



BY APPOINTMENT  
BREWERS  
TO H.M. THE KING

# H. & G. SIMONDS, LIMITED

## READING



THE HOP LEAF

## DIRECTORS' REPORT AND ACCOUNTS

*For the Year ended*

**30th September, 1949**



## H. & G. SIMONDS, LIMITED

### Reading

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NOTICE IS HEREBY GIVEN that the Annual General Meeting of the above Company will be held at 19, Bridge Street, Reading, on Monday, the 23rd day of January, 1950, at 12 o'clock noon, for the purpose of transacting the following business :

1. To consider and, if thought fit, to pass the Directors' Report and Accounts;
2. To declare a dividend on the Ordinary Stock;
3. To elect Directors;
4. To fix the Auditors' remuneration;
5. To transact such other business as may be properly transacted at an Ordinary General Meeting of the Company.

By Order of the Board,

J. D. RICHARDSON,

*Secretary.*

*Registered Offices—*

The Brewery, Reading.

30th December, 1949.

**Note.**—A member entitled to attend and vote at the above-mentioned Meeting may appoint a Proxy to attend and, on a poll, to vote on his behalf, and such Proxy need not be a member of the Company. Forms of Proxy are not being issued with this Notice, but are available upon request to the Company at the address stated above.



# H. & G. SIMONDS, LIMITED

## Reading

### Directors:

FREDERICK ADOLPHUS SIMONDS, Audleys Wood, Basingstoke, Hants.  
(Chairman and Managing Director).

MAJOR GUY STEDMAN MAY ASHBY, Grimsbury Farm, Hermitage, Berks. (Vice-Chairman).

RICHARD BRIDGES ST. JOHN QUARRY, Foudry House, Mortimer, Berks.

FREDERICK HERBERT VERNON KEIGHLEY, O.B.E., Walnut Tree Cottage, Ashampstead, Berks.

ERIC DUNCAN SIMONDS, Winloed, Pangbourne, Berks.

WILLIAM PARRY CRIPPS, Cotteswold House, Cirencester, Glos.

GENERAL SIR MILES CHRISTOPHER DEMPSEY, K.C.B., K.B.E., D.S.O., M.C.,  
The Old Vicarage, Greenham, Newbury, Berks.

ERIC MYTTON DOWNES, O.B.E., Dorndon House, Hurst, Berks.

### Bankers:

BARCLAYS BANK LIMITED.

### Auditors:

TURQUAND, YOUNGS, McAULIFFE & CO.,  
Chartered Accountants,  
London.

### Chief Accountant:

A. G. RICHARDSON, A.C.A.

### Secretary:

J. D. RICHARDSON

### Registered Offices:

The Brewery, Reading.

## Report of the Directors

To the Annual General Meeting of the Company, to be held on Monday, 23rd January, 1950, at  
19, Bridge Street, Reading, at 12 o'clock noon.

The Directors herewith have pleasure in submitting the accounts of the Company for the year ended 30th September, 1949.

After providing for Interest on the Debenture Stock, Depreciation, Repairs, and the various expenses of the business, including Taxation, the net profit for the year amounts to ... .. £247,282 16 2  
to which has to be added the balance brought forward from 30th September, 1948 ... .. 105,995 18 11  
and an adjustment in respect of prior years' taxation of ... .. 27,935 19 11  
making a total available for appropriation of ... .. £381,214 15 0

out of which have been paid, or provided for, the following:—

Dividend on Cumulative Preference Stock at the rate of 5 per cent., less  
Income Tax—

On £1,200,000 for the half-year ended 31st March, 1949	£16,500	
„ £1,360,000 „ „ „ „ 30th September, 1949	18,700	
		£35,200

Interim Dividend on £1,000,000 Ordinary Stock at the rate of 4 per cent., less Income Tax (paid 13th June, 1949)	22,000	
		57,200 0 0

leaving for disposal the sum of ... .. £324,014 15 0

Your Directors recommend the following appropriations:—

To pay a Final Dividend on £1,087,500 Ordinary Stock at the rate of 24 per cent., less Income Tax (making 28 per cent. for the year)	143,550 0 0
To add to Property Improvement Reserve (making a total of £500,000)	29,471 3 8
To add to General Reserve—Revenue (making a total of £950,000)	29,431 5 4
To add to Pension Reserve (making a total of £195,000)	20,000 0 0
To carry forward to next year	101,562 6 0
	£324,014 15 0

The final liquidation of certain of the Company's interests in Malta has resulted in a further profit during the year of £80,997 which has been credited to General Reserve—Revenue which, as will be seen from the Statement on page 11, has increased by £100,000 during the year.

On 30th April, 1949, the Company acquired by an exchange of shares the whole of the share capital of Phillips & Sons, Limited, Newport, Mon.

General Sir Miles Christopher Dempsey, K.C.B., K.B.E., D.S.O., M.C., and Mr. Richard Bridges St. John Quarry retire by rotation in accordance with the Articles of Association and, being eligible, offer themselves for re-election.

Under the provisions of the Companies Act, 1948, the retiring Auditors, Messrs. Turquand, Youngs, McAuliffe & Co., will continue in office.

F. A. SIMONDS  
G. S. M. ASHBY } Directors.

Registered Offices—

The Brewery, Reading.

30th December, 1949.

NOTES.—(a) Dividend Warrants will be posted on 24th January, 1950.

(b) The Address to be read by the Chairman at the Annual General Meeting will be found on pages 12 and 13.



