

# THE FALKLAND ISLANDS COMPANY, LIMITED.

ANNUAL GENERAL MEETING to be held on 3RD SEPTEMBER, 1941,  
at 11.30 a.m. at the Institute of Chartered Accountants, Moorgate Place,  
London, E.C.2.

Speech by W. M. DEAN, Esq., Chairman.

In present circumstances it may be a convenience to Shareholders and minimise travelling if the Chairman's speech at the Annual General Meeting is issued with the Directors' Report and the Accounts.

Accordingly the following are the observations which would have been made by me at the Annual Meeting. This will shorten the proceedings and it is hoped will be generally acceptable.

We regret the delay in placing before you the Directors' Report and the Accounts for 1940 which was due to causes beyond our control.

After making ample provision for Depreciation, the Profit and Loss Account shows a satisfactory profit of £51,844 7s. 2d. an increase of £27,627 10s. 4d. as compared with 1939, which enabled the Directors to authorise the payment of dividends totalling 10% for the year under review.

The Balance Sheet shows a further strengthening of our financial position which I regard as being extremely sound.

Certain of our Investments were disposed of at higher prices than the Balance Sheet valuation and the surplus amount, £2,938 1s. 4d., has been applied to providing additional Depreciation on our property.

In view of the Company's long standing relationship with the Crown, the Board decided that it would be seemly to offer the Government a loan, free of interest, and you will note in the Balance Sheet that this was accepted. The amount, £20,000, is repayable on the expiration of three months from the conclusion of a Treaty of Peace.

The Falkland Islands Government imposed an Income Tax which, though applicable to 1940, was based on 1939 profits. It is understood that Dominions Income Tax Relief will apply.

The whole of our production of Wool and Woolled Sheepskins was sold to the Ministry of Supply (Wool Control) in accordance with the arrangement referred to in the Directors' Report for 1939. The average appraised value made by our Wool was 11.354d. per lb., and for Woolled Sheepskins 6.941d. per lb.

The Company acts as intermediary between the Ministry of Supply (Wool Control) and all Falkland Islands producers, and I have pleasure in paying tribute to the manner in which our relationship has developed, and to the technical knowledge responsible for the satisfactory completion of the 1940 appraisements.

The turnover of our Retail Store business shows a material increase, and considering the difficulties of these times, stocks have been well maintained. The supply of certain commodities is restricted, but it has not yet been necessary to introduce rationing in the Colony.

Two of our vessels have been reclassified and all were in service during the greater part of the year.

All other Departments of our Port Stanley business have been fully employed and a considerable amount of work is still in hand.

The Farm has had a good season; following an open winter, spring was fine and this contributed to the satisfactory increase in the number of lambs marked and to an increase in the weight of the Wool Clip. The New Clip is of excellent quality but slightly heavier in condition than usual. 2725 Bales have already been shipped to England. Summer was dry but a drought in the Islands always means healthy sheep. Autumn has broken somewhat badly with heavy rain and early snow, but the fact that the sheep were in such good condition at the end of summer gives us every reason to hope that they will go through the winter without heavy loss.

The number of stock carried has been increased where possible.

As anticipated working expenses are rising and much necessary maintenance work cannot be undertaken owing to the shortage of labour and materials. These arrears will have to be overtaken when times are more normal.

Prospects for the current year may therefore be considered to be satisfactory and results are expected to be as good as those dealt with in the Accounts now under review, which also largely reflect the excellent work carried out by your Employees where ever they may be stationed.

The Resolutions which will be put before the General Meeting are :—

1. That the Report and Accounts now presented be received and adopted.
2. That the payment of a Final Dividend of 6%, less Tax, made on 16th June last be confirmed, thus making a return for the year of 10% less Tax.
3. That Mr. P. D. L. Ainslie be re-elected a Director of the Company.
4. That Mr. Robert Blake be re-elected a Director of the Company.
5. That Messrs. J. & J. Sawyer & Co. be re-appointed Auditors of the Company for the current year.

SOUTHERNHAY,  
CAVENDISH ROAD,  
WEYBRIDGE,  
SURREY.

23rd August, 1941.

[For Shareholders only.]

# THE FALKLAND ISLANDS COMPANY, LIMITED.

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## EIGHTY-NINTH ANNUAL REPORT.

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### Directors.

W. M. DEAN, Esq., *Chairman.*

JOHN R. COBB, Esq., *Vice-Chairman.*

ROBERT BLAKE, Esq.

A. E. BELL, Esq.

P. D. L. AINSLIE, Esq.

L. W. H. YOUNG, Esq.,  
*Managing Director.*

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SOUTHERNHAY,  
CAVENDISH ROAD,  
WEYBRIDGE,  
SURREY.

23rd August, 1941.

The Directors beg to submit their Report and the Accounts for the year ended 31st December, 1940.

The Profit for the year amounts to £51,844 7s. 2d. as compared with £24,216 16s. 10d. for 1939. An Interim Dividend of 4 per cent. was paid on 1st January, 1941, and a Final Dividend of 6 per cent. on the 16th June, 1941, making the total Dividend on the Ordinary Share Capital issued 10 per cent. for the year.

In accordance with the arrangement reported at the last General Meeting, the 1940 Wool Clip and production of Wooled Sheepskins were purchased by the Ministry of Supply (Wool Control), the average appraised price for the Company's Wool being 11.354d. per lb., and for Wooled Sheepskins 6.941d. per lb.

According to the Articles of Association, Messrs. P. D. L. Ainslie and Robert Blake retire from the Board by rotation and offer themselves for re-election.

The Auditors, Messrs. J. and J. Sawyer & Co., offer themselves for re-election.

# THE FALKLAND ISLANDS

Dr.	PROFIT AND LOSS ACCOUNT for 1941					
	£	s.	d.	£	s.	d.
To LONDON EXPENSES—						
Directors' Fees, 1940...	2,000	0	0			
Salaries, Rent, etc. ...	4,614	4	2			
				6,614	4	2
„ RESERVE FOR DEPRECIATION ...					16,673	11 9
„ BALANCE—Profit for the year carried to Appropriation Account ...					51,844	7 2
					£75,132	3 1

APPROPRIATION						
	£	s.	d.	£	s.	d.
To PREFERENCE DIVIDEND PAID IN 1940, ON £33,000 ...					1,650	0 0
„ PROVISION FOR NATIONAL DEFENCE CONTRIBUTION ...					2,700	0 0
„ PROVISION FOR INCOME TAX ...					22,800	0 0
„ ORDINARY DIVIDEND ON £325,000—						
Interim 4% less Income Tax at 8/6 in the £, paid 1st January, 1941 ...	7,475	0	0			
Final 6% less Income Tax at 10/- in the £, paid 16th June, 1941 ...	9,750	0	0			
				17,225	0	0
„ PERCENTAGE COMMISSIONS BASED ON ORDINARY DIVIDEND—						
To Colonial Managers ...	1,218	15	0			
„ Directors ...	1,250	0	0			
				2,468	15	0
„ BALANCE CARRIED FORWARD ...					6,944	12 11
					£53,788	7 11

BALANCE SHEET—LONDON and Falkland Islands						
	£	s.	d.	£	s.	d.
To CAPITAL AUTHORISED—						
5,000 5% Cumulative Preference Shares of £10 each ...	50,000	0	0			
350,000 Ordinary Shares of £1 each ...	350,000	0	0			
				£400,000	0	0
„ CAPITAL ISSUED—						
3,300 5% Cumulative Preference Shares of £10 each, fully paid ...	33,000	0	0			
325,000 Ordinary Shares of £1 each, fully paid ...	325,000	0	0			
				358,000	0	0
„ SUNDRY CREDITORS AND ACCOUNTS ...					77,513	1 3
„ PROVISION FOR TAXES ON REVENUE ...					8,027	13 3
„ OUTSTANDING DIVIDEND WARRANTS ...					474	7 6
„ UNDERWRITING AND ACCIDENT RESERVE ...					18,386	12 8
„ RESERVE ACCOUNT ...					67,500	0 0
„ PROVISION FOR SHIPPING SURVEYS ...					6,200	0 0
„ PROFIT AND LOSS ACCOUNT—						
Before Appropriation ...	53,788	7	11			
Less: Dividend at 5% on £33,000 Preference Shares paid in 1940 ...	1,650	0	0			
				52,138	7	11
Contingent Liability in respect of Confirmed Credit by Bank £2,190.						
					£588,240	2 7

## AUDITORS' REPORT

We have obtained all the information and explanations we have required, and we have examined the Accounts of the Office. We have also verified the Investments and Bank Balances, and in our opinion the above Balance Sheet is a true and correct statement of the financial position of the Company, and the explanations given to us, and as shown by the Books of the Company.

12th August, 1941.

# OS COMPANY, LIMITED.

Year ended 31st December, 1940.

Cr.

					£	s.	d.
By PROFIT ON WORKING, including Commissions, etc., in London	...	...	...	...	72,194	1	9
„ PROFIT ON REALISATION OF INVESTMENTS	...	...	...	...	2,938	1	4

£75,132 3 1

## OF PROFITS.

					£	s.	d.
By BALANCE CARRIED FORWARD FROM 1939	...	...	...	...	1,944	0	9
„ BALANCE OF PROFIT FOR 1940	...	...	...	...	51,844	7	2

£53,788 7 11

STANLEY, 31st December, 1940.

					£	s.	d.	£	s.	d.
By FALKLAND ISLANDS—										
Land and Development, at Cost, <i>less</i> Sales	...	...	...	...				180,391	11	11
„ BUILDINGS, at Cost, <i>less</i> Sales	...	...	...	...	110,707	5	1			
„ FENCING, PLANT, UTENSILS, etc., at Cost, <i>less</i> Sales	...	...	...	...	35,907	9	8			
„ FURNITURE, at Cost, <i>less</i> Sales	...	...	...	...	3,047	3	1			
„ SHIPPING, at Cost, <i>less</i> Sales	...	...	...	...	113,697	1	9			
					263,358	19	7			
Less Reserve for Depreciation	...	...	...	...	174,912	8	6			
								88,446	11	1
„ STORES, etc., on hand and in transit	...	...	...	...				80,163	10	10
„ PRODUCE	...	...	...	...				9,120	5	5
„ LIVE STOCK	...	...	...	...				79,514	3	1
„ INVESTMENTS—										
British Government Stocks at Cost	...	...	...	...	30,000	0	0			
Loan to British Government, free of Interest	...	...	...	...	20,000	0	0			
								50,000	0	0
„ SUNDRY DEBTORS AND DEFERRED CHARGES	...	...	...	...				55,205	2	3
„ CASH AT BANK AND IN HAND	...	...	...	...				45,398	18	0

On behalf of the Board,

W. M. DEAN  
ROBERT BLAKE } *Directors.*

£588,240 2 7

## TO THE MEMBERS.

Company for the year ended 31st December, 1940, with the Books, Vouchers and signed Returns received from the Stanley  
berly drawn up so as to exhibit a true and correct view of the state of the Company's affairs, according to the best of our

J. & J. SAWYER & Co., *Chartered Accountants,*

31, Budge Row, Cannon Street, E.C.4.

