

# FALKLAND ISLANDS COMPANY, LIMITED.

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“ SOUTHERNHAY,”

CAVENDISH ROAD,

WEYBRIDGE, SURREY.

28th June, 1949.

*To the Members of the Company.*

Dear Sir (or Madam),

At the Special General Meeting of the Company to be held to follow the Ordinary General Meeting on the 20th July, 1949, you will be asked to consider and if thought fit to pass a Special Resolution to adopt New Articles of Association.

The Company's present Articles were adopted in 1902 and are consequently somewhat out of date.

By the Companies Act 1948 amendments of far reaching effect have been made in the law affecting Companies. It has therefore been considered desirable to adopt New Articles of Association in line with that Act.

Most of the differences between the proposed New Articles and the existing Articles are those necessary to ensure that the New Articles shall be in modern form and in line with the Companies Act 1948, but there are changes to which attention should be drawn:—

- New Clause 70. The alteration has been made to give every Ordinary Shareholder one vote for every share which he holds instead of a limit under the present Articles that no member is to have more than 200 votes. As before, Preference Shareholders have no right of voting.
- New Clause 85. The qualification of Directors is reduced from Ordinary Shares of the nominal value of £1,000 to £500.
- New Clause 103. This has been included so that Section 185 of the Companies Act 1948 does not apply to the Company. That Section in general prescribes that a Director cannot be appointed or continue in office after attaining the age of 70 unless his appointment is made or approved by Resolution of the Company of which special note, as defined in the Act, has been given. It is not considered that an automatic age limit is in the best interest of the Company and it is therefore recommended that the provisions of the Act, as described above, be made inapplicable to the Company.

Yours faithfully,

R. B. HALL,

*Secretary.*

# THE FALKLAND ISLANDS COMPANY LIMITED.

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NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of this Company will be held at the Connaught Rooms, Great Queen Street, Kingsway, London, W.C.2, on Wednesday, the 20th day of July, 1949 at 11.45 a.m. or at such time as the Annual General Meeting terminates, for the purpose of considering, and if thought fit, passing as a Special Resolution the following Resolution :-

“THAT the Regulations contained in the printed document submitted to the Meeting, and, for the purpose of identification, subscribed by the Chairman thereof, be approved and adopted as the Articles of Association of the Company in substitution for and to the exclusion of all the existing Articles thereof”

A copy of the said new Regulations, for purpose of identification signed by the Chairman of the Company, will be available for inspection at the registered office of the Company during ordinary business hours.

By Order of the Board,

R. B. HALL,

*Secretary.*

28th June, 1949.

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N.B.—A member entitled to attend and vote at the above Meeting may appoint a proxy to attend and vote instead of him. A proxy need not be a member of the Company.

**THE FALKLAND ISLANDS COMPANY  
LIMITED.**

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**REPORT and ACCOUNTS**

With the Chairman's Statement

For the Year ended 31st December, 1948.

AND

**NOTICE OF MEETING**

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Registered Office :

" SOUTHERNHAY,"

CAVENDISH ROAD,

WEYBRIDGE, SURREY.

**THE FALKLAND ISLANDS  
COMPANY LIMITED.**

**DIRECTORS' REPORT  
AND  
ACCOUNTS**

For the year ended 31st December, 1948.

NOTICE IS HEREBY GIVEN that the Ninety-seventh Ordinary General Meeting of the Company will be held at the Connaught Rooms, Great Queen Street, Kingsway, London, W.C.2, on Wednesday, the 20th July, 1949, at 11.30 a.m. to receive the Directors' Report and Statement of Accounts, to re-elect a retiring Director and to transact the Ordinary Business of the Company.

A Member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote instead of him. Such proxy need not also be a Member.

By Order of the Board,

R. B. HALL,

*Secretary.*

"Southernhay,"

Cavendish Road,

Weybridge, Surrey.

28th June, 1949.

NINETY-SEVENTH 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.*

Secretary :

R. B. HALL, Esq.

The Directors beg to submit their Report and Accounts for the year ended 31st December, 1948.

After making provision for Income and Profits Tax, the Profit for the year amounts to £42,726.

An Interim Dividend of 7½% was paid on 1st January, 1949 and a Final Dividend of 10% will be paid on 30th June, 1949 making the Total Dividend on the Ordinary Share Capital issued 17½% for the year.

Shareholders have doubtless noted the frequent references in the Press regarding the Argentine claim to the Falkland Islands. Your Directors considered it desirable to request His Majesty's Government for a pronouncement on the position of the Colony and a letter was duly addressed to the Secretary of State. In his reply, dated 23rd September, 1948, he states :—

“ In so far, however, as any prejudice to your interests in the Falkland Islands Colony may be apprehended from claims to sovereignty therein put forward from time to time from the Argentine, Mr. Creech Jones can give you the most categorical assurance that no change in the status or sovereignty of the Colony is contemplated by His Majesty's Government.”

Your Directors regard this assurance as satisfactory and have no doubt that it will be welcomed by the Company's Clients, Employees and Shareholders.

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

Messrs. J. & J. Sawyer & Co. are willing to continue in office as Auditors and a motion will be proposed at the Meeting that their fee be fixed at £150.

STATEMENT BY THE CHAIRMAN

Mr. W. M. DEAN.

Shareholders will note that the form in which the Accounts for the year 1948 have been set out has been changed from previous years and they are now in accordance with the requirements of the Companies Act 1948.

The increased profit on working is mainly due to the increased prices realised for the Company's Produce. The Net Profit is £42,726. I should point out that had the Accounts been prepared in a similar form to the 1947 Accounts, the Profit shown for 1948 would have been £63,841 as compared with £80,476, which included £19,384, the Special Receipt from Wool Control.

An Interim Dividend of 7½% was paid on the 1st January, 1949 and a Final Dividend of 10% will be paid on the 30th June, 1949 making 17½% for the year under review.

**FARMS.** The 1948/49 season was one of almost continuous bad weather. A snowy winter with much ice caused great hardship to the sheep but did not, however, cause heavy losses. Winter was followed by a cold wet spring, one of the worst known for many years, which adversely affected the growth of grass, a serious matter for the already weakened flocks. This reduced the lambmarking by 10% and from lack of milk lambs born did not thrive as usual. However, the summer was favourable and the condition of stock improved remarkably which gives us cause to anticipate they should go into the winter in good order despite heavy and continuous rains in March/April.

Considering the severe conditions our stock have had to endure during the past twelve months, I am of opinion they stood up to the ordeal remarkably well which is, I think, due to our putting enough New Zealand Romney blood through the flocks to give them stamina to resist the bad weather which a Falkland Islands sheep has to endure. These weather conditions further affected the weight of the 1948/49 Wool Clip but made no difference to its market value.

The imported labour is doing well and we are gradually filling up our ranks. Our relations with the Labour Federation are satisfactory and any difficulties which arise are smoothed out amicably.

We are pressing on with our Camp Housing scheme and are gradually replacing the older houses with new ones of modern design. Some are framed in Port Stanley and some sent out from Sweden prefabricated which makes for quick erection which is so necessary in a variable climate.

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

**SHIPPING.** Owing to the difficult situation and the restriction of trade in South America the Board has decided to dispose of S.S. “Lafonia.”

S.S. “FITZROY” has been lengthened thus increasing her cargo capacity, her passenger accommodation has been modernised and her boilers converted to burn oil fuel. She resumed service in December and has already justified the Board's decision to undertake this work. She can now handle the normal shipping requirements of the Colony.

Mr. Robert Blake and Mr. L. W. H. Young both visited the Colony during the year under review.

With regard to the Company's prospects for the present year, our Wool Clip is down in weight but this should be offset to a certain extent by the high prices realised in the February and April Sales, the best price realised being 57d. per lb. for 19 Bales Darwin Harbour. Prices have fallen sharply since then; despite this I am of opinion the sale proceeds of produce for 1949 will only be a little lower than for 1948 in which case we may expect a good year. However, I must warn you that in my opinion still lower prices are to be expected and we must hope they will be stabilised at a level which shows a reasonable profit.

Finally, I again desire to draw your attention to the loyal and efficient services of the Company's employees in the discharge of their duties.

# THE FALKLAND ISLANDS COMPANY LIMITED

LONDON AND STANLEY

BALANCE SHEET 31st DECEMBER, 1948

1947 £		£		1947 £		£	
	<b>CAPITAL AUTHORISED :</b>				<b>FIXED ASSETS :</b>		
	5,000 5% Cumulative Preference Shares of £10 each ...	50,000			Falkland Islands, Land and Development, at the net book amount on 31st December 1947, being Cost less Sales ...		203,049
	350,000 Ordinary Shares of £1 each ...	350,000					
		<u>£400,000</u>		208,049			
	<b>CAPITAL ISSUED :</b>				Buildings ... ..	£121,878	£93,319
	3,300 5% Cumulative Preference Shares of £10 each, fully paid	33,000			Fencing, Plant, Utensils and Furniture ... ..	46,484	36,041
	325,000 Ordinary Shares of £1 each, fully paid ...	325,000			Shipping ... ..	142,939	122,163
358,000			358,000			<u>£311,301</u>	<u>£251,523</u>
	<b>CAPITAL RESERVES :</b>			62,064			59,778
34,546	Steamship Replacement and Survey Reserve ... ..	34,546			Livestock, at the net book amount on 31st December 1947 ...		89,462
7,845	Specific Reserve for Development and Re-equipment (not available for distribution) ... ..	7,845	42,391	89,462			352,289
				<u>£354,575</u>			
	<b>REVENUE RESERVES :</b>				<b>INVESTMENTS :</b>		
67,500	General Reserve ... ..	67,500			British Government Stocks (Market value £98,787) ...		95,490
28,378	Underwriting and Accident Reserve ... ..	30,382		£95,490			
38,100	Income Tax 1949/50 ... ..	53,000			<b>CURRENT ASSETS :</b>		
7,478	Profit and Loss Account, balance after appropriations ...	18,011			Stores on hand and in transit ... ..	226,297	
			168,893	144,972	Produce ... ..	9,255	
<u>£541,842</u>			569,284	41,808	Sundry Debtors and Deferred Charges ... ..	30,991	
	<b>PROVISIONS :</b>			5,000	Shipping, Government Tonnage Replacement Certificate ...	5,000	
67,908	Deferred Repairs or Excess Profits Tax ... ..	68,552		60,000	Tax Reserve Certificates ... ..	74,325	
—	S.S. "Fitzroy," Estimated Expenditure on Survey and Alterations ... ..	45,000		150,868	Cash at Bank and in Hand ... ..	52,790	
			113,552	<u>£410,652</u>			398,658
<u>£67,908</u>					S.S. "FITZROY"—Expenditure on Survey and Alterations (including £30,000 estimated cost of Capital alterations and Deferred Repairs) ... ..		42,840
	<b>CURRENT LIABILITIES :</b>						
161,547	Sundry Creditors ... ..	119,813			On behalf of the Board :		
51,935	Current Taxation ... ..	48,912			W. M. DEAN	}	Directors.
457	Outstanding Dividend Warrants ... ..	472			JOHN R. COBB		
31,281	Ordinary Dividends, subject to confirmation at Annual General Meeting ... ..	31,281					
5,747	Commissions based on Dividends ... ..	5,963					
<u>£250,967</u>			206,441				
	<b>NOTES :</b>						
	(1) Contingent Liability in respect of Confirmed Credits by Bank £6,000.						
	(2) Contracts for capital expenditure so far as not provided for, amount to approximately £6,000.						
	(3) Underwriting and Accident Reserve :						
	Premiums on risks covered by Company, charged against Profits ... ..	£2,647					
	Less : Claims paid ... ..	643					
<u>£860,717</u>	Net increase in Reserve ... ..	£2,004	£889,277	£860,717			£889,277

### AUDITORS' REPORT TO THE MEMBERS.

We have audited the books and accounts of The Falkland Islands Co. Ltd. for the year to 31st December 1948 and in compliance with the requirements of the Companies Act, 1948, we have to report as follows :—

- (1) 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.
- (2) In our opinion proper books of account have been kept by the Company so far as appears from our examination of those books and proper returns adequate for the purpose of our audit have been received from the Stanley Office not visited by us.
- (3) (1) The Balance Sheet and Profit and Loss Account under report are in agreement with the books of account and returns.  
(2) The expenditure on Survey and Alterations to S.S. "Fitzroy" has been estimated and suspended pending the allocation between Capital Alterations, Deferred and Owners Repairs when final accounts are agreed.  
(3) Subject to the foregoing reservation, in our opinion and to the best of our information and according to the explanations given to us, the Accounts give the information required by the Companies Act, 1948, in the manner so required and give a true and fair view :—  
(a) in the case of the Balance Sheet of the state of the Company's affairs at 31st December 1948, and  
(b) in the case of the Profit and Loss Account of the Profit for the year to 31st December 1948.

31, Budge Row, London, E.C.4.  
20th June, 1949.

J. & J. SAWYER & CO.,  
Chartered Accountants.

# THE FALKLAND ISLANDS

LONDON AND

## PROFIT AND LOSS ACCOUNT for the

1947	£	£
25,065 Provision for Depreciation ... ..		15,152
Directors' Remuneration :		
5,688 Fees, based on Ordinary Dividends ... ..	5,688	
3,067 Other Emoluments ... ..	3,323	
		9,011
150 Auditors' Remuneration ... ..		150
2,059 Colonial Managers' Commissions based on Ordinary Dividends ...		2,275
— Provision for Owners Repairs, S.S. "Fitzroy" Survey ... ..		15,000
20,000 Provision for Deferred Repairs ... ..		
Provision for Taxation on Current Profits :		
20,350 Profits Tax ... ..	21,350	
39,921 Income Tax (British and Colonial) ... ..	54,106	
		75,456
29,664 Balance—Profit for the Year ... ..		42,726
		<u>£159,770</u>
<u>£145,964</u>		
1947	£	£
907 Preference Dividend paid 1948, 5% on £33,000 less Tax ...		907
Dividends as recommended by the Board, subject to confirmation at Annual General Meeting :		
On £325,000 Ordinary Shares :		
Interim 7½%, less Income Tax at 9/- per £, paid 1st January, 1949 ... ..	13,406	
Final 10%, less Income Tax at 9/- per £, to be paid 30th June, 1949 ... ..	17,875	
31,281		31,281
7,478 Balance carried forward ... ..		18,011
		<u>£50,199</u>
<u>£39,661</u>		

# COMPANY LIMITED

STANLEY

## year ended 31st DECEMBER, 1948

1947	£	£
123,191 Profit on Working, including Commissions less Expenses in London		156,419
Interest on Investments (Gross) ... ..	2,499	
Other Interest (Gross) ... ..	852	
3,389		3,351
Share of Profit in accordance with the Agreement with Ministry of Supply (Wool Control) ... ..		—
19,384		
		<u>£159,770</u>
<u>£145,964</u>		
1947	£	£
9,997 Balance carried forward from 1947 ... ..		7,473
29,664 Balance of Profit for 1948 ... ..		42,726
		<u>£50,199</u>
<u>£39,661</u>		
On behalf of the Board :		
W. M. DEAN	}	Directors.
JOHN R. COBB		
		<u>£50,199</u>

**THE FALKLAND ISLANDS COMPANY**  
**LIMITED.**

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**REPORT and ACCOUNTS**  
With the Chairman's Statement  
For the Year ended 31st December, 1949.  
  
AND  
  
**NOTICE OF MEETING**

---

Registered Office :  
" SOUTHERNHAY,"  
CAVENDISH ROAD,  
WEYBRIDGE, SURREY.

