PLAINTIFF'S EXHIBIT

APV-13

BAKER PERKINS HOLDINGS LIMITED

SIXTY-SECOND ANNUAL REPORT

1962

BAKER PERKINS HOLDINGS LIMITED

DIRECTORS

Chairman
* A. I. BAKER C.B.E., J.P., M.A., M.I.Mech.E., M.I.Prod.E.

Vice Chairman
* J. F. M. BRAITHWAITE M.A.

C. N. BROWN
W. A. B. BROWN M.A., A.M.I.Mech.E.
J. S. CAROLIN M.B.E., F.C.A.
* H. CROWTHER J.P., A.M.I.Mech.E.
T. E. M. DOUGLAS B.A., A.M.I.Mech.E. A.M.Inst.R.
C. A. W. DUMBLETON M.I.Mech.E.
S. C. HARGREAVES M.A., A.M.I.Mech.E.
N. MOUNTAIN
J. M. PEAKE M.A., A.M.I.Mech.E.
* W. S. B. SAMPSON F.C.A., A.C.I.S.
L. P. SIMPSON B.Sc. (Tech.), M.I.Prod.E.
* R. H. WILKINS O.B.E., F.C.I.S.
G. D. WILSON B.Sc.

* **Members of the Group Management**

Secretary
J. S. HARDY M.A., F.C.I.S.

Auditors
PRICE WATERHOUSE & CO.,

Bankers
LLOYDS BANK LIMITED,
MORGAN GRENFELL & CO., LIMITED

Solicitors
CLIFFORD-TURNER & CO.

Head office and registered transfer office
WESTWOOD WORKS, PETERBOROUGH

London office
13, STANHOPE GATE, PARK LANE, LONDON W.1.

AKER PERKINS HOLDINGS LIMITED

) ORDINARY STOCKHOLDERS

NOTICE IS HEREBY GIVEN that the Sixty-second Annual General Meeting will : held at the Abercorn Rooms, Bishopsgate E.C.2 on 27th May 1963 at 2.30 p.m. r the following purposes:—

1. To receive and, if approved, to adopt the Directors' Report and the Accounts of the Company for the year ended 31st December 1962.
2. To declare a dividend.
3. To elect Directors.
4. To fix the remuneration of the Auditors for 1962.
5. To transact any other business of an Annual General Meeting.

Stockholder entitled to attend and vote is entitled to appoint one or more proxies to tend and vote instead of him. A proxy need not be a Stockholder.

By order of the Board of Directors,

J. S. HARDY,

Secretary.

egistered Office,
Testwood Works,
eterborough.
:d May 1963

Dividend and Interest Payments

Subject to the approval of the Stockholders at the Meeting, the warrants for the dividend on the Ordinary Stock will be posted on 31st May 1963 to Stockholders whose names appear on the Register on 17th May 1963.

Dividend and interest payments in 1963 will be made at the following times:—

5¾% Debenture Stock	31st May and 30th November	
6½% Debenture Stock	31st May and 30th November	
7% Preference Stock	30th March and 30th September	
Ordinary Stock	30th November (interim)	31st May (final)

CHAIRMAN'S REVIEW

The Sixty-Second Annual Report and Accounts are issued for the first time under the new name of the Company, Baker Perkins Holdings Limited. This new name was adopted on the 1st January 1963 in accordance with the resolution passed by the stockholders on the 18th December 1962. The Board was most reluctant to propose changing the name of the Parent Company, but it was felt advisable to use the old name of Baker Perkins Limited for the newly formed subsidiary carrying on our traditional lines of manufacture at Peterborough and Hebburn-on-Tyne. This has caused the least inconvenience to our customers and I am sure our stockholders will feel it has been in their best interests.

Details of the reorganisation of the structure of the Group were circulated to stockholders on the 23rd November last. The Parent Company has divested itself of the direct control of day-to-day trading activities and is now concerned with the overall direction of the Group, the provision of its financial requirements and certain administrative and management services. It owns the shares in the subsidiary and associated companies and most of the land and buildings used by the United Kingdom subsidiaries, and this will be reflected in the future accounts of the Company.

As a result of the reorganisation, I am very glad to welcome Mr. W. A. B. Brown, Managing Director of The Forgrove Machinery Company Limited, and Mr. T. E. M. Douglas, Managing Director of William Douglas & Sons (Engineering) Limited, to the Board of Baker Perkins Holdings Limited. Their names come before the Annual General Meeting for re-election.

The Chart on page 16 of this Report shows the re-grouping that has taken place in certain of the subsidiary companies. The new subsidiary, Baker Perkins Limited, is now responsible for the design, manufacture and sale in the United Kingdom of machinery for the bakery, flour confectionery, biscuit, chocolate and sugar confectionery industries and of foundry machinery and welding and manipulating equipment. This company also holds the shares in two subsidiaries whose products are ancillary to its own, namely, The Alliance Foundry Company Limited and Rownson Conveyors Limited.