## H. &amp; G. SIMONDS, LIMITED

1948		Authorised		Issued	
£	Issued £	£	£	£	
<b>SHARE CAPITAL</b>					
	1,200,000	5% Cumulative Preference Shares and Stock (in units of £1) ...	1,500,000	1,360,000	
	1,000,000	Ordinary Stock (in units of £1) ...	1,087,500	1,087,500	
	—	912,500 Unclassified Shares of £1 each ...	912,500	—	
2,200,000			£3,500,000		2,447,500
<b>SURPLUS AND RESERVES</b>					
<b>Capital Reserves</b>					
	516,174	General Reserve ...	483,948		
	500,000	Property Improvement Reserve ...	500,000		
	800,000	Share Premium Account ...	1,190,000		
	175,000	Pension Reserve ...	195,000		
	101,141	Development and Re-equipment Reserve (Excess Profits Tax Post-war Refund) ...	101,141		
2,092,315				2,470,089	
<b>Revenue Reserves</b>					
	850,000	General Reserve ...	950,000		
	120,000	Income Tax Reserve (estimated liability on the current year's profits payable 1st January, 1951) ...	35,000		
	105,996	Profit and Loss Appropriation Account ...	101,562		
1,075,996			1,086,562		3,556,651
5,368,311					6,004,151
<b>LOAN CAPITAL</b>					
3½% Redeemable Debenture Stock					
Secured upon specific properties, together with a general charge on the undertaking of the Company:					
		Authorised Issue ...	1,780,000		
		Deduct—Stock purchased and cancelled ...	142,790		
1,650,710				1,637,210	
8,000		Mortgage, secured upon specific properties ...		8,000	
10,359		Loans of E.P.T. Refunds of recently acquired businesses ...		10,359	
		Loan from Bankers ...		500,000	
1,669,069					2,155,569
<b>DEFERRED LIABILITY</b>					
264,239		Provision for Deferred Repairs ...			212,899
<b>CURRENT LIABILITIES</b>					
	248,707	Deposits and Interest ...		255,758	
	15,544	Amount due to Subsidiary Companies ...		—	
	801,762	Sundry Creditors ...		823,548	
	285,724	Taxation due on or before 1st January, 1950 ...		191,645	
	4,815	Interest accrued on Debenture Stock ...		4,775	
	16,500	Dividend on Preference Stock for half-year due 1st October, less Income Tax ...		18,700	
	137,500	Proposed Final Dividend on Ordinary Stock, less Income Tax ...		143,550	
1,510,552				1,437,976	
£8,812,171					£9,810,595

## Balance Sheet, 30th September, 1949

1948		£		£	£
£	£				
<b>FIXED ASSETS</b>					
	4,392,805	Freehold and Long Leasehold Properties, at independent valuations, dated 30th June, 1928, or subsequently, or at cost (Note 7) ...		4,469,752	
	305,859	Fixtures and Effects at Licensed Houses, Fixed and Loose Plant, Rolling Stock, etc. (Note 6) ...		480,958	
	98,997	Fixtures, Furniture, Equipment, etc., at Managed Houses at valuation dated 30th September, 1948, less sales, and subsequent additions at cost (Note 7) ...		126,762	
	1,332,794	Shares in Subsidiary Companies, at cost ...		1,970,294	
	699,089	Shares in Associated Companies, at cost or Directors' valuation ...		699,089	
	40,515	Trade Investments, at Directors' valuation ...		38,312	
6,870,059					7,785,167
<b>CURRENT ASSETS</b>					
	784,084	Stock of Malt, Hops, Beers, Wines, Spirits, etc., at cost, or under, as certified by officials of the Company ...		845,293	
	88,969	Stock of Bottles and Cases, at cost or under ...		146,686	
	603,085	Sundry Debtors, less provision for Doubtful Debts, and Payments in advance ...		612,411	
<b>Investments:—</b>					
	54,913	British Government Securities, at cost or under (market value, £52,569) ...		52,000	
	2,750	Unquoted, at cost... ..		2,751	
	34,844	Capital Redemption Insurance Policy, at surrender value ...		37,802	
					92,553
	41,739	Amounts due from Subsidiary Companies ...		46,110	
	—	Short-term Loan to Associated Company ...		73,554	
	331,728	Cash at Bankers and in Hand ...		208,821	
1,942,112					2,025,428
This Balance Sheet should be read in conjunction with the explanatory notes and schedules on pages 10 and 11					
F. A. SIMONDS } Directors. G. S. M. ASHBY }					
£8,812,171					£9,810,595



## H. &amp; G. SIMONDS LIMITED

Consolidated  
30th September

1948					
£	£		£	£	
		<b>ISSUED SHARE CAPITAL—H. &amp; G. Simonds, Ltd.:—</b>			
	1,200,000	5% Preference Stock ... ..	1,360,000		
	1,000,000	Ordinary Stock ... ..	1,087,500		
2,200,000				2,447,500	
		<b>SURPLUS AND RESERVES</b>			
2,203,616		Capital Reserves (including E.P.T. Post-war Refunds) ... ..	2,577,363		
		Revenue Reserves: ... ..	£		
830,753		General Reserve ... ..	941,014		
4,759		Debenture Redemption Reserve ... ..	5,159		
122,500		Income Tax Reserve (estimated liability on the current year's profits payable 1st January, 1951) ... ..	48,950		
			995,123		
120,467		Profit and Loss Accounts ... ..	105,080		
3,282,095			3,677,566		
		Deduct <b>GOODWILL</b> —Premiums paid on Shares in Subsidiary Companies, less the reserves and undistributed profits of such Companies at the dates of acquisition ... ..	879,959		
2,560,294	721,801			2,797,607	
4,760,294				5,245,107	
		<b>OUTSIDE SHAREHOLDERS IN SUBSIDIARIES</b>			
1,510		Preference Shares and accrued Dividend: Wheeler's Wycombe Breweries, Ltd. ... ..	1,511		
		<b>LOAN CAPITAL</b>			
1,650,710		3½% Redeemable Debenture Stock: H. & G. Simonds, Ltd. ... ..	1,637,210		
16,623		5% Redeemable Debenture Stock: Wheeler's Wycombe Breweries, Ltd. ... ..	8,523		
—		3½% First Mortgage Debenture Stock: Phillips & Sons, Ltd. ... ..	100,000		
—		5% Debentures: Phillips & Sons, Ltd. ... ..	50,000		
13,000		Mortgages ... ..	13,000		
		(The above are secured generally or upon specific properties)			
10,359		Loans of E.P.T. Refunds of recently acquired businesses ... ..	10,359		
—		Loan from Bankers ... ..	500,000		
1,690,692				2,319,092	
		<b>DEFERRED LIABILITY</b>			
275,386		Provision for Deferred Repairs ... ..	245,663		
		<b>CURRENT LIABILITIES</b>			
262,773		Deposits and Interest ... ..	275,197		
827,162		Sundry Creditors ... ..	876,808		
329,496		Taxation due on or before 1st January, 1950 ... ..	261,476		
5,023		Interest accrued on Debenture Stocks ... ..	5,706		
16,500		Dividend due on Preference Stock: H. & G. Simonds, Ltd. ... ..	18,700		
137,500		Proposed Final Dividend on Ordinary Stock: H. & G. Simonds, Ltd. ... ..	143,550		
1,578,454				1,581,437	
£8,306,336				£9,392,810	