**THE FALKLAND ISLANDS  
COMPANY LIMITED.**

**DIRECTORS' REPORT  
AND  
ACCOUNTS**

for the year ended 31st December, 1949.

NOTICE IS HEREBY GIVEN that the Ninety-eighth Ordinary General Meeting of the Company will be held at the Connaught Rooms, Great Queen Street, Kingsway, London, W.C.2, on Wednesday, the 19th July, 1950, at 11.30 a.m. to receive the Directors' Report and Statement of Accounts, to re-elect a retiring Director and to transact the Ordinary Business of the Company.

A Member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote instead of him. Such proxy need not also be a Member.

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

" Southernhay,"  
Cavendish Road,  
Weybridge, Surrey.

27th June, 1950.

NINETY-EIGHTH 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.*

Secretary :

R. B. HALL, Esq.

The Directors beg to submit their Report and Accounts for the year ended 31st December, 1949.

After making provision for Income and Profits Tax, the Profit for the year amounts to £47,396.

An Interim Dividend of 7½% was paid on 2nd January, 1950 and a Final Dividend of 10% will be paid on the 30th June, 1950, making the Total Dividend on the Ordinary Share Capital issued 17½% for the year.

The 1949 Wool Clip was disposed of at an all round average price of 32.21d. per lb. as compared with 28.33d. per lb. in 1948.

During the year Sheepskins, Hides and Tallow were at a comparatively high level though Tallow is inclined to be easier.

S.S. "LAFONIA" has been sold at a satisfactory price; the sale was completed early in 1950 and will therefore be dealt with in the next accounts.

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

Messrs. J. & J. Sawyer & Co. are willing to continue in office as Auditors and a motion will be proposed at the General Meeting that their fee be fixed at £150.

STATEMENT BY THE CHAIRMAN

Mr. W. M. DEAN.

The Net Profit for the year 1949 amounts to £47,396 as compared with £42,726 for 1948. This is largely due to the increased prices realised for the Company's Produce.

An Interim Dividend of 7½% was paid on 2nd January, 1950 and a Final Dividend of 10% will be paid on the 30th June, making 17½% for the year under review.

**FARMS.** I visited the Islands and spent six weeks during shearing on the farms so had ample opportunities to inspect the flocks and am pleased to say I can make an excellent report.

**EAST FALKLAND FARM.** The winter of 1949 was not severe but was followed by a dry spring which affected the lambing adversely; this, however, increased by 8.24 per cent. over 1948 which was a very bad year. Dry weather in the Falklands does little harm. We had good rains just before shearing which brought the grass on well and all stock improved in a remarkable way. I have never known the sheep to be in such good condition at this time of the year and it was a pleasure to see them. This condition was reflected in our clip which averaged 8.47 lbs. per head, the highest weight for some years.

I found a marked difference in the formation and constitution of the flocks; I saw very few of the broken down fine woolled sheep of all ages which were evident in 1945.

The New Zealand Romneys are having a remarkable effect in strengthening the sheep; once this is established we are taking steps to have finer woolled rams ready so that we can check any tendency for our wool to grow too coarse. Owing to the lack of shelter in our Lafonia camps, we require a strong, robust sheep on this section of our Farms.

**STUD FLOCKS.** Since I last inspected these flocks in 1945, they have improved out of all recognition. We now have plenty of good rams for all the East farms. We have started a small pure bred New Zealand Romney flock which is very promising. On Lively Island, where there is good dry camp, we are grading up the flock to be eventually pure bred Corriedale, if the climate is not too harsh.

**WEST FALKLAND FARM.** Fox Bay has now grown into a well equipped station. Since my last visit a cadet's house, two cottages, a large addition to the wool shed and a fine concrete jetty have been constructed. A new Manager's house is required which will complete the Establishment.

**STOCK.** The spring was excessively dry and stock suffered more severely than on the East but was in fair condition at the end of January and going ahead fast.

The sheep and wool are making progress but lack of good rams is holding us back. I saw the stud flock from Spring Point which is improving but Mr. Robertson is by no means satisfied; it takes many years to build up a good flock.

The Priestman Dredger which we sent out is doing excellent work tearing out the large overgrown and silted streams which waterlogged our camps and swallowed up hundreds of sheep a year. I confidently expect great results from this work.

Mr. Robertson reports all well at Port Stephens; the death rate which was very high has been gradually falling and if this continues, will make all the difference to this farm, which cannot breed enough lambs to stock its huge area.

The station has an old established flock and the wool it produces sells well.

A concrete jetty has been erected which will help the work of the station.

**MR. RICHARD BUXTON**, a Partner of Jacomb, Hoare & Co., our Wool Brokers, visited the Colony in December/January last. He spent some time in our wool sheds and was satisfied with the wool classing and gave the classers much advice which they appreciated as it is many years since they have had the opportunity to discuss wool points with an expert.

**STANLEY.** Mr. D. W. Roberts, our Colonial Manager, retired on pension in September, 1949, after 29 years of devoted service. He was replaced by Mr. A. G. Barton who has worked many years as a station Manager and has a wide knowledge of the affairs of the Colony. The Directors feel confident that he will be able to fill the position to their satisfaction. Owing to the fact that we have concentrated on improving our farms, the main source of our revenue, we have had to neglect Stanley somewhat as regards efficient, well mechanised, modern workshops and offices more in keeping with the size and importance of our Stanley business. These defects will be remedied as soon as our labour resources allow.

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

**SHIPPING.** S.S. "FITZROY" has been hard pressed to cope with the many calls on her due to exceptional demands for cargo space. S.S. "LAFONIA" has been sold.

**MR. L. W. H. YOUNG** visited the Colony during the year under review.

**THE COLONIAL DEVELOPMENT CORPORATION** is erecting a Freezing Works at Ajax Bay in Falkland Sound and will handle farmers' surplus sheep and cattle. They expect to commence working in April 1951. The Corporation has also sponsored a Sealing Company which will work from a station in West Arm, Albemarle.

**PROSPECTS** for the coming year are good; our wool clip is up in weight, wool prices are fantastically high yet the world's appetite appears to be insatiable. We have sold wool up to 76½d. per lb. for a Port Stephens lot; our best lots have still to be sold. Members have doubtless noted from Press Reports that the International Wool Secretariat state that Dominion Wools now stand at the highest levels ever recorded and that the statistical indication is that the demand for wool is still greater than the current rate of production.

**IN** closing, I would again draw your attention to the loyal and efficient services of the Company's employees.



# THE FALKLAND ISLANDS COMPANY LIMITED

LONDON AND STANLEY

BALANCE SHEET 31st DECEMBER, 1949.

1948				1948			
£		£	£	£		£	£
	<b>CAPITAL AUTHORISED :</b>				<b>FIXED ASSETS :</b>		
	5,000 5% Cumulative Preference Shares of £10 each ...	50,000			Falkland Islands, Land and Development, at the net book amount on 31st December 1947, being Cost less Sales ...		203,049
	350,000 Ordinary Shares of £1 each ...	350,000		203,049			
		<u>£400,000</u>			Buildings ... ..	£136,979	£99,127
	<b>CAPITAL ISSUED :</b>				Fencing, Plant, Utensils and Furniture ...	51,399	38,990
	3,300 5% Cumulative Preference Shares of £10 each, fully paid	33,000			Shipping ... ..	169,216	144,412
	325,000 Ordinary Shares of £1 each, fully paid ...	325,000				<u>£357,594</u>	<u>£282,529</u>
358,000			358,000	59,778			75,065
	<b>CAPITAL RESERVES :</b>				Livestock, at the net book amount on 31st December 1947 ...		89,462
34,546	Steamship Replacement and Survey Reserve ...	34,546		89,462			
	Specific Reserve for Development and Re-equipment (not available for distribution) ...	7,845		<u>£352,289</u>			367,576
7,845			42,391		<b>INVESTMENTS :</b>		
	<b>REVENUE RESERVES :</b>				British Government Stocks (Market value £92,768) ...		92,768
67,500	General Reserve ... ..	82,500		£95,490			
30,382	Underwriting and Accident Reserve ... ..	33,170			<b>CURRENT ASSETS :</b>		
53,000	Income Tax 1950/51 ... ..	59,357			Stores on hand and in transit ... ..	233,025	
18,011	Profit and Loss Account, balance after appropriations ...	18,219			Produce ... ..	14,398	
			193,246	226,297	Sundry Debtors and Deferred Charges ... ..	41,010	
			593,637	9,255	Shipping, Government Tonnage Replacement Certificate ...	2,305	
<u>£569,284</u>				30,991	Tax Reserve Certificates ... ..	32,500	
	<b>PROVISIONS :</b>			5,000	Cash at Bank and in Hand ... ..	61,547	
68,552	Deferred Repairs or Excess Profits Tax ... ..	50,112		74,325			384,785
	S.S. "Fitzroy," Estimated Expenditure on Survey and Alterations ...	—		52,790			
45,000				<u>£398,658</u>			
<u>£113,552</u>			50,112		S.S. "FITZROY"—Expenditure on Survey and Alterations (including £30,000 estimated cost of Capital alterations and Deferred Repairs) ... ..		—
	<b>CURRENT LIABILITIES :</b>			£42,840			
119,813	Sundry Creditors ... ..	109,132			On behalf of the Board :		
48,912	Current Taxation ... ..	54,448			W. M. DEAN	}	Directors.
472	Outstanding Dividend Warrants ... ..	454			JOHN R. COBB		
31,281	Ordinary Dividends, subject to confirmation at Annual General Meeting ... ..	31,281					
5,963	Commissions based on Dividends ... ..	6,065					
<u>£206,441</u>			201,380				
	<b>NOTES :</b>						
	(1) Contingent Liability in respect of confirmed Credits by Bank £462.						
	(2) Underwriting and Accident Reserve : Premiums on risks covered by Company amounting to £2,788 have been charged against Profits and credited to this Reserve.						
<u>£889,277</u>			<u>£845,129</u>	<u>£889,277</u>			<u>£845,129</u>

### AUDITORS' REPORT TO THE MEMBERS.

We have audited the books and accounts of The Falkland Islands Co. Ltd. for the year to 31st December 1949 and in compliance with the requirements of the Companies Act, 1948, we have to report as follows :—

- (1) 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.
- (2) In our opinion proper books of account have been kept by the Company so far as appears from our examination of those books and proper returns adequate for the purpose of our audit have been received from the Stanley Office not visited by us.
- (3) (1) The Balance Sheet and Profit and Loss Account under report are in agreement with the books of account and returns.  
(2) In our opinion and to the best of our information and according to the explanations given to us, the Accounts give the information required by the Companies Act, 1948, in the manner so required and give a true and fair view :—
  - (a) in the case of the Balance Sheet of the state of the Company's affairs at 31st December 1949 and
  - (b) in the case of the Profit and Loss Account of the Profit for the year to 31st December 1949

31, Budge Row, London, E.C.4.  
13th June, 1950.

J. & J. SAWYER & CO.,  
Chartered Accountants.

# THE FALKLAND ISLANDS

LONDON AND

PROFIT AND LOSS ACCOUNT for the

1948	£	£
15,152 Provision for Depreciation		30,700
Directors' Remuneration :		
2,000 Fees	£2,000	
3,688 Percentage Commission based on Ordinary Dividends	3,688	
3,323 Other Emoluments		5,688
		3,417
150 Auditors' Remuneration		9,105
2,275 Colonial Managers' Commissions based on Ordinary Dividends		150
15,000 Provision for Owners Repairs, S.S. "Fitzroy" Survey		2,377
— Depreciation on Investments		—
— Provision for British and Colonial Taxation on Current Profits :		2,722
21,350 Profits Tax		26,500
54,106 Income Tax		74,340
		100,840
42,726 Balance—Profit for the Year		47,396
		<u>£193,290</u>
<u>£159,770</u>		
1948		
— Transfer to General Reserve		15,000
907 Preference Dividend paid 1949, 5% on £33,000 less Tax		907
Dividends as recommended by the Board, subject to confirmation at Annual General Meeting :		
On £325,000 Ordinary Shares :		
Interim 7½%, less Income Tax at 9/- per £, paid 2nd January 1950		13,406
Final 10%, less Income Tax at 9/- per £, to be paid 30th June 1950		17,875
31,281		31,281
18,011 Balance carried forward		18,219
		<u>£65,407</u>
<u>£50,199</u>		

# COMPANY LIMITED

STANLEY

year ended 31st DECEMBER, 1949

1948	£	£
156,419 Profit on Working, including Commissions less Expenses in London		189,465
2,499 Interest on Investments (Gross)		2,499
852 Other Interest (Gross) (Including an exceptional item of £521)		1,326
		<u>3,825</u>
		<u>£193,290</u>
<u>£159,770</u>		
1948		
7,478 Balance carried forward from 1948		18,011
42,726 Balance of Profit for 1949		47,396
		<u>£65,407</u>
		<u>£50,199</u>

On behalf of the Board :

W. M. DEAN  
JOHN R. COBB } *Directors.*

**THE FALKLAND ISLANDS COMPANY**  
**LIMITED.**

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**REPORT and ACCOUNTS**

With the Chairman's Statement

For the Year ended 31st December, 1950.

AND

**NOTICE OF MEETING**

---

Registered Office :

"SOUTHERNHAY,"  
CAVENDISH ROAD,  
WEYBRIDGE, SURREY.

**THE FALKLAND ISLANDS  
COMPANY LIMITED.**

**DIRECTORS' REPORT  
and  
ACCOUNTS**

for the year ended 31st December, 1950

NOTICE IS HEREBY GIVEN that the Ninety-ninth Ordinary General Meeting of the Company will be held at the Connaught Rooms, Great Queen Street, Kingsway, London, W.C.2., on Wednesday, the 4th July, 1951, at 11.30 a.m. to receive the Directors' Report and Statement of Accounts, to re-elect a retiring Director and to transact the Ordinary Business of the Company.

A Member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote instead of him. Such proxy need not also be a Member.

By Order of the Board,  
W. H. YOUNG,  
*Secretary.*

"Southernhay,"  
Cavendish Road,  
Weybridge, Surrey.  
*11th June, 1951*

NINETY-NINTH 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*

Secretary :

W. H. YOUNG, Esq.

The Directors beg to submit their Report and Accounts for the year ended 31st December, 1950.

After making provision for Income and Profits Tax, the Profit for the year amounts to £194,760.

£150,000 has been transferred to the General Reserve.

An Interim Dividend of 12½ per cent. was paid on 1st January, 1951 and a Final Dividend of 12½ per cent. will be paid on the 30th June, 1951, making the Total Dividend on the Ordinary Share Capital issued 25 per cent. for the year.

The 1950 Wool Clip was disposed of at an all round average price of 66.69d. per lb. as compared with 32.21d. per lb. in 1949. The prices realised for Sheepskins, Hides and Tallow were satisfactory.

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

Messrs. J. & J. Sawyer & Co. are willing to continue in office as Auditors and a motion will be proposed at the General Meeting that their fee be fixed at £150.

## STATEMENT BY THE CHAIRMAN

Mr. W. M. DEAN

The Net Profit for the year 1950 amounts to £194,760 as compared with £47,396 for 1949, which is mainly due to the increased prices realised for the Company's Produce.

An Interim Dividend of 12½ per cent. was paid on 1st January, 1951 and a Final Dividend of 12½ per cent. will be paid on 30th June, 1951, making 25 per cent. for the year under review.

### FARMS

**East Falklands.** The Winter was not severe but a cold wet Spring with little food for the ewes affected lambing adversely. A very wet Summer followed which lowered the weight of the 1950/51 Clip. The average age of our flocks can only be kept down by good lambing and this is largely influenced by the weather.