(Private).

THE FALKLAND ISLANDS COMPANY,  
LIMITED.

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NOTICE IS HEREBY GIVEN that the  
EIGHTY-NINTH ORDINARY GENERAL MEETING of  
the Company will be held at the Institute of  
Chartered Accountants in England and Wales,  
Moorgate Place, London, E.C.2, on Wednesday,  
the 3rd September, 1941, at 11.30 a.m., for the  
purpose of transacting the ordinary business of  
the Company.

By Order of the Board,

R. B. HALL,  
*Secretary.*

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SOUTHERNHAY,  
CAVENDISH ROAD,  
WEYBRIDGE,  
SURREY.

23rd August, 1941.

[For Shareholders only].

# THE FALKLAND ISLANDS COMPANY, LIMITED.

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## NINETIETH ANNUAL REPORT.

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### Directors:

W. M. DEAN, Esq., *Chairman.*

JOHN R. COBB, Esq., *Vice-Chairman.*

ROBERT BLAKE, Esq.

A. E. BELL, Esq.

P. D. L. AINSLIE, Esq.

L. W. H. YOUNG, Esq.,

*Managing Director.*

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SOUTHERNHAY,  
CAVENDISH ROAD,  
WEYBRIDGE,  
SURREY.

26th September, 1942.

The Directors beg to submit their Report and the Accounts for the year ended 31st December, 1941.

The Profit for the year amounts to £68,075 12s. 4d., as compared with £51,844 7s. 2d. for 1940. An Interim Dividend of 5 per cent. was paid on 2nd January, 1942, and a Final Dividend of 5 per cent. on 15th June, 1942, making the total Dividend on the Ordinary Share Capital issued 10 per cent. for the year.

In accordance with the arrangement reported at the General Meeting held on the 12th June, 1940, the 1941 Wool Clip and production of Wooled Sheepskins were purchased by the Ministry of Supply (Wool Control), the average appraised price for the Company's Wool being 11.058d. per lb., and for Wooled Sheepskins 6.945d. per lb.

According to the Articles of Association, Messrs. W. M. Dean and John R. Cobb retire from the Board by rotation and offer themselves for re-election.

The Auditors, Messrs. J. and J. Sawyer & Co., offer themselves for re-election.

# THE FALKLAND ISLAND

Dr.	PROFIT AND LOSS ACCOUNT for t					
	£	s.	d.	£	s.	d.
To LONDON EXPENSES—						
Directors' Fees, 1941 ...	2,000	0	0			
Salaries, Rent, etc. ...	4,435	9	1			
				6,435	9	1
„ COLONIAL INCOME TAX ...				4,693	11	0
„ RESERVE FOR DEPRECIATION ...				17,870	5	6.
„ BALANCE—Profit for the year carried to Appropriation Account ...				68,075	12	4
				£97,074	17	11

## APPROPRIATION

	£	s.	d.	£	s.	d.
To PREFERENCE DIVIDEND PAID IN 1941, ON £33,000 ...				1,650	0	0
„ PROVISION FOR NATIONAL DEFENCE CONTRIBUTION ...				3,650	0	0
„ PROVISION FOR INCOME TAX ...				30,200	0	0
„ ORDINARY DIVIDEND ON £325,000—						
Interim 5% less Income Tax at 10/- in the £, paid 2nd January, 1942	8,125	0	0			
Final 5% less Income Tax at 4/- in the £, paid 15th June, 1942	13,000	0	0			
(Colonial Income Tax Relief for 1940 and 1941—6/-)				21,125	0	0
„ PROVISION FOR COLONIAL INCOME TAX RELIEF TO PREFERENCE SHAREHOLDERS				247	10	0
„ PERCENTAGE COMMISSIONS BASED ON ORDINARY DIVIDEND—						
To Colonial Managers ...	1,300	0	0			
„ Directors ...	1,250	0	0			
				2,550	0	0
„ BALANCE CARRIED FORWARD ...				15,597	15	3
				£75,020	5	3

## BALANCE SHEET—LONDON at

	£	s.	d.	£	s.	d.
To CAPITAL AUTHORISED—						
5,000 5% Cumulative Preference Shares of £10 each ...	50,000	0	0			
350,000 Ordinary Shares of £1 each ...	350,000	0	0			
				£400,000	0	0
„ CAPITAL ISSUED—						
3,300 5% Cumulative Preference Shares of £10 each, fully paid ...	33,000	0	0			
325,000 Ordinary Shares of £1 each, fully paid ...	325,000	0	0			
				358,000	0	0
„ SUNDRY CREDITORS AND ACCOUNTS ...				89,946	17	10
„ PROVISION FOR TAXES ON REVENUE ...				25,791	2	0
„ OUTSTANDING DIVIDEND WARRANTS ...				420	0	0
„ UNDERWRITING AND ACCIDENT RESERVE ...				18,800	2	0
„ RESERVE ACCOUNT ...				67,500	0	0
„ PROVISION FOR SHIPPING SURVEYS ...				6,200	0	0
„ PROFIT AND LOSS ACCOUNT—						
Before Appropriation ...	75,020	5	3			
Less: Dividend at 5% on £33,000 Preference Shares paid in 1941 ...	1,650	0	0			
				73,370	5	3
Contingent Liability in respect of Confirmed Credits by Bank £5,539 19s. 8d.						
				£640,028	7	1

## AUDITORS' REPORT

We have obtained all the information and explanations we have required, and we have examined the Accounts of the Office. We have also verified the Investments and Bank Balances, and in our opinion the above Balance Sheet is proper information, and the explanations given to us, and as shewn by the books of the Company.

# DS COMPANY, LIMITED.

Year ended 31st December, 1941.

Cr.

BY PROFIT ON WORKING, including Commissions, etc., in London	...	...	£	s.	d.
			97,074,	17	11

£97,074 17 11

## OF PROFITS.

BY BALANCE CARRIED FORWARD FROM 1940	...	...	...	...	...	£	s.	d.
„ BALANCE OF PROFIT FOR 1941	...	...	...	...	...	68,075	12	4

£75,020 5 3

## STANLEY, 31st December, 1941.

			£	s.	d.	£	s.	d.
BY FALKLAND ISLANDS—								
Land and Development at Cost, less Sales	...	...				178,892	14	8
„ BUILDINGS, at Cost, less Sales	...	...	110,707	5	1			
„ FENCING, PLANT, UTENSILS, ETC., at Cost, less Sales	...	...	35,557	8	10			
„ FURNITURE, at Cost, less Sales	...	...	3,047	3	1			
„ SHIPPING, at Cost, less Sales	...	...	113,697	1	9			
			263,008	18	9			
Less Reserve for Depreciation	...	...	192,707	13	2			
						70,301	5	7
„ STORES, ETC., on hand and in transit	...	...				72,485	19	7
„ PRODUCE	...	...				3,067	13	0
„ LIVESTOCK	...	...				79,514	3	1
„ INVESTMENTS—								
British Government Stocks, at Cost	...	...	75,000	0	0			
Loan to British Government, free of Interest	...	...	20,000	0	0			
						95,000	0	0
„ SUNDRY DEBTORS AND DEFERRED CHARGES	...	...				46,398	2	7
„ CASH AT BANK AND IN HAND	...	...				94,368	8	7

On behalf of the Board,  
W. M. DEAN,  
ROBERT BLAKE, } *Directors.*

£640,028 7 1

## TO THE MEMBERS.

Company for the year ended 31st December, 1941, with the Books, Vouchers and signed Returns received from the Stanley  
ly drawn up so as to exhibit a true and correct view of the state of the Company's affairs, according to the best of our

J. & J. SAWYER & Co.,

*Chartered Accountants,*

31, Budge Row, Cannon Street, E.C.4.



(Private).

THE FALKLAND ISLANDS COMPANY,  
LIMITED.

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NOTICE IS HEREBY GIVEN that the  
NINETIETH ORDINARY GENERAL MEETING of the  
Company will be held at the Institute of Chartered  
Accountants in England and Wales, Moorgate Place,  
London, E.C.2, on WEDNESDAY, the 7TH OCTOBER,  
1942, at ELEVEN a.m., for the purpose of transacting  
the ordinary business of the Company.

By Order of the Board,

R. B. HALL,  
*Secretary.*

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SOUTHERNHAY,  
CAVENDISH ROAD,  
WEYBRIDGE,  
SURREY.

26th September, 1942.

# THE FALKLAND ISLANDS COMPANY, LIMITED.

Dr.	PROFIT AND LOSS ACCOUNT for the year ended 31st December, 1942.				Cr.
<p>ONDON EXPENSES:</p> <p>Directors' Fees, 1942 .. .. . 2,000 0 0</p> <p>Salaries, Rent, etc. .. .. . 4,939 12 8</p> <hr/> <p>RESERVE FOR DEPRECIATION .. .. . 6,939 12 8</p> <p>PROVISION FOR TAXATION, being estimated Excess Profits Tax and Income Tax (British and Colonial) on current Profits .. .. . 12,575 0 0</p> <p>BALANCE—Profit for the year .. .. . 65,000 0 0</p> <p style="text-align: right;">23,915 12 4</p> <hr/> <p style="text-align: right;"><u>£108,430 5 0</u></p>		<p>BY PROFIT ON WORKING, including Commissions, etc. in London .. .. . £ 106,001 10 2</p> <p>INTEREST AND DIVIDENDS ON INVESTMENTS .. .. . 2,428 14 10</p> <hr/> <p style="text-align: right;"><u>£108,430 5 0</u></p>			

## APPROPRIATION OF PROFITS.

Dr.	APPROPRIATION OF PROFITS.				Cr.
<p>To PREFERENCE DIVIDEND PAID IN 1942, 5% on £33,000 less Income Tax at 8/6d. .. .. . 948 15 0</p> <p>.. DIVIDENDS as recommended by the Board and since paid, subject to confirmation at Annual General Meeting:</p> <p>On £325,000 Ordinary Shares:</p> <p>Interim 5% less Income Tax at 8/6d. in the £ paid 1st January, 1943 .. .. . 9,343 15 0</p> <p>Final 5% less Income Tax at 8/6d. in the £ paid 15th June, 1943 .. .. . 9,343 15 0</p> <p>.. PERCENTAGE COMMISSIONS BASED ON ORDINARY DIVIDEND:</p> <p>To Colonial Managers .. .. . 1,300 0 0</p> <p>To Directors .. .. . 1,250 0 0</p> <hr/> <p>BALANCE CARRIED FORWARD .. .. . 2,550 0 0</p> <hr/> <p style="text-align: right;"><u>£29,845 8 1</u></p>		<p>BY BALANCE CARRIED FORWARD FROM 1941 .. .. . £ 15,597 15 3</p> <p>ADJUSTMENT TO BRING IN LIABILITY FOR TAX ON PROFITS TO THAT DATE .. .. . 9,667 19 6</p> <hr/> <p>BALANCE OF PROFIT FOR 1942 .. .. . 5,929 15 9</p> <p style="text-align: right;"><u>23,915 12 4</u></p> <hr/> <p style="text-align: right;"><u>£29,845 8 1</u></p>			