At the same time, Baker Perkins Chemical Machinery Limited has been formed to direct the interests of the former chemical and rubber machinery departments at Peterborough. Baker Perkins Granbull Limited, producing equipment for the plastics industry, and Steele & Cowlishaw Limited, producing machinery for the paint and ink industries, have been made subsidiaries of Baker Perkins Chemical Machinery Limited, as their fields of activity are closely related.

Our design and development organisation at Twyford has changed its name from Packman Machinery Limited to Baker Perkins Developments Limited, as a better indication of the nature of the services which that company provides to the Group.

The reorganisation will enable each of the subsidiary companies to focus undivided attention on its own special field of activity, and I am confident that this will progressively improve efficiency throughout the Group, with beneficial effect on future results.

This Review and the figures given in the Report and Accounts refer, of course, to the operations of Baker Perkins Limited last year prior to its reorganisation and change of name.

Accounts

In my verbal statement at the Annual General Meeting last year, I had to qualify my forecast of the year's prospects by sounding a warning that the recovery in the United States subsidiary's business might come too late to enable it to make a profitable contribution to the year's results. Moreover, there was during the year a general lack of confidence in the economy of the United Kingdom and other countries forming our main markets. This resulted in a brake on the rate of investment in new capital equipment of the type manufactured by the Group, and this, together with general increases in costs, such as the engineering wages award of last July, adversely affected the Group's profits. As a result, the profit after taxation attributable to Baker Perkins Holdings Limited declined to £501,018 from £686,072 in the previous year.

It will be seen that income from associated undertakings constitutes an appreciable on of the net profit of the Group. I .d like to direct your attention to Note the Notes to the Accounts which ins a changed basis of recording the ne from a European limited partnership /ear. Our investments in Europe have ised in significance with the failure of Jnited Kingdom to join the European non Market and justify the steps your l has taken over the years to ensure your Company has a permanent stake s important part of the world.

\t the end of the year borrowed money ed £6,775,000, including £3,000,000 iture stock, showing an increase of 000 compared with the previous year. .eview last year referred to the possibility sing more permanent capital to finance igh level of bank borrowings. Your tors decided, however, to defer any ı during the year in view of the declining interest rates and the support that the ›any receives from its bankers.

Kingdom Companies

›erkins Limited

he factories at Peterborough and ırn-on-Tyne made a smaller contribu- ɔ Group profits for the reasons men- earlier. Nevertheless, the Company ued to spend large sums of money on esign and development of automatic to meet the needs of the important ries that it serves, and also on the ıg of technical personnel for the future. 'ith the Government's efforts to direct to the north-east, our factory at ırn-on-Tyne should be favourably , especially for general engineering for it is well suited.

. my Review which accompanied the : and Accounts for 1959 and in my to the Annual General Meeting in 960 I said that we had entered into an ıent with the Government of Israel and Mining Industries for the design, ıcture and sale of equipment to the use of tetrabromoethane for l dressing. I said that this would be a ɜrm venture and we could not expect ɔrofitable results for at least five years. 'egret that after spending a great deal and money on this project, it has been l that this is an unsatisfactory venture, ɔtice has been given to the Israeli to terminate the agreement on 28th ıis year.

The Forgrove Machinery Company Limited and Rose Brothers (Gainsborough) Limited

Forgrove again made a substantial contribution to the profits of the Group, and Rose Brothers, which is undergoing a reorganisation, made a useful contribution. Energetic measures are being taken further to increase the considerable exports of wrapping and packaging machinery by these two companies. Rose Brothers' subsidiary, Job Day & Sons Limited, improved on last year's good results, but the Northern Manufacturing Co. Limited suffered somewhat from the slackness in the industries which it serves.

William Douglas & Sons (Engineering) Limited

Further expansion in order-taking again took place, particularly in the field of industrial refrigeration as applied to air conditioning. Unfortunately the main bulk of the order-taking was late in the year and was thus not invoiced in 1962. This had an adverse effect on profits.

The rate of growth since this company joined the Group has been fast, and the Company has outgrown its present valuable premises at Putney and Sunbury, and steps are being taken to re-locate it in a new factory at Basingstoke. This move should be largely financed out of the proceeds of the sale of the present sites and give ample scope to the encouraging prospects in this growing market.

James Halley & Sons Limited

The company has recently concluded an agreement for the manufacture and sale in this country, the Commonwealth and certain parts of Europe, of web-fed offset litho printing presses and folders designed by the world-renowned Aller Company of Copenhagen. Several sizeable orders for this equipment have already been received for newspapers and magazine work and interest is very lively. Orders in hand and in prospect are good.

During the year James Halley & Sons Limited formed a new subsidiary company, FormMaster Limited, to acquire and develop an invention for the production and printing of continuous stationery in offices and for commercial work. This machine is still under development but first sales should be made this year.

William Jack & Sons Limited

This company, which changed its name to Baker Perkins Jaxons Limited, on January 1st 1963 made a useful contribution to Group profits last year.