The 1949/50 Clip averaged 8.5 lbs. per head, a record, and sold well, the top price being 130d. per lb.

Thirty Corriedale Rams were imported from Patagonia. A shed for holding produce for export and for receiving cargo was built at Goose Green, which will save labour and facilitate shipping.

Seven houses were erected for our work people.

**West Falklands.** The bad Spring affected the lambing here even more than on the East and the Wool Clip is lighter.

Port Stephens. The lambing is too low to permit certain camps being adequately stocked and I intend to discuss this problem with Messrs. Robertson and Beaty, with a view to its solution, on my next visit in December, 1951.

A manager's house at Port Stephens and two houses for our work people have been erected.

Labour is still short and our Farms are seriously understaffed. This prolongs the time required for shearing, which shortens the growth of wool the sheep can make before the winter sets in, a most important matter; it also reduces the time available for work in the Camp.

This is having our attention and we shall take such action as is necessary to attract more men to the Camp.

**Stanley.** Plans are in hand for the reorganisation of our Stanley business. Woodworking machinery and steel work for new Shops are on order and we hope to have the buildings erected and the machinery installed early in 1952.

New machinery for the Engineering Shop is also on order.

Works which will be undertaken as circumstances permit are—a garage to undertake repairs and maintenance work, extension of the East Jetty, additional storage space including a Bonded Store and extensions to the Retail Store and Offices.

The Retail Store and other Departments have done satisfactory business during the year.

**Shipping.** S.S. "Fitzroy" has been kept busy throughout the year mainly due to the heavy shipments of materials made by the Colonial Development Corporation to their Freezing Works at Ajax Bay. These shipments will be completed shortly.

A small vessel was chartered to load Colonial Development Cargo out and Produce home which charter was carried out satisfactorily.

The demand for passages between the Colony and Montevideo and Inter-Island has increased and "Fitzroy" is not able to satisfy it. The position is constantly under the Board's review.

The provision of a new steamer embodying special features which appear to be desirable if the Colony's future passenger and cargo requirements are to be adequately taken care of is indicated, and it is hoped that providing there is co-operation between the Falkland Islands Government, the Colonial Development Corporation and the Company, a satisfactory solution will be arrived at.

S.S. "Lafonia" was sold in January, 1950 at a satisfactory price and the surplus realised has been credited to the Steamship Replacement and Survey Reserve Account.

Mr. Robert Blake, Mr. P. D. L. Ainslie and Mr. L. W. H. Young visited the Colony during the year under review.

The Freezing Works being erected at Ajax Bay by the Colonial Development Corporation will not now be ready to operate before 1952.

Prospects for 1951 are good. The prices realised for wool and sheepskins during the past few months are a record high. At 30th April, 1951 we had sold 1,711 bales of wool at an average price of 128.33d. We still have 1,278 bales for sale. I do, however, feel that these prices are frightening and are not in the best interests of our great industry. Members doubtless saw the third leader in the "Times" of 7th April last, which I think gives a reasonable view of the outlook for Wool.

Finally, I would again draw your attention to the loyal and efficient services of the Company's employees wherever they may be stationed.

# THE FALKLAND ISLANDS COMPANY LIMITED

LONDON AND STANLEY

BALANCE SHEET 31st DECEMBER, 1950

1949		£	£	1949		£	£
	<b>CAPITAL AUTHORISED:</b>				<b>FIXED ASSETS:</b>		
	5,000 5% Cumulative Preference Shares of £10 each ... ..	50,000			Falkland Islands, Land and Development, at the net book amount on 31st December, 1947, being Cost less Sales ... ..		203,049
	350,000 Ordinary Shares of £1 each ... ..	350,000					
		<u>£400,000</u>					
	<b>CAPITAL ISSUED:</b>				Buildings ... ..	£142,324	£109,737
	3,300 5% Cumulative Preference Shares of £10 each, fully paid	33,000			Fencing, Plant, Utensils and Furniture ... ..	51,898	41,968
	325,000 Ordinary Shares of £1 each, fully paid ... ..	325,000			Shipping ... ..	80,858	70,093
358,000			358,000			<u>£275,080</u>	<u>£221,798</u>
	<b>CAPITAL RESERVES:</b>				Livestock, at the net book amount on 31st December, 1947 ... ..		89,462
	Steamship Replacement and Survey Reserve—Balance from 1949	34,546					<u>345,793</u>
	Add: Surplus on Sale of S.S. "Lafonia" ... ..	25,477					
		<u>60,023</u>					
34,546					<b>INVESTMENTS:</b>		
	Specific Reserve for Development and Re-equipment (not available for distribution) ... ..	7,845			British Government Stocks (Market value £95,750) ... ..		94,414
7,845			67,868		(1949—£92,768)		
	<b>REVENUE RESERVES:</b>				<b>CURRENT ASSETS:</b>		
	General Reserve ... ..	232,500			Stores on-hand and in transit ... ..	251,354	
82,500					Produce ... ..	50,307	
	Underwriting and Accident Reserve ... ..	35,242			Sundry Debtors and Deferred Charges ... ..	33,754	
33,170					Shipping, Government Tonnage Replacement Certificate ... ..	2,305	
	Income Tax, 1951-52 ... ..	191,783			Tax Reserve Certificates ... ..	210,275	
59,357					Cash at Bank and in Hand ... ..	484,614	
	Profit and Loss Account, balance after appropriations ... ..	18,400					<u>1,032,609</u>
18,219			477,925				
			<u>903,793</u>				
593,637							
	<b>PROVISION:</b>						
	Deferred Repairs or Excess Profits Tax ... ..		41,029				
50,112							
	<b>CURRENT LIABILITIES:</b>						
	Sundry Creditors ... ..	329,982					
109,132							
	Current Taxation ... ..	143,596					
54,448							
	Outstanding Dividend Warrants ... ..	454					
454							
	Ordinary Dividends, subject to confirmation at Annual General Meeting ... ..	43,672					
31,281							
	Commissions based on Dividends ... ..	10,290					
6,065							
			<u>527,994</u>				
201,380							
	<b>NOTES:</b>						
	(1) Contingent Liability in respect of Credits and Guarantees by Bank						
	£9,751						
	(2) Contracts for capital expenditure so far as not provided for, amount to approximately £5,000.						
	(3) Underwriting and Accident Reserve:						
	Premiums on risks covered by Company, charged against Profits	£2,082					
	Less: Claim paid ... ..	10					
	Net increase in Reserve ... ..	<u>£2,072</u>					
£845,129			<u>£1,472,816</u>				<u>£1,472,816</u>

On behalf of the Board :

W. M. DEAN

ROBERT BLAKE

} *Directors.*

### AUDITORS' REPORT TO THE MEMBERS

We have audited the books and accounts of The Falkland Islands Co., Ltd., for the year to 31st December, 1950 and in compliance with the requirements of the Companies Act, 1948, we have to report as follows:—

- (1) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
- (2) In our opinion proper books of account have been kept by the Company so far as appears from our examination of those books and proper returns adequate for the purpose of our audit have been received from the Stanley Office not visited by us.
- (3) (1) The Balance Sheet and Profit and Loss Account under report are in agreement with the books of account and returns.
- (2) In our opinion and to the best of our information and according to the explanations given to us, the Accounts give the information required by the Companies Act, 1948, in the manner so required and give a true and fair view:—
  - (a) in the case of the Balance Sheet of the state of the Company's affairs at 31st December, 1950, and
  - (b) in the case of the Profit and Loss Account of the Profit for the year to 31st December, 1950.

31, Budge Row, London, E.C.4.  
31st May, 1951.

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

# THE FALKLAND ISLANDS COMPANY LIMITED

LONDON AND STANLEY

PROFIT AND LOSS ACCOUNT for the year ended 31st DECEMBER, 1950

		£	£		£	£
1949				1949		
£				£		
30,700	Provision for Depreciation ... ..		17,922	189,465	Profit on Working, including Commissions less Expenses in London	496,836
	Directors' Remuneration:			2,499	Interest on Investments (Gross) ... ..	2,499
2,000	Fees ... ..	£2,000		1,326	Other Interest (Gross) ... ..	1,094
3,688	Percentage Commission based on Ordinary Dividends	6,125				3,593
		8,125				
3,417	Other Emoluments ... ..	3,417				
			11,542			
150	Auditors' Remuneration ... ..		150			
2,377	Colonial Managers' Commissions based on Ordinary Dividends ...		4,449			
2,722	Depreciation on Investments ... ..					
	Provision for British and Colonial Taxation on Current Profits:					
26,500	Profits Tax ... ..	70,500				
74,340	Income Tax ... ..	201,106				
			271,606			
47,396	Balance—Profit for the Year ... ..		194,760			
<u>£193,290</u>			<u>£500,429</u>	<u>£193,290</u>		<u>£500,429</u>
1949				1949		
£				£		
15,000	Transfer to General Reserve ... ..		150,000	18,011	Balance carried forward from 1949 ... ..	18,219
907	Preference Dividend paid 1950, 5% on £33,000 less Tax ... ..		907	47,396	Balance of Profit for 1950 ... ..	194,760
	Dividends as recommended by the Board, subject to confirmation					
	at Annual General Meeting:					
	On £325,000 Ordinary Shares:					
	Interim 12½%, less Income Tax at 9/- per £, paid 1st January, 1951	22,344				
	Final 12½%, less Income Tax at 9/6 per £, to be paid 30th June, 1951	21,328				
			43,672			
31,281	Balance carried forward ... ..		18,400			
18,219						
<u>£65,407</u>			<u>£212,979</u>	<u>£65,407</u>		<u>£212,979</u>

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

**THE FALKLAND ISLANDS COMPANY**  
LIMITED.

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**REPORT and ACCOUNTS**

With the Chairman's Statement

For the Year ended 31st December, 1951.

AND

**NOTICE OF MEETING**

---

Registered Office :  
120, PALL MALL,  
LONDON, S.W.1.

**THE FALKLAND ISLANDS  
COMPANY LIMITED**

**DIRECTORS' REPORT  
and  
ACCOUNTS**

for the year ended 31st December, 1951

NOTICE IS HEREBY GIVEN that the One Hundredth Annual General Meeting of the Company will be held at the Registered Office of the Company, 120, Pall Mall, London, S.W.1, on Thursday, the 10th July, 1952, at 11.30 a.m. to receive the Directors' Report and Statement of Accounts, to re-elect a retiring Director and to transact the Ordinary Business of the Company.

A Member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote instead of him. Such proxy need not also be a Member.

By Order of the Board,  
W. H. YOUNG,

*Secretary.*

120, Pall Mall,  
London, S.W.1.

17th June, 1952.

A. Soutney & Co. Ltd., 15, Philipot Lane, E.C.3.

**ONE-HUNDREDTH 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*

**Secretary :**

W. H. YOUNG, Esq.

The Directors beg to submit their Report and Accounts for the year ended 31st December, 1951. This was the Company's Centenary year which was appropriately celebrated both in London and in the Colony. After making provision for Income and Profits Tax, the profit for the year amounts to £249,543. £200,000 has been transferred to the General Reserve.

The Directors decided to propose to Members that the Authorised Capital be increased from £400,000, divided into 5,000 Cumulative Preference shares of £10 each and 350,000 Ordinary shares of £1 each to £500,000 by the creation of 100,000 new Ordinary shares of £1 each ranking in all respects *pari passu* and forming one class with the 350,000 existing Ordinary shares, and that an issue of £48,750 Ordinary Shares of £1 each be made to Members on bonus terms. This was agreed by Members at the Extraordinary General Meeting held on Monday, 3rd March, 1952.

An Interim Dividend of 12½% was paid on 1st January, 1952 and a final dividend of 12½% on the old Ordinary shares of the Company will be paid on the 30th June, 1952. A dividend of 25% on the new Ordinary shares will also be paid on 30th June, 1952, thus making the total dividend on the present ordinary issued share capital 25% for the year.

The 1951 Wool Clip was disposed of at an all round average price of 102.53 pence per pound, as compared with 66.69 pence per pound in 1950. This constitutes a record. The highest price realised for an individual lot was 170d. per pound for 9 bales. The prices realised for sheep skins, hides and tallow fell during the second half of the year, but must be considered satisfactory.

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

Messrs. J. & J. Sawyer & Co., are willing to continue in office as Auditors and a motion will be proposed at the General Meeting that their fee be fixed at £150.

By Order of the Board,

W. H. YOUNG,

*Secretary.*

**STATEMENT BY THE CHAIRMAN**

Mr. W. M. DEAN

1951, the Centenary year of the Company, was marked by record high prices for Wool; this is reflected in the increase in the Net Profit which amounts to £249,543 as compared with £194,760 in 1950.

An Interim Dividend of 12½ per cent. was paid on 1st January, 1952 and a Final Dividend of 12½ per cent. will be paid on 30th June, 1952, making 25 per cent. on the old Ordinary Shares for the year under review.

A Dividend of 25 per cent. will be paid on 30th June, 1952 on the New Ordinary Shares.

The Centenary of the Company was celebrated appropriately both in London and in the Colony and I trust that Members found the brief history which was circulated to them, interesting.

Stanley. I visited the Colony during December 1951/January 1952 and spent a considerable time in Stanley going into the plans and proposed sites for the several new workshops, buildings and alterations to existing buildings which are now necessary. The plans suggested will meet our requirements and give us modern offices and mechanised workshops.

Mr. A. G. Barton, our present Colonial Manager, has a firm grasp of our business and I found the atmosphere among our staff good.

Camp. The winter of 1951 was an average one and the stock wintered well until lambing started. A series of blizzards then struck our Farms; this affected ewes in lamb and new born lambs, there was no grass or milk for those which survived birth and we consequently experienced one of the worst lambings within memory. Fortunately, the weather improved in December and remained fine for three months so that at dipping 1952 the stock was in excellent condition.

**FARMS.**

East Falklands. I found everything in good order at Darwin. Two more warehouses have been erected which will make the work and management of the Farm much easier.

A Cuthbertson draining machine has been bought and will be shipped out shortly. This will work at Fitzroy and should improve some of the very wet peaty camps.

West Falklands. I found everything in good order here but we are short of sheep owing to the bad lambings.

The Priestman draining machine is doing excellent work at Fox Bay West and much permanent improvement is being made on the wet camps.

The new house for the Fox Bay West Manager is nearly finished.

At Port Stephens the Manager's new house has been completed and a new Cookhouse is being erected.

To sum up, I am very well satisfied with all I saw during my inspection of your properties.

Shipping. S.S. "Fitzroy" was kept busy throughout the year and the policy of chartering outside vessels for the shipment of stores out and produce Home, is being continued.

The problem of a satisfactory replacement of "Fitzroy" continues to have our attention; the possibility of conveying the bulk of our Falkland Islands—South America passengers by air has been considered and we chartered a flying boat for a round flight U.K. — Falkland Islands — U.K. which was made between 21st April and 8th May, 1952. The flight was successful in every way and the lessons learned are now being studied.

Mr. L. W. H. Young visited the Colony during the year under review.

The Freezing Works being erected at Ajax Bay by the Colonial Development Corporation will not now be ready to work before 1953.

Prospects for 1952 are fairly good. The prices realised for the New Clip are very much lower than for 1951 and expenses continue to rise but the Market has shown some improvement from the lowest and I trust that the present levels may hold. We have sold 1,501 Bales at an average price of 34.482d. and have approximately 1,500 Bales still to sell.

Once again, on behalf of the Directors and Members, I wish to thank all our employees for their co-operation and faithful service during the year.