and Subsidiary Companies  
Balance Sheet  
1949

1948					
£	£		£	£	
		<b>FIXED ASSETS</b>			
		Freehold and Long Leasehold Properties, at independent valuations dated 30th June, 1928, or subsequently, or at cost (Note 7) ... ..	5,662,961		
5,126,375		Fixtures and Effects at Licensed Houses, Fixed and Loose Plant, Rolling Stock, etc. (Note 6) ... ..	533,003		
344,911		Fixtures, Furniture, Equipment, etc., at Managed Houses at valuation dated 30th September, 1948, less sales, and subsequent additions at cost (Note 7)...	126,762		
98,997		Shares in Associated Companies at cost or Directors' valuation...	699,089		
699,089		Trade Investments at Directors' valuation ... ..	43,131		
40,515		(including £4,819, being book value of £4,845 Debentures in Subsidiary Company)			
		Debenture Trustees' Accounts, Cash and Investments ... ..	11,660		
6,318,565	8,678			7,076,606	
		<b>CURRENT ASSETS</b>			
		Stock of Malt, Hops, Beers, Wines, Spirits, etc., at cost, or under, as certified by officials of the Companies ... ..	903,623		
802,108		Stock of Bottles and Cases, at cost, or under ... ..	152,686		
91,046		Sundry Debtors, less provision for Doubtful Debts, and Payments in Advance	660,358		
633,640		Investments:—			
		British Government Securities, at cost or under (market value, £102,413)...	101,986		
60,899		Unquoted, at cost...	2,751		
2,750		Capital Redemption Insurance Policies, at surrender value ... ..	120,006		
34,844			224,743		
—		Short-term Loan to Associated Company ... ..	73,554		
		Cash at Bankers and in Hand ... ..	301,240		
1,987,771				2,316,204	
		This Balance Sheet should be read in conjunction with the explanatory notes and schedules on pages 10 and 11			
		F. A. SIMONDS } G. S. M. ASHBY } Directors.			
				£8,306,336	£9,392,810



# H. & G. SIMONDS, LIMITED and Subsidiary Companies

## Consolidated Profit and Loss and Appropriation Account for the year ended 30th September, 1949

£	1948	£	£	£
925,076				824,503
63,827				69,284
	51,343			58,302
	3,344			1,710
	4,414			3,482
59,101				63,494
208				190
1,048,212				957,471
266,997				276,742
47,401				77,307
35,661				31,983
				109,290
28,794				33,768
59,675				64,147
510				495
17,754				21,738
				86,380
149,566				103,083
119,704				90,590
				193,673
726,062				699,853
322,150				257,618
	1,068			41
				7,841
1,068				7,882
321,082				249,736
7,172				2,453
313,910				247,283
104,267				105,996
24,526				27,936
128,793				133,932
442,703				381,215
65,077				29,471
68,229				29,432
5,401				20,000
				78,903
33,000				35,200
27,500				22,000
137,500				143,550
336,707				279,653
£105,996				£101,562

The Notes referred to will be found on pages 10 and 11.

## REPORT OF THE AUDITORS to the Members of H. & G. Simonds, Limited

We have examined the Balance Sheet of the Company, which is in agreement with the books of account, and we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit. Proper books of account have been kept by the Company, so far as appears from our examination thereof.

In our opinion and to the best of our information and according to the explanations given to us, the said Balance Sheet, read in conjunction with the notes on pages 10 and 11, gives the information required by the Companies Act, 1948, in the manner required, and presents a true and fair view of the state of affairs as at 30th September, 1949.

We have also examined the Consolidated Balance Sheet and Consolidated Profit and Loss Account of the Company and its Subsidiaries with the audited accounts of those Companies, one of which has not been audited by us. In our opinion such Consolidated Balance Sheet and Consolidated Profit and Loss Account, read in conjunction with the notes on pages 10 and 11, have been properly prepared in accordance with the provisions of the Companies Act, 1948, so as to give a true and fair view respectively of the state of affairs and of the profit of H. & G. Simonds, Limited, and its Subsidiaries so far as concerns members of H. & G. Simonds, Limited.

TURQUAND, YOUNGS, McAULIFFE & CO.,

19, Coleman Street,  
London, E.C.2.

Chartered Accountants.

5th December, 1949.



## NOTES ON BALANCE SHEETS AND PROFIT AND LOSS ACCOUNT

30th SEPTEMBER, 1949.

1. Remuneration of the Directors of H. & G. Simonds Limited paid by the Company and its Subsidiary Companies:—

Fees ... ..	£ 4,142
Other Emoluments ... ..	28,526
Pension to former Director ... ..	1,100
	<u>£33,768</u>

In addition, a Director of H. & G. Simonds Limited received fees from an Associated Company of £500, and £200 was paid to another Director in respect of the recent liquidation of a Subsidiary Company, giving a total for Directors' emoluments of £34,468.

2. In computing the Income Tax charge for the year allowance has been made for £57,800, being tax on initial allowances on new plant, also on repairs expenditure on properties charged against the provision for Deferred Repairs.

3. There are outstanding commitments for capital expenditure in the Group amounting to approximately £185,000 for which no provision has been made. The Parent Company's commitments under this head amount to £178,000; it has also a liability to subscribe for further shares in an Associated Company amounting to £35,000.

4. The Company has guaranteed the Debenture Interest and Sinking Fund obligations of a Subsidiary Company, and there are contingent liabilities in respect of guarantees amounting to £5,000. In addition, there are contingent liabilities for re-instatement and dilapidations in respect of certain leasehold properties.

5. Comparative figures for 1948 have been adjusted where necessary to conform with the lay-out of the 1949 Accounts.

6. The statement below gives details of Fixtures and Effects at Licensed Houses, Fixed and Loose Plant Rolling Stock, etc.:

	PARENT COMPANY		GROUP	
	Fixtures and Effects at Houses	Fixed and Loose Plant, Rolling Stock, etc.	Fixtures and Effects at Houses	Fixed and Loose Plant, Rolling Stock, etc.
Cost or Valuation—	£	£	£	£
(a) At cost as at 30th September, 1948, less Sales	35,761	198,851	44,976	221,860
Additions during the year ... ..	39,709	213,776	42,387	231,243
	<u>75,470</u>	<u>412,627</u>	<u>87,363</u>	<u>453,103</u>
(b) At the net amount standing in the Company's books on 1st July, 1948, less Sales ... ..	27,133	77,140	27,133	90,138
	<u>102,603</u>	<u>489,767</u>	<u>114,496</u>	<u>543,241</u>
Depreciation—				
On (a) above as at 30th September, 1948, less adjustments in respect of Sales ... ..	6,029	30,114	11,845	31,328
Provision for the year ... ..	9,652	47,604	10,562	50,838
	<u>15,681</u>	<u>77,718</u>	<u>22,407</u>	<u>82,166</u>
On (b) above as at 30th September, 1948, less adjustments in respect of Sales ... ..	1,105	2,818	1,105	3,149
Provision for the year ... ..	3,918	10,172	3,918	11,989
	<u>20,704</u>	<u>90,708</u>	<u>27,430</u>	<u>97,304</u>
NET TOTALS	<u>81,899</u>	<u>399,059</u>	<u>87,066</u>	<u>445,937</u>
	<u>£480,958</u>		<u>£533,003</u>	

7. No depreciation is provided on Freehold and Long Leasehold Properties. The cost of Short Leaseholds having less than 50 years to run is written off out of General Reserve. No depreciation is now provided on Fixtures, etc., at Managed Houses; renewals of these items are charged against the profits for the year.