## BALANCE SHEET—LONDON and STANLEY, 31st December, 1942.

Dr.	BALANCE SHEET—LONDON and STANLEY, 31st December, 1942.				Cr.
<p>To CAPITAL AUTHORISED:</p> <p>5,000 5% Cumulative Preference Shares of £10 each .. .. . 50,000 0 0</p> <p>350,000 Ordinary Shares of £1 each .. .. . 350,000 0 0</p> <hr/> <p>£400,000 0 0</p> <p>.. CAPITAL ISSUED:</p> <p>3,300 5% Cumulative Preference Shares of £10 each, fully paid .. .. . 33,000 0 0</p> <p>325,000 Ordinary Shares of £1 each, fully paid .. .. . 325,000 0 0</p> <hr/> <p>358,000 0 0</p> <p>.. SUNDRY CREDITORS AND ACCOUNTS .. .. . 158,150 16 3</p> <p>Provision for Excess Profits Tax and Income Tax 1942/43 .. .. . 72,082 17 6</p> <p>Outstanding Dividend Warrants .. .. . 591 0 0</p> <p>Dividends (since paid) subject to confirmation at Annual General Meeting .. .. . 18,687 10 0</p> <p>Commissions based on Dividends .. .. . 2,550 0 0</p> <hr/> <p>252,062 3 9</p> <p>.. RESERVES AND PROVISIONS:</p> <p>General Reserve Account .. .. . 67,500 0 0</p> <p>Underwriting and Accident Reserve .. .. . 19,338 7 5</p> <p>Provision for Shipping Surveys .. .. . 6,200 0 0</p> <p>Provision for Income Tax 1943/44 .. .. . 31,695 10 0</p> <p>Profit and Loss Account:</p> <p>Balance per Account, after Appropriations .. .. . 7,659 3 1</p> <p>Contingent Liability in respect of Confirmed Credits by Bank £9,997.</p> <hr/> <p style="text-align: right;"><u>£741,855 4 3</u></p>		<p>BY FALKLAND ISLANDS:</p> <p>Land and Development at Cost, less Sales .. .. . £ 178,892 14 8</p> <p>BUILDINGS, at Cost, less Sales .. .. . 112,707 5 1</p> <p>FENCING, PLANT, UTENSILS, etc., at Cost, less Sales .. .. . 35,537 8 10</p> <p>FURNITURE, at Cost, less Sales .. .. . 3,047 3 1</p> <p>SHIPPING, at Cost, less Sales .. .. . 113,697 1 9</p> <hr/> <p>265,008 18 9</p> <p>Less: Reserve for Depreciation .. .. . 205,282 13 2</p> <hr/> <p>59,726 5 7</p> <p>.. STORES, ETC. on hand and in transit .. .. . 59,279 1 3</p> <p>PRODUCE .. .. . 54,209 0 5</p> <p>LIVESTOCK .. .. . 79,514 3 1</p> <p>SUNDRY DEBTORS AND DEFERRED CHARGES .. .. . 88,581 13 8</p> <p>.. INVESTMENTS:</p> <p>British Government Stocks, at Cost .. .. . 80,000 0 0</p> <p>Loan to British Government, free of Interest .. .. . 20,000 0 0</p> <hr/> <p>100,000 0 0</p> <p>.. TAX RESERVE CERTIFICATES .. .. . 25,000 0 0</p> <p>CASH AT BANK AND IN HAND .. .. . 96,652 5 7</p> <hr/> <p style="text-align: right;"><u>£741,855 4 3</u></p>			

### AUDITORS' REPORT TO THE MEMBERS.

We have obtained all the information and explanations we have required, and we have examined the Accounts of the Company for the year ended 31st December, 1942, with the Books, Vouchers and signed Returns received from the Stanley Office. We have also verified the Investments and Bank Balances, and in our opinion the above Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs, according to the best of our information, and the explanations given to us, and as shown by the Books of the Company.

J. & J. SAWYER & CO.,  
Chartered Accountants,  
31, Budge Row, Cannon Street, London, E.C.4.

17th August, 1943.

## NINETY-FIRST ANNUAL REPORT OF THE DIRECTORS.

### Directors.

W. M. DEAN, Esq., *Chairman.*  
JOHN R. COBB, Esq., *Vice-Chairman*  
ROBERT BLAKE, Esq.      A. E. BELL, Esq.  
P. D. L. AINSLIE, Esq.      L. W. H. YOUNG, Esq., *Managing Director.*

The Directors beg to submit their Report and Accounts for the year ended 31st December, 1942.

The Accounts are this year presented in a slightly altered form in accordance with recommendations made by the Institute of Chartered Accountants; the figures in the Appropriation Account now being incorporated in the Balance Sheet and Provision made for Income Tax on the Accounts for the year to 31st December, 1942 although this is not legally liable until the fiscal year ending 5th April, 1944. Previously it had been the practice to provide for Tax up to the following 31st December.

After making provision for Income and Excess Profits Tax and Depreciation, the Profit for the year amounts to £23,915 12s. 4d. An Interim Dividend of 5 per cent. was paid on 1st January, 1943 and a Final Dividend of 5 per cent. on 15th June, 1943, making the total Dividend on the Ordinary Share Capital issued 10 per cent. for the year.

In accordance with the arrangement reported at the General Meeting held on 12th June, 1940, the 1942 Wool Clip and production of Wooled Sheepskins were purchased by the Ministry of Supply (Wool Control) but appraisement has not yet been completed.

According to the Articles of Association, Messrs. A. E. Bell and P. D. L. Ainslie retire from the Board by rotation and offer themselves for re-election.

The Auditors, Messrs. J. & J. Sawyer & Co., offer themselves for re-election.

"SOUTHERNHAY,"  
CAVENDISH ROAD,  
WEYBRIDGE, SURREY.  
18th September 1943.

## STATEMENT BY THE CHAIRMAN

MR. W. M. DEAN.

I regret that the irregular arrival of mails from the Colony has delayed the preparation of the Directors' Report and the Accounts for 1942.

Certain recommendations made by the Institute of Chartered Accountants regarding the form of presentation of Companies Accounts have been adopted whereby the profit for the year, £23,915 12s. 4d. has been arrived at *after* providing for taxation.

Dividends totalling 10 per cent. have been paid in respect of the year under review. Shareholders attention is specially drawn to the heavy incidence of taxation and I would also point out that to make full provision to meet our liability for the fiscal year 1943/44 it has been necessary to reduce the amount carried forward. It has not yet been possible to commence making special provision for the replacement of our vessels but this important matter will be dealt with as soon as circumstances permit.

Our relations with the Ministry of Supply (Wool Control) continue to be satisfactory. The increase in the price paid for our Wool and Wooled Sheepskins, referred to in my last speech, is now operative. The 1942 Wool Clip showed a satisfactory increase in the total weight clipped.

The season on the Farm may be considered as normal; a good winter was followed by a late dry spring which reduced the lambing percentage and affected the condition of the lambs. Excellent weather for shearing helped the struggle to get the sheep clipped within a reasonable period though our staff has been seriously depleted by war time conditions. The autumn was fine and Stock went into the winter in good condition. The Board is much concerned with the difficulty of obtaining Stud Sheep from New Zealand for the maintenance and improvement of our Flocks and every effort is being made to ensure that there is no shortage; one consignment arrived safe and sound from New Zealand via the Panama Canal, New York and Montevideo and we hope to be able to make another importation within the next few months. In spite of the shortage of labour flocks are well cared for but only the most essential repairs can be undertaken and as I have previously stressed, the arrears of maintenance are steadily mounting.

The turnover of our Retail Store business shows a further increase due to exceptional demands which we cannot expect to be maintained when conditions become more normal.

Our vessels were fully employed throughout the year. A new motor tug has been built and is now giving satisfactory service, a 200 ton lighter is under construction and the hull of a motor boat ordered for farm service is now ready and awaits delivery of the engine. The demands on all our Port Stanley departments have considerably increased and you will be pleased to know that all those demands have been fully met despite the limited resources available.

As regards the Company's prospects for the coming year the weight of the clip now coming forward is a little heavier than the 1942 clip. Though there is yet no sign of curtailment of our Store business and of the activities of our other Departments, this may come about at any time and our present and future shipping position has been seriously affected by the loss of one of our vessels. However, I am of the opinion that the prospects for the immediate future of the Company are satisfactory.

I have pleasure in bringing to your notice the highly creditable manner in which all our Employees have responded to the exceptional demands made on them and I am sure that you will wish to join me in conveying to them our appreciation of their efforts.

THE FALKLAND ISLANDS CO., LTD.  
SOUTHERNHAY, CAVENDISH ROAD,  
WEYBRIDGE, SURREY.

### The Falkland Islands Company, Limited.

NOTICE IS HEREBY GIVEN that the NINETY-FIRST ORDINARY GENERAL MEETING of the Company will be held at the Institute of Chartered Accountants in England and Wales, Moorgate Place, London, E.C.2, on WEDNESDAY, the 29TH SEPTEMBER, 1943, at ELEVEN a.m., for the purpose of transacting the ordinary business of the Company.

By Order of the Board,

R. B. HALL,  
*Secretary.*

SOUTHERNHAY,  
CAVENDISH ROAD,  
WEYBRIDGE,  
SURREY.

18th September, 1943.

# THE FALKLAND ISLANDS COMPANY, LIMITED.

Dr. PROFIT AND LOSS ACCOUNT for the year ended 31st December, 1943. Cr.