Other U.K. Subsidiaries

Baker Perkins Granbull Limited, Baker Perkins Developments Limited and Rownson Conveyors Limited all showed losses on last year's operations, and steps have been taken to improve their results in the current year. The Kingston premises of Baker Perkins Granbull have been put on the market and production transferred to the Hebburn-on-Tyne plant of Baker Perkins Limited.

Exports

Once again I can report that a record amount of 27.4% of the total United Kingdom turnover was exported during the year under review. The majority of this was handled through Baker Perkins (Exports) Limited, London, whose specialised knowledge of the world's markets and of the intricacies of export procedures has been instrumental in achieving these satisfactory results. Exporting in the face of world-wide competition, tariff barriers, import restrictions and national regulations is far from simple and rarely so profitable as business in home territories. I feel that much might have been done by the Government to give greater incentives to companies such as ours who are willing to undertake this vital work at a lower return.

So far in the current year, orders from overseas are coming in at a slower rate. In view of the long production cycle for many of our specialised plants and products, this may mean that any increase in order-taking between now and the end of 1963 could be too late to affect the year's invoicing.

The value of plant and machinery manufactured and sold by our overseas subsidiaries amounted to just over £6 million so that, added to the exports from the United Kingdom, a total of £10½ million or 47% of the Group's total turnover was in overseas markets. The financing of our export business has again been assisted by advances from our bankers.

The unsuccessful outcome of the Brussels negotiations to secure this country's entry into the European Common Market was greeted with some disappointment by your Board but, as previously stated, we are well placed to maintain our share of the trade in this Market.

Overseas Companies

North America

Baker Perkins Inc., in common with the industries of which it is a part, had a poor year in 1962 and it operated at a small loss. Incoming orders, especially in the Chemical Machinery Division, fell off drastically after mid-year, due to an unexpected slackening in capital expenditures by its customers. The Food Division, which deals mainly with the baking industry, had a fairly good year for orders and its backlog at the end of the year was substantial. However, the Company's total invoicing was low and under-utilization of factory capacity continued as the major reason for the lack of profits.

On May 1st 1962 the Company's Union employees went on strike. Although agreement on a new contract had been reached with the Union Bargaining Committee, it was not ratified by the membership. The strike lasted nearly five weeks and curtailed operations for that period. Settlement was reached and normal work resumed on June 4th. The new labour contract does not exceed the original agreement in cost. Labour relations since the signing of the contract have been good.

The Board of a competitor, Capitol Products Corporation, decided to cease operations in the bakery and chemical machinery fields due to continuing losses. As a result of that action, Baker Perkins Inc. purchased in January 1963 certain inventories and ancillary assets of the Read Standard Division of Capitol Products Corporation and made arrangements to supply service facilities and repair parts to former customers of the Read Standard Division in these industries.

Canadian Baker Perkins Limited made a small profit during 1962 and is expected to show increased profits for 1963.

Notwithstanding the fact that the forecast for 1962 in last year's Review turned out to be too optimistic, the view of the President of Baker Perkins Inc., who has recently been in this country, is that 1963 will be considerably improved. He and the Board of the American Company believe the prospects to be good for increased turnover and a return to profitable operations is expected. The Company's financial position continues to be strong and adequate facilities are available to support the expanding volume of business projected for 1963.

Australasia

The Australian and New Zealand companies again increased their sales during the year to a new record level, although the profit was slightly less. This was due to the necessity of increasing sales and technical

to deal with the continuing increase in
›lume of business which, it is hoped, will
ıce another satisfactory result this year.

Africa

ʟaker Perkins South Africa (Pty.) ed made a loss. Several amalgamations gst the South African Company's ners for the purposes of rationalisation oduction and distribution resulted in capacity. Trading conditions generally difficult but it is hoped the Chairman ker Perkins (Exports) Limited will be to visit South Africa this year and the local management to stimulate ss in that country.

America

s previously reported, we have now ual investment with Molins Machine any Limited in Baker Perkins Molins asil S.A., and that Company's results longer consolidated. The Brazilian any experienced an extremely difficult g year, mainly due to embarking upon er ambitious programme of manufacuring a period of severe inflation.

he Management of the Company has strengthened and the factory has order book. The problems of raising ate finance for this expansion are g difficult and costly, and I feel it ary to visit Brazil myself in June.

ement and Staff

should like to draw your attention to nbol reproduced on the cover of this . It was adopted throughout the Group this year, and is intended to give a ate identity to the member companies hout the world.

ıe Group possesses a very valuable ı the skill of its many loyal employees and much has been expected of them in the past year. To them all I should like to express on your behalf our thanks and appreciation.

Much steady progress is being made with the integration of the newer members of the Group and the recent reorganisation is intended to accelerate this process.

The Future

With the generally depressed state of the capital goods market in Great Britain and some other countries during the past year, it is not entirely surprising that our 1962 results suffered a setback.