8. The following statement shows the movements in certain of the Parent Company's Reserves:

	CAPITAL			REVENUE
	General £	Property Improvement £	Share Premium Account £	General £
Balance 30th September, 1948 ... ..	516,174	500,000	800,000	850,000
Deduct:				
Expenses re acquisition of Phillips & Sons Ltd. ... ..		12,934		
Short Leaseholds and Goodwills written off ... ..		19,292		
		<u>32,226</u>		
Improvements Expenditure during the year ... ..		29,471		
Net Loss arising from decrease in Excise Duty during the year ... ..				15,300
	<u>483,948</u>	<u>470,529</u>	<u>800,000</u>	<u>834,700</u>
Add:				
Premium on shares issued in connection with the acquisition of Phillips & Sons Ltd. ... ..			390,000	
Additional Profit resulting from liquidation of Associated Company ... ..				80,997
Net Profits on realisation of sundry assets ... ..				4,871
Proposed Appropriation from 1948/49 Profits ... ..		29,471		29,432
Balance 30th September, 1949 ... ..	<u>483,948</u>	<u>500,000</u>	<u>1,190,000</u>	<u>950,000</u>

9. Group Capital Reserves: Apart from the above, the only material movement was a reduction of £4,000 resulting from the Improvements expenditure of subsidiary Companies.

10. Group Revenue Reserves: After taking into account the increase in the holding Company's General Reserve of £100,000 the further increment shown in the Consolidated Balance Sheet is accounted for by the net profits arising from the realisation of assets and an adjustment of the taxation reserve of a subsidiary Company.

11. Provision for Deferred Repairs: There has been added to the Group Provision the sum of £30,000 in respect of a Subsidiary Company acquired during the year. Expenditure charged against the Provision was £51,340 for the Parent Company and £59,723 for the Group.



## CHAIRMAN'S ADDRESS

Ladies and Gentlemen,

The Directors' Report and Accounts for the Financial Year which was concluded on 30th September, 1949, have been in your possession for the requisite period and I would ask you to follow the precedent of previous years and take them as read.

Our Head Brewer, Mr. E. M. Downes, was elected to the Board in March, 1949, to fill the vacancy created by the death of Commander H. D. Simonds, R.N. (Retd.), and the appointment was confirmed at the Annual General Meeting held on 19th December, 1949. We are confident that Mr. Downes will become a valuable member of the Directorate.

The Directors regret the delay in presenting their Report and Accounts but, owing to the increased ramifications of the Company's operations at home and abroad, it was found impossible to prepare them in the proper form required by the Companies' Act, 1948, and submit to the Board for scrutiny by the usual date.

In March, 1949, an offer was made by the Company to acquire the whole of the Share Capital of Phillips & Sons Limited of Newport (Mon.) by means of an exchange of shares; the offer was accepted by all the holders of shares in Phillips & Sons Limited and, as a result, £160,000 5 per cent. Cumulative Preference Stock and £87,500 Ordinary Stock were issued on 30th April, 1949, in accordance with the terms of the offer. The Share Capital of your Company has therefore been increased accordingly, whilst the Share Premium Account has received a further credit of £390,000 in respect of the premiums on the shares issued in this transaction. Having regard to our existing activities in the South Wales area, the acquisition of the Brewery at Newport, together with 123 licensed properties, should prove to be most advantageous, situated as it is some 30 miles from our Bridgend Stores. The Brewery has a capacity considerably in excess of the present output, and has an adjacent site well situated for the erection of spacious and modern Bottling Stores. Much economy, particularly by way of transport, can also be effected under a policy of centralisation.

If you turn to the Notes on the Balance Sheets and Profit and Loss Account on pages 10 and 11 of this Report you will observe that General Reserve—Capital has been decreased this year by £32,226, due to the expenses and costs of the acquisition of Phillips & Sons Limited (£12,934) and Short Leaseholds and Goodwills purchased (£19,292) and written off in accordance with your Board's established policy.

As regards Improvements to Property, you will see that we have been able to expend the sum of £29,471, which is almost twice as much as we were permitted to carry out last year. It is proposed to replace this sum by a similar amount out of Appropriation Account.

The Directors have decided to recommend a Final Dividend of 24 per cent., less Income Tax, on the Ordinary Stock which, with the Interim Dividend of 4 per cent., less Income Tax, will make a total distribution of 28 per cent., less Income Tax, for the year under review. This Final Dividend is, of course, paid on the increased Ordinary Stock Capital issued, as already mentioned in connection with the acquisition of the Share Capital of Phillips & Sons Limited of Newport (Mon.).

Once again, as last year, a very substantial sum has been added to General Reserve (Revenue), £80,997 being due to the final instalment of the surplus realised in cash from the liquidation of our former Associated Company in Malta G.C. With the sum which we now propose to appropriate from the profits of the year, viz. £29,432, this Reserve now stands at £950,000, or £100,000 more than in the previous year.

We have adopted this year the recommendation of the Company's Auditors in presenting only the Consolidated Profit and Loss and Appropriation Account which is designed to disclose the profits of the Group as a whole and the proportion of those profits for the year which are attributable to the Parent Company, together with the Dividends paid and appropriations therefrom. Consequently, the separate detailed Profit and Loss Account of the Parent Company has not been published—which is in accordance with modern accountancy methods.

If you will turn to page 8 of the printed Accounts you will see, from the Consolidated Profit and Loss Account, that the net profits of H. & G. Simonds Limited for the year amount to £247,283, compared with £313,910 last year—a decrease of £66,627.

The Directors regret that a considerable decline in trading profits, coupled with a steep increase in working expenses, has entailed a reduction in profits available for distribution. Every item of operational expense shows an increased charge against profits—salaries, wages, fuel, transport, repairs to properties and maintenance of plant—all combine seriously to decrease our earnings.

