thead>
<tr>
<th>Share Capital:</th>
<th>Authorized</th>
<th>Issued</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>5½% First Preference Shares of £1 each</td>
<td>3,000,000</td>
<td>2,000,000</td>
</tr>
<tr>
<td>7% Second Preference Shares of £1 each</td>
<td>10,000,000</td>
<td>10,000,000</td>
</tr>
<tr>
<td>Ordinary Shares of 5s. 0d. each</td>
<td>150,000,000</td>
<td>115,086,918</td>
</tr>
<tr>
<td><strong>£163,000,000</strong></td>
<td><strong>£127,086,918</strong></td>
<td></td>
</tr>
</tbody>
</table>

The proposed share distribution dealt with in the 1960 accounts was approved in 1961. The nominal value of the shares distributed is included in the amounts of issued ordinary shares.
Share Premiums:

Balance at 31st December 1960 50,738,934
Expenses of share distribution 349,173
Balance at 31st December 1961 £50,389,761

6. Contingent Liabilities
Shell Transport and Royal Dutch have each guaranteed the performance and observance of the obligations of a Group company under an agreement with Gulf Kuwait Company. Royal Dutch has indemnified Shell Transport and Shell Transport has indemnified Royal Dutch as to 60 per cent and 40 per cent respectively of their respective contingent liabilities under the said guarantee.

There is a contingent liability amounting to £450,000 in respect of the uncalled capital of Commonwealth Development Finance Company Limited.

7. Statement of Directors’ Emoluments and Pensions pursuant to Section 196 of the Companies Act, 1948

<table>
<thead>
<tr>
<th>Year ended</th>
<th>Year ended</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>£</td>
<td>£</td>
</tr>
</tbody>
</table>

Directors’ emoluments:
In respect of services as Directors 47,483 50,173
In respect of other services 211,736 215,916
£259,219 £266,089

Directors’ and past Directors’ pensions:
In respect of other services £74,733 £46,186

Of these emoluments, £31,505 in 1961 and £34,840 in 1960 were borne by Shell Transport and charged in the Statement of Income.
APPENDIX

NATIONAL PROVINCIAL BANK LIMITED AND SUBSIDIARY COMPANIES

CONSOLIDATED PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31ST DECEMBER 1962

<table>
<thead>
<tr>
<th></th>
<th>£</th>
<th>£</th>
<th>£</th>
</tr>
</thead>
<tbody>
<tr>
<td>1961</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>£</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Profit of the Group after providing for taxation on the profits of the year and after making transfers to the credit of inner reserves, out of which provision for any diminution in the value of assets has been made:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4,256,388</td>
<td>National Provincial Bank Limited</td>
<td>4,631,800</td>
<td></td>
</tr>
<tr>
<td>520,376</td>
<td>Retained by Subsidiary Companies</td>
<td>835,607</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(The Group Profit includes the Bank's interest in the profit of District Bank Limited attributed to the six months ended 31st December, 1962, amounting to £574,549, of which £335,146 is receivable as dividend.)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4,776,764</td>
<td>Less: Interim Dividend on £24,030,084 of 7 per cent., less Income Tax, paid on 27th July, 1962</td>
<td>1,030,290</td>
<td>5,467,407</td>
</tr>
<tr>
<td>1,030,290</td>
<td>Final Dividend on £38,712,953 of 7 per cent., less Income Tax, payable on 1st March, 1963 (including provision for Dividend on 306,453 shares to be issued on completion of the necessary formalities for acquisition of the minority interest in District Bank Limited)</td>
<td>1,659,817</td>
<td></td>
</tr>
<tr>
<td>2,060,580</td>
<td>Add: Balance brought forward from last year</td>
<td>2,690,107</td>
<td></td>
</tr>
<tr>
<td>2,716,184</td>
<td></td>
<td>2,777,300</td>
<td></td>
</tr>
<tr>
<td>1,947,428</td>
<td>Less: Appropriated to: Reserve Funds—</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4,663,612</td>
<td>National Provincial Bank Limited</td>
<td>1,500,000</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Subsidiary Companies</td>
<td>582,467</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Contingencies Account—</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Subsidiary Company</td>
<td>100,000</td>
<td></td>
</tr>
<tr>
<td>2,335,000</td>
<td>Balance to be carried forward to next year—</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1,410,475</td>
<td>National Provincial Bank Limited</td>
<td>1,852,168</td>
<td></td>
</tr>
<tr>
<td>918,137</td>
<td>Subsidiary Companies</td>
<td>1,071,277</td>
<td></td>
</tr>
<tr>
<td></td>
<td>£2,328,612</td>
<td></td>
<td>£2,923,445</td>
</tr>
</tbody>
</table>