	£	s.	d.	£	s.	d.
To LONDON EXPENSES:						
Directors' Fees, 1943	2,000	0	0			
Salaries, Rent, etc.	4,979	10	2			
	<u>6,979</u>	10	2			
„ RESERVE FOR DEPRECIATION				7,400	0	0
„ PROVISION FOR TAXATION, being estimated Excess Profits Tax and Income Tax (British and Colonial) on current Profits				55,150	0	0
„ BALANCE—Profit for the Year				27,923	8	0
				<u>£97,452</u>	18	2
				By PROFIT ON WORKING, including Commissions, etc., in London	93,891	3 8
				„ INTEREST AND DIVIDENDS ON INVESTMENTS	3,561	14 6
					<u>£97,452</u>	18 2

## APPROPRIATION OF PROFITS.

	£	s.	d.	£	s.	d.
To PREFERENCE DIVIDEND PAID IN 1943, 5% on £33,000 less Income Tax at 8/4d.				959	1	3
„ DIVIDENDS as recommended by the Board and since paid, subject to confirmation at Annual General Meeting:						
On £325,000 Ordinary Shares:						
Interim 5% less Income Tax at 8/4d. in the £ paid 1st January, 1944	9,445	6	3			
Final 5% less Income Tax at 8/4d. in the £ paid 15th June, 1944	9,445	6	3			
„ PERCENTAGE COMMISSIONS BASED ON ORDINARY DIVIDEND:				18,890	12	6
To Colonial Managers	1,300	0	0			
To Directors	1,250	0	0			
				<u>2,550</u>	0	0
„ BALANCE CARRIED FORWARD				22,399	13	9
				<u>33,182</u>	17	4
				<u>£35,582</u>	11	1
				By BALANCE CARRIED FORWARD FROM 1942	7,659	3 1
				„ BALANCE OF PROFIT FOR 1943	27,923	8 0
					<u>£35,582</u>	11 1

## BALANCE SHEET—LONDON and STANLEY, 31st December, 1943.

	£	s.	d.	£	s.	d.
To CAPITAL AUTHORISED:						
5,000 5% Cumulative Preference Shares of £10 each	50,000	0	0			
350,000 Ordinary Shares of £1 each	350,000	0	0			
	<u>£400,000</u>	0	0			
„ CAPITAL ISSUED:						
3,300 5% Cumulative Preference Shares of £10 each, fully paid	33,000	0	0			
325,000 Ordinary Shares of £1 each, fully paid	325,000	0	0	358,000	0	0
„ SUNDRY CREDITORS AND ACCOUNTS:						
Bills payable	281,827	5	11			
Provision for Excess Profits Tax (or Deferred Repairs) and Income Tax 1943/44	3,173	10	4			
Outstanding Dividend Warrants	32,838	0	6			
Dividends (since paid) subject to confirmation at Annual General Meeting	495	0	0			
Commissions based on Dividends	18,890	12	6			
	<u>2,550</u>	0	0	339,774	9	3
„ RESERVES AND PROVISIONS:						
General Reserve Account	67,500	0	0			
Underwriting and Accident Reserve	21,002	15	2			
Steamship Replacement and Survey Reserve	33,546	9	9			
Provision for Income Tax 1944/45	30,722	11	4			
Profit and Loss Account:						
Balance per Account, after Appropriations	13,182	17	4	165,954	13	7
Contingent Liability in respect of Confirmed Credits by Bank £3,602.						
				<u>£863,729</u>	2	10
				By FALKLAND ISLANDS:		
				Land and Development at Cost less Sales	178,892	14 8
				BUILDINGS, at Cost, less Sales	112,707	5 1
				FENCING, PLANT, UTENSILS, ETC., at Cost, less Sales	35,557	8 10
				FURNITURE, at Cost, less Sales	3,047	3 1
				SHIPPING, at Cost, less Sales	90,038	5 9
				Less: Reserve for Depreciation	241,400	2 9
				„ SHIPPING, GOVERNMENT TONNAGE REPLACEMENT CERTIFICATE	188,751	18 4
				„ STORES, ETC., on Hand and in Transit	5,000	0 0
				„ PRODUCE	76,429	18 1
				„ LIVESTOCK	91,483	19 1
				„ SUNDRY DEBTORS AND DEFERRED CHARGES	79,514	3 1
				„ BILLS RECEIVABLE	132,520	2 2
				„ INVESTMENTS:	370	1 6
				British Government Stocks, at Cost	85,000	0 0
				Loan to British Government, free of Interest	20,000	0 0
				„ TAX RESERVE CERTIFICATES	105,000	0 0
				„ CASH AT BANK AND IN HAND	30,000	0 0
				„ On behalf of the Board,	111,869	19 10
				W. M. DEAN		
				ROBERT BLAKE		
				} Directors.		
					<u>£863,729</u>	2 10

### AUDITORS' REPORT TO THE MEMBERS.

We have obtained all the information and explanations we have required, and we have examined the Accounts of the Company for the year ended 31st December, 1943, with the Books, Vouchers and signed Returns received from the Stanley Office. We have also verified the Investments and Bank Balances, and in our opinion the above Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs, according to the best of our information, and the explanations given to us, and as shown by the Books of the Company.

J. & J. SAWYER & CO.,

*Chartered Accountants,*

31, Budge Row, Cannon Street, London, E.C.4.

31st August, 1944.

## NINETY-SECOND ANNUAL REPORT OF THE DIRECTORS.

### Directors.

W. M. DEAN, Esq., *Chairman.*

JOHN R. COBB, Esq., *Vice-Chairman.*

ROBERT BLAKE, Esq.

A. E. BELL, Esq.

P. D. L. AINSLIE, Esq.

L. W. H. YOUNG, Esq., *Managing Director.*

The Directors beg to submit their Report and Accounts for the year ended 31st December, 1943.

After making provision for Income and Excess Profits Tax and Depreciation the Profit for the year amounts to £27,923 8s. 0d. An Interim Dividend of 5% was paid on 1st January, 1944 and a Final Dividend of 5% on 15th June, 1944 making the total Dividend on the Ordinary Share Capital issued 10% for the year.

In accordance with the arrangement reported at the General Meeting held on 12th June, 1940, the 1943 Wool Clip and production of Woolled Sheepskins were purchased by the Ministry of Supply (Wool Control). Appraisal has been completed.

According to the Articles of Association, Mr. R. Blake retires from the Board by rotation and offers himself for re-election.

The Auditors, Messrs. J. & J. Sawyer & Co., offer themselves for re-election.

You will be asked to confirm an Agreement entered into between Mr. W. M. Dean and the Company for the purchase by the Company of Port Stephens Station.

"SOUTHERNHAY,"  
CAVENDISH ROAD,  
WEYBRIDGE, SURREY.

18th September, 1944.

## STATEMENT BY THE CHAIRMAN

MR. W. M. DEAN.

The profit for the year 1943 amounts to £27,923 8s. 0d. after providing for taxation, this is £4,007 15s. 8d. more than for 1942 consequent on our having to provide a smaller amount for depreciation.

You will note that the item "Sundry Creditors and Accounts" shows a considerable increase which is due to shipment of a portion of the 1942 and 1943 clips being delayed and a further delay after arrival before appraisalment could be completed. Appraisalment of both clips has since been completed.

Dividends totalling 10% have been paid in respect of the year under review; the increasing arrears of maintenance is giving your Board grave concern and special provision will have to be made to meet this.

I regret to inform you that our s.s. "Lafonia" sunk after collision. The matter of her replacement is receiving the attention of your Board but the shipbuilding position and the present high level of prices for new tonnage may hold this up for a while.

Our relations with the Ministry of Supply (Wool Control) continue to be satisfactory.

The season on the Farm may be considered as normal.

The 1943 Wool Clip was the heaviest for some years—831 tons of Wool being produced.

Work has been carried out under the greatest difficulty and with a much reduced staff and I take this opportunity of expressing the Board's sincere appreciation of the services of those men who have preferred to remain on the Farm despite the temporary high wages and comparative excitement of war time life in Stanley.

Despite these difficulties I am pleased to inform you that the continued low death-rate indicates that stock has not suffered.

Owing to shipping difficulties our orders for New Zealand Romney Marsh Rams and Ewes remain unfulfilled which is most regrettable as the delay is likely to affect the improvement already apparent in our Flocks as a result of previous importations.

When circumstances permit the Board proposes to embark on a programme of improvement of land in suitable areas and with that end in view have ordered a Priestman Cub Excavator Tractor and Agricultural Machinery in addition to the Plant shipped out in 1942/43.

Our Retail stores continue to do satisfactory business.

S.S. "Fitzroy" has maintained our several services with very little variation from the pre-war schedule. Our Port Stanley departments have continued to be fully employed.

With regard to the Company's prospects for 1944, the weight of the Wool Clip is down and there are signs of curtailment of activities in all directions.

The position of the Company is sound and I am of opinion that despite the many problems facing us the prospects for the near future are satisfactory. Our prosperity and indeed that of the Colony depends on Wool and until we know something of Wool's future in a Post-War world it is not possible for us to look beyond this and next year.

THE FALKLAND ISLANDS CO., LTD.,  
SOUTHERNHAY, CAVENDISH ROAD,  
WEYBRIDGE, SURREY.

## The Falkland Islands Company, Limited.

NOTICE IS HEREBY GIVEN that the NINETY-SECOND ORDINARY GENERAL MEETING of the Company will be held at the Institute of Chartered Accountants in England and Wales, Moorgate Place, London, E.C.2, on Wednesday, the 27th September, 1944, at 11.30 a.m., for the following purposes, viz.:—

- (a) the transaction of the ordinary business of the Company, and
- (b) the ratification by Resolution of a Conditional Agreement which has been entered into between the Chairman of the Company, Mr. W. M. Dean, and Mr. L. W. H. Young, on behalf of the Company, for the purchase by the Company of Port Stephens and Port Edgar from Mr. W. M. Dean.

By Order of the Board,

R. B. HALL,

*Secretary.*

"SOUTHERNHAY,"  
CAVENDISH ROAD,  
WEYBRIDGE,  
SURREY.

18th September, 1944.

# THE FALKLAND ISLANDS COMPANY, LIMITED.

Dr. PROFIT AND LOSS ACCOUNT for the year ended 31st December, 1944. Cr.

	£	s.	d.	£	s.	d.	
To LONDON EXPENSES:							
Directors' Fees, 1944	2,000	0	0				
Salaries, Rent, etc.	4,489	11	7				
				6,489	11	7	
„ PROVISION FOR TAXATION, being estimated Excess Profits Tax and Income Tax (British and Colonial) on current Profits				45,960	0	0	
„ BALANCE—Profit for the Year				36,808	18	6	
				<u>£89,258</u>	10	1	
					£	s.	d.
By PROFIT ON WORKING, including Commissions, etc., in London					85,852	14	0
„ INTEREST AND DIVIDENDS ON INVESTMENTS					3,405	16	1
					<u>£89,258</u>	10	1

## APPROPRIATION OF PROFITS.

	£	s.	d.	£	s.	d.	
To RESERVE FOR DEPRECIATION				4,521	0	0	
„ PROVISION FOR DEFERRED REPAIRS				15,000	0	0	
„ PREFERENCE DIVIDEND paid in 1944, 5% on £33,000, less Income Tax at 8/6d. per £				948	15	0	
„ DIVIDENDS as recommended by the Board and since paid, subject to confirmation at Annual General Meeting:							
On £325,000 Ordinary Shares:							
Interim 5% less Income Tax at 8/6d. per £ paid 1st November, 1944				9,343	15	0	
Final 5% less Income Tax at 8/6d. per £ paid 15th June, 1945				9,343	15	0	
				18,687	10	0	
„ PERCENTAGE COMMISSIONS BASED ON ORDINARY DIVIDEND:							
To Colonial Managers				1,300	0	0	
To Directors				1,250	0	0	
				2,550	0	0	
				41,707	5	0	
By BALANCE CARRIED FORWARD				8,284	10	10	
				<u>£49,991</u>	15	10	
					£	s.	d.
By BALANCE CARRIED FORWARD FROM 1943					13,182	17	4
„ BALANCE OF PROFIT FOR 1944					36,808	18	6
					<u>£49,991</u>	15	10