Although some improvement in the United Kingdom's economy has been predicted for some time, it has not so far achieved any measurable proportions in many of the industries served by the Group. There seems to be a lack of confidence and an uncertainty about the immediate future in this country and, as a result, investment in capital equipment of the kind that we supply has been at a much reduced level.

However, there are signs that the rate of order-taking in certain of our subsidiary companies is gradually improving, but in the prevailing conditions I must emphasise that profit margins are being squeezed despite the fact that energetic steps continue to be taken to improve our productivity.

Uncertainties still persist, and in the present circumstances I find it extremely difficult to make an accurate forecast of the results of the current year's operations of the Group despite the encouraging results expected from the United States subsidiary.

A. I. BAKER,

Chairman.

REPORT OF THE DIRECTORS

The Directors submit their report and the audited Statement of Accounts for the year ended 31st December 1962. The consolidated results of the Group are shown in the Group Profit and Loss Account and are summarised below:—

1961 £		1962 £
1,294,427	Profit before taxation	844,351
696,594	Profit after taxation	496,901
686,072	Profit attributable to Baker Perkins Holdings Limited	501,018
	Allocated as follows:	
	Dividends, less income tax, for 1962 —	
18,008	Preference stock — 7%	18,008
	Ordinary stock — 11¼%	
61,148	Interim paid, 6d. per £1 stock (2½%)	61,538
214,018	Final recommended, 1/9d. per £1 stock (8¾%)	215,383
392,898	Net profit retained by the Group	206,089

THE COMPANY AND ITS SUBSIDIARIES

For the reasons mentioned in the Chairman's Review, the name of the company was changed on 1st January, 1963, to Baker Perkins Holdings Limited. On the same date, two new Subsidiary Companies, Baker Perkins Limited and Baker Perkins Chemical Machinery Limited, were formed to carry on the former trading activities of the Parent Company.

Baker Perkins A.G., Switzerland, was formed in 1962 with a share capital of Sw Frs 50,000 for the reasons stated in the Chairman's Review last year. In addition, Form-Master Limited was incorporated with a share capital of £5,000 as a subsidiary of James Halley & Sons Limited.

DIRECTORS

The Directors, acting under article 85 of the company's Articles of Association, appointed W. A. B. Brown and T. E. M. Douglas as Directors of the company, and they are now eligible for re-election.

The Directors retiring by rotation are J. F. M. Braithwaite, C. N. Brown, J. S. Carolin, H. Crowther and R. H. Wilkins, who, being eligible, offer themselves for re-election.

AUDITORS

Messrs. Price Waterhouse & Co. have signified their consent to continue in office.

By order of the Board,

J. S. HARDY,

Secretary.

23rd April, 1963.

ꞓR PERKINS HOLDINGS LIMITED AND SUBSIDIARY COMPANIES

ꞁated Profit and Loss Account for the year ended 31st December, 1962

1961			1962	
	£		£	£
	1,418,675	Operating profit (Note 1)		913,216
	234,635	Income from associated undertakings (Note 2)		306,114
	1,653,310			1,219,330
		Interest payable on:		
ꞓ00		Debentures	183,750	
ꞁ83		Bank and other accounts	191,229	
	358,883			374,979
	1,294,427	Profit before taxation		844,351
	597,833	Taxation (Note 3)		347,450
	696,594	Profit after taxation		496,901
	(10,522)	Loss attributable to minority interests in subsidiary companies		4,117
	686,072	Group profit of the year attributable to members of Baker Perkins Holdings Limited (Note 4)		501,018
		Dividends less income tax on:		
ꞁ8		7% Preference stock	18,008	
		Ordinary stock:		
ꞁ8		Interim, 6d. per £1 stock	61,538	
ꞁ8		Final recommended, 1/9d. per £1 stock	215,383	
	293,174			294,929
	392,898	Net profit retained by the Group		206,089
		Transfer to capital reserve (Note 8)		110,114
				95,975
	3,423,144	Revenue reserves brought forward		3,816,042
		Unappropriated profit carried forward		
ꞓ57		Baker Perkins Holdings Limited	1,141,891	
ꞓ85		Subsidiaries	2,770,126	
	£3,816,042			£3,912,017