# THE FALKLAND ISLANDS COMPANY LIMITED

LONDON AND STANLEY

BALANCE SHEET 31st DECEMBER, 1951

1950 £		£		1950 £		£
	<b>CAPITAL AUTHORISED :</b>					
	5,000 5% Cumulative Preference Shares of £10 each ... ..	50,000				
	350,000 Ordinary Shares of £1 each ... ..	350,000				
		<u>£400,000</u>				
	<b>CAPITAL ISSUED :</b>					
	3,300 5% Cumulative Preference Shares of £10 each, fully paid	33,000				
	325,000 Ordinary Shares of £1 each, fully paid ... ..	325,000				
<b>358,000</b>			<b>358,000</b>			
	<b>CAPITAL RESERVES :</b>					
	Steamship Replacement and Survey Reserve—Balance from 1950	60,023				
	Add : Claim for deferred repairs s.s. " Lafonia " ... ..	2,250				
		<u>62,273</u>				
<b>60,023</b>						
<b>7,845</b>	Specific Reserve for Development and Re-equipment ... ..	7,845				
			<b>70,118</b>			
<b>67,868</b>						
	<b>REVENUE RESERVES :</b>					
<b>232,500</b>	General Reserve ... ..	432,500				
<b>35,242</b>	Underwriting and Accident Reserve ... ..	35,537				
<b>191,733</b>	Income Tax 1952/3 ... ..	271,092				
<b>18,400</b>	Profit and Loss Account, balance after Appropriations ... ..	18,022				
		<u>477,925</u>				
			<b>757,151</b>			
<b>903,793</b>			<b>1,185,269</b>			
	<b>PROVISIONS :</b>					
<b>41,029</b>	Deferred Repairs or Excess Profits Tax ... ..	31,183				
<b>—</b>	Classification Survey s.s. " Fitzroy " ... ..	15,000				
		<u>41,029</u>				
			<b>46,183</b>			
	<b>CURRENT LIABILITIES :</b>					
<b>329,982</b>	Sundry Creditors ... ..	500,006				
<b>143,596</b>	Current Taxation ... ..	314,194				
<b>454</b>	Outstanding Dividend Warrants ... ..	433				
<b>43,672</b>	Ordinary Dividends, subject to confirmation at Annual General Meeting ... ..	49,055				
<b>10,290</b>	Commissions based on Dividends ... ..	13,417				
		<u>527,994</u>				
			<b>877,105</b>			
	<b>NOTES :</b>					
	(1) Contingent Liability in respect of Credits and Guarantees by Bank £3,463.					
	(2) Contracts for capital expenditure so far as not provided for, amount to approximately £30,450.					
	(3) Underwriting and Accident Reserve :					
	Premiums on risks covered by Company, charged against					
	Profits ... ..	2,076				
	Less : Claims paid ... ..	1,781				
	Net Increase in Reserve ... ..	<u>£295</u>				
<b>£1,472,816</b>			<b>£2,108,557</b>			<b>£1,472,816</b>
						<b>£2,108,557</b>

1950 £		£		1950 £		£
	<b>FIXED ASSETS :</b>					
	Falkland Islands, Land and Development, at the net book amount on 31st December, 1947, being Cost less Sales ... ..			<b>203,049</b>		<b>203,049</b>
	Buildings ... ..	£144,887	£128,031			
	Fencing, Plant, Utensils and Furniture ... ..	59,274	52,649			
	Shipping ... ..	81,294	74,504			
		<u>£285,455</u>	<u>£255,184</u>			<b>30,271</b>
	Livestock, at the net book amount on 31st December, 1947 ... ..			<b>89,462</b>		<b>89,462</b>
				<u>845,793</u>		<b>322,782</b>
	<b>INVESTMENTS :</b>					
	Quoted (Market Value £211,235—1950 £95,750) ... ..			<b>94,414</b>		<b>211,235</b>
	<b>CURRENT ASSETS :</b>					
	Stores on hand and in transit ... ..				325,704	
	Produce ... ..				7,383	
	Sundry Debtors and Deferred Charges ... ..				55,003	
	Shipping, Government Tonnage Replacement Certificate ... ..				2,305	
	Tax Reserve Certificates ... ..				560,350	
	Cash at Bank and in Hand ... ..				623,795	
					<u>1,574,540</u>	

On behalf of the Board :

JOHN R. COBB

ROBERT BLAKE

} *Directors.*

## AUDITORS' REPORT TO THE MEMBERS

We have audited the books and accounts of The Falkland Islands Co., Ltd., for the year to 31st December, 1951 and in compliance with the requirements of the Companies Act, 1948, we have to report as follows :—

(1) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.

(2) In our opinion proper books of account have been kept by the Company so far as appears from our examination of those books and proper returns adequate for the purpose of our audit have been received from the Stanley Office not visited by us.

(3) (1) The Balance Sheet and Profit and Loss Account under report are in agreement with the books of account and returns.

(2) In our opinion and to the best of our information and according to the explanations given to us, the Accounts give the information required by the Companies Act, 1948, in the manner so required and give a true and fair view :—

(a) in the case of the Balance Sheet of the state of the Company's affairs at 31st December, 1951, and

(b) in the case of the Profit and Loss Account of the Profit for the year to 31st December, 1951.

31, Budge Row, London, E.C.4. 12th June, 1952.

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

## THE FALKLAND ISLANDS

LONDON AND

PROFIT AND LOSS ACCOUNT for the

1950 £		£	£
17,922	Provision for Depreciation ... ..		34,274
—	Provision for Classification Survey s.s. "Fitzroy" ... ..		15,000
—	Depreciation on Investments ... ..		10,159
	Directors' Remuneration :		
2,000	Fees ... ..	£2,000	
6,125	Percentage Commission based on Ordinary Dividends ... ..		7,344
		9,344	
3,417	Other Emoluments ... ..	3,825	
		13,169	
150	Auditors' Remuneration ... ..		150
4,449	Managers' Commissions based on Ordinary Dividends ... ..		6,073
	Provision for British or Colonial Taxation on Current Profits :		
70,500	Profits Tax ... ..	105,000	
201,106	Income Tax ... ..	281,188	
		386,188	
194,760	Balance—Profit for the Year ... ..	249,543	
<u>£500,429</u>			<u>£714,556</u>

1950 £		£	£
150,000	Transfer to General Reserve ... ..		200,000
907	Preference Dividend paid 1951, 5% on £33,000 less Tax ... ..		866
	Dividends as recommended by the Board, subject to confirmation at Annual General Meeting :		
	On £325,000 Ordinary Shares :		
	Interim 12½%, less Income Tax at 9/6 per £, paid 1st January, 1952 ... ..	21,328	
	Final 12½%, less Income Tax at 9/6 per £, to be paid 30th June, 1952 ... ..	21,328	
	On £48,750 New Ordinary Shares :		
	25%, less Income Tax, at 9/6 per £, to be paid 30th June, 1952 ... ..	6,399	
43,672		49,055	
18,400	Balance carried forward ... ..		18,022
<u>£212,979</u>			<u>£267,943</u>

## COMPANY LIMITED

STANLEY

year ended 31st DECEMBER, 1951

1950 £		£	£
496,836	Profit on Working, including Commissions less Expenses in London		707,475
2,499	Interest on Investments (Gross) ... ..	2,556	
1,094	Other Interest (Gross) ... ..	4,525	
		7,081	
<u>£500,429</u>			<u>£714,556</u>

1950 £		£
18,219	Balance carried forward from 1950 ... ..	18,400
194,760	Balance of Profit for 1951 ... ..	249,543

On behalf of the Board :

JOHN R. COBB	}	Directors.
ROBERT BLAKE		

£212,979

£267,943

# The Falkland Islands Company

LIMITED.

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## REPORT and ACCOUNTS

With the Chairman's Statement

For the Year ended 31st December, 1952

AND

## NOTICE OF MEETING

---

Registered Office:

120, PALL MALL,  
LONDON, S.W.1

### THE FALKLAND ISLANDS COMPANY LIMITED

#### DIRECTORS' REPORT and ACCOUNTS

for the year ended 31st December, 1952.

NOTICE IS HEREBY GIVEN that the One Hundred and First Annual General Meeting of the Company will be held at the Connaught Rooms, Great Queen Street, Kingsway, London, W.C.2 on Thursday 2nd July, 1953 at 11.30 a.m. to receive the Balance Sheet and Accounts and the Reports of the Directors and Auditors thereon, to re-elect retiring Directors, and to transact the other Ordinary Business of the Company.

A Member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote instead of him. Such proxy need not also be a Member.

By Order of the Board,

W. H. YOUNG,

*Secretary*

120, Pall Mall,

London, S.W.1.

9th June, 1953.

**ONE-HUNDRED-AND-FIRST ANNUAL  
REPORT OF THE DIRECTORS**

**Directors :**

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

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

P. D. L. AINSLIE, Esq., J. H. YORATH, Esq., A. R. HURD, Esq., M.A., M.P.

**Secretary :**

W. H. YOUNG, Esq.

The Directors submit the Audited Accounts of the Company for the year ended 31st December, 1952.

The Balance Sheet shows Current Assets £1,107,595 and Current Liabilities £652,940, a surplus of £454,655.

Net Profit, after making provision for Depreciation, Income Tax and Profits Tax	£54,730
---	---------

to which must be added :—

Amount brought forward from last year	18,022
Provisions for taxation no longer required	23,133
Specific Reserve for Development and Re-equipment	7,845
Provision for Deferred Repairs or Excess Profits Tax	7,851
making a total available of	£111,581

The following appropriations have been made :—

Dividends paid on 5% Preference Shares less Income Tax	866
Interim Dividend of 12½% paid on Ordinary Shares, less Income Tax at 9/6d. in the £	24,527
Proposed Final Dividend of 12½% on Ordinary Shares, less Income Tax at 9/- in the £	25,696
Transfer to General Reserve	40,000
	91,089
Leaving to be carried forward	£20,492

If the recommended Final Dividend on the Ordinary Shares is approved, warrants in payment will be posted on Monday, the 6th July, 1953.

It is with the deepest regret that the Directors have to record the deaths, since the issue of the last Report, of Mr. John R. Cobb who joined the Board in 1929 and had acted as Vice Chairman since 1939, and of Mr. W. M. Dean who had been a Director of the Company since 1914, and Chairman since 1938.

To fill the vacancies caused by the deaths of Mr. John R. Cobb and Mr. W. M. Dean, the Directors appointed Mr. J. H. Yorath, Managing Director of Messrs. Humphery & Grey (Lighterage) Ltd., and Mr. Anthony Hurd, M.A., M.P., and being eligible, these gentlemen offer themselves for re-election by the Members.

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

Messrs. J. & J. Sawyer & Co. are willing to continue in office as Auditors and a motion will be proposed at the General Meeting that their fee be fixed at £210.

By Order of the Board,  
W. H. YOUNG,  
*Secretary.*

**STATEMENT BY THE CHAIRMAN**

*For the convenience of Members this statement is being issued with the Accounts and will be in substitution for a speech by the Chairman at the Annual General Meeting to be held on Thursday, 2nd July, 1953.*

I should like to refer to the deep regret felt by the Members of your Board at the deaths of Mr. W. M. Dean and Mr. John R. Cobb. Mr. Dean's contribution towards the development of our business since the end of the first world war up to his death was great and he played a major part in the improvement of our Flocks and in the re-equipment of our Farms. We shall all miss his able assistance and advice.

The death of Mr. John R. Cobb at a comparatively early age is, too, a great loss. His knowledge of business and of finance was of great value and he was about to assume the Chairmanship which it was hoped he would continue to occupy for many years.

**Accounts.** The Net Profit for the year 1952, after provision for taxation, amounted to £54,730, as compared with £249,543 for 1951. The decrease is due to the much lower prices realised for the Company's Produce, the average price for Wool being 39.75d. per lb. as compared with 102.534d. in 1951. £40,000 has been placed to the General Reserve which now stands at £423,750. Amounts released on agreement of Excess Profits Tax, totalling £38,829, have been brought into the accounts for the year. The balance brought forward from 1951 was £18,022 and £20,492 is carried forward to 1953 Accounts.

**An Interim Dividend of 12½%**, less Income Tax, was paid on 31st December, 1952 and a Final Dividend of 12½%, less Income Tax, is now recommended on the present Ordinary Issued Share Capital, making 25% for the year under review.

**Investments.** These have been written down to prices ruling at 31st December, 1952 since when there has been some appreciation in values.

**PORT STANLEY.**

The Store Department has had a satisfactory year's trading but conditions continue to necessitate our carrying heavy stocks which locks up a considerable amount of Capital.

This aspect of trading has our constant attention and it is hoped that with the easing of the supply and shipping position, it may soon be possible to effect some reduction in the value and volume of stocks carried.

**Plant and Buildings.** Erection of the Woodworking Shop is making satisfactory progress.

A building known as Church House has been acquired and furnished for use as a Chummary for our single covenanted assistants employed in Port Stanley Office.

Our programme of works to be undertaken includes :— Reconstruction of Offices. Reconstruction of East Jetty. New Engineer's and Blacksmith's Shop. Garage. Addition to West Store to house Millinery, Men's Clothing and Hairdressing. Laundry. Rebuild Stanley Arms. Provision of a Bonded Warehouse. Renewal of Slipway.

**FARMS.**

**East and West Falklands.** A kind winter and spring resulted in an improved lambing and it is anticipated that the Clip will be heavier than in the previous year.

The summer was fine and warm and, if anything, too dry.

Stock should go into the winter in good condition.

The supply of mutton sheep for Port Stanley consumption has been becoming increasingly difficult and it is now being dealt with collectively by the Falkland Islands Sheepowners' Association.

**Plant and Buildings.** A Bunkhouse, to house 48 men, has been shipped to Darwin Harbour.

New Galleys for Darwin Harbour and North Arm are on order.

Other works recently completed, in hand, or proposed are :— Manager's House, Lively Island. Store Buildings, Port Louis and Speedwell Island. Reconstruction Darwin Harbour, North Arm, Port Stephens, Fox Bay West and Lively Island Jetties. Reconstruction Swan Inlet Bridge. Reconstruction Antiojo Bridge. Transit Sheds Darwin Harbour, North Arm and Fitzroy. Wool Press Fox Bay West. A Bunkhouse to house 28 men for North Arm will be ordered shortly. Farm School.

**Camp Amenities.** Electric light is being supplied wherever possible.

Film projectors have or are being supplied to Darwin Harbour, North Arm, Port Stephens and Fox Bay West.

Further new and modern houses will be built for our Farm Employees when the Woodworking Shop comes into operation.

**SHIPPING.**

s.s. "FITZROY" was brought Home for Classification Survey and on completion she sailed for the Colony on 14th March, 1953, where she arrived on 21st April, 1953. Provision for the cost of the survey was made in the 1951 Accounts. She was built in 1930 and, for a vessel of her age, her condition is good which reflects credit on her builders and on those responsible for her maintenance.

A cutter, for service between Lively Island and Goose Green, has been built at Brixham and was shipped out by s.s. "Fitzroy." She has been named "Gleam."

The policy of chartering outside vessels for the shipment of Stores out and Produce home is being continued.

The provision of a regular Air Service between the Colony and Montevideo is still under consideration.

**COLONIAL DEVELOPMENT CORPORATION.**

The Freezing Works at Ajax Bay commenced operations on 6th April, 1953 and expects to process 12,000/15,000 sheep this season of which about two-thirds will probably come from the Company's Farms.

MR. R. BLAKE visited the Colony December/January 1952/53 and inspected our properties.