The marked diminution in consumption of beer in the first half of the Financial Year was arrested in the summer owing to the long spell of fine, warm weather, and our worst fears of an even more grievous fall in trading profits, which inspired a reduction of 1 per cent. gross in our Interim Dividend paid in June last, were fortunately proved to be to some extent groundless. We have also been encouraged by amendments to the Licensing Act, 1949, which the Government have seen fit to accept and which have dispelled, at any rate for the present, some of our worst apprehensions as to the future of the Licensed Trade.

Acquisitions of various businesses in recent years, and mergers of mutual interests, have necessarily involved us in some heavy transitional expenses and inevitably we have not, to date, been able to reap the full benefits of our enterprises which in due time must surely bear good fruit under our control and guidance.

We must offer again to thousands of disappointed customers our regrets that we can only meet a small portion of the demands for Scotch Whisky: by far the major portion of the available supply is flowing, by Government decree, in an unending stream on dollar-earning missions.

The relations with our Licensed Tenants, at all times cordial, have been happily cemented by the acceptance by both parties of the Model Tenancy Agreement, drawn up in collaboration with the Brewers' Society and the Licensed Victuallers' Organisations, whereby a greater security of tenure is provided to the Tenants, who will also be able to purchase many of the products for which they are "tied" on more profitable terms.

We have suffered severely from the disastrous result of a full year's impact of the Catering Wages Act on our Hotels and Catering Department: it has become more and more apparent that this Act, far from stimulating efforts on the part of the Hotels and Catering Trades to improve the amenities of this country's holiday and tourist centres, has merely imposed a dead hand on their enterprise and discouraged all efforts to attract travellers generally, and has encouraged indifference and indolence among many of the staff, the majority of whom, to their credit, resent the Act as deeply as do their employers. No efforts should be spared to insist on the Government modifying many of the most burdensome conditions imposed by the Act.

It is no matter for surprise that visitors from this country, from the highest to the lowest, are flocking in their tens of thousands to the Continent, or farther afield, in search of enjoyment in foreign hotels where the managements, less fettered by restrictions, are free to provide more liberally the amusements and recreations of their choice.

The Manager of our Hotels and Catering Department, Mr. H. C. Davis, F.H.C.I., and his Executive Staff, have been sorely tried in their endeavours to maintain the excellent traditions of the chain of "Simonds Hotels."

Once again a substantial dividend from our Associated Company, Saccone & Speed Limited of Gibraltar, has been received, though they are suffering from the experience common to all such businesses in finding the spending power of their customers greatly reduced. The reputation of this Company for the quality of its wines, spirits and tobaccos remains pre-eminent among His Majesty's Forces at home and abroad. The "Saccone Service" remains as ever the symbol of efficiency in all parts of the world. To the Chairman, the Hon. E. B. Cottrell, C.B.E., J.P., and to his colleagues and the staff at home and abroad, we again offer warmest thanks and congratulations on the results of their unremitting efforts for the success of that Company.

Our Associated Company in Malta, G. C. Simonds-Farsons-Cisk Limited, has been operating under great difficulties but it is hoped that during the current year we may see the new brewery at Imrahiel in full production. We regret to report once again that there have been endless and exasperating delays in the completion of this brewery due to the failure of firms in England to make good deliveries of plant and machinery which should have been effected many months ago. The Company has been able to pay us, once again, a substantial dividend, and the merger of interests between Simonds-Farsons Ltd. and the Malta Export Brewery Ltd. (commonly known as Cisk Brewery) has proved a great success.

The Tripoli Brewery has now passed from the control of Simonds-Farsons-Cisk Ltd. owing to the action of the British Military Authority in handing back this concern to its former Italian proprietors. Simonds-Farsons Ltd. were entrusted with the operation of this Brewery shortly after the occupation of Tripoli by British Forces in December, 1942, and have earned the gratitude of those Forces for all it accomplished under every form of difficulty and obstruction. We fear that the profits which have been accruing from year to year will now cease to benefit Simonds-Farsons-Cisk Limited.

We must, as last year, extend to Brigadier-General H. Simonds de Brett, C.B., C.M.G., D.S.O., and to Mr. Lewis Farrugia, O.B.E., and all his colleagues and staff our best thanks and congratulations.

The East African Breweries Ltd. of Nairobi and Dar-es-Salaam, in which Company we now hold a substantial interest, as reported in my Address of 1948, continues on the path of progress and a commencement has been made in the erection of a new Brewery at Mombasa which should in due time bring fresh revenue into the coffers of that concern. We send greetings to the Chairman, Mr. W. N. Mackenzie, and all associated with him and offer our congratulations on results achieved to date.

During the past year we have developed a number of new Export Markets and not without some measure of success, though we are faced with growing competition from Continental Brewers who are able, owing to local labour conditions or subsidies, to offer more attractive terms than are possible in this country. We are also apprehensive as to the possibility of any future expansion on our part in the export market owing to the Government policy in refusing our application for licences for the extension of the necessary buildings for bottling and packing.

In common with other U.K. Brewers we have surveyed and probed the U.S.A. market, but we must confess that we are not wanted in that Continent where they brew beer at lower cost and prefer it to beers brewed by British methods to suit British tastes and climate.

We are as ever appreciative of the loyalty of a host of friends in the "Free Trade," many only known personally to our industrious travelling staff, who have continued their support of "Hop Leaf" Brands, we hope and believe, to our mutual benefit. Our aim and object, as ever, will be to serve them faithfully whether they are H.M. Service Messes, N.A.A.F.I. Institutions, Free Houses, Licensed Caterers, Clubs, Exporters, or Ships' Stores Merchants.

On 1st January, 1949, Mr. J. D. Richardson succeeded to the important office of Secretary of this Company vacated by Mr. E. S. Phipps after over 50 years of most loyal service, and has carried out his duties to our entire satisfaction.

In conclusion, may I on behalf of the Directors and Shareholders, express our sense of deep gratitude to Mr. A. G. Richardson, A.C.A., the Chief Accountant, and his staff, for all they have accomplished during the year under review, as also to the remainder of the staff and employees at Reading and at our other Breweries at Bristol and Devonport, and at Branches, for their loyalty and co-operation at all times.

F. A. SIMONDS,  
Chairman.



## SUBSIDIARY COMPANIES

WHEELER'S WYCOMBE BREWERIES, LTD.      JOHN MAY & CO., LTD., Basingstoke  
 PHILLIPS & SONS, LTD., Newport, Mon.