## BALANCE SHEET—LONDON and STANLEY, 31st December, 1944.

	£	s.	d.	£	s.	d.	
To CAPITAL AUTHORISED:							
5,000 5% Cumulative Preference Shares of £10 each	50,000	0	0				
350,000 Ordinary Shares of £1 each	350,000	0	0				
	<u>£400,000</u>	0	0				
„ CAPITAL ISSUED:							
3,300 5% Cumulative Preference Shares of £10 each, fully paid	33,000	0	0				
325,000 Ordinary Shares of £1 each, fully paid	325,000	0	0	358,000	0	0	
„ SUNDRY CREDITORS AND ACCOUNTS	163,444	0	7				
Bills payable				6,294	4	11	
Provision for Excess Profits Tax (or Deferred Repairs) and Income Tax 1944/45				14,774	0	0	
Provision for Deferred Repairs				27,575	0	0	
Outstanding Dividend Warrants				677	6	6	
Final Dividend (since paid) subject to confirmation at Annual General Meeting				9,343	15	0	
Commissions based on Dividends				2,550	0	0	
				224,658	7	0	
„ RESERVES AND PROVISIONS:							
General Reserve Account				67,500	0	0	
Underwriting and Accident Reserve				22,855	16	6	
Steamship Replacement and Survey Reserve				33,516	9	9	
Provision for Income Tax 1945/46				32,162	12	4	
Profit and Loss Account:							
Balance per Account, after Appropriations				8,284	10	10	
				164,349	9	5	
Contingent Liability in respect of Confirmed Credits by Bank £517.				<u>£747,007</u>	16	5	
					£	s.	d.
By FALKLAND ISLANDS:					178,892	14	8
Land and Development at Cost less Sales							
„ BUILDINGS, at Cost, less Sales				112,707	5	1	
„ FENCING, PLANT, UTENSILS, ETC., at Cost, less Sales				35,557	8	10	
„ FURNITURE, at Cost, less Sales				3,047	3	1	
„ SHIPPING, at Cost, less Sales				96,134	0	4	
				247,445	17	4	
Less: Reserve for Depreciation				193,272	18	4	
				54,172	19	0	
„ SHIPPING, GOVERNMENT TONNAGE REPLACEMENT CERTIFICATE				5,000	0	0	
„ STORES, ETC., on Hand and in Transit				87,176	5	2	
„ PRODUCE				48,080	3	8	
„ LIVESTOCK				79,514	3	1	
„ SUNDRY DEBTORS AND DEFERRED CHARGES				51,448	19	3	
„ INVESTMENTS:							
British Government Stocks, at Cost				90,000	0	0	
Loan to British Government, free of Interest				20,000	0	0	
				110,000	0	0	
„ TAX RESERVE CERTIFICATES				25,000	0	0	
„ CASH AT BANK AND IN HAND				197,722	11	7	
				<u>£747,007</u>	16	5	
					£	s.	d.
On behalf of the Board,							
W. M. DEAN				}	Directors.		
JOHN R. COBB							

### AUDITORS' REPORT TO THE MEMBERS.

We have obtained all the information and explanations we have required, and we have examined the Accounts of the Company for the year ended 31st December, 1944, with the Books, Vouchers and signed Returns received from the Stanley Office. We have also verified the Investments and Bank Balances, and in our opinion the above Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs, according to the best of our information, and the explanations given to us, and as shown by the Books of the Company.

J. & J. SAWYER & CO.,

*Chartered Accountants,*

31, Budge Row, Cannon Street, London, E.C.4.

7th August, 1945.

## NINETY-THIRD ANNUAL REPORT OF THE DIRECTORS.

### Directors.

W. M. DEAN, Esq., *Chairman.*

JOHN R. COBB, Esq., *Vice-Chairman.*

ROBERT BLAKE, Esq.

A. E. BELL, Esq.

P. D. L. AINSLIE, Esq.

L. W. H. YOUNG, Esq., *Managing Director.*

The Directors beg to submit their Report and Accounts for the year ended 31st December, 1944.

After making provision for Income and Excess Profits Tax, the Profit for the year amounts to £36,808 18s. 6d.

An Interim Dividend of 5% was paid on 1st November, 1944, and a Final Dividend of 5% on 15th June, 1945, making the total Dividend on the Ordinary Share Capital issued 10% for the year.

In accordance with the arrangement reported at the General Meeting held on 12th June, 1940, the 1944 Wool Clip and production of Wooled Sheepskins were purchased by the Ministry of Supply (Wool Control). Appraisalment has been completed, the average price for the Company's Wools being 12.84d. per lb.

The purchase by the Company of Port Stephens Station was completed on 28th February, 1945.

According to the Articles of Association, Mr. W. M. Dean retires from the Board by rotation and offers himself for re-election.

The Auditors, Messrs. J. & J. Sawyer & Co., offer themselves for re-election.

“SOUTHERNHAY,”

CAVENDISH ROAD,

WEYBRIDGE, SURREY.

18th August, 1945.

## STATEMENT BY THE CHAIRMAN

MR. W. M. DEAN.

The Profit for the year 1944 amounts to £36,808 18s. 6d. after providing for taxation. You will note that there is a slight alteration in the make up of the Profit and Loss and Appropriation of Profits Accounts, Depreciation now being shown as an appropriation of profits. If the figures for 1943 are adjusted by adding the provision for Depreciation £7,400, the profit for 1944 (before Depreciation) shows an increase of £1,485 10s. 6d. due to a smaller amount being required as a provision for Taxation. As foreshadowed in my statement for 1943, the Board has set aside £15,000 to meet arrears of maintenance which reserve will be added to as and when circumstances permit

Dividends totalling 10% have been paid in respect of the year under review.

Our relations with the Ministry of Supply (Wool Control) continue to be satisfactory. Discussions have been going on between the British and the Dominions Governments regarding the post-war marketing of the accumulations of Wool and of new clips. I understand that no decisions have yet been arrived at but whatever they may be, they will of course affect us. It is said that the Wool on hand in Australia at 31st December last was more than 1,600,000,000 lbs, in addition to which there are heavy stocks in New Zealand, South Africa, U.S.A. and South America. The outlook for prices after the Government purchase scheme ends is not too promising.

The season on the Farm in 1943/44 was an average one but a cold dry Spring in 1943 caused a slight fall in the clip. In spite of great scarcity of labour the work was got through satisfactorily by the devoted efforts of those men who had remained on the farms. If labour continues to be scarce the position will be most difficult as we have much maintenance to overtake and many new projects in view to improve the camp by draining and other works. The shipment of livestock from New Zealand is still difficult but in spite of our inability to obtain fresh blood for the stud flocks, we are making every effort to improve their quality.

The season of 1944/45 after a drought in the Winter which extended far into the Spring, improved just in time to give us a good clip. The Autumn turned very wet consequently prospects for the wintering of the stock in good condition are not so favourable.

Our Retail Store continues to do satisfactory business though on a reduced scale, due to a diminution in the population and the lack of consumer goods.

S.S. "FITZROY" has maintained our several services satisfactorily in view of the exceptional calls made on her.

Our Port Stanley Departments have been well employed during the year though there is some falling off in the calls now being made on them.

I am pleased to inform you that the Board's policy requiring Directors to pay frequent visits to your properties, which has been held up by the war, can now be resumed. Your Managing Director paid a short visit to the Colony in 1944/45 and I expect to leave shortly as does Mr. Blake.

With regard to the Company's prospects for 1945, though returns from all Sections have not yet been received, it is anticipated that the total wool clip will shew an increase over the previous year. The activities of our Shipping and other Departments are expected to be on a reduced scale but after giving these factors consideration, I am of opinion that the immediate outlook for our business is satisfactory.

Finally, I would draw your attention to the loyal and efficient services of the Company's employees wherever they are stationed and whatever their duties; they have been of the greatest value and have enabled the Company to overcome the many difficulties which arose as an outcome of the war in a much more satisfactory manner than was at first thought possible.

## The Falkland Islands Company, Limited.

THE FALKLAND ISLANDS CO., LTD.,  
SOUTHERNHAY, CAVENDISH ROAD,  
WEYBRIDGE, SURREY.

NOTICE IS HEREBY GIVEN that the NINETY-THIRD ORDINARY GENERAL MEETING of the Company will be held at the Institute of Chartered Accountants in England and Wales, Moorgate Place, London, E.C.2, on Wednesday, the 29th August, 1945, at 11.30 a.m., for the purpose of transacting the ordinary business of the Company.

By Order of the Board,  
R. B. HALL,  
*Secretary.*

"SOUTHERNHAY,"  
CAVENDISH ROAD,  
WEYBRIDGE,  
SURREY.

16th August, 1945.

# THE FALKLAND ISLANDS COMPANY, LIMITED.

Dr. PROFIT AND LOSS ACCOUNT for the year ended 31st December, 1945. Cr.

	£	s.	d.	£	s.	d.
<b>LONDON EXPENSES:</b>						
Directors' Fees 1945	2,000	0	0			
Salaries, Rent, etc.	4,496	6	11			
				6,496	6	11
PROVISION FOR TAXATION, being estimated Excess Profits Tax and Income Tax (British and Colonial) on current Profits				42,163	0	8
BALANCE—Profit for the Year				36,432	6	7
				£85,091	14	2

By PROFIT ON WORKING, including Commissions, etc., in London	£	s.	d.
INTEREST AND DIVIDENDS ON INVESTMENTS	81,789	11	3
	3,302	2	11
	£85,091	14	2

## APPROPRIATION OF PROFITS.

	£	s.	d.	£	s.	d.
To RESERVE FOR DEPRECIATION				3,177	13	5
PREFERENCE DIVIDEND paid 1945, 5% on £33,000 less Tax				948	15	0
DIVIDENDS as recommended by the Board and since paid, subject to confirmation at Annual General Meeting:						
On £325,000 Ordinary Shares:						
Interim 5% less Income Tax at 8/6d. per £ paid 1st January, 1946	9,343	15	0			
Final 5% less Income Tax at 9/- per £ paid 15th June, 1946	8,937	10	0			
				18,281	5	0
PERCENTAGE COMMISSIONS BASED ON ORDINARY DIVIDEND:						
To Colonial Managers	1,372	5	5			
To Directors	1,250	0	0			
				2,622	5	5
TRANSFER TO PROVISION FOR DEFERRED REPAIRS				10,000	0	0
				35,029	18	10
BALANCE CARRIED FORWARD				9,686	18	7
				£44,716	17	5