PROSPECTS for 1953 are reasonably satisfactory. We have sold 2161 Bales of the new Wool Clip at an average price of 55d. per lb. and have approximately 864 Bales still to sell.

World consumption of Wool is at a high level and is probably a little ahead of production at present. It must, however, be borne in mind that prices are considerably higher than pre war and have not yet felt the recession which is affecting other basic commodities and it appears that an easing in values is not improbable.

FINALLY, I would again draw your attention to the loyal and efficient work of the Company's Employees wherever they may be.

L. W. H. YOUNG,  
Chairman.

# THE FALKLAND ISLANDS COMPANY LIMITED

LONDON AND STANLEY

BALANCE SHEET 31st DECEMBER, 1952.

1951		£		£		1951		£		£			
£	£		£	£	£		£		£	£	£		
		<b>CAPITAL AUTHORISED :</b>						<b>FIXED ASSETS :</b>					
		5,000 5% Cumulative Preference Shares of £10 each ... .. 50,000						Falkland Islands, Land and Development :					
		450,000 Ordinary Shares of £1 each ... .. 450,000						At the net book amount on 31st December, 1947, less Sale ... .. 202,969					
		<u>£500,000</u>						Additions since at cost ... .. 1,176					
								<u>204,145</u>					
		<b>CAPITAL ISSUED :</b>											
	33,000	3,300 5% Cumulative Preference Shares of £10 each, fully paid ... .. 33,000						Buildings ... ..					
	325,000	373,750 Ordinary Shares of £1 each, fully paid ... .. 373,750						Fencing, Plant, Utensils and Furniture ... ..					
353,000		<u>406,750</u>						Shipping ... ..					
								<u>£318,225     £285,054</u>					
	62,273	<b>CAPITAL RESERVES :</b>						Livestock, at the net book amount on 31st December, 1947 ... ..					
	7,845	Steamship Replacement Reserve (Note 1a) ... .. 64,850						33,171					
70,118		Specific Reserve for Development and Re-equipment ... ..						89,462					
		<b>REVENUE RESERVES :</b>											
	432,500	General Reserve (Note 1b) ... .. 423,750						326,778					
	35,537	Underwriting and Accident Reserve (Note 1c) ... .. 36,849											
	271,092	Income Tax 1953/4 ... .. 71,025											
	18,022	Profit and Loss Account, balance after Appropriations ... .. 20,492											
757,151		<u>552,116</u>											
1,185,269		<u>1,023,716</u>											
		<b>PROVISIONS :</b>						<b>INVESTMENTS :</b>					
	31,183	Deferred Repairs or Excess Profits Tax ... ..						Quoted (Market Value £257,283—1951 £211,235) ... .. 257,283					
	15,000	Classification Survey s.s. " Fitzroy " ... .. 15,000											
46,183		<u>15,000</u>											
		<b>CURRENT LIABILITIES :</b>						<b>CURRENT ASSETS :</b>					
	500,439	Sundry Creditors ... .. 268,404						Stores on hand and in transit ... .. 442,917					
	314,194	Current Taxation ... .. 345,423						Produce ... .. 1,864					
	24,527	Ordinary Dividends, Net : Interim ... ..						Sundry Debtors and Deferred Charges ... .. 85,017					
	24,528	Proposed Final ... .. 25,696						Shipping, Government Tonnage Replacement Certificate ... .. 2,305					
	13,417	Commissions based on Dividends ... .. 13,417						Tax Reserve Certificates ... .. 397,050					
877,105		<u>652,940</u>						Bank Balances and Cash in Hand ... .. 178,442					
								<u>1,107,595</u>					
		<u>£1,691,656</u>						<u>£2,108,557</u>					

On behalf of the Board :

ROBERT BLAKE      }  
L. W. H. YOUNG      } *Directors.*

**NOTES :**

- Movements on Reserves :—
  - Steamship Replacement Reserve—Balance from 1951 62,273  
Add : Surplus on claim recovered s.s. Lafoonia ... .. 2,577  
At 31st December, 1952 ... .. £64,850
  - General Reserve—Balance from 1951 ... .. 432,500  
Deduct : Amount Capitalised on issue of Bonus Shares ... .. 48,750  
Add : Appropriation from Profit and Loss Account ... .. 383,750  
40,000  
At 31st December, 1952 ... .. £423,750
  - Underwriting and Accident Reserve—Balance from 1951 ... .. 35,537  
Add : Premiums on risks covered by Company, charged against Profits ... .. 2,456  
Deduct : Claims paid ... .. 37,993  
1,144  
At 31st December, 1952 ... .. £36,849
- Contingent Liabilities in respect of Credits and Guarantees amounted to £3,336.
- Contracts for capital expenditure not provided for amounted to approximately £12,205.

£2,108,557

**AUDITORS' REPORT TO THE MEMBERS.**

We have audited the books and accounts of The Falkland Islands Co., Ltd., for the year to 31st December, 1952 and in compliance with the requirements of the Companies Act, 1948, we have to report as follows :—

(1) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.

(2) In our opinion proper books of account have been kept by the Company so far as appears from our examination of those books and proper returns adequate for the purpose of our audit have been received from the Stanley Office not visited by us.

(3) (1) The Balance Sheet and Profit and Loss Account under report are in agreement with the books of account and returns.

(2) In our opinion and to the best of our information and according to the explanations given to us, the Accounts give the information required by the Companies Act, 1948, in the manner so required and give a true and fair view :—

(a) in the case of the Balance Sheet of the state of the Company's affairs at 31st December, 1952, and

(b) in the case of the Profit and Loss Account of the Profit for the year ended 31st December, 1952.

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

£1,691,656

**THE FALKLAND ISLANDS**

LONDON AND

PROFIT AND LOSS ACCOUNT for the

**COMPANY LIMITED**

STANLEY

year ended 31st DECEMBER, 1952.

1951			1951		1951		
£	£		£	£	£	£	
34,274		Depreciation of Fixed Assets ... ..	29,903	707,475		Profit on Working, including Commissions less Expenses in London	188,970
16,000		Provision for Classification Survey s.s. "Fitzroy" ... ..	—		2,556	Income from Investments (Gross) ... ..	8,362
10,169		Depreciation of Investments ... ..	4,388		4,525	Bank and other Interest (Gross) ... ..	9,086
	2,000	Directors' Remuneration:					
	7,344	Fees ... ..	2,000	7,081			
		Commission based on Ordinary Dividends ... ..	7,344				
			9,344				
	3,825	Other Emoluments ... ..	3,825				
13,169							
160		Auditors' Remuneration ... ..	13,169				
6,073		Managers' Commissions based on Ordinary Dividends ... ..	150				
		Estimated United Kingdom Taxation on Profit for the year:	6,073				
	105,000	Profits Tax ... ..	23,000				
	281,188	Income Tax ... ..	75,000				
386,188			98,000				
249,543		Balance—Profit for the Year—carried down ... ..	54,730				
<u>£714,556</u>			<u>£206,418</u>	<u>£714,556</u>			<u>£206,418</u>
1951				1951			
£	£		£	£	£		£
200,000		Transfer to General Reserve ... ..	40,000	18,400		Balance brought forward from 1951 ... ..	18,022
	866	Preference Dividend paid 1952, 5% on £33,000 less Tax ... ..	866	249,543		Profit for 1952, brought down ... ..	54,730
		Ordinary Dividends:				Amounts released on agreement of Excess Profits Tax:	
	24,527	Interim 12½%, less Income Tax at 9/6d. per £, paid	24,527			Specific Reserve for Development and Re-equipment ... ..	7,845
		31st December, 1952 ... ..				Provisions for taxation no longer required ... ..	23,133
	24,528	Proposed Final 12½%, less Income Tax at 9/- per £ ... ..	25,696			Provision for Deferred Repairs or Excess Profits Tax ... ..	7,851
49,921			51,089				
18,022		Balance carried forward ... ..	20,492				38,829
<u>£267,943</u>			<u>£111,581</u>	<u>£267,943</u>			<u>£111,581</u>

On behalf of the Board:

ROBERT BLAKE

L. W. H. YOUNG

} Directors.

# The Falkland Islands Company

LIMITED.

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## REPORT and ACCOUNTS

With the Chairman's Statement

For the Year ended 31st December, 1953

AND

## NOTICE OF MEETING

---

Registered Office:

120, PALL MALL,  
LONDON, S.W.1

### THE FALKLAND ISLANDS COMPANY LIMITED

#### DIRECTORS' REPORT and ACCOUNTS

for the year ended 31st December, 1953.

NOTICE IS HEREBY GIVEN that the One Hundred and Second Annual General Meeting of the Company will be held at the Connaught Rooms, Great Queen Street, Kingsway, London, W.C.2 on Thursday 8th July, 1954, at 11.30 a.m. to receive the Balance Sheet and Accounts and the Reports of the Directors and Auditors thereon, to re-elect a retiring Director, and to transact the other Ordinary Business of the Company. A Member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote instead of him. Such proxy need not also be a Member.

By Order of the Board,

W. H. YOUNG,

*Secretary.*

120, Pall Mall,

London, S.W.1.

15th June, 1954.

# ONE-HUNDRED-AND-SECOND ANNUAL REPORT OF THE DIRECTORS

**Directors :**

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

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

P. D. L. AINSLIE, Esq., J. H. YORATH, Esq., ANTHONY HURD, Esq., M.P.

**Secretary :**

W. H. YOUNG, Esq.

The Directors submit the Audited Accounts of the Company for the year ended 31st December, 1953.

The Balance Sheet shows—

Current Assets	£944,515	
Current Liabilities	423,978	
<b>Net Current Assets</b>	<b>£520,537</b>	
Net Profit, before Taxation	£241,136	
Deducting therefrom provision for taxation of	155,000	
There remains a balance of	86,136	
Which, with the amount brought forward from 1952 of	20,492	
Makes a total available of	£106,628	

The following appropriations have been made:—

Dividends paid on 5% Preference Shares, less Income Tax	907	
Interim Dividend of 12½% paid on Ordinary Shares, less Income Tax at 9/- in the £	25,695	
Proposed Final Dividend of 15% on Ordinary Shares, less Income Tax at 9/- in the £	30,835	
Transfer to General Reserve	26,250	
	<b>83,687</b>	

Leaving to be carried forward ... **£22,941**

If the Final Dividend on the Ordinary Shares which your Directors recommend is approved, Warrants in payment will be posted on Monday, the 12th July, 1954.

It will be noted that a Provision of £20,000 has been made towards the building of a School at Darwin. When our Managing Director visited the Colony in 1944/5 he found the system of Camp Education, which had worked satisfactorily for many years, was not functioning at all well. Later, the Falkland Islands Government took over responsibility for Camp Education which, owing to post war difficulties, made no improvement.

The Board then put forward a scheme for the Falkland Islands Government's consideration and eventually they and the Company agreed that a Boarding School be erected to provide accommodation for 20 boys and 20 girls and day children from nearby settlements. The Company undertook to contribute £20,000 and the Falkland Islands Government up to a further £10,000 towards the cost of the building. Further, the Falkland Islands Government will equip and run the School, which will be managed by the Director of Education and a representative of the Company. The building has been prefabricated in Sweden and was shipped to Darwin in January, 1954. Erection will probably begin next September/October, and it is hoped that the School will open some time in 1955. Two-thirds of the places will be reserved for children of the Company's Employees.

Your Board hopes that this will prove a satisfactory solution of a most difficult problem.

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

Messrs. J. & J. Sawyer & Co. are willing to continue in office as Auditors and a motion will be proposed at the General Meeting that their fee be fixed at £210.

By Order of the Board,

W. H. YOUNG,

Secretary

## STATEMENT BY THE CHAIRMAN

*For the convenience of Members this statement is being issued with the Accounts and will be in substitution for a speech by the Chairman at the Annual General Meeting to be held on Thursday, 8th July, 1954.*

**Accounts.** The net profit for the year 1953, after making provision for taxation, is £86,136, as compared with £54,730 for 1952. The increase is due to the better prices realised for our Produce, the average price for Wool being 54.37d. per lb. compared with 39.75d. per lb. in 1952.

£26,250 has been placed to General Reserve which now stands at £450,000. The balance brought forward from 1952 was £20,492 and £22,941 is carried forward to 1954 accounts.

An Interim Dividend of 12½%, less Income Tax, was paid on 31st December, 1953 and a Final Dividend of 15%, less Income Tax, is now recommended on the present Ordinary Issued Share Capital, making 27½% for the year under review.

**Investments.** These have steadily improved and the market value on 27th May last shewed an increase of £33,940 over the book value.

**PORT STANLEY.**

The Store Department has had a satisfactory year's trading. A Ladies' Hairdressing Department has been opened and is well patronised. A Laundry and Dry Cleaning Department is now under discussion.

**Plant and Buildings.** The Woodworking Shops have been completed and were brought into use early in March, 1954. The shops are spacious and well lit and the erection of the buildings and installation of the machinery reflect great credit on all concerned.

We have decided to set up a separate Works Department, which will include the Carpenters, Engineers, Blacksmiths, Electrical and Garage, together with its own Store Department and Costing System. A new Store Building has been ordered. The scheme should be completed and working early in 1955.

There is still much work to be undertaken in Stanley but now that our programme of major works in the Camp is nearing completion quicker progress should be made.

**FARMS.**

A mild winter was followed by a cold spring which caused heavy losses at lambing.

Bad weather delayed the completion of shearing; it is expected that the weight of the clip will be about the same or a little lighter than in 1952/3.

The autumn was fine and dry and Stock should go into the winter in good condition.

The question of raising sheep and cattle of good quality for the Freezing Works is under consideration by your Board and by our Farm Managers. We hope that Mr. Robert Blake and Mr. Anthony Hurd will be able to visit the Colony towards the end of the year to discuss these important matters on the spot.

In the meantime a small experiment is being made to produce some lambs for the Freezing Works.

**Plant and Buildings.** Most of the works detailed in my last statement have been completed.

The North Arm Bunkhouse will be shipped out early next year.

Erection of the Darwin School will commence in the spring.

Now that the Woodworking Shops have been completed, contract work can be undertaken; plans of several types of Settlement and Camp houses for pre-fabrication are being prepared and our Clients and Farm Managers will be invited to consider and criticise them before production commences.

**SHIPPING.**

S.S. "Fitzroy" has been kept fully occupied since her return to the Colony in April, 1953.

The policy of chartering outside vessels which load stores out and produce Home continues.

The improvement of our service is under constant and anxious consideration, but the price of new tonnage is too high for us to contemplate building unless we can be assured of some trade outside the Colony.

We have had to abandon our proposal for a regular Air Service between the Colony and Montevideo, on economic grounds.

The Colonial Development Corporation has now sold the Freezing Works at Ajax Bay to the Falkland Islands Freezing Co. Ltd., a Company registered in the Falkland Islands, the Colonial Development Corporation holding all the Shares.

They expect to produce 375 tons Mutton and Beef this season compared with 180 tons in 1953. Our East Falkland Farms delivered 8,438 sheep to the Freezer in 1953 and 9,556 sheep and about 175 head of cattle in 1954.

I visited the Colony during December, 1953, and January, 1954, and found the many branches of our business all working well.

Prospects for 1954 are satisfactory. We have sold 2077 bales of the new Wool clip at an average price of 59.07d. per lb. and have approximately 1000 bales still to sell.

I would like to take this opportunity of again expressing the thanks of the Board to our Staff in the Colony and in London for their loyal and efficient work, and in particular to the Senior Members of the Staff on whom so much responsibility rests.

L. W. H. YOUNG,

Chairman.



# THE FALKLAND ISLANDS COMPANY LIMITED

LONDON AND STANLEY

BALANCE SHEET 31st DECEMBER, 1953.