## ASSOCIATED COMPANIES

SIMONDS-FARSONS-CISK, LTD., Malta, G.C.      SACCONI & SPEED, LTD., Gibraltar  
 EAST AFRICAN BREWERIES LTD., Nairobi, Dar-es-Salaam, Mombasa

## BRANCH OFFICES AND STORES

BLANDFORD, Bryanston Street	FARNBOROUGH, HANTS.,	OXFORD, 67 & 68, High Street
BRIDGEND, Tondur Road	4, Queen's Road	PORTSMOUTH, 33, Marmion Rd., Southsea
BRIGHTON, 4, Castle Square	HEADINGTON, High Street	STAINES, 52, Church Street
BRISTOL, Jacob Street Brewery	LONDON, The Plough Brewery,	SWINDON, North Wilts Brewery,
CATTERICK, YORKS.,	516, Wandsworth Rd., S.W.8	High Street
11, Richmond Road	LUDGERSHALL, WILTS.,	
DEVONPORT, The Tamar	Tidworth Road	WOKING, 88, Chertsey Road
Brewery		

## AND

ANDOVER, T. Dowling & Son, High Street	NEWBURY, J. Adnams & Son, 24, The Broadway
BANBURY, W. G. Dossett, 33 & 34, Parsons Street	READING, Arthur S. Cooper, 29, Market Place

## SIMONDS HOTELS AND RESTAURANTS

BASINGSTOKE, Hants. ....	Red Lion Hotel, London Street
BRIXHAM, Devon ...	Bolton Hotel, Bolton Cross
CHEDDAR, Somerset ...	Bath Arms Hotel, Bath Street
CIRENCESTER, Glos. ...	Crown Hotel, West Market Place
DARTMOUTH, Devon ...	Royal Castle Hotel, The Quay
EGHAM, Surrey ...	Anglers Hotel, Bell Weir Lock
EYNSHAM, Oxon. ...	Evenlode House Hotel
FARNBOROUGH, Hants. ...	Queen's Hotel, Lynchford Road
FROME, Somerset ...	George Hotel, Market Place
HUNGERFORD, Berks. ...	Bear Hotel, Charnham Street
KENNFORD, Nr. Exeter ...	Anchor Hotel (on Exeter-Torquay Road, Kennford By-Pass)
LONDON ...	*The Devereux, Strand, W.C.2
NEWBURY, Berks. ...	Queen's Hotel, Market Place
	Bacon Arms Hotel, Oxford Street
NEWPORT, Mon. ...	Queen's Hotel, Bridge Street
OXFORD ...	Eastgate Hotel, In "The High"
PAIGNTON, Devon ...	Coverdale Hotel, Dartmouth Road
	Gerston Hotel, Victoria Road
	Waterside Hotel, Three Beaches
PRINCES RISBOROUGH, Bucks. ...	Black Prince Hotel
READING, Berks. ...	Ship Hotel, Duke Street
	*Cheddar Cheese, Broad Street
	*Marquis of Lorne, Friar Street
	*Grosvenor House, Kidmore Road, Caversham
	Falcon Hotel, Woodley Aerodrome
SALISBURY, Wilts. ...	*Haunch of Venison, Minster Street
STAINES, Middx. ...	Angel Hotel, High Street
	Railway Hotel, Kingston Road
	Pack Horse Hotel, Thames Street
STOKENCHURCH, Bucks. ...	King's Arms Hotel
SUNNINGDALE, Berks. ...	Sunningdale Hotel
SWINDON, Wilts. ...	Goddard Arms Hotel, High Street
WARGRAVE - ON - THAMES, Berks. ...	St. George & Dragon Hotel
WARMINSTER, Wilts. ...	Bath Arms Hotel, Market Place
WINDSOR, Berks. ...	*The Grapes, Thames Street
WOKINGHAM, Berks. ...	Bush Hotel, Market Place

\*Non-Residential.







*2nd Proof*



BY APPOINTMENT  
TO HER MAJESTY THE QUEEN  
BREWERS

H. & G. SIMONDS, LIMITED



DIRECTORS' REPORT  
AND ACCOUNTS

For the 18 months ended

31st March, 1961



## H. & G. SIMONDS, LIMITED

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NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Company will be held at The Brewery, Reading, on Thursday, the 29th June 1961, at 10 a.m. for the purpose of transacting the following business:

1. To receive and consider the Directors' Report and Accounts;
2. To declare a dividend on the Ordinary Stock;
3. To elect Directors;
4. To fix the Auditors' remuneration;
5. To transact such other business as may be properly transacted at an Ordinary General Meeting of the Company.

By Order of the Board,

J. D. RICHARDSON,

Secretary.

Registered Office—

The Brewery, Reading.

26th June, 1961.



# H. & G. SIMONDS, LIMITED

## Directors:

GENERAL SIR MILES DEMPSEY, G.B.E., K.C.B., D.S.O., M.C., D.L., (Chairman).

\*R. B. St. J. QUARRY, O.B.E.

\*E. D. SIMONDS.

W. P. CRIPPS.

E. M. DOWNES, O.B.E.

K. P. CHAPMAN, D.S.C., F.C.A.

D. J. SIMONDS.

CMDR. A. D. COURAGE, R.N. (Rtd.)

\*Joint Managing.

## Bankers:

BARCLAYS BANK LIMITED.

## Auditors:

TURQUAND, YOUNGS & CO.,  
Chartered Accountants,  
London.

## Chief Accountant:

F. L. B. ABBOTT, F.C.A.

## Secretary:

J. D. RICHARDSON.

## Registered Office:

The Brewery, Reading.

# Report of the Directors

To the Annual General Meeting of the Company, to be held on Thursday, 29th June, 1961, at  
The Brewery, Reading, at 10 a.m.

The Directors have pleasure in submitting herewith the Accounts of the Company for the 18 months ended 31st March, 1961.

Arising from the merger of the Company with Courage and Barclay Ltd., under the name of Courage Barclay & Simonds Ltd., it was decided to alter the financial year end from 30th September to 31st March. For this reason, the Accounts now attached cover the period from the 1st October, 1959, to 31st March, 1961.