By BALANCE CARRIED FORWARD FROM 1944	£	s.	d.
BALANCE OF PROFIT FOR 1945	8,284	10	10
	36,432	6	7

## BALANCE SHEET—LONDON and STANLEY, 31st December, 1945.

	£	s.	d.	£	s.	d.
<b>To CAPITAL AUTHORISED:</b>						
5,000 5% Cumulative Preference Shares of £10 each	50,000	0	0			
350,000 Ordinary Shares of £1 each	350,000	0	0			
	£400,000	0	0			
<b>CAPITAL ISSUED:</b>						
3,300 5% Cumulative Preference Shares of £10 each, fully paid	33,000	0	0			
325,000 Ordinary Shares of £1 each, fully paid	325,000	0	0			
	358,000	0	0			
<b>SUNDRY CREDITORS AND ACCOUNTS:</b>						
Provision for Excess Profits Tax or Deferred Repairs	175,542	8	4			
Outstanding Dividend Warrants	57,791	2	4			
Ordinary Dividends (since paid). Subject to confirmation at Annual General Meeting	487	14	5			
Commissions based on Dividends	18,281	5	0			
	2,622	5	5			
				254,724	15	6
<b>RESERVES AND PROVISIONS:</b>						
General Reserve Account	67,500	0	0			
Underwriting and Accident Reserve	24,721	19	1			
Steamship Replacement and Survey Reserve	34,546	9	9			
Provision for Income Tax 1946/47	29,948	18	0			
Profit and Loss Account:						
Balance per Account, after Appropriations	9,686	18	7			
				166,404	5	5
<b>SPECIFIC RESERVE FOR DEVELOPMENT AND RE-EQUIPMENT (not available for distribution)</b>						
Estimated further amount to be credited	4,464	2	8			
				1,200	0	0
				5,664	2	8
				£784,793	3	7

<b>By FALKLAND ISLANDS:</b>	£	s.	d.			
Land and Development at Cost less Sales				293,048	14	8
BUILDINGS, at Cost, less Sales	114,603	5	1			
FENCING, PLANT, UTENSILS, ETC., at Cost, less Sales	39,746	19	10			
FURNITURE, at Cost, less Sales	3,047	3	1			
SHIPPING, at Cost, less Sales	95,424	0	4			
	252,821	8	4			
Less: Reserve for Depreciation	195,450	11	9			
				57,370	16	7
SHIPPING, GOVERNMENT TONNAGE REPLACEMENT CERTIFICATE				5,000	0	0
STORES, ETC., on Hand and in Transit				80,164	16	2
PRODUCE				80,453	4	8
LIVESTOCK				89,462	3	1
SUNDRY DEBTORS AND DEFERRED CHARGES				64,606	2	1
<b>INVESTMENTS:</b>						
British Government Stocks, at Cost				95,500	0	0
TAX RESERVE CERTIFICATES				19,125	0	0
CASH AT BANK AND IN HAND				84,398	3	8
EXCESS PROFITS TAX POST-WAR REFUND:						
Amount provisionally agreed and since paid	4,464	2	8			
Estimated further Refund	1,200	0	0			
	5,664	2	8			
<i>On behalf of the Board,</i>						
W. M. DEAN				}	Directors.	
JOHN R. COBB						
				£784,793	3	7

### AUDITORS' REPORT TO THE MEMBERS.

We have obtained all the information and explanations we have required, and we have examined the Accounts of the Company for the year ended 31st December, 1945, with the Books, Vouchers and signed Returns received from the Stanley Office. We have also verified the Investments and Bank Balances, and in our opinion the above Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs, according to the best of our information, and the explanations given to us, and as shown by the Books of the Company.

J. & J. SAWYER & CO.,

*Chartered Accountants,*

31, Budge Row, Cannon Street, London, E.C.4.

17th September, 1946.

## NINETY-FOURTH ANNUAL REPORT OF THE DIRECTORS.

### Directors.

W. M. DEAN, Esq., *Chairman.*

JOHN R. COBB, Esq., *Vice-Chairman.*

ROBERT BLAKE, Esq.                      A. E. BELL, Esq.

P. D. L. AINSLIE, Esq.                    L. W. H. YOUNG, Esq., *Managing Director.*

The Directors beg to submit their Report and Accounts for the year ended 31st December, 1945.

After making provision for Income and Excess Profits Tax, the Profit for the year amounts to £36,432 6s. 7d.

An Interim Dividend of 5% was paid on 1st January, 1946, and a Final Dividend of 5% on 15th June, 1946, making the total Dividend on the Ordinary Share Capital issued 10% for the year.

In accordance with the arrangement reported at the General Meeting held on 12th June, 1940, the 1945 Wool Clip and production of Woolled Sheepskins were purchased by the Ministry of Supply (Wool Control). Appraisalment has been completed, the average price for the Company's Wools being 12.727d. per lb.

According to the Articles of Association, Mr. John R. Cobb retires from the Board by rotation and offers himself for re-election.

The Auditors, Messrs. J. & J. Sawyer & Co., offer themselves for re-election.

“SOUTHERNHAY”

CAVENDISH ROAD,

WEYBRIDGE, SURREY.

23rd September, 1946.



## STATEMENT BY THE CHAIRMAN

MR. W. M. DEAN.

The Profit for the year 1945 amounts to £36,432 6s. 7d. after providing for taxation. A further £10,000 has been set aside to meet arrears of maintenance.

You will note that £5,664 2s. 8d. is reserved for development and re-equipment; this is the amount of Excess Profits Tax Post War Refund due to the Company and which must be utilised for the purpose specified.

Dividends totalling 10 per cent. have been paid in respect of the year under review.

Our relations with the Ministry of Supply (Wool Control) continue to be satisfactory. The purchase of Falkland Islands Wools by the British Government ends with the 1945/6 clip, the 1946/47 clip will therefore be offered at the London Wool Sales as in pre-war years.

I will not speculate as to the trend of prices but you have doubtless noted that there was an improvement at the first post war Wool Sales held in Sydney which opened on the 2nd September, 1946. London Wool Sales opened on 9th September, 1946 and among the Wools being offered on behalf of the Wool Control during the Series are 1484 Bales Falkland Islands Wool which includes 735 Bales North Arm and 100 Bales Fox Bay West.

Since we last met, I have visited the Colony and spent three months inspecting the Company's properties.

**Port Stanley.** I found your business in good order after a trying war period, with the population doubled by the arrival of troops, which threw a great strain on our staff, shipping and lighterage.

**Farms.** Mr. G. M. Goddard, the General Camp Manager, having resigned, the Board decided that management would be more efficient if the farms on the East Island were run under one Manager and those on the West under another; Mr. F. G. Langdon therefore took charge of the former and Mr. C. H. Robertson of the latter.

**East Falkland Farms.** The stock generally was only in moderate condition owing to a trying Winter and the fact that our sheep have become too fine in the wool from lack of suitable imported rams. Our somewhat exposed camps require a hardier sheep with medium cross bred wool. I carefully examined our rams and stud flocks which leave much to be desired. A heavy cull and the large importation of New Zealand Romneys which has been arranged for will greatly improve the constitution and bone of these flocks.

**West Falkland Farms.** Comprise the former stations of Fox Bay, Spring Point and Port Stephens, 318,791 acres in one block. The headquarters will be at Fox Bay. Not being well acquainted with the Fox Bay camps I inspected the Camps thoroughly and was agreeably surprised to find them better than I expected.

Fox Bay buildings and fencing are deficient and a considerable outlay is necessary before the station can be brought up to the desired standard. I found the quality of the sheep unsatisfactory, many too old or with inferior wool due to the use of inferior rams. I saw the start of the improvement of the flock by severe culling and a large importation of Port Stephens' Romneys which should help this flock.

**Port Stephens.** Your Director, Mr. Robert Blake, who has also visited the Colony since our last Meeting, made a thorough traverse of this great block of land and was pleased with what he saw; the Board have no doubt that we can successfully stock this Section as wethers imported from the East have done very well.

**General.** As to the future, the only difficulty I foresee is the shortage of labour which prevents our getting on with our sheep work or making progress with the many improvements we have planned to increase the amenities of life in the Camp. The difficulty of travel within the Colony is one of the factors which makes Camp life unattractive to many and we intend to go ahead with our plans to provide air services within the Colony when the Falkland Islands Government has framed the necessary regulations.

Our Retail Stores and other Departments have done satisfactory business during the year.

S.S. "FITZROY" has maintained our several services.

With regard to the Company's prospects for 1946, the total wool clip may show a slight reduction. I do not anticipate any great change in the activities of our Shipping and other Departments and am of opinion that the immediate outlook for our business continues to be satisfactory.

In closing I would again draw your attention to the loyal and efficient services of all of the Company's Employees; it gave me very great pleasure to be among those in the Colony once more and to express our appreciation to them in person.

The Falkland Islands  
Company, Limited.

NOTICE IS HEREBY GIVEN that the  
NINETY-FOURTH ORDINARY GENERAL MEETING  
of the Company will be held at Hall No. 11,  
Winchester House, Old Broad Street, London,  
E.C.2, on Wednesday, the 2nd October, 1946,  
at 11.30 a.m., for the purpose of transacting  
the ordinary business of the Company.

By Order of the Board,

R. B. HALL,

Secretary.

"SOUTHERNHAY,"  
CAVENDISH ROAD,  
WEYBRIDGE  
SURREY

28th September, 1946.

1945  
THE FALKLAND ISLANDS CO., LTD.,  
SOUTHERNHAY, CAVENDISH ROAD,  
WEYBRIDGE, SURREY.

# The Falkland Islands Company Limited.

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NOTICE IS HEREBY GIVEN that the NINETY-FIFTH ORDINARY GENERAL MEETING of the Company will be held at the Connaught Rooms, Great Queen Street, Kingsway, London, W.C.2, on Wednesday, the 8th October, 1947, at 11.30 a.m., for the purpose of transacting the ordinary business of the Company.

By Order of the Board,

R. B. HALL,  
*Secretary.*

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" SOUTHERNHAY,"  
CAVENDISH ROAD,  
WEYBRIDGE,  
SURREY.

27th September, 1947.

THE FALKLAND ISLANDS CO., LTD.,  
SOUTHERNHAY, CAVENDISH ROAD,  
WEYBRIDGE, SURREY.

# THE FALKLAND ISLANDS COMPANY, LIMITED.

## PROFIT AND LOSS ACCOUNT for the year ended 31st December, 1946.

Dr.					Cr.																																																																																	
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8,284		" BALANCE OF PROFIT FOR 1946	51,894	6 6																																																																																																																																								
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## BALANCE SHEET—LONDON and STANLEY, 31st December, 1946.