STATEMENT PURSUANT TO SECTION 196 OF THE COMPANIES ACT, 1948

The aggregate amount of the emoluments of the Directors of National Provincial Bank Limited was £75,917, of which £62,310 was borne by the Bank.
### NATIONAL PROVINCE

#### BALANCE SHEET

<table>
<thead>
<tr>
<th>1961 (£)</th>
<th>£</th>
<th>£</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Share Capital Authorised</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>60,000,000</td>
<td>60,000,000 Shares of £1 each</td>
<td>60,000,000</td>
</tr>
<tr>
<td><strong>Share Capital Issued</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>24,030,084</td>
<td>38,406,500 Shares of £1 each, fully paid</td>
<td>38,406,500</td>
</tr>
<tr>
<td><strong>Share Premium Account</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>17,716,270</td>
<td>10,492,660</td>
<td></td>
</tr>
<tr>
<td><strong>Reserve Fund</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1,410,475</td>
<td>Balance carried forward to 1963</td>
<td>1,852,168</td>
</tr>
<tr>
<td><strong>Profit and Loss Account—</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>43,156,829</td>
<td></td>
<td>69,967,598</td>
</tr>
<tr>
<td><strong>Current, Deposit and Other Accounts, including reserves and provisions</strong></td>
<td>946,557,603</td>
<td>989,717,311</td>
</tr>
<tr>
<td><strong>Amounts due to Subsidiary Companies</strong></td>
<td>908,575</td>
<td>1,393,869</td>
</tr>
<tr>
<td><strong>Dividend payable on 1st March 1963</strong></td>
<td>1,030,290</td>
<td>1,659,817</td>
</tr>
<tr>
<td><strong>Liabilities for Acceptances, Endorsements, Engagements, etc., as per contra</strong></td>
<td>40,828,875</td>
<td>48,107,337</td>
</tr>
</tbody>
</table>

**NOTES**—

1. In connection with the merger between the Bank and District Bank Limited the Bank has issued 10,943,547 shares for 97-27 per cent. of the issued share capital of District Bank Limited. The Bank is entitled to acquire the minority interest on completion of the necessary formalities, in consideration of the issue of a further 306,453 shares. The Consolidated Profit and Loss Account includes the appropriate proportion of the profit of District Bank Limited, ascertained in the manner indicated, attributed to the six months subsequent to 30th June, 1962. The Share Premium Account comprises (a) £6,865,738 being the premium of £2 per share on 3,432,869 shares issued for cash on 8th May, 1962 and (b) £3,628,922 representing the excess of the Bank’s interest in the share capital of District Bank Limited and in its Reserve Fund and Undistributed Profits at 30th June, 1962, over the par value of the 10,943,547 shares issued by the Bank.

2. There is a contingent liability for uncalled capital in respect of a portion of the Investments in Subsidiary Companies.