to the accounts

BAKER PERKINS HOLDINGS LIMITED AND SUBSIDIARY COMPANIES

Consolidated Balance Sheet at 31st December, 1962

1961 £		£	1962 £	£
	FIXED ASSETS			
5,069,306	Land, buildings, plant and machinery (Note 5)		5,371,377	
582,752	Interests in associated undertakings (Note 2)		728,867	
5,652,058				6,100,244
	CURRENT ASSETS (Note 7)			
8,487,262	Stock and work in progress ..		8,321,054	
8,224,292	Debtors		8,719,659	
609,250	Cash and United States Treasury Bills		611,794	
17,320,804			17,652,507	
	Less: CURRENT LIABILITIES (other than bank advances)			
3,566,807	Creditors	3,335,972		
626,289	Progress payments	592,538		
409,754	Current taxation	457,625		
214,018	Recommended ordinary dividend	215,383		
4,816,868			4,601,518	
12,503,936				13,050,989
£18,155,994				£19,151,233
	Financed as follows:			
	CAPITAL AND RESERVES ATTRIBUTABLE TO MEMBERS OF BAKER PERKINS HOLDINGS LIMITED			
	Capital			
420,000	7 per cent cumulative Preference stock		420,000	
3,993,343	Ordinary stock		4,018,809	
4,413,343				4,438,809
	Reserves			
1,933,177	Capital (Note 8)		2,111,593	
3,816,042	Revenue		3,912,017	
5,749,219				6,023,610
10,162,562				10,462,419
1,641,715	CAPITAL AND RESERVES ATTRIBUTABLE TO MINORITY INTERESTS IN SUBSIDIARIES			1,635,292
481,570	FUTURE TAXATION			278,270
	BORROWED MONEY			
	Debenture Stock (Note 9)			
1,500,000	£1,500,000 5¾ per cent 1979/84 ..		1,500,000	
1,500,000	£1,500,000 6½ per cent 1981/86 ..		1,500,000	
3,000,000			3,000,000	
2,870,147	Bank advances (Secured £946,000; 1961 £993,465)		3,775,252	
5,870,147				6,775,252
£18,155,994				£19,151,233

See notes to the accounts

ER PERKINS HOLDINGS LIMITED

ce Sheet at 31st December, 1962

1961 £		£	1962 £	£
	FIXED ASSETS			
37,612	Land, buildings, plant and machinery (Note 5)		1,984,891	
30,791	Interests in associated undertakings (Note 2)		543,369	
368,403				2,528,260
224,936	INTERESTS IN SUBSIDIARIES (Note 6) ..			5,805,311
	CURRENT ASSETS (Note 7)			
64,724	Stock and work in progress		2,869,917	
13,256	Debtors		2,619,856	
9,717	Cash		24,422	
87,697			5,514,195	
	Less: CURRENT LIABILITIES (other than bank advances)			
98,996	Creditors	1,462,474		
95,186	Progress payments	148,505		
4,595	Current taxation	—		
14,018	Recommended ordinary dividend ..	215,383		
12,795			1,826,362	
74,902				3,687,833
68,241				£12,021,404

Financed as follows:

1961 £	CAPITAL AND RESERVES	Authorised in shares of £1 each	Issued and converted into Stock	£
	Capital			
20,000	7 per cent cumulative Preference ..	420,000	420,000	
93,343	Ordinary	6,000,000	4,018,809	
13,343		£6,420,000		4,438,809
	Reserves			
93,464	Capital (Note 8)		1,435,268	
38,657	Revenue		1,141,891	
12,121				2,577,159
45,464				7,015,968
	FUTURE UNITED KINGDOM TAXATION			
70,000	Income Tax 1963/4			38,000
	BORROWED MONEY			
	Debenture Stock (Note 9)			
0,000	£1,500,000 5¾ per cent 1979/84 ..		1,500,000	
0,000	£1,500,000 6½ per cent 1981/86 ..		1,500,000	
0,000			3,000,000	
2,777	Bank Advances		1,967,436	
52,777				4,967,436
8,241	A. I. BAKER, W. S. B. SAMPSON } *Directors*			£12,021,404

s to the accounts

NOTES TO THE ACCOUNTS

1 OPERATING PROFIT

This is after deducting:	1962 £	1961 £
Depreciation	492,682	474,371
Emoluments of the directors of Baker Perkins Holdings Limited for:—		
Fees	3,250	3,081
Services as Managers of parent and subsidiary companies	92,699	120,377
Pensions to past directors or their dependants	10,426	8,773

2 ASSOCIATED UNDERTAKINGS

(a) Income	1962	1961
Minority interest in European limited partnership —		
Profit for year before taxation attributable thereto (1961 gross amount remitted)	287,428	207,871
Shares in associated companies — dividends received	18,686	26,764
	£306,114	£234,635

Hitherto, income from the partnership has been included in the profit and loss account only to the extent of remittances received. Had the basis of accounting adopted this year applied in 1961, the income from associated undertakings in that year would have been higher by £85,025.

(b) Interests in associated undertakings:—	Parent Company 1962 £	Parent Company 1961 £	Group 1962 £	Group 1961 £
Minority investment in European limited partnership at cost	205,215	205,215	205,215	205,215
Net unremitted profits in 1962	110,114	—	110,114	—
	315,329	205,215	315,329	205,215
The capital and unremitted profits attributable to this investment at 31st December 1962 amount to £935,835				
Shares in associated companies at cost	171,815	169,351	357,313	321,312
Advance to associated company	56,225	56,225	56,225	56,225
	£543,369	£430,791	£728,867	£582,752

3 TAXATION

	1962 £	1961 £
Based on the profit for the year		
United Kingdom (after relief of £46,000 (£56,000) for investment allowances).		
Income tax	204,578	409,193
Profits tax	79,439	159,645
Overseas (including £106,623 on unremitted profits of European limited partnership)	173,167	157,988
	457,184	726,826
Less Double taxation relief	36,832	125,065
	420,352	601,761
Less Adjustments in respect of previous years	72,902	3,928
	£347,450	£597,833

Capital allowances obtained to date have had the effect of deferring United Kingdom taxation to the extent of £283,000 (£301,000) calculated at current rates of tax. Corresponding additional charges for taxation will fall upon the profits of future years during which the relative assets are in use.