Dr.					Cr.																																																																																																									
<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 10%; text-align: right;">1945</td> <td style="width: 10%; text-align: right;">£</td> <td style="width: 30%;"></td> <td style="width: 10%; text-align: right;">£</td> <td style="width: 10%; text-align: right;">s. d.</td> <td style="width: 10%;"></td> </tr> <tr> <td></td> <td></td> <td>To CAPITAL AUTHORISED:</td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td>  5,000 5% Cumulative Preference Shares of £10 each</td> <td style="text-align: right;">50,000</td> <td style="text-align: right;">0 0</td> <td></td> </tr> <tr> <td></td> <td></td> <td>  350,000 Ordinary Shares of £1 each</td> <td style="text-align: right;">350,000</td> <td style="text-align: right;">0 0</td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td style="text-align: right; border-top: 1px solid black;">400,000</td> <td style="text-align: right; border-top: 1px solid black;">0 0</td> <td></td> </tr> <tr> <td></td> <td></td> <td>  " CAPITAL ISSUED:</td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td>    3,300 5% Cumulative Preference Shares of £10 each, fully paid</td> <td style="text-align: right;">33,000</td> <td style="text-align: right;">0 0</td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td style="text-align: right; border-top: 1px solid black;">33,000</td> <td style="text-align: right; border-top: 1px solid black;">0 0</td> <td></td> </tr> </table>	1945	£		£	s. d.				To CAPITAL AUTHORISED:						5,000 5% Cumulative Preference Shares of £10 each	50,000	0 0				350,000 Ordinary Shares of £1 each	350,000	0 0					400,000	0 0				" CAPITAL ISSUED:						3,300 5% Cumulative Preference Shares of £10 each, fully paid	33,000	0 0					33,000	0 0			<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 10%; text-align: right;">1945</td> <td style="width: 10%; text-align: right;">£</td> <td style="width: 30%;"></td> <td style="width: 10%; text-align: right;">£</td> <td style="width: 10%; text-align: right;">s. d.</td> <td style="width: 10%;"></td> </tr> <tr> <td></td> <td></td> <td>By FALKLAND ISLANDS:</td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td>  Land and Development at Cost less Sales</td> <td style="text-align: right;">3,048</td> <td style="text-align: right;">14 8</td> <td></td> </tr> <tr> <td style="text-align: right;">203,049</td> <td></td> <td>  " BUILDINGS, at Cost</td> <td style="text-align: right;">114,603</td> <td style="text-align: right;">5 1</td> <td></td> </tr> <tr> <td></td> <td></td> <td>  " FENCING, PLANT, UTENSILS, ETC. at Cost, less Sales</td> <td style="text-align: right;">39,746</td> <td style="text-align: right;">19 10</td> <td></td> </tr> <tr> <td></td> <td></td> <td>  " FURNITURE, at Cost, less Sales</td> <td style="text-align: right;">2,833</td> <td style="text-align: right;">3 1</td> <td></td> </tr> <tr> <td></td> <td></td> <td>  " SHIPPING, at Cost</td> <td style="text-align: right;">136,145</td> <td style="text-align: right;">2 0</td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td style="text-align: right; border-top: 1px solid black;">293,328</td> <td style="text-align: right; border-top: 1px solid black;">10 0</td> <td></td> </tr> <tr> <td></td> <td></td> <td>  Less: Reserve for Depreciation</td> <td style="text-align: right;">209,821</td> <td style="text-align: right;">3 2</td> <td></td> </tr> <tr> <td style="text-align: right; border-top: 1px solid black;">57,371</td> <td></td> <td>  SHIPPING, GOVERNMENT TONNAGE REPLACEMENT</td> <td style="text-align: right; border-top: 1px solid black; border-bottom: 3px double black;">83,507</td> <td style="text-align: right; border-top: 1px solid black; border-bottom: 3px double black;">6 10</td> <td></td> </tr> </table>	1945	£		£	s. d.				By FALKLAND ISLANDS:						Land and Development at Cost less Sales	3,048	14 8		203,049		" BUILDINGS, at Cost	114,603	5 1				" FENCING, PLANT, UTENSILS, ETC. at Cost, less Sales	39,746	19 10				" FURNITURE, at Cost, less Sales	2,833	3 1				" SHIPPING, at Cost	136,145	2 0					293,328	10 0				Less: Reserve for Depreciation	209,821	3 2		57,371		SHIPPING, GOVERNMENT TONNAGE REPLACEMENT	83,507	6 10	
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	each	350,000	Ordinary Shares of £1 each	...	...	350,000	0	0	
						400,000	0	0	
	"	CAPITAL ISSUED:							
		3,300	5% Cumulative Preference Shares of £10 each, fully paid	...	...	33,000	0	0	
		325,000	Ordinary Shares of £1 each, fully paid	...	...	325,000	0	0	
358,000									358,000
175,542	"	SUNDRY CREDITORS AND ACCOUNTS		...	...	257,597	16	0	
			Provision for Excess Profits Tax or Deferred Repairs	...	...	77,486	2	4	
57,791			Outstanding Dividend Warrants	...	...	468	7	1	
488			Ordinary Dividends. Subject to confirmation at Annual General Meeting	...	...	22,343	15	0	
18,281			Commissions based on Dividends	...	...	3,687	10	0	
2,622									361,583
	"	RESERVES AND PROVISIONS:							
67,500			General Reserve Account	...	...	67,500	0	0	
24,722			Underwriting and Accident Reserve	...	...	25,711	4	5	
34,547			Steamship Replacement and Survey Reserve	...	...	34,546	9	9	
29,949			Provision for Income Tax 1947/48	...	...	28,800	0	0	
			Profit and Loss Account:						
9,687			Balance per Account, after Appropriation	...	...	9,996	19	1	
									166,554
	"	SPECIFIC RESERVE FOR DEVELOPMENT AND RE-EQUIPMENT (not available for distribution)		...	...	4,464	2	8	
			Estimated further amount to be credited	...	...	1,200	0	0	
5,664									5,664
			(Contingent Liability in respect of Confirmed Credits by Bank £3,801 10s. 11d.)						
									£891,802
									6 4
									<u>£784,793</u>

"	FENCING, PLANT, UTENSILS, ETC. at Cost, less Sales	...	...	39,746	19	10
"	FURNITURE, at Cost, less Sales	...	...	2,833	3	1
"	SHIPPING, at Cost	...	...	136,145	2	0
				293,328	10	0
	Less: Reserve for Depreciation	...	...	209,821	3	2
57,371						83,507
	"	SHIPPING, GOVERNMENT TONNAGE REPLACEMENT CERTIFICATE		...	...	5,000
80,165	"	STORES, ETC. on Hand and in Transit		...	...	119,965
80,453	"	PRODUCE		...	...	43,399
89,462	"	LIVESTOCK		...	...	89,462
64,606	"	SUNDRY DEBTORS AND DEFERRED CHARGES		...	...	121,304
	"	INVESTMENTS:				
95,500		British Government Stocks at Cost		...	...	96,500
		(Market Value at 3rd September, 1947 £96,052)				
19,125	"	TAX RESERVE CERTIFICATES		...	...	39,125
84,398	"	CASH AT BANK AND IN HAND		...	...	89,289
	"	EXCESS PROFITS TAX POST-WAR REFUND:				
5,664		Estimated further Refund		...	...	1,200
						£891,802
						6 4
						<u>£784,793</u>

On behalf of the Board,

W. M. DEAN  
ROBERT BLAKE } Directors.

AUDITORS' REPORT TO THE MEMBERS.

We have obtained all the information and explanations we have required, and we have examined the Accounts of the Company for the year ended 31st December, 1946, with the Books, Vouchers and signed Returns received from the Stanley Office. We have also verified the Investments and Bank Balances, and in our opinion the above Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs, according to the best of our information, and the explanations given to us, and as shown by the Books of the Company.

J. & J. SAWYER & Co.,  
Chartered Accountants,  
31, Budge Row, Cannon Street, London, E.C.4.

3rd September, 1947.

NINETY-FIFTH ANNUAL REPORT OF THE DIRECTORS.

Directors.

W. M. DEAN, Esq., *Chairman.*  
JOHN R. COBB, Esq., *Vice-Chairman.*  
ROBERT BLAKE, Esq.      A. E. BELL, Esq.  
P. D. L. AINSLIE, Esq.      L. W. H. YOUNG, Esq., *Managing Director.*

The Directors beg to submit their Report and Accounts for the year ended 31st December, 1946.  
After making provision for Income and Excess Profits Tax, the Profit for the year amounts to £51,894 6s. 6d.  
An Interim Dividend of 5% was paid on 1st January, 1947, and a Final Dividend of 5% on 14th June, 1947. Subject to your confirmation the Directors propose to pay a further Dividend of 2½%, less tax, making the total Dividend on the Ordinary Share Capital issued 12½% for the year.  
In accordance with the arrangement reported at the General Meeting held on 12th June, 1940, the 1946 Wool Clip and production of Woolled Sheepskins

were purchased by the Ministry of Supply (Wool Control). Appraisalment has not yet been completed.  
This arrangement has now come to an end and is in process of being wound up.  
The Company's Floating Dock, completed in 1932, has been sold at a satisfactory price.  
S.S. "PERTH" has been purchased from the Dundee, Perth and London Shipping Co. Ltd. and renamed "LAFONIA." She sailed for the Colony on 25th October, 1946, but as her trading account in the year under review is short, it has not been included herein but will be included in the 1947 accounts.  
According to the Articles of Association Mr. A. E. Bell retires from the Board by rotation and offers himself for re-election.  
The Auditors, Messrs. J. & J. Sawyer & Co., offer themselves for re-election.  
"SOUTHERNHAY,"  
CAVENDISH ROAD,  
WEYBRIDGE, SURREY.  
27th September, 1947.

## STATEMENT BY THE CHAIRMAN.

MR. W. M. DEAN.

The Profit for the year 1946 amounts to £51,894 6s. 6d. after providing for taxation. As will be seen, the Creditors, as compared with the previous year, are up some £82,000. On the other hand, the Debtors have also increased by £56,698—on balance an increase in Creditors of £25,000 odd. Generally, Debtors and Creditors are both swollen through Wool Accounts not being cleared at the end of the year. The fact that the Income Tax due 1st January, 1947, had not been paid at 31st December, 1946 accounts for a considerable portion of the £25,000. In other years the Tax had been paid before the end of the year, but there was delay in agreeing figures with the Inspector of Taxes.

£20,000 has been provided for special Depreciation on s.s. "LAFONIA" (ex "PERTH"). Your Directors have had under consideration the replacement of s.s. "LAFONIA" (ex "SOUTHERN COAST") ever since she was lost and would have preferred to have had a vessel constructed to meet the Company's special requirements. Present prices for new tonnage made this impossible and "PERTH" was therefore purchased and reconditioned and is now in service. In view of her age the Board considers that it is prudent to write her down to her break up value within a very few years—hence this provision.

Dividends totalling 10% have been paid in respect of the year under review and subject to your approval the Directors now propose to pay a further Dividend of 2½%, less tax, making 12½% in all.

Our relations with the Ministry of Supply (Wool Control) continue to be satisfactory. As the purchase of Falkland Islands Wools by the British Government ends with the 1945/46 clip, those relations will shortly come to an end.

Since we last met I have again visited the Colony as I was anxious to see our Sheep at Dipping and the surplus Sheep tried out.

**East Falkland Farms.** Mr. F. G. Langdon has now retired after many years valuable service as Manager Fitzroy Section and for the last two years as Camp Manager. He has been succeeded by Mr. T. A. Gilruth.

Our Wool from Darwin Harbour and North Arm sold well in the London Sales but prices obtained by Fitzroy and the smaller Sections are not satisfactory the reason being want of good rams.

After a severe cull I am pleased to report an improvement in the rams going to the ewe flocks. Our stud flocks have been thoroughly overhauled and now show considerable improvement but are not as good as I should like to see them. The same criticism applies to our general ewe flocks which require a rigorous culling as soon as we have a few good lambings to make good the numbers. The frame and constitution of our sheep must be improved. To counteract these weak points the Board sent Mr. Gilruth by air to New Zealand to select Romney Rams. His visit has been an unqualified success—he obtained 100 Romney Rams, at moderate prices, with all the qualities we were seeking. These rams were shipped direct to Port Stanley and arrived in good condition.