After providing for Interest on the Debenture Stocks, Depreciation, Repairs, and the various expenses of the business, including Taxation, the Net Profit for the 18 months amounts to ... .. £920,696 from which must be deducted in respect of the 6 months ended 31st March, 1960:—

Pension Scheme past service instalment (less Income Tax) ... ..	£	6,357
Appropriation to Property Improvement Reserve ... ..	20,001	
	<u>26,358</u>	

leaving available for appropriation ... .. 894,338

out of which have been paid the following:—

Dividend on £1,540,000 Cumulative Preference Stock at the rate of 5 per cent., less Income Tax, for the 18 months ended 31st March, 1961 ... ..	70,744
1st Interim Dividend on £2,175,000 Ordinary Stock at the rate of 7½ per cent., less Income Tax ... ..	99,914
2nd Interim Dividend on £2,175,000 Ordinary Stock at the rate of 6 per cent., less Income Tax ... ..	79,931
	<u>250,589</u>

leaving for disposal the sum of ... .. £643,749

Your Directors recommend that this sum be dealt with as follows:—

To pay a Final Dividend on £2,175,000 Ordinary Stock at the rate of 14 per cent., less Income Tax (making 27½ per cent., for the 18 months ended 31st March, 1961) ... ..	186,506
To add to General Reserve—Revenue (making a total of £2,150,000) ... ..	286,352
To add to the amount carried forward ... ..	170,891
	<u>£643,749</u>

Cmdr. A. D. Courage was appointed a Director as from 13th March, 1961, and, in accordance with the Articles of Association, now retires and offers himself for re-election.

Mr. W. P. Cripps retires by rotation in accordance with the Articles of Association and, being eligible, offers himself for re-election.

The Auditors, Messrs. Turquand, Youngs & Co., have expressed their willingness to continue in office for the ensuing year.

} Directors.

Registered Office—  
The Brewery, Reading.

26th June, 1961.



# H. & G. SIMONDS, LIMITED Balance Sheet, 31st March, 1961

30th September, 1959		Authorised		Issued		£	
£	£	£	£	£	£	£	£
<b>CAPITAL</b>							
1,540,000	5% Cumulative Preference Stock (in units of £1) ...	1,540,000	1,540,000				
2,175,000	Ordinary Stock (in units of 5/-) ...	2,175,000	2,175,000				
3,715,000	785,000 Unclassified Shares of £1 each ...	785,000	—		3,715,000		
		£4,500,000					
<b>RESERVES AND SURPLUS (Note 10)</b>							
<b>Capital Reserves</b>							
1,030,230	General ...	1,747,547					
500,000	Property Improvement ...	—					
39,442	Share Premium Account ...	39,442					
1,569,672		1,786,989					
<b>Revenue Reserves</b>							
1,690,000	General ...	2,150,000					
131,522	Profit and Loss Appropriation Account ...	302,413					
1,821,522		2,452,413			4,239,402		
7,106,194					7,954,402		
<b>FUTURE INCOME TAX</b>							
272,500	Due 1st January, 1962 ...	276,000					
135,000	Deferred by Initial Allowances ...	157,000					
407,500					433,000		
<b>LOAN CAPITAL</b>							
<b>3½% Redeemable Debenture Stock 1970/75</b>							
	Authorised Issue ...	1,780,000					
1,440,025	Deduct—Stock purchased and cancelled ...	396,530			1,383,470		
<b>4% Redeemable Debenture Stock 1975/80</b>							
	Authorised Issue ...	1,487,222					
1,408,882	Deduct—Stock purchased and cancelled ...	108,223			1,378,999		
<i>(The above Stocks are secured upon specific properties, together with a general charge on the undertaking of the Company)</i>							
26,900	Mortgages, secured upon specific properties ...	23,000			2,785,469		
2,875,807							
<b>PROVISIONS</b>							
78,208	Repairs and Renewals ...	—					
142,000	Pensions ...	—					
220,208							
<b>CURRENT LIABILITIES</b>							
—	Amount due to Holding Company and other Group companies ...	854,267					
472,982	Deposits and Interest ...	223,217					
1,184,293	Sundry Creditors and Provisions ...	1,264,624					
398,254	Taxation ...	219,421					
96,032	Bank Overdraft ...	—					
8,896	Interest accrued on Debenture Stocks (secured) ...	8,057					
23,581	Dividend on Preference Stock for half-year due 1st October, less Income Tax ...	—					
133,219	Proposed Final Dividend on Ordinary Stock, less Income Tax ...	186,506			2,756,092		
2,317,257							
£12,926,966					£13,928,963		

30th September, 1959		£		£	
£	£	£	£	£	£
<b>FIXED ASSETS</b>					
871,951	Breweries and other Land and Buildings (Note 8) ...	895,172			
7,395,260	Licensed and Unlicensed Properties (Note 8) ...	7,518,474			
828,531	Fixed and Loose Plant, Vehicles, Fixtures, etc. (Note 9) ...	1,041,639			
	Fixtures, Furniture, Equipment, etc., at Managed Houses at valuations dated 30th September, 1948, or subsequently, less sales, and additions at cost (Note 6) ...	503,423			
446,702	Shares in Associated Companies at Directors' valuation ...	658,147			
658,147	Trade Investments—				
16,297	Quoted—Market value £172,693 (£42,353) ...	£134,744			
41,626	Unquoted at Directors' valuation ...	42,780			
16,296					
10,258,513		177,524			10,794,379
<b>CURRENT ASSETS</b>					
	Stock of Malt, Hops, Beers, Wines, Spirits, etc., at cost, as certified by officials of the Company ...	1,504,832			
1,327,474	Stock of Bottles and Cases, at cost or under ...	274,307			
235,538	Sundry Debtors, less provision for Doubtful Debts, and Payments in Advance ...	1,134,886			
936,297	Tax Reserve Certificates ...	—			
145,600	Cash at Bank and in Hand ...	220,559			3,134,584
23,544					
2,668,453					

This Balance Sheet should be read in conjunction with  
the Notes and Schedules on pages 8 and 9

} Directors.