1952						1952	
£	£		£	£	£	£	£
CAPITAL AUTHORISED :				FIXED ASSETS :			
		5,000 5% Cumulative Preference Shares of £10 each	50,000			Falkland Islands, Land and Development :	
		450,000 Ordinary Shares of £1 each	450,000			At the net book amount on 31st December, 1947, less Sale	202,969
			<u>£500,000</u>			Additions since at cost	1,176
							<u>204,145</u>
		CAPITAL ISSUED :				Buildings	Cost £206,200 Depreciation £162,713
	33,000	3,300 5% Cumulative Preference Shares of £10 each, fully paid	33,000			Fencing, Plant, Utensils and Furniture	92,374 75,007
	373,750	373,750 Ordinary Shares of £1 each, fully paid	373,750			Shipping	84,755 81,166
406,750			406,750				<u>£383,338 £318,886</u>
		CAPITAL RESERVE :					64,452
	64,850	Steamship Replacement Reserve (Note 1a)	65,600			Livestock, at the net book amount on 31st December, 1947	89,462
							<u>358,059</u>
		REVENUE RESERVES :				INVESTMENTS :	
	428,750	General Reserve	450,000			Quoted (Market Value £262,648 1952 £257,283)	246,571
	36,849	Underwriting and Accident Reserve (Note 1b)	39,406				
	71,025	Income Tax 1954/55	116,949				
	20,492	Profit and Loss Account, balance after Appropriations	22,941			CURRENT ASSETS :	
552,116			629,296			Stores on hand and in transit	451,172
<u>1,023,716</u>			<u>1,101,646</u>			Produce	6,803
		PROVISIONS :				Sundry Debtors and Deferred Charges	69,213
	15,000	Classification Survey s.s. " Fitzroy "	3,750			Shipping, Government Tonnage Replacement Certificate	2,305
	—	Grant—Darwin School	19,771			Tax Reserve Certificates	135,475
15,000			23,521			Bank Balances and Cash in Hand	279,547
		CURRENT LIABILITIES :					<u>944,515</u>
	268,404	Sundry Creditors	243,963			NOTES :	
	345,423	Current Taxation	133,213			1. Movements on Reserves :—	
	25,696	Ordinary Dividend—Proposed Final—Net	30,835			(a) Steamship Replacement Reserve—Balance from 1952	64,850
	13,417	Commissions based on Dividends	15,967			Add : Surplus on sale of small craft	750
652,940			423,978			At 31st December, 1953	<u>£65,600</u>

On behalf of the Board

ROBERT BLAKE

L. W. H. YOUNG

} Directors.

NOTES :

1. Movements on Reserves :—
  - (a) Steamship Replacement Reserve—Balance from 1952 64,850  
Add : Surplus on sale of small craft ... 750  
At 31st December, 1953 ... £65,600
  - (b) Underwriting and Accident Reserve—Balance from 1952 ... 36,849  
Add : Premiums on risks covered by Company, charged against profits ... 2,852  
39,701  
Deduct : Claims paid ... 295  
At 31st December, 1953 ... £39,406
2. Contingent Liabilities in respect of Credits and Guarantees amounted to £23,073.
3. Contracts for capital expenditure not provided for amounted to approximately £7,545.

£1,691,656

£1,549,145

£1,691,656

£1,549,145

AUDITORS' REPORT TO THE MEMBERS.

We have audited the books and accounts of The Falkland Islands Co., Ltd., for the year to 31st December, 1953, and in compliance with the requirements of the Companies Act, 1948, we have to report as follows :—

- (1) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
- (2) In our opinion proper books of account have been kept by the Company so far as appears from our examination of those books and proper returns adequate for the purpose of our audit have been received from the Stanley Office not visited by us.
- (3) (1) The Balance Sheet and Profit and Loss Account under report are in agreement with the books of account and returns.
- (2) In our opinion and to the best of our information and according to the explanations given to us, the Accounts give the information required by the Companies Act, 1948, in the manner so required and give a true and fair view :—
- (a) in the case of the Balance Sheet of the state of the Company's affairs at 31st December, 1953, and
- (b) in the case of the Profit and Loss Account of the Profit for the year ended 31st December, 1953.

31, Budge Row, London, E.C.4. 9th June, 1954.

J. & J. SAWYER & CO.,

Chartered Accountants.

LAUNIA DIVIDED SIA-BEHOULAM  
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# THE FALKLAND ISLANDS COMPANY LIMITED

LONDON AND STANLEY

PROFIT AND LOSS ACCOUNT for the year ended 31st DECEMBER, 1953.

1953	£		£	£
29,908		Depreciation of Fixed Assets		34,832
		Provision for Classification Survey s.s. " Fitzroy "		1,655
4,388		<i>Depreciation of Investments</i>		
		Provision for Darwin School Grant		20,000
		Directors' Remuneration:		
	2,000	Fees		2,000
	7,344	Commission based on Ordinary Dividends		8,278
				10,278
	3,825	Other Emoluments		3,916
13,169				14,194
150		Auditors' Remuneration		210
6,073		Managers' Commissions based on Ordinary Dividends		6,841
		Estimated United Kingdom Taxation on Profit for the year:		
		Excess Profits Levy		6,000
	23,000	Profits Tax		28,000
	75,000	Income Tax		121,000
				155,000
98,000		Balance—Profit for the Year—carried down		86,136
54,730				86,136
				£318,868
£206,418				£318,868
1953				
	£		£	£
40,000		Transfer to General Reserve		26,250
	866	Preference Dividend paid 1953, 5% on £33,000 less Tax		907
		Ordinary Dividends:		
		Interim 12½%, less Income Tax at 9/- per £ paid 31st December,		
	24,527	1953		25,695
	25,696	Proposed Final 15%, less Income Tax at 9/- per £		30,835
51,089				57,437
20,492		Balance carried forward		22,941
				22,941
				£106,628
£111,581				£106,628

1952	£		£	£
188,970		Profit on Working, including Commissions less Expenses in London		300,863
	8,362	Income from Investments (Gross)		8,799
	9,086	Bank and other Interest (Gross)		9,206
17,448				18,005
				18,005
				£318,868
£206,418				£318,868
1952				
	£		£	£
18,022		Balance brought forward from 1952		20,492
54,730		Profit for 1953, brought down		86,136
		<i>Amounts released on agreement of Excess Profits Tax:</i>		
	7,846	Specific Reserve for Development and Re-equipment		
	23,133	Provisions for taxation no longer required		
	7,851	Provision for Deferred Repairs or Excess Profits Tax		
38,829				28,379
		On behalf of the Board:		
		ROBERT BLAKE	Directors:	
		L. W. H. YOUNG		
				28,379
£111,581				£106,628

THE FALKLAND ISLANDS  
COMPANY LIMITED

DIRECTORS' REPORT

and

ACCOUNTS

for the year ended 31st December, 1954.

NOTICE IS HEREBY GIVEN that the One Hundred and Third Annual General Meeting of the Company will be held at the Connaught Rooms, Great Queen Street, Kingsway, London, W.C.2 on Tuesday, 12th July, 1955, at 11.30 a.m. for the following purposes :

1. To receive the Balance Sheet as at 31st December, 1954, and Accounts in respect of 1954, together with the reports of the Directors and Auditors thereon.
2. To declare a final dividend on the Ordinary Capital of the Company.
3. To approve a distribution of 5% on the Ordinary Capital of the Company from the realised accretion of capital assets.
4. To re-elect a retiring Director.
5. To fix the remuneration of the Auditors.
6. To transact any other Ordinary Business of the Company.

A Member entitled to attend and vote at the Meeting is entitled to appoint one or more proxies to attend and vote instead of him. A proxy need not be a Member of the Company.

By Order of the Board,

W. H. YOUNG,

Secretary.

120, Pall Mall,  
London, S.W.1.

18th June, 1955.

A holder of Preference Shares only is not entitled to receive Notice of or to attend or vote at this Meeting and this Notice is sent to him for information only.

A. SOUTHEY & CO. LTD., 15, PHILPOT LANE, LONDON, E.C.3

The Falkland Islands Company

LIMITED.

REPORT and ACCOUNTS

With the Chairman's Statement

For the Year ended 31st December, 1954

AND

NOTICE OF MEETING

Registered Office:

120, PALL MALL,  
LONDON, S.W.1

**ONE-HUNDRED-AND-THIRD ANNUAL  
REPORT OF THE DIRECTORS**

**Directors :**

L. W. H. YOUNG, Esq., *Chairman and Managing Director.*  
ROBERT BLAKE, Esq., A. E. BELL, Esq.,  
P. D. L. AINSLIE, Esq., J. H. YORATH, Esq., ANTHONY HURD, Esq., M.P.

**Secretary :**

W. H. YOUNG, Esq.

The Directors submit the Audited Accounts of the Company for the year ended 31st December, 1954.

The Balance Sheet shows—

Investments (at book values) ... ..	£304,368	
Current Assets ... ..	1,042,219	
	1,346,587	
Current Liabilities ... ..	530,490	
Net Liquid Assets ... ..	£816,097	
Net Profit, before Taxation ... ..	£273,917	
Deducting therefrom provision for taxation of ... ..	159,000	
There remains a balance of ... ..	114,917	
Which, with the amount brought forward from 1953 of ... ..	22,941	
And provisions for taxation no longer required of ... ..	22,712	
Makes a total available of ... ..	£160,570	
The following appropriations have been made:—		
Dividends paid on 5% Preference Shares, less Income Tax ... ..	908	
Interim Dividend of 12½% paid on Ordinary Shares, less Income Tax at 9/- in the £ ... ..	25,695	
Proposed Final Dividend of 17½% on Ordinary Shares, less Income Tax at 8/6d. in the £ ... ..	37,609	
Transfer to Steamship Replacement Reserve ... ..	70,000	
	134,212	
Leaving to be carried forward ... ..	£26,358	

Certain of our investments have been realised and your Directors have decided to recommend a distribution of 5% on the Ordinary Capital from the profit arising from the sales. If the distribution and the Final Dividend on the Ordinary Shares are approved by Shareholders, warrants in payment will be posted on the 14th July, 1955.

The Capital Profits distribution is not subject to Income Tax either by deduction at source or in the hands of the Shareholders.

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

Messrs. J. & J. Sawyer & Co. are willing to continue in office as Auditors and a motion will be proposed at the General Meeting that their fee be fixed at £210.

By Order of the Board,

W. H. YOUNG,

Secretary.

**STATEMENT BY THE CHAIRMAN**

*For the convenience of Members this statement is being issued with the Accounts and will be in substitution for a speech by the Chairman at the Annual General Meeting to be held on Tuesday, 12th July, 1955.*

**Accounts.** The net profit, after providing for taxation, is £114,917, an increase of £28,781 over 1953. This is due to better prices realised for our Produce, Wool selling at an average of 59.08d. per lb. compared with 54.37d. in 1953. £70,000 has been placed to Steamship Replacement Reserve which now stands at £135,600.

**An Interim Dividend** of 12½%, less Income Tax, was paid on 31st December, 1954, and a Final Dividend of 17½%, less Income Tax, is now recommended on the Ordinary Issued Share Capital, making 30% for 1954, as against 27½% for 1953.

**Investments.** While the Market value of our Gilt Edged Holdings has declined consequent on the increase in the Bank Rate, our Industrials have done well. Certain of these have been realised and your Directors have decided to recommend a special distribution of 5% on the Ordinary Capital, from the profit arising therefrom.

**PORT STANLEY.**

The Store Department has had another satisfactory year's trading but requires more storage space. This is being dealt with under the development scheme for our East Jetty area, which is now in hand. It covers the realignment of Ross Road which runs through our East property, the provision of more storage space for local and transit cargo and the lengthening of the East Jetty.

The Works Store is nearing completion and the steel work for the Garage and for a Building to house all the Company's Motor Vehicles and portable Machinery, is on order.

Fuel, Light and Power are problems which become more and more acute.

We have engaged an Expert to examine and advise on Peat Deposits, mechanical cutting and briquetting and his report is expected shortly.

The Hydro-Electric possibilities in the Colony have been surveyed by an eminent Engineer. We did not expect there were any likely sites on our Farms, which has been borne out, but we understand there are possibilities on other Farms and near Port Stanley.

We are also keeping in touch with developments in the use of Wind Power.

**FARMS.**

Very bad weather in the winter and spring caused heavy losses among young sheep and at lambing.

Rain held up shearing but there was an improvement in January; the weight of the Clip is slightly heavier than in 1953-54.

Our Managers report that Sheep were in good condition at Dipping.

The matter of raising Sheep and Cattle of good quality for the Freezing Works is in abeyance as the future of the Colonial Development Corporation project—The Falkland Islands Freezer Co., Ltd.—is uncertain. Farmers cannot contemplate making radical changes in breeding policies unless they are fully satisfied that the Freezing Works can be relied on to function in both good and bad years.

In my statement for 1953 I referred to a small experiment being made to produce lambs for the Freezing Works. The intention was to mate Southdown Rams to cast Romney Ewes—as Southdowns were not then available, Romney Rams were used. The first year's result was satisfactory; despite the bad weather 154 ewes produced 97 lambs which were sent to the Stanley Butchery in February, 1955. The average dressed weight was 38.15 lbs. and the quality excellent. The experiment will be continued using Southdown Rams shipped from England late in 1954.

**Plant and Buildings.** Erection of the North Arm Bunkhouse and Galley and the Darwin School has been completed. The School is expected to open early in 1956.

The Cuthbertson Ditching Machine purchased in 1952 has cut more than 1600 miles of ditches, all on wet land which already shows signs of improvement.

The Woodworking Shop has been given an order to frame six each of two types of houses for our Farms which should be erected within the next twelve months.

**SHIPPING.**

S.S. "Fitzroy" has been kept fully occupied. Extensive repairs to her boilers were carried out at Montevideo during December/January last. She was built in 1931 for inter-Island trading and to augment the overseas service then provided by the Pacific Steam Navigation Company. That service ended in 1936 since when our vessels have provided the Colony's only regular sea connection with the outside world. S.S. "Fitzroy" has given magnificent service and, in addition to inter-Island trading, has voyaged regularly to Montevideo, South Brazil, the Straits of Magellan and South Georgia and also played a noteworthy part in the setting up of several of the Bases in the Antarctic for which purpose she was chartered by Government. She does not now meet our requirements and maintenance is an increasingly heavy item. The price of new tonnage is high and delivery dates distant but we see no prospect of any improvement. Your Board has therefore decided that her replacement cannot be deferred any longer and a new vessel has been ordered from The Goole Shipbuilding & Repairing Co., Ltd., for delivery December, 1956.

Brief particulars are—Dimensions 220 ft. x 40 ft., 35,000/37,000 cu. ft. Bales, 50 ton tank for the carriage of light oils, possibly one hold to carry frozen meat, accommodation for 36 passengers, speed on trials—light 11½ knots.

**Charters.** Practically all the Colony's Produce and a good portion of its imports continue to be carried by Charter vessels.

**GENERAL.**

Falkland Islands Freezer Co., Ltd. shipped 364 tons meat and offal in 1954.

Owing to a succession of bad seasons, the total numbers of sheep and cattle delivered by Farmers to the Freezing Works were 16,901 and 382 respectively. Farmers estimated they could only deliver 17,000 sheep and 400 cattle in 1955 and the Colonial Development Corporation therefore decided that the Freezing Works would not operate. As I have previously stated, the future of the Freezing Works is uncertain but the Board remains strongly of opinion that the existence of a Working Freezer must be of benefit to the Colony and that the necessary experimental breeding for the production of suitable stock should be pressed forward.