4 PROFIT ATTRIBUTABLE TO THE PARENT COMPANY

Net profit of the Group attributable to Baker Perkins Holdings Limited of £501,018 (£686,072) includes £408,277 (£448,122) which was dealt with in the Parent Company profit and loss account.

5 LAND, BUILDINGS, PLANT AND MACHINERY

Group	1962 Cost £	1962 Deprec. £	1961 Cost £	1961 Deprec. £
Freehold and leasehold land and buildings	3,052,099	757,175	2,901,587	696,601
Plant, machinery and equipment	6,220,417	3,346,678	5,751,685	3,104,432
Motor vehicles	431,259	228,545	424,222	207,155
	9,703,775	4,332,398	9,077,494	4,008,188
Net	£5,371,377		£5,069,306	

ᐨES TO THE ACCOUNTS — *continued*

rent Company

	1962 Cost £	1962 Deprec. £	1961 Cost £	1961 Deprec. £
eehold and leasehold land and buildings	1,142,430	280,675	1,114,457	259,629
ınt, machinery and equipment	2,262,554	1,222,578	2,129,585	1,139,068
ɔtor vehicles	168,071	84,911	170,603	78,336
	3,573,055	1,588,164	3,414,645	1,477,033
Net	£1,984,891		£1,937,612	

iation includes amounts provided by subsidiaries prior to acquisition by the Parent Company.
tments for capital expenditure at the balanee sheet dates, not provided in the accounts, are estimated for the at £228,000 (£224,000) and for the Parent Company at £107,000 (£61,000)

ESTS IN SUBSIDIARIES

ɾestments in, and amounts due to and from subsidiary companies, are as follows:

	1962	1961
Shares at cost or Directors' valuation in 1926	4,084,575	4,006,629
Balances due by subsidiary companies	2,108,127	1,608,435
	£6,192,702	5,615,064
Balances due to subsidiary companies	387,391	390,128
	£5,805,311	£5,224,936

NT ASSETS

ɪck and work in progress is included in the accounts at the lower of cost or net realisable value.
oup debtors *include debts totalling £657,258 not due within one year.*
ited States Treasury Bills are at cost, £319,049, and had a market value at 31st December 1962 of £320,310.

ıL RESERVES

	Parent Company				Group
	Share Premium Account	Fixed Asset Replacement Reserve	Other	Total	Total
At 31st December 1961	770,782	522,682		1,293,464	1,933,177
Premiums on issue of 25,466 ordinary shares	37,652			37,652	37,652
Amount written off shares in associated companies to reduce to cost ..		(5,962)		(5,962)	(5,962)
Transfer from profit and loss account being unremitted profit for 1962 attributable to a minority interest in a European limited partnership			110,114	110,114	110,114
Par value of shares distributed to a subsidiary by the European limited partnership					28,055
Other adjustments arising on consolidation					8,557
At 31st December 1962	£808,434	£516,720	£110,114	£1,435,268	£2,111,593

TURE STOCK

30th November 1964 and annually thereafter the Company must set aside and apply £30,000 in the redemption at ıe 1979/84 stock to be selected by drawings and must apply a further £30,000 in respect of the 1981/86 stock from ɪvember 1966, unless already purchased in the open market at a price not exceeding £105 per cent.

GENT LIABILITIES

ıalance sheet dates these amounted to £724,000 (£448,000) for the Group, of which £428,000 relates to contingent s in respect of discounted trade bills. For the Parent Company the amount was £385,000 (£151,000) excluding ɜes relating to subsidiaries.

OF EXCHANGE

ıssets overseas (and depreciation thereon) have been expressed in sterling at the exchange rates ruling at the dates sition, and other overseas assets and liabilities at the rates ruling at 31st December 1962.

IARIES' ACCOUNTING DATES

ɔunts of two overseas subsidiaries are made up to 30th September 1962 and one other to 30th November 1962. ɜrences between inter-company balances amounting to £105,475 have been included in debtors. For convenience gement the accounting dates of these overseas subsidiaries do not coincide with the date of the Parent Company.