£13,928,963



## H. & G. SIMONDS, LIMITED

### Profit and Loss and Appropriation Account for the 18 months ended 31st March, 1961

Year to 30th September, 1959					
£	£			£	£
1,178,595		<b>Balance from Trading</b> ...			1,977,291
		<b>Add—</b>			
		Interest and Dividends Receivable—			
	72,181	Shares—Associated Companies ...		84,428	
	412	Trade Investments... ..		6,289	
72,593					90,717
1,251,188					2,068,008
		<b>Deduct—</b>			
		Depreciation of Fixed Assets (Notes 8 and 9) ...	252,602		
	46,366	Renewals of Fixtures, etc., at Managed Houses (Note 6) ...	75,843		
				328,445	
	31,144	Remuneration of Directors (Note 1)... ..		55,180	
		Interest payable—			
	106,741	Debenture Stocks ... ..	156,895		
	1,340	Mortgages ... ..	1,866		
	26,516	Bank Overdraft, Deposits, etc. ... ..	46,671		
				205,432	
353,694					589,057
897,494		<b>Profit before Taxation</b> ...			1,478,951
		Taxation based on Profits for the period (Note 2)—			
	336,421	Income Tax... ..	404,255		
	82,500	Profits Tax ... ..	154,000		
418,921					558,255
478,573		<b>Profit after Taxation</b> ...			920,696
		<b>Deduct</b> in respect of the 6 months ended 31st March, 1960—			
	16,579	Pension Scheme past service instalment (less Income Tax) ...	6,357		
	—	Appropriation to Property Improvement Reserve ... ..	20,001		
	30,548	Debenture Redemption Sinking Funds—transferred to General Reserve (Revenue) ...	—		
47,127					26,358
431,446		<b>Balance available</b> to be dealt with as follows—			894,338
		Proposed Appropriations:			
	36,274	Property Improvement Reserve ... ..	—		
	158,058	General Reserve (Revenue) ... ..	286,352		
				286,352	
		Dividends (less Income Tax):			
	45,719	On Preference Stock for the 18 months ... ..	70,744		
	53,287	1st Interim on Ordinary Stock at 7½ per cent. ... ..	99,914		
	—	2nd Interim on Ordinary Stock at 6 per cent.... ..	79,931		
	133,219	Proposed Final on Ordinary Stock at 14 per cent. ... ..	186,506		
				437,095	
426,557					723,447
4,889		Balance of profits unappropriated ... ..			170,891
126,633		Amount brought forward from the previous year ... ..			131,522
£131,522		<b>Amount carried forward</b> ... ..			£302,413

*The above Account should be read in conjunction  
with the Notes on pages 8 and 9*

## REPORT OF THE AUDITORS to the Members of H. & G. Simonds, Limited

We have examined the annexed Balance Sheet and Profit and Loss Account, which are in agreement with the Company's books of account, and have obtained all the information and explanations which we considered necessary for our audit. In our opinion proper books of account have been kept by the Company.

In our opinion and to the best of our information and according to the explanations given to us, the said Accounts, read in conjunction with the Notes on pages 8, and 9, comply with the requirements of the Companies Act, 1948, and give a true and fair view of the state of the Company's affairs as at 31st March, 1961, and of the profit for the 18 months ended on that date.

19, Coleman Street,  
London, E.C.2.

26th June, 1961.

*Chartered Accountants.*



**NOTES ON BALANCE SHEET AND PROFIT AND LOSS ACCOUNT**  
**31st MARCH, 1961**

1. Remuneration of the Directors of H. & G. Simonds, Limited:—

Year to 30th September, 1959		18 months to 31st March, 1961
£		£
3,500	Fees	5,625
27,644	Other Emoluments	49,555
<u>£31,144</u>		<u>£55,180</u>

During the 18 months an amount of £11,762 (£5,275) was paid to the H. & G. Simonds Pension Trust Limited in respect of past services of Directors and a former Director; the aggregate of Directors' Fees and Other Emoluments is thus £66,942 (£36,419). In addition, Directors of H. & G. Simonds, Limited, received fees from Associated Companies of £1,475 (£600).

Pensions amounting to £6,300 (£4,200) were paid during the 18 months in respect of former Directors.

- The Tax charge for the period has been arrived at after taking credit for £46,000 (£19,000) benefit from Investment Allowances.
- There are outstanding commitments for capital expenditure amounting to approximately £110,000 (£120,000) for which no provision has been made.
- There are contingent liabilities in respect of guarantees amounting to £17,600 (£13,300) and for reinstatement and dilapidations in respect of certain leasehold properties.
- It is anticipated that the Company will make further contributions to the Pension Trust in respect of past service amounting to approximately £534,000, before deduction of income tax; payment will be spread over the next 30 years.
- No depreciation is provided on Fixtures, etc., at Managed Houses; renewals of these items are charged against profits.
- Comparative figures for the year ended 30th September, 1959, have been adjusted where necessary to conform with the layout of those for the 18 months to 31st March, 1961.
- The statement below gives details of Properties:—

	Breweries and other land and buildings	Licensed and unlicensed properties
	£	£
At valuations dated 30th June, 1928, or subsequently, or at cost, less disposals...	858,521	7,268,991
Additions during 18 months	37,053	256,410
	<u>895,574</u>	<u>7,525,401</u>
Short Leaseholds at 31st March, 1960, written off out of General Reserve (Capital)	127	3,605
	<u>895,447</u>	<u>7,521,796</u>
Depreciation on Leaseholds:—		
Provision for the 12 months to 31st March, 1961	275	3,322
	<u>£895,172</u>	<u>£7,518,474</u>

Up to 31st March, 1960, no depreciation is provided on Freehold and Leasehold Properties but the cost of certain Short Leaseholds having less than 50 years to run is written off out of General Reserve (Capital). After 31st March, 1960, the cost of Leaseholds having less than 100 years to run is being written off against profits by annual amounts calculated on the remaining life of the individual Leaseholds.

9. The statement below gives details of Fixed and Loose Plant, Vehicles, Fixtures, etc.:—

	£	£
Cost or net book value, 1st July, 1948:—		
As at 30th September, 1959, less disposals	...	1,815,158
Additions during the 18 months	...	502,688
		<u>2,317,846</u>
Depreciation:—		
As at 30th September, 1959, less adjustments in respect of disposals	...	1,027,202
Provision for the 18 months	...	249,005
		<u>1,276,207</u>
		<u>£1,041,639</u>

10. The following statement shows the movements in Reserves:—

	CAPITAL		REVENUE
	General	Property Improvement	General
	£	£	£
Balance, 30th September, 1959...	1,030,230	500,000	1,690,000
Goodwills and Short Leaseholds written off	— 5,675		
Net Profits on realisation of sundry assets	+ 222,992		— 4,307
Improvements Expenditure—6 months to 31st March, 1960		— 20,001	
Taxation provisions of prior years no longer required			+ 7,748
Profit on redemption of Debenture Stocks			+ 20,991
Appropriation from Profits of 6 months to 31st March, 1960		+ 20,001	
Transfer	+ 500,000	— 500,000	
Transfer: Provision for Pensions			+ 137,000
Surplus Provision for Doubtful Debts			+ 34,000
Pension Scheme past-service instalment (less Income Tax) for 12 months to 31st March, 1961			— 21,784
Proposed Appropriations from 1959/61 Profits			+ 286,352
Balance, 31st March, 1961	<u>£1,747,547</u>	<u>NIL</u>	<u>£2,150,000</u>