**Visits to the Colony.** Mr. Robert Blake visited the Colony from October, 1954, to January, 1955, and inspected our Farms. Mr. Yorath made his first visit during February/March, 1955. I was at Montevideo whilst S.S. "Fitzroy" was under repair and then went on to the Falkland Islands.

**Prospects for 1955** are satisfactory. The Wool and Skins Markets are strong but Hides have fallen considerably. We have sold 2,319 Bales of the 1954/55 Clip at an average price of 58.19d. per lb. and have 658 Bales to offer in the July Series.

**Staff.** It is again my pleasure to express our very great appreciation of the excellent services rendered by our employees wherever they may be stationed. Shareholders will like to know that all benefit in our prosperity, i.e. by means of a bonus based on the average price realised for Wool and a contribution to the Provident Fund based on the Dividend paid on the Ordinary Share Capital.

L. W. H. YOUNG,

Chairman.

# THE FALKLAND ISLANDS COMPANY LIMITED

LONDON AND STANLEY

BALANCE SHEET 31st DECEMBER, 1954.

1953				1953			
£	£	£	£	£	£	£	£
<b>CAPITAL AUTHORISED :</b>				<b>FIXED ASSETS :</b>			
	5,000 5% Cumulative Preference Shares of £10 each	50,000			Falkland Islands, Land and Development :		
	450,000 Ordinary Shares of £1 each	450,000		202,969	At the net book amount on 31st December, 1947, less Sale	202,969	
				1,176	Additions since at cost	4,864	
		£500,000		204,145		207,833	
<b>CAPITAL ISSUED :</b>							
33,000	3,300 5% Cumulative Preference Shares of £10 each, fully paid	33,000			Buildings	£232,722	£175,187
373,750	373,750 Ordinary Shares of £1 each, fully paid	373,750			Fencing, Plant, Utensils and Furniture	100,116	85,055
406,750		406,750			Shipping	85,021	81,731
	<b>CAPITAL RESERVE :</b>					£417,859	£341,973
65,600	Steamship Replacement Reserve	135,600		64,452			75,886
<b>REVENUE RESERVES :</b>							
450,000	General Reserve	450,000			1953:	£388,388	£318,886
39,406	Underwriting and Accident Reserve (Note 1)	42,134					
116,949	Income Tax 1955/56	120,936		89,462	Livestock, at the net book amount on 31st December, 1947		89,462
22,941	Profit and Loss Account, balance after Appropriations	26,358		358,059			373,181
629,296		639,428			<b>INVESTMENTS :</b>		
1,101,646		1,181,778		185,923	British Government Stocks—		
	<b>PROVISIONS :</b>				(Market Value £219,360 1953 £193,425)	209,138	
3,750	Classification Survey s.s. " Fitzroy "	7,500		60,648	Other Quoted Investments—		
19,771	Grant—Darwin School			246,571	(Market Value £116,397 1953 £69,223)	95,230	
23,521		7,500					304,368
	<b>CURRENT LIABILITIES :</b>			451,172	<b>CURRENT ASSETS :</b>		
259,930	Sundry Creditors	327,364		6,803	Stores on hand and in transit	489,452	
133,213	Current Taxation	146,830		69,213	Produce	8,937	
30,835	Ordinary Dividend—Proposed Final—Net	37,609		2,305	Sundry Debtors and Deferred Charges	48,825	
423,978	Proposed Capital Profits Distribution	18,687		135,475	Shipping, Government Tonnage Replacement Certificate		
		530,490		279,547	Tax Reserve Certificates	210,175	
				944,515	Bank Balances and Cash in Hand	284,830	
						1,042,219	

On behalf of the Board

ROBERT BLAKE

L. W. H. YOUNG

Directors.

£1,549,145

£1,719,768

£1,549,145

£1,719,768

## AUDITORS' REPORT TO THE MEMBERS.

We have audited the books and accounts of The Falkland Islands Co., Ltd., for the year to 31st December, 1954, and in compliance with the requirements of the Companies Act, 1948, we have to report as follows :—

(1) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.

(2) In our opinion proper books of account have been kept by the Company so far as appears from our examination of those books and proper returns adequate for the purpose of our audit have been received from the Stanley Office not visited by us.

(3) (1) The Balance Sheet and Profit and Loss Account under report are in agreement with the books of account and returns.  
 (2) In our opinion and to the best of our information and according to the explanations given to us, the Accounts give the information required by the Companies Act, 1948, in the manner so required and give a true and fair view :—  
 (a) in the case of the Balance Sheet of the state of the Company's affairs at 31st December, 1954, and  
 (b) in the case of the Profit and Loss Account of the Profit for the year ended 31st December, 1954.

31, Budge Row, London, E.C.4. 10th June, 1955.

J. & J. SAWYER & CO.,  
Chartered Accountants.

# THE FALKLAND ISLANDS

LONDON AND

PROFIT AND LOSS ACCOUNT for the

# COMPANY LIMITED

STANLEY

year ended 31st DECEMBER, 1954.

1953	£	£	£	£
	34,832		26,046	
	1,655		3,750	
	20,000		—	
		2,000	2,000	
		8,278	9,213	
		10,278	11,213	
		8,916	4,123	
	14,194		15,336	
			—	
	6,000		34,000	
	28,000		125,000	
	121,000		159,000	
	155,000		114,917	
	86,136		—	
	<u>£311,817</u>		<u>£319,049</u>	
	26,250		70,000	
	907		903	
		25,695	25,695	
		30,835	37,609	
	57,437		64,212	
	22,941		26,358	
	<u>£106,628</u>		<u>£160,570</u>	

1953	£	£	£	£
	293,812		303,029	
		8,799	9,438	
		9,206	6,582	
	18,005		16,020	
	<u>£311,817</u>		<u>£319,049</u>	
			22,941	
			114,917	
			22,712	
	<u>£106,628</u>		<u>£160,570</u>	

On behalf of the Board :

ROBERT BLAKE

L. W. H. YOUNG

} Directors.

**THE FALKLAND ISLANDS  
COMPANY LIMITED**

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**DIRECTORS' REPORT**

and

**ACCOUNTS**

for the year ended 31st December, 1955.

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NOTICE IS HEREBY GIVEN that the One Hundred and Fourth Annual General Meeting of the Company will be held at the Connaught Rooms, Great Queen Street, Kingsway, London, W.C.2, on Wednesday, 11th July, 1956, at 11.30 a.m., for the following purposes :

1. To receive the Balance Sheet as at 31st December, 1955, and Accounts in respect of 1955, together with the reports of the Directors and Auditors thereon.
2. To re-elect a retiring Director.
3. To fix the remuneration of the Auditors.
4. To transact any other Ordinary Business of the Company.

A Member entitled to attend and vote at the Meeting is entitled to appoint one or more proxies to attend and vote instead of him. A proxy need not be a Member of the Company.

By Order of the Board,

F. G. MITCHELL,

Secretary.

120, Pall Mall,  
London, S.W.1.

18th June, 1956.

---

A holder of Preference Shares only is not entitled to receive Notice of or to attend or vote at this Meeting and this Notice is sent to him for information only.

---

A. SOUTHEY & CO. LTD., 15, PHILPOT LANE,  
LONDON, E.C.3

# The Falkland Islands Company

LIMITED.

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## REPORT and ACCOUNTS

With the Chairman's Statement

For the Year ended 31st December, 1955

AND

## NOTICE OF MEETING

---

Registered Office:

120, PALL MALL,  
LONDON, S.W.1

# ONE-HUNDRED-AND-FOURTH ANNUAL REPORT OF THE DIRECTORS

**Directors :**

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

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

P. D. L. AINSLIE, Esq., J. H. YORATH, Esq., ANTHONY HURD, Esq., M.P.

**Secretary :**

F. G. MITCHELL, Esq., A.C.I.S.

The Directors submit the Audited Accounts of the Company for the year ended 31st December, 1955.

The Balance Sheet shows :—

	£	£
Investments (at book values) .. .. .	252,235	
Current Assets .. .. .	1,028,675	
	1,280,910	
Current Liabilities .. .. .	427,251	
Net Liquid Assets .. .. .	£853,659	
	£	
Net Profit, before Taxation amounts to .. .. .	279,071	
Deducting therefrom provision for taxation of .. .. .	147,000	
There remains a balance of .. .. .	132,071	
Which, with the amount brought forward from 1954 of .. .. .	26,358	
And provision for classification survey s.s. <i>Fitzroy</i> no longer required of .. .. .	7,500	
Makes a total available of .. .. .	165,929	
The following appropriations have been made:—		
Dividends paid on 5% Preference Shares, less Income Tax .. .. .	949	
Interim Dividend of 12½% paid on Ordinary Shares, less Income Tax at 8s. 6d. in the £ .. .. .	26,863	
Second Interim Dividend of 12½% on Ordinary Shares, less Income Tax at 8s. 6d. in the £ .. .. .	26,863	
Transfer to Farm Development Reserve .. .. .	10,000	
Transfer to Steamship Replacement Reserve .. .. .	75,000	
	139,675	
Leaving to be carried forward .. .. .		£26,254

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

Messrs. J. & J. Sawyer & Co. are willing to continue in office as Auditors and a motion will be proposed at the General Meeting that their fee be fixed at £250.

By Order of the Board,  
F. G. MITCHELL,  
Secretary.

## STATEMENT BY THE CHAIRMAN

*For the convenience of Members this statement is being issued with the Accounts and will be in substitution for a speech by the Chairman at the Annual General Meeting to be held on Wednesday, 11th July, 1956.*

Shareholders are doubtless aware that His Royal Highness The Duke of Edinburgh will visit the Falkland Islands in January, 1957, which honour is greatly appreciated by all those who live in or are associated with the Colony.

**Accounts.** The net profit, after providing for taxation, is £132,071, an increase of £17,154 as compared with 1954; this is mainly due to an increase in the income from investments and bank and other interest.

The average price realised for Wool was 56.99d. per lb. as compared with 59.08d. per lb. for 1954.

£10,000 has been transferred to Farm Development Reserve and a further £75,000 to the Steamship Replacement Reserve. £7,500 previously provided for S.S. "Fitzroy's" Classification Survey has been brought in to the credit of Profit and Loss Account as it is no longer required.

An Interim Dividend of 12½%, less Income Tax, was paid on 31st December, 1955, and a further Interim Dividend of 12½%, less Income Tax, will be paid on 30th June, 1956, on the Ordinary Issued Share Capital, making a total distribution of 25% for 1955 as compared with 30% for 1954. This reduction is attributable to the fall in the price of wool, the uncertain condition of the Wool Market and to the need to provide funds to meet our heavy capital commitments. No Final Dividend will be recommended.

Between 1947 and 1955 £310,000 of Capital Expenditure has been financed out of Revenue, and it is hoped that our present planned commitments can be met in the same manner.

**Taxation.** The heavy incidence of taxation presses unduly hard on a Company such as ours which derives its income from outside the United Kingdom. You will note that £147,000 is required to meet taxation, in addition to which Export Tax amounting to £16,795 has been levied by the Falkland Islands Government—total taxation, therefore, amounts to 55% of our profit before taxation.

**PORT STANLEY.**

The Store Department has had another satisfactory year's trading. More storage space is now available and the position will be further improved when the East Jetty has been extended, work on which will commence shortly.

The Works Store has been completed and the development of our East property is making satisfactory progress.

**FARMS.**

Consequent on a kindlier winter the 1955 lamb marking showed a small increase.

Rain held up shearing to a serious extent. The 1955/56 Clip is slightly heavier than for the previous season.

Our Managers report that Dipping was carried out under bad weather conditions which has had an adverse effect on the younger sheep.

**Plant and Buildings.** Our major building programme is now complete and the provision of new houses for our Camp Employees continues.

Darwin School was handed over to the Falkland Islands Government in February, 1956. The School will be managed by nominees of the Government and the Company.

Efforts to improve the Grasslands of the Falkland Islands have been carried out intermittently for many years past, but there has been little or no collaboration or continuity in policy by the Falkland Islands Government and by Farmers. Your Board has now decided that a programme of Farm Development work be carried out over a term of years, and as a commencement £10,000 has been set aside for this purpose. On Mr. Hurd's return from his visit to the Colony a programme was drawn up and work will commence shortly. We cannot promise results. Falkland Islands land is very poor and mainly acid with considerable areas waterlogged or rocky, but the carrying out of this programme should show what can, or cannot, be achieved.

**SHIPPING.**

S.S. "Fitzroy" has been kept fully occupied. She will be disposed of when our new vessel, which is to be named "Darwin," has been delivered. Owing to delays in the supply of steel, it is doubtful whether she can be delivered before April, 1957.

The chartering of small cargo vessels for the carriage of Stores out and Produce Home continues.

**GENERAL.**

The Falkland Islands Freezer Company Ltd., is now in liquidation. Its history in brief is that the Colonial Development Corporation abandoned the original modest proposal for a more grandiose and costly scheme which we considered could not be operated successfully. When the position became apparent to them they endeavoured to place the failure on Falkland Islands Farmers, but the facts in no way bear this out. We still consider that a small freezer has a chance of success, and this will not be lost sight of.

**Visits to the Colony.** Mr. Anthony Hurd, M.P., visited the Colony in January last. His visit was especially related to the proposals for the improvement of grasslands, referred to above, and was most valuable.

I also visited the Colony at that time and returned via South Africa to investigate the possibility of sending our new vessel there for her annual docking and survey, and as a source of supply for certain stores. The prospects are attractive for one voyage, Falkland Islands—Cape Town and return each year, and unless circumstances change in the meantime this will be undertaken.

**Prospects for 1956** are only moderately satisfactory. There has been a considerable fall in the price of wool. We have sold 1,440 bales of the 1955/56 Clip at an average price of 47.52d. per lb. We still have a further 1,550 bales to offer and the market has slightly improved, but it is apparent that the average for the year will be considerably below that for 1954/55 which was 56.99d. per lb.

Staff. I would again draw your attention to the loyal and efficient services rendered by our Staff in the Colony and in London.

L. W. H. YOUNG,  
Chairman.



# THE FALKLAND ISLANDS COMPANY LIMITED

LONDON AND STANLEY

BALANCE SHEET 31st DECEMBER, 1955.