REPORT OF THE AUDITORS

TO THE MEMBERS OF BAKER PERKINS LIMITED

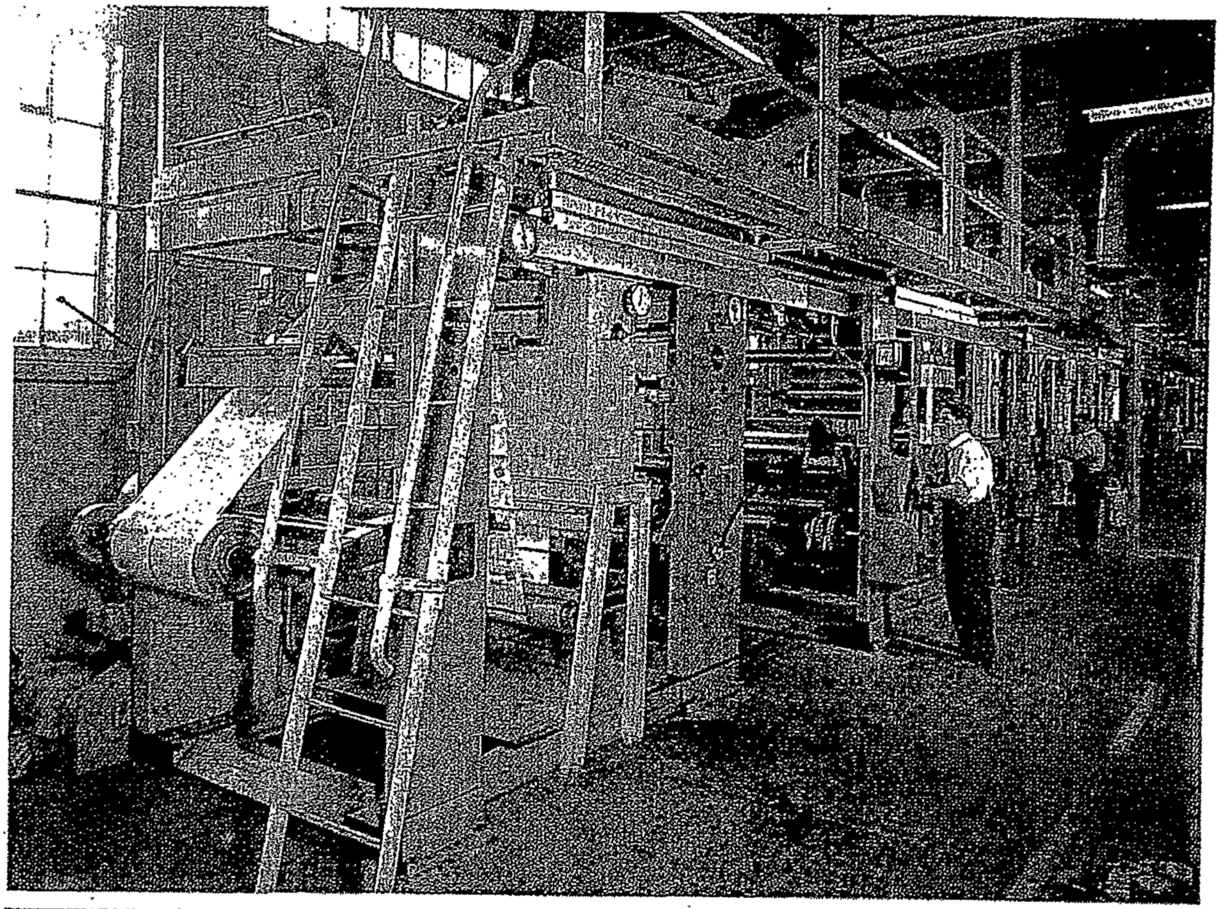
The profits of the European limited partnership dealt with as shown in note 2A are in accordance with accounts which have not been audited by us. Subject to this (a) in our opinion the annexed accounts and notes give, so far as concerns members of the company, a true and fair view of the state of affairs as at 31st December 1962 and the profit for the year ended on that date of the company and of the group consisting of the company and its subsidiaries and (b) we have obtained all the information and explanations which we considered necessary.

In our opinion the company has kept proper books, and the balance sheet of the company, which is in agreement with them and with the said information and explanations, gives with the group accounts and notes in the prescribed manner the information required by the Companies Act, 1948.

3 Frederick's Place,
Old Jewry,
London, E.C.2.
23rd April, 1963.

PRICE WATERHOUSE & Co.,
Chartered Accountants.