**West Falkland Farms.** I had an opportunity of discussing these Farms with Mr. C. H. Robertson who is held up by want of labour from getting forward with his many plans to improve the Farms. However, three houses have been erected at Fox Bay so now this Settlement is equipped for the labour which we hope to secure partly from U.K.

We have obtained wethers to stock the back Camps. 22 excellent rams of the New Zealand Shipment go to the Romney Stud Flock at Cape Orford. This Romney flock which has been carefully bred for 40 years is one of the best in the Islands.

**General.** Having now examined your flocks at Shearing, Dipping and trying out, I feel sure there is room for improvement in all our flocks but have every confidence that Messrs. Gilruth and Robertson will eventually bring this about. We have considerable leeway to make up in improving installations for which funds have already been set aside but we still lack labour and material.

**Stanley.** Our Retail Store and other Departments have done satisfactory business during the year.

s.s. "FITZROY" has maintained our several services. In view of the unsatisfactory coal position, the Board is considering converting her to oil burning.

Mr. Young will shortly visit the Colony again.

The development of our shipping and other branches of our business are best dealt with there and he will also be enabled to have personal discussions of these matters with our Agents in South America.

With regard to the Company's prospects for 1947, a good proportion of the Wool Clip and Sheep Skins production has already been sold at Auction in London at satisfactory prices. Tallow and Hides have also sold well.

I do not anticipate any great change in the trading of our other Departments and am of opinion that the immediate outlook for our business continues to be satisfactory.

I would again draw your attention to the loyal and efficient services of the Company's Employees.

# The Falkland Islands Company Limited.

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NOTICE IS HEREBY GIVEN that the NINETY-SIXTH ORDINARY GENERAL MEETING of the Company will be held at the Connaught Rooms, Great Queen Street, Kingsway, London, W.C.2, on Wednesday, the 30th June, 1948, at 2.15 p.m., for the purpose of transacting the ordinary business of the Company.

By Order of the Board,

R. B. HALL,

*Secretary.*

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" SOUTHERNHAY,"  
CAVENDISH ROAD,  
WEYBRIDGE,  
SURREY.

18th June, 1948.

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A. Southey & Co. Ltd., 15, Philpot Lane, London, E.C.3.

THE FALKLAND ISLANDS CO., LTD.,  
SOUTHERNHAY, CAVENDISH ROAD,  
WEYBRIDGE, SURREY.



	5,000 5% Cumulative Preference Shares of £10 each	50,000 0 0	
	350,000 Ordinary Shares of £1 each	350,000 0 0	
		<u>400,000 0 0</u>	
	„ CAPITAL ISSUED:		
	3,300 5% Cumulative Preference Shares of £10 each, fully paid	33,000 0 0	
	325,000 Ordinary Shares of £1 each, fully paid	325,000 0 0	
358,000			358,000 0 0
257,598	„ SUNDRY CREDITORS AND ACCOUNTS	193,131 15 7	
	Provision for Excess Profits Tax or Deferred Repairs	67,908 6 7	
77,486	Provision for Profits Tax	20,350 0 0	
468	Outstanding Dividend Warrants	456 10 0	
	Ordinary Dividends. Subject to confirmation at Annual General Meeting	31,281 5 0	
22,344	Commissions based on Dividends	5,746 12 8	
3,687			318,874 9 10
	„ RESERVES AND PROVISIONS:		
67,500	General Reserve Account	67,500 0 0	
25,711	Underwriting and Accident Reserve	28,377 15 7	
34,547	Steamship Replacement and Survey Reserve	34,546 9 9	
28,800	Provision for Income Tax 1948/49	38,100 0 0	
	Profit and Loss Account:		
9,997	Balance per Account, after Appropriation	7,473 0 9	175,997 6 1
	„ SPECIFIC RESERVE FOR DEVELOPMENT AND RE-EQUIPMENT (not available for distribution)		7,844 16 8
5,664			
	(Contingent Liability in respect of Confirmed Credits by Bank £91).		
<u>£801,802</u>			<u>£860,716 12 7</u>

208,048	LAND AND DEVELOPMENT AT COST LESS SALES		
	„ BUILDINGS, at Cost	117,835 3 9	
	„ FENCING, PLANT, UTENSILS, ETC. at Cost, less Sales	39,746 19 10	
	„ FURNITURE, at Cost, less Sales	2,833 3 1	
	„ SHIPPING, at Cost	136,535 1 9	
		<u>296,950 8 5</u>	
	Less: Reserve for Depreciation	234,886 3 2	62,064 5 3
83,507	„ SHIPPING, GOVERNMENT TONNAGE REPLACEMENT CERTIFICATE		5,000 0 0
5,000	„ STORES, ETC. on Hand and in Transit		144,971 9 7
119,966	„ PRODUCE		8,003 17 0
43,400	„ LIVESTOCK		89,462 3 1
89,462	„ SUNDRY DEBTORS AND DEFERRED CHARGES		41,808 6 5
121,304	„ INVESTMENTS:		
	British Government Stocks at Cost		95,490 0 0
96,500	(Market Value at 13th May, 1948 £94,600)		
39,125	„ TAX RESERVE CERTIFICATES		60,000 0 0
89,289	„ CASH AT BANK AND IN HAND		150,867 16 7
	„ EXCESS PROFITS TAX POST-WAR REFUND:		
	Estimated further Refund		— — —
1,200			
	On behalf of the Board,		
	W. M. DEAN	} Directors.	
	JOHN R. COBB		
<u>£801,802</u>			<u>£860,716 12 7</u>

#### AUDITORS' REPORT TO THE MEMBERS.

We have obtained all the information and explanations we have required, and we have examined the Accounts of the Company for the year ended 31st December, 1947, with the Books, Vouchers and signed Returns received from the Stanley Office. We have also verified the Investments and Bank Balances, and in our opinion the above Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs, according to the best of our information, and the explanations given to us, and as shown by the Books of the Company.

13th May, 1948.

J. & J. SAWYER & CO.,  
Chartered Accountants,  
31, Budge Row, Cannon Street, London, E.C.4.

#### NINETY-SIXTH ANNUAL REPORT OF THE DIRECTORS.

##### Directors.

W. M. DEAN, Esq., *Chairman.*

JOHN R. COBB, Esq., *Vice-Chairman.*

ROBERT BLAKE, Esq.

A. E. BELL, Esq.

P. D. L. AINSLIE, Esq.

L. W. H. YOUNG, Esq., *Managing Director.*

The Directors beg to submit their Report and Accounts for the year ended 31st December, 1947.

After making provision for Income and Profits Tax, the Profit for the year amounts to £80,476 9s. 4d.

An Interim Dividend of 7% was paid on the 1st January, 1948, and a Final Dividend of 6½% and a Bonus of 4% on the 3rd April, 1948, making the Total Dividend and Bonus on the Ordinary Share Capital issued 17½% for the year.

The arrangement reported at the General Meeting on 12th June, 1940, which covered the purchase of Falkland Islands Wools and Sheepskins by the Ministry of Supply (Wool Control) has ended and has been wound up. The final settlement resulted in our receiving £19,384 os. 3d. being our share of the profit made on the resale of accumulated stocks of Wool sold to certain destinations. This amount has been credited in the Profit and Loss Account and is, of course, a non-recurring item.

According to the Articles of Association, Mr. P. D. L. Ainslie retires from the Board by rotation and offers himself for re-election.

The Auditors, Messrs. J. & J. Sawyer & Co., offer themselves for re-election.

“ SOUTHERNHAY,”  
CAVENDISH ROAD,  
WEYBRIDGE, SURREY.

18th June, 1948.



## STATEMENT BY THE CHAIRMAN.

MR. W. M. DEAN.

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The Profit for the year 1947 amounts to £80,476 9s. 4d., after providing for taxation. The increase of £28,582 2s. 10d., as compared with 1946, is mainly due to the general rise in the price of Produce and to the completion of the Agreement made with the Ministry of Supply (Wool Control) for the purchase of Falkland Islands Wools during the last war. This Agreement provided for the sharing of any profit made on the resale of accumulated stocks of Wool to Foreign buyers. Sale of these accumulations was completed during 1947 and our share of the profit realised £19,384 0s. 3d. The Board decided to utilise a portion of this to pay the Bonus of 4%, less tax, referred to below. The Agreement covered the Colony's Wool Clips and Production of Sheepskins from 1940 to 1946 and proved to be most valuable in maintaining the economy of the Colony during a difficult period. Our relations with the Ministry of Supply (Wool Control) throughout have been very satisfactory and I desire to take this opportunity of expressing our and our clients' appreciation.

Dividends totalling 13½% plus the bonus of 4% have been paid in respect of the year under review.

**East Falkland Farms.** The 1947-1948 season has been good — a fine spring followed an open winter consequently there was a satisfactory increase in the number of lambs marked. This will enable our Camp Manager, Mr. Gilruth to cull more heavily thus reducing the average age of his flocks which is very desirable. The progeny from the importation of New Zealand Rams, referred to in my last Report, is promising.

**West Falkland Farms.** The Camp Manager, Mr. Robertson, reports that all stock are in excellent condition especially on the Port Stephens Section. Lambing percentages were somewhat disappointing but lambs are reported to be in excellent condition.

A steady improvement is taking place but the Fox Bay West flocks have considerable leeway to make up before I am satisfied. A cadet's house and two cottages have been erected at Fox Bay West which will help to improve the administration of this farm. A Priestman Excavator is now working on some of the bad streams and ditches on this Section; this should slowly show results by reducing the death rate and improving wet camps.

Mr. Beaty, the Section Manager at Port Stephens, is conducting an interesting experiment to alleviate certain mineral deficiencies in our sheep. It is too early to say with any certainty that it will be successful but so far the results obtained are promising.

**General.** There is still room for improvement in the weight and quality of the clip from some Sections. It takes time to breed the type of sheep best suited to each Camp and to decide on the best method of working as conditions vary so greatly between Section and Section but I am satisfied that all is going well on our Farms and with due regard to economy. Our chief difficulty at present is the scarcity of labour. We have sent a number of men out from this country and I am pleased to report that they have settled down happily and are shaping extremely well.

**Stanley.** Our Retail Store and other Departments have done satisfactory business during the year.

s.s. "LAFONIA" and s.s. "FITZROY" have maintained our several services. Our Shipping has been faced with heavy increases in working expenses and it is becoming more difficult to secure outside work which is so essential to us at certain times of the year.

Since we last met, Mr. Young has visited the Colony and our South American Agents.

With regard to the Company's prospects for the present year, our Wool Clip was slightly heavier, practically the whole of it has now arrived in this country and a good portion has been sold at satisfactory prices the highest made being 47½d. per lb. for 7 Bales North Arm. I am therefore of opinion we have every reason to anticipate a good year.

The weather after shearing was poor but sheep are reported to be in good condition and given a moderate winter we may hope for a good Clip next season. I will not, however, venture any opinion as to the trend of Wool Prices a year hence.

In closing I again desire to draw your attention to the loyal and efficient services of the Company's employees.