	1954				1954						
£	£		£	£	£	£			£	£	
		<b>CAPITAL AUTHORISED :</b>						<b>FIXED ASSETS :</b>			
		5,000 5% Cumulative Preference Shares of £10 each .. ..	50,000					Falkland Islands, Land and Development :			
		450,000 Ordinary Shares of £1 each .. ..	450,000					At the net book amount on 31st December, 1947, less Sale ..	202,969		
								Additions since at cost .. .. .	4,864		
			<u>£500,000</u>							<u>207,833</u>	
		<b>CAPITAL ISSUED :</b>									
	33,000	3,300 5% Cumulative Preference Shares of £10 each, fully paid	33,000					Buildings .. .. .	Cost £267,751 Depreciation £195,477		
	373,750	373,750 Ordinary Shares of £1 each, fully paid .. ..	373,750					Fencing, Plant, Utensils and Furniture .. .. .	113,837	89,208	
406,750				406,750				Shipping, including Expenditure on New Vessel to date .. .. .	100,638	82,189	
		<b>CAPITAL RESERVE :</b>							<u>£482,226</u>	<u>£366,874</u>	<u>115,352</u>
135,600		Steamship Replacement Reserve (Note 3) .. .. .	211,830		75,886						
		<b>REVENUE RESERVES :</b>						1954 .. .. .	<u>£417,859</u>	<u>£341,973</u>	
		Farm Development Reserve .. .. .	10,000					Livestock at the net book amount on 31st December, 1947 ..			89,462
	450,000	General Reserve .. .. .	450,000		89,462						<u>412,647</u>
	42,134	Underwriting and Accident Reserve (Note 1) .. .. .	44,907								
	120,936	Income Tax 1956/7 .. .. .	116,565		373,181						
	26,358	Profit and Loss Account, balance after Appropriations .. ..	26,254								
639,428				<u>647,726</u>				<b>INVESTMENTS :</b>			
1,181,778		<b>PROVISION :</b>			1,266,306			British Government Stocks—			
	7,500	Classification Survey s.s. Fitzroy .. .. .				209,138		(Market Value £189,400 1954 £219,360) .. .. .			210,138
		<b>CURRENT LIABILITIES :</b>						Other Quoted Investments—			
	327,364	Sundry Creditors .. .. .	265,831			95,230		(Market Value £64,068 1954 £116,397) .. .. .			42,097
	146,830	Current Taxation .. .. .	134,557			304,368					<u>252,235</u>
	37,609	Ordinary Dividend—Second Interim—Net .. .. .	26,863					<b>CURRENT ASSETS :</b>			
	18,687	Capital Profits Distribution .. .. .						Stores on hand and in transit .. .. .			514,146
530,490				<u>427,251</u>				Produce .. .. .			10,290
								Sundry Debtors and Deferred Charges .. .. .			106,588
								Tax Reserve Certificates .. .. .			157,700
								Bank Balances and Cash in Hand .. .. .			239,951
											<u>1,028,675</u>
						1,042,219					
								<b>NOTES :</b>			
								1. Underwriting and Accident Reserve—Balance from 1954 .. .. .			£42,134
								Add: Premiums on risks covered by Company charged against profits .. .. .			3,295
											<u>45,429</u>
								Deduct : Claims paid .. .. .			522
											<u>£44,907</u>
								2. In addition to the Commission shown under Directors' Remuneration payment to employees of Commissions and Provident Fund Contributions amounting to £22,186 is calculated on the Ordinary Dividend payable for the year.			
								3. Tax relief amounting to £1,230 in respect of Investment Allowance on expenditure during the year on the new vessel has been credited to Steamship Replacement Reserve. Tax relief in respect of Investment Allowances on other capital expenditure has reduced the charge for taxation by £2,746.			
								4. Contingent Liabilities in respect of Documentary Credits, Guarantees and Uncalled Capital amount to £1,847.			
								5. Contracts for capital expenditure not provided for amount to £284,235, including £276,382 for the new vessel.			
<u>£1,719,768</u>											<u>£1,693,557</u>

On behalf of the Board:  
ROBERT BLAKE }  
L. W. H. YOUNG } *Directors.*

**AUDITORS' REPORT TO THE MEMBERS.**

We have audited the books and accounts of The Falkland Islands Co., Ltd., for the year to 31st December, 1955, and in compliance with the requirements of the Companies Act, 1948, we have to report as follows :—

(1) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.

(2) In our opinion proper books of account have been kept by the Company so far as appears from our examination of those books and proper returns adequate for the purpose of our audit have been received from the Stanley Office not visited by us.

(1) The Balance Sheet and Profit and Loss Account under report are in agreement with the books of account and returns.

(2) In our opinion and to the best of our information and according to the explanations given to us, the Accounts give the information required by the Companies Act, 1948, in the manner so required and give a true and fair view :—

(a) in the case of the Balance Sheet of the state of the Company's affairs at 31st December, 1955, and

(b) in the case of the Profit and Loss Account of the Profit for the year ended 31st December, 1955.

31, Budge Row, London, E.C.4. 12th June, 1956.

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

# THE FALKLAND ISLANDS COMPANY LIMITED

LONDON AND STANLEY

## PROFIT AND LOSS ACCOUNT for the year ended 31st DECEMBER, 1955.

1954		1954	
£	£	£	£
26,046		25,256	
3,750		—	
	2,000	2,000	
	9,213	7,394	
	11,213	9,394	
	4,123	3,886	
15,336		13,280	
	34,000	26,500	
	125,000	120,500	
159,000		147,000	
114,917		132,071	
<u>£319,049</u>		<u>£317,607</u>	
	10,000	10,000	
70,000		75,000	
	908	949	
	25,695	26,863	
	37,609	26,863	
64,212		54,675	
26,358		26,254	
<u>£160,570</u>		<u>£165,929</u>	
			295,296
			10,165
			12,146
			<u>22,311</u>
			<u>£317,607</u>
			26,358
			132,071
			7,500
			—
			<u>£165,929</u>

On behalf of the Board :  
 ROBERT BLAKE  
 L. W. H. YOUNG } *Directors.*

THE FALKLAND ISLANDS  
COMPANY LIMITED

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DIRECTORS' REPORT

and

ACCOUNTS

for the year ended 31st December, 1956.

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NOTICE IS HEREBY GIVEN that the One Hundred and Fifth Annual General Meeting of the Company will be held at the Connaught Rooms, Great Queen Street, Kingsway, London, W.C.2, on Wednesday, 10th July, 1957, at 11.30 a.m., for the following purposes:

1. To receive the Balance Sheet as at 31st December, 1956, and Accounts in respect of 1956, together with the reports of the Directors and Auditors thereon.
2. To re-elect a retiring Director.
3. To fix the remuneration of the Auditors.
4. To transact any other Ordinary Business of the Company.

A Member entitled to attend and vote at the Meeting is entitled to appoint one, or more proxies to attend and vote instead of him. A proxy need not be a Member of the Company.

By Order of the Board,

F. G. MITCHELL,

*Secretary.*

120, Pall Mall,  
London, S.W.1.

17th June, 1957.

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A holder of Preference Shares only is not entitled to receive Notice of or to attend or vote at this Meeting and this Notice is sent to him for information only.

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A. SOUTHEY & CO. LTD., 15, PHILPOT LANE,  
LONDON, EC3

# The Falkland Islands Company

LIMITED

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## REPORT and ACCOUNTS

With the Chairman's Statement

For the Year ended 31st December, 1956

AND

## NOTICE OF MEETING

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Registered Office:

120, PALL MALL,  
LONDON, S.W.1

**ONE-HUNDRED-AND-FIFTH ANNUAL  
REPORT OF THE DIRECTORS**

**Directors:**

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

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

P. D. L. AINSLIE, Esq., J. H. YORATH, Esq., ANTHONY HURD, Esq., M.P.

**Secretary:**

F. G. MITCHELL, Esq., A.C.I.S.

The Directors submit the Audited Accounts of the Company for the year ended 31st December, 1956.  
The Balance Sheet shows:—

	£	£
Investments (at book values) .. .. .	253,225	
Current Assets .. .. .	770,866	
	1,024,091	
Current Liabilities .. .. .	342,043	
Net Liquid Assets, .. .. .	£682,048	
	£	
Net Profit, before Taxation, amounts to .. .. .	239,928	
Deducting therefrom provision for taxation of .. .. .	136,500	
There remains a balance of .. .. .	103,428	
Which, with the amount brought forward from 1955 of .. .. .	26,254	
And provisions for taxation no longer required of .. .. .	4,648	
Makes a total available of .. .. .	134,330	
The following appropriations have been made:—		
Dividends paid on 5% Preference Shares, less Income Tax .. .. .	949	
Interim Dividend of 12½% paid on Ordinary Shares, less Income Tax at 8s. 6d. in the £ .. .. .	26,863	
Second Interim Dividend of 12½% on Ordinary Shares, less Income Tax at 8s. 6d. in the £ .. .. .	26,863	
Transfer to Farm Development Reserve .. .. .	10,000	
Transfer to Steamship Replacement Reserve .. .. .	42,000	
	106,675	
Leaving to be carried forward .. .. .	£27,655	

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

Messrs. J. & J. Sawyer & Co. are willing to continue in office as Auditors and a motion will be proposed at the General Meeting that their fee be fixed at £250.

By Order of the Board,  
F. G. MITCHELL,  
Secretary.

**STATEMENT BY THE CHAIRMAN**

*For the convenience of Members this statement is being issued with the Accounts and will be in substitution for a speech by the Chairman at the Annual General Meeting to be held on 10th July, 1957.*

**Accounts.** The net profit, after providing for taxation, is £103,428, a decrease of £28,643 when compared with 1955. This decrease is mainly due to the fall in the price of Wool, the average realised being 48.457d. per lb. as compared with 56.99d. for 1955.

The fall was offset to a certain extent by a heavier Clip and by the increase of £3,097 in Bank and other interest received.

A further £10,000 has been transferred to Farm Development Reserve and a further £42,000 to Steamship Replacement Reserve.

An Interim Dividend of 12½%, less Income Tax, was paid on 31st December, 1956, and a further Interim Dividend of 12½%, less Income Tax, will be paid on 29th June, 1957. No Final Dividend will be recommended, and the total payment on the Ordinary Issued Share Capital for the year under review will therefore be 25%, less Income Tax, as for the previous year.

The Finance Bill, 1957, introduces legislation relating to Overseas Trading Corporations on the lines of the recommendations of the Royal Commission on taxation. Our Company is at a disadvantage as compared with most other farms in the Colony in that it is subject to the heavy burden of United Kingdom Taxation which limits the funds available to meet the high cost of replacing our fixed assets.

The Finance Bill provides that profits earned abroad will be exempt from U.K. Taxation with the exception of distributions to Shareholders and this should do much to alleviate our position. As the Bill stands at present our Company is not qualified as an Overseas Trade Corporation but the position is receiving our careful study and, if necessary, action will be taken on the lines suggested by the Chancellor of the Exchequer to separate our non-exempt activities.

Shareholders will be advised of the position as soon as it becomes clear.

**PORT STANLEY.**

The separation of the Works Store from the General Store Department was completed in 1955 and has now been in operation for a full year.

Certain difficulties have been encountered but these are being overcome and both Departments are working satisfactorily. A Garage with suitable repair facilities is being erected.

Work on the extension of the East Jetty has commenced and it is hoped that sufficient progress will have been made for S.S. "Darwin" to go alongside when she first arrives at Port Stanley.

All projected major works are now nearing completion and there remains the modernisation of the Office, possibly some further provision for the accommodation of our staff, rebuilding of the Millinery Store and re-consideration of the Peat Briquetting project; also the rebuilding of the Stanley Arms.

These, and other matters, will be discussed with Mr. A. G. Barton, our Colonial Manager, who is now Home on leave.

**FARMS.**

The number of lambs marked in 1956 was slightly less and the 1956/57 Clip is lighter than for the year under review. Our Managers report that Dipping was well advanced and stock was in excellent condition.

**Plant and Buildings.** The rehousing programme continues to progress satisfactorily. Darwin School made a successful start and is full. The Headmaster and staff deserve special commendation for all they have done to bring this about. The School accommodates 40 boarders and a number of day children.

**Development Work.** A start has been made with the programme referred to in my last statement. Trials with sod-seeding machines, which plant grass seed and fertiliser, are promising.

Mr. Cuthbertson, a noted agricultural engineer, paid a short visit to the Colony in January last which enabled him to see something of local conditions and his advice and assistance are of great value to us. He is re-designing the original sod-seeder and we intend to use these machines extensively. We hope that they will prove effective and economical in improving the quality of our grasslands.

Closer fencing to give better control of grazing may also prove important in this grassland improvement work.

A technical adviser with veterinary training has been engaged by the Company and his duties will include the investigation of sheep losses, particularly deaths among young lambs.

Small experiments in tree planting to make shelter belts are also to be carried out. Our Managers are taking a keen interest in these trials and experiments and they are working out some ideas of their own.

It is hoped that a soil survey of the Colony will be undertaken through the Falkland Islands Government shortly.

I feel that I must impress on you again that Nature sets us some exceptionally difficult problems in the Falkland Islands and, while I am more than ever convinced that the programme of experimental work is well worth while, it is much too early to claim that we shall obtain results that can be applied economically on a large scale.

**SHIPPING.**

S.S. "Fitzroy" has been kept fully occupied throughout the year. Her last voyage was from the Colony to London April/May, 1957. She brought Home a full load of the Company's Wool, encountered exceptionally bad weather between Las Palmas and London but discharged her cargo in excellent condition for which her Master, Officers and Crew, her Builders and those who have been responsible for her maintenance deserve great credit.

There is no future for a vessel of her type and age and she therefore had to be sold for breaking up. She was a fine ship and will be long remembered.

S.S. "Darwin" was launched on 18th February last and is expected to run trials on 14th June, 1957, and sail for the Colony on 26th June. The delay in delivery was caused first by shortage of steel and then by the Shipbuilding Strike.

She is a fine vessel and may she do as well as her predecessor.

A new Mail Contract for a period of five years has been negotiated with the Falkland Islands Government. The chartering of suitable cargo vessels continues.

**GENERAL.**

**Visits to the Colony.** Mr. Robert Blake visited the Colony from November, 1956, to January, 1957, and reported on our Farms. Prospects for 1957 are satisfactory. The price of Wool has risen and we have sold 2,622 bales of the 1956/57 Clip at an average price of 64.13d. per lb. We have a further 412 bales to offer.

**Staff.** I take this opportunity of again expressing the thanks of the Board to our Staff in the Colony and in London for their continuing loyal and capable work.

L. W. H. YOUNG,  
Chairman.

14th June, 1957.



# THE FALKLAND ISLANDS COMPANY LIMITED

LONDON AND STANLEY

PROFIT AND LOSS ACCOUNT for the year ended 31st DECEMBER, 1956.

1955				1955				
£	£		£	£	£	£		
25,256		Depreciation of Fixed Assets .. .. .		29,001	295,296		Profit on Working, including Commissions less Expenses in London ..	256,690
	2,000	Directors' Remuneration:				10,165	Income from Investments—Gross .. .. .	10,114
	7,394	Fees .. .. .	2,000		22,311	12,146	Bank and other Interest .. .. .	15,243
		Commission based on Ordinary Dividends .. .. .	7,344					25,357
	9,394			9,344				
13,280	3,886	Other Emoluments .. .. .	3,774					
		Estimated United Kingdom Taxation on Profit for the year:		13,118				
	26,500	Profits Tax .. .. .	31,900					
	120,500	Income Tax .. .. .	104,600					
147,000				136,500				
132,071		Balance—Profit for the Year—carried down .. .. .		103,428				
<u>£317,607</u>				<u>£282,047</u>	<u>£317,607</u>			<u>£282,047</u>
1955				1955				
£	£		£	£	£	£		
10,000		Transfer to Farm Development Reserve .. .. .		10,000	26,358		Balance brought forward from 1955 .. .. .	26,254
75,000		Transfer to Steamship Replacement Reserve .. .. .		42,000	132,071		Profit for 1956, brought down .. .. .	103,428
	949	Preference Dividend paid 1956, 5% on £33,000 less Tax .. .. .	949		7,500		Provision for Classification Survey s.s. "Fitzroy" no longer required .. .. .	—
		Ordinary Dividends:					Provisions for Taxation no longer required .. .. .	4,648
	26,863	Interim 12½%, less Income Tax at 8/6d. per £ paid 31st December, 1956 .. .. .	26,863					
	26,863	Second Interim 12½%, less Income Tax at 8/6d. per £ to be paid 29th June, 1957 .. .. .	26,863					
54,675				54,675				
26,254		Balance carried forward .. .. .		27,655				
<u>£165,929</u>				<u>£134,330</u>	<u>£165,929</u>			<u>£134,330</u>

On behalf of the Board:  
L. W. H. YOUNG  
ROBERT BLAKE } *Directors.*