SOME BAKER PERKINS PRODUCTS



'New World' rotogravure
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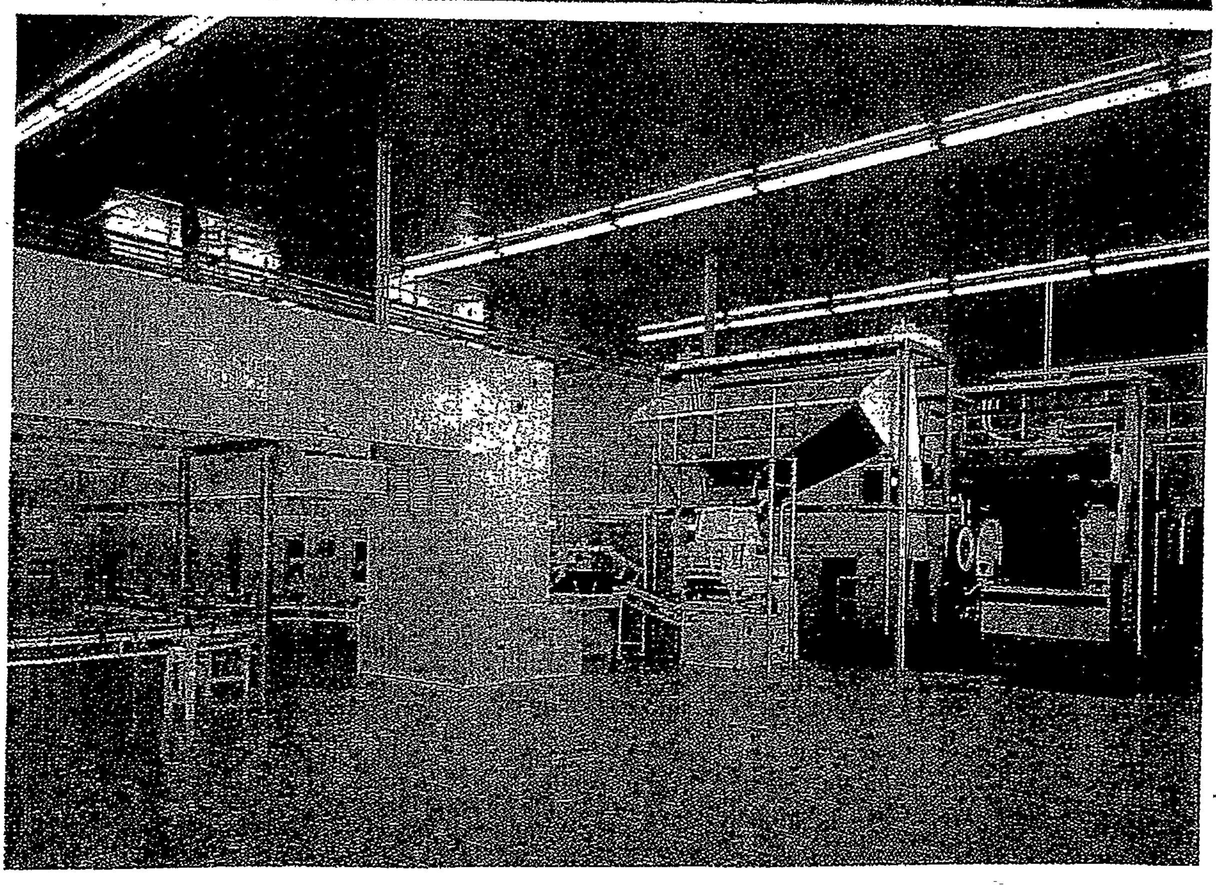

akery plant supplied by
kins Inc. to Oroweat
, Los Angeles. On the

:ER PERKINS HOLDINGS LIMITED AND SUBSIDIARY COMPANIES

ı Financial Statistics

ı00)

; employed in the Group	1958	1959	1960	1961	1962
Assets	3,770	3,878	4,348	5,652	6,100
:urrent Assets (before deducting k advances)	7,089	8,105	9,006	12,504	13,051
ssets	10,859	11,983	13,354	18,156	19,151

ɜed as follows					
ary Capital	2,201	2,357	*3,072	3,993	4,019
ıl and Revenue Reserves ..	4,832	5,226	4,843	5,749	6,024
ary Stockholders' Equity ..	7,033	7,583	7,915	9,742	10,043
ɜnce Capital	420	420	420	420	420
ity Shareholders in Subsidiaries	1,522	1,603	1,713	1,642	1,635
; Tax Reserves	274	182	207	482	278
wed Money	1,610	2,195	3,099	5,870	6,775
	10,859	11,983	13,354	18,156	19,151

nd Profits					
.. ..	14,300	15,450	18,000	23,700	22,750
;iation and Replacement Re- ɜ	379	360	366	474	493
.ing Profit and income from ıciated Undertakings ..	1,001	894	1,357	1,653	1,219
t on Borrowed Money ..	107	122	164	359	375
ɔn	464	293	563	598	347
ofit	430	479	630	696	497
.ties Share of Net Profit ..	14	61	100	10	(4)
'rofit attributable to Baker ins Holdings Ltd.	416	418	530	686	501
nce Dividend	17	18	18	18	18
ry Dividends	133	143	214	275	277

:or Ordinary Dividends ..	3·0	2·8	*2·4	2·4	1·7
ıds Paid	10%	10%	11¼%	11¼%	11¼%
ɔfit attributable to Baker :ns Holdings Ltd. less Pre- ce dividend as % of Ordinary :holders' Equity	5·7%	5·3%	6·5%	6·8%	4·8%

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