D. J. ROBARTS, Chairman.

F. W. LEITH-ROSS, Deputy Chairman.

P. J. GRIGG,

W. LYNN, Chief General Manager.

S. B. HEYS,

F. A. VAUGHAN,

R. F. SMITH,

W. B. DAVIDSON,

G. V. JONES,

**£1,032,482,172**

**£1,110,845,932**
## CIAL BANK LIMITED

**31st December, 1962**

### 1961

<table>
<thead>
<tr>
<th>Description</th>
<th>£</th>
</tr>
</thead>
<tbody>
<tr>
<td>Coin, Bank Notes and Balances with the Bank of England</td>
<td>83,514,134</td>
</tr>
<tr>
<td>Balances with, and Cheques in course of collection on, other Banks in the United Kingdom and Ireland, and Cheques, Drafts, etc., in transit</td>
<td>44,178,964</td>
</tr>
<tr>
<td>Money at call and short notice</td>
<td>87,916,523</td>
</tr>
<tr>
<td>Bills Discounted and Re-financeable Credits</td>
<td>194,922,476</td>
</tr>
<tr>
<td>British Government Treasury Bills</td>
<td>163,340,000</td>
</tr>
<tr>
<td>Bills payable by British Firms and Institutions in the United Kingdom and Re-financeable Credits</td>
<td>10,242,106</td>
</tr>
<tr>
<td>Other Bills</td>
<td>1,647,834</td>
</tr>
<tr>
<td>Special Deposit with the Bank of England</td>
<td>26,300,000</td>
</tr>
<tr>
<td>Investments at less than market value—</td>
<td>122,147,013</td>
</tr>
<tr>
<td>British Government Securities and Securities guaranteed by the British Government</td>
<td>104,387,360</td>
</tr>
<tr>
<td>Other Quoted Investments, including Securities of British Public Boards and British Municipal Corporations</td>
<td>1,765,695</td>
</tr>
<tr>
<td>Advances to Customers and Other Accounts</td>
<td>462,254,377</td>
</tr>
<tr>
<td>Amounts due by Subsidiary Companies</td>
<td>2,029,992</td>
</tr>
<tr>
<td></td>
<td>466,197,658</td>
</tr>
<tr>
<td>Investments in Subsidiary Companies</td>
<td>1,021,797,996</td>
</tr>
<tr>
<td>Par Value of Ordinary Stock or Shares and Reserves and Undistributed Profits—</td>
<td>22,956,535</td>
</tr>
<tr>
<td>District Bank Limited</td>
<td>14,809,872</td>
</tr>
<tr>
<td>Coutts &amp; Company</td>
<td>2,115,029</td>
</tr>
<tr>
<td>Isle of Man Bank Limited</td>
<td>596,896</td>
</tr>
<tr>
<td>North Central Finance Limited</td>
<td>5,313,285</td>
</tr>
<tr>
<td>Other Subsidiaries</td>
<td>121,453</td>
</tr>
<tr>
<td>Trade Investments at cost or under</td>
<td>3,950,475</td>
</tr>
<tr>
<td>Bank Premises at cost less amounts written off</td>
<td>14,033,589</td>
</tr>
<tr>
<td>Liabilities of Customers for Acceptances, Endorsements, Engagements, etc., as per contra</td>
<td>48,107,337</td>
</tr>
<tr>
<td></td>
<td>1,110,845,932</td>
</tr>
</tbody>
</table>

**£1,032,482,172**
### NATIONAL PROVINCIAL BANK LIMITED

#### CONSOLIDATED BALANCE

<table>
<thead>
<tr>
<th>1961</th>
<th>£</th>
<th>£</th>
</tr>
</thead>
<tbody>
<tr>
<td>Share Capital Authorised</td>
<td></td>
<td></td>
</tr>
<tr>
<td>60,000,000</td>
<td>60,000,000 Shares of £1 each</td>
<td>60,000,000</td>
</tr>
<tr>
<td>Share Capital Issued</td>
<td></td>
<td></td>
</tr>
<tr>
<td>24,030,084</td>
<td>38,406,500 Shares of £1 each, fully paid</td>
<td>38,406,500</td>
</tr>
<tr>
<td>Share Premium Account</td>
<td></td>
<td>10,492,660</td>
</tr>
<tr>
<td>18,076,270</td>
<td>Reserve Funds</td>
<td>20,158,737</td>
</tr>
<tr>
<td>2,328,612</td>
<td>Balance of Consolidated Profit and Loss Account</td>
<td>2,923,445</td>
</tr>
<tr>
<td>44,434,966</td>
<td></td>
<td>71,981,342</td>
</tr>
<tr>
<td>Current, Deposit and Other Accounts, including inner reserves and provisions</td>
<td>1,041,364,970</td>
<td>1,369,344,634</td>
</tr>
<tr>
<td>1,030,290</td>
<td>Dividend payable on 1st March, 1963</td>
<td>1,659,817</td>
</tr>
<tr>
<td>1,042,395,260</td>
<td></td>
<td>1,371,004,451</td>
</tr>
<tr>
<td>45,811,687</td>
<td>Liabilities for Acceptances, Endorsements, Engagements, etc., as per contra</td>
<td>77,889,894</td>
</tr>
</tbody>
</table>

### NOTES

1. The Share Premium Account is explained in Note 1 on Page 616.
2. The minority interest in District Bank Limited is included in Current, Deposit and other Accounts.
3. In order to avoid undue delay in the presentation of the Bank's Accounts, the Accounts of North Central Finance Limited and its Subsidiaries have been made up to 30th September, 1962. Debentures secured by a floating charge on the assets of North Central Finance Limited £1,510,123 and Minority Shareholders' Interest in that Company £264,000 are included in Current, Deposit and Other Accounts.
4. Securities, nominal value £127,300, are lodged in the Isle of Man for Public Accounts and for the Note issue of £20,519 which is included above in Current, Deposit and Other Accounts.
## APPENDIX

### TED AND SUBSIDIARY COMPANIES

**SHEET 31st DECEMBER, 1962**

<table>
<thead>
<tr>
<th>£</th>
<th>£</th>
</tr>
</thead>
<tbody>
<tr>
<td>89,167,254</td>
<td>113,527,154</td>
</tr>
<tr>
<td>Coln, Bank Notes and Balances with the Bank of England</td>
<td></td>
</tr>
<tr>
<td>Balances with, and Cheques in course of collection on, other Banks in the United Kingdom and Ireland, and Cheques, Drafts, etc., in transit</td>
<td>88,428,671</td>
</tr>
<tr>
<td>46,580,809</td>
<td>101,336,437</td>
</tr>
<tr>
<td>Money at call and short notice</td>
<td>128,566,392</td>
</tr>
<tr>
<td>Bills Discounted and Re-financeable Credits—</td>
<td>£</td>
</tr>
<tr>
<td>168,455,000</td>
<td>226,590,000</td>
</tr>
<tr>
<td>British Government Treasury Bills</td>
<td></td>
</tr>
<tr>
<td>11,181,616</td>
<td>22,908,067</td>
</tr>
<tr>
<td>Bills payable by British Firms and Institutions in the United Kingdom and Re-financeable Credits</td>
<td></td>
</tr>
<tr>
<td>1,742,346</td>
<td>3,394,568</td>
</tr>
<tr>
<td>Other Bills</td>
<td>181,378,962</td>
</tr>
<tr>
<td></td>
<td>252,892,635</td>
</tr>
<tr>
<td>27,800,000</td>
<td>Special Deposit with the Bank of England</td>
</tr>
<tr>
<td>Investments at less than market value—</td>
<td>£</td>
</tr>
<tr>
<td>114,450,949</td>
<td>176,020,963</td>
</tr>
<tr>
<td>British Government Securities and Securities guaranteed by the British Government</td>
<td></td>
</tr>
<tr>
<td>2,239,311</td>
<td>2,196,476</td>
</tr>
<tr>
<td>Other Quoted Investments, including Securities of Dominion Governments, British Public Boards and British Municipal Corporations</td>
<td></td>
</tr>
<tr>
<td>116,690,260</td>
<td>178,217,439</td>
</tr>
<tr>
<td>Advances to Customers and Other Accounts, including balances outstanding under Hire Purchase and other Agreements entered into by Subsidiary Companies</td>
<td>£</td>
</tr>
<tr>
<td>505,575,538</td>
<td>654,538,863</td>
</tr>
<tr>
<td></td>
<td>1,416,171,154</td>
</tr>
<tr>
<td>1,068,529,260</td>
<td></td>
</tr>
<tr>
<td>3,975,226</td>
<td>7,180,053</td>
</tr>
<tr>
<td>Trade Investments at cost or under</td>
<td></td>
</tr>
<tr>
<td>14,325,740</td>
<td>19,634,586</td>
</tr>
<tr>
<td>Premises and Office Equipment at cost less amounts written off</td>
<td></td>
</tr>
<tr>
<td>45,811,687</td>
<td>77,889,894</td>
</tr>
<tr>
<td>Liabilities of Customers for Acceptances, Endorsements, Engagements, etc., as per contra</td>
<td></td>
</tr>
<tr>
<td>£1,132,641,913</td>
<td>£1,520,875,687</td>
</tr>
</tbody>
</table>
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