



MARTINS BANK LIMITED

1945

HEAD OFFICE—WATER STREET, LIVERPOOL 2.

DIRECTORS

Chairman

F. A. BATES, M.C., A.F.C., D.L.

Deputy Chairmen

THE RT. HON. LORD COLWYN, P.C., D.L., LL.D.

A. HAROLD BIBBY, D.S.O., D.L.

THE HON. DAVID BOWES-LYON.

J. H. B. FORSTER, D.L.

T. H. NAYLOR.

EDGAR R. BOWRING.

J. M. FURNISS, C.B.E.

SIR JOHN F. R. REYNOLDS, BART.

ROBERT VERE BUXTON, D.S.O.

SIR W. CLARE LEES, BART., O.B.E.

COL. JAMES WALKER, D.S.O., D.L.

SIR W. NICHOLAS CAYZER, BART.

A. CLAUDE MORRELL, O.B.E., M.O.

H. MANCKNOIS WALTON.

SIR N. F. WARREN FISHER, G.C.B., G.C.V.O.

ALFRED WATKIN.

LONDON DISTRICT BOARD

Chairman—ROBERT VERE BUXTON, D.S.O.

F. A. BATES, M.C., A.F.C., D.L.

THE RT. HON. LORD BIDDULPH, D.L.

THE HON. DAVID BOWES-LYON.

THE HON. THOS. H. F. EGRETON.

J. M. FURNISS, C.B.E.

C. J. HOLLAND-MARTIN.

THE RT. HON. THE VISCOUNT MARGESSON, P.C., M.O.

F. A. SZARVASY.

NORTH EASTERN DISTRICT BOARD

Chairman—J. H. B. FORSTER, D.L.

SIR JOHN S. BARWICK, BART.

SIR WILLIAM GRAY, BART., D.L.

G. STIRLING NEWALL, D.L.

MANCHESTER DISTRICT BOARD

Chairman—SIR W. CLARE LEES, BART., O.B.E.

MAJOR ALFRED H. AYKROYD.

ANGUS D. CAMPBELL, C.B.E.

SIR JOHN H. GREY.

MYLES N. KENYON, D.L.

THE MOST HON. THE MARQUESS OF READING, M.C., K.C.

H. MANCKNOIS WALTON.

ALFRED WATKIN.

PERCY WOODHOUSE.

LEEDS AND DISTRICT BOARD

Chairman—COL. JAMES WALKER, D.S.O., D.L.

WALTER HARGREAVES, LL.D.

HERBERT HOLT.

SIR HAROLD MACKINTOSH, BART.

WILFRED TURNER.

Director and Chief General Manager—J. M. FURNISS, C.B.E.

Deputy Chief General Manager—J. MCKENDRICK.

Joint General Managers—F. A. MOORE AND F. VOYCE.

REPORT OF THE DIRECTORS

TO BE PRESENTED TO THE MEMBERS AT THEIR

ONE HUNDRED AND FOURTEENTH ANNUAL GENERAL MEETING

ON 23rd JANUARY, 1945.

Profit for the year, after charging all expenses, providing for taxation, and after making a transfer to credit of contingency account, out of which account full provision for bad and doubtful debts has been made, amounted to	...	...	£641,294	18	9
To this has to be added the balance of profit brought forward from last account	...	...	432,343	0	10
			<hr/>		
making a total available of	...	...	1,073,637	19	7
out of which the following appropriations have been made:—					
Interim dividend of 7½%, less income tax, paid 25th July, 1944	...	£156,001	11	6	
Reserve Fund	...	200,000	0	0	
Reserve for future contingencies	...	100,000	0	0	
Reserve for pensions	...	50,000	0	0	
			<hr/>		
			506,001	11	6
leaving a disposable sum of	...	...	567,636	8	1
from which the directors recommend a final dividend of 7½%, less income tax, payable 30th January, 1945, making 15% for the year	156,001	11	6
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Balance to be carried forward to the next account	£411,634	16	7

The directors deplore the death in January last of Mr. R. M. Holland-Martin, a deputy chairman of the bank. He was chairman of the London board and had served on the general board for 25 years, being chairman from 1925-1928. His eminent services are recorded with great appreciation. Lord Colwyn retires from the board this year and does not seek re-election, for health reasons. He has served on the board and been a deputy chairman for 17 years since the amalgamation with the Lancashire & Yorkshire Bank of which he was chairman. The directors deeply regret his retirement and record their high appreciation of his great services to the bank. Sir N. F. Warren Fisher, G.C.B., G.C.V.O., has been elected to the general board and in accordance with the Articles of Association offers himself for re-election. The Rt. Hon. The Viscount Margesson, P.C., M.C., and Mr. C. J. Holland-Martin have been elected to the London board. Mr. A. H. Bibby, D.S.O., D.L., and Mr. R. V. Buxton, D.S.O., retire at the forthcoming Annual General Meeting and being eligible offer themselves for re-election.

In conformity with the Companies Act, 1929, the members are required to appoint auditors and fix their remuneration. Messrs. Harwood Banner and Son, Messrs. Peat, Marwick, Mitchell and Company and Messrs. Thomas Bowden, Sons and Nephew, the retiring auditors, offer themselves for reappointment.

The bank's Balance Sheet and Profit and Loss Account are annexed.

F. A. BATES,
CHAIRMAN,

LIVERPOOL, 9TH JANUARY, 1945.

BALANCE SHEET, 31ST DECEMBER, 1944.

LIABILITIES	ASSETS
Capital:—	Cash in hand and at Bank of England .. £22,694,003 2 1
Authorised £20,791,120	Balances with, and cheques in course of collection on, other British banks .. 8,800,847 8 10
in 939,556 shares of £20 each and 2,000,000 shares of £1 each	Money at call and short notice 10,413,000 0 0
Subscribed £20,602,272	Balances with banks abroad 20,502 2 7
in 939,556 shares of £20 each, £2 10/- per share paid up .. £2,348,890 0 0	Treasury Bills 4,700,000 0 0
and 1,811,152 shares of £1 each, fully paid 1,811,152 0 0	Treasury Deposit Receipts 71,000,000 0 0
	Bills discounted 61,237 7 4
	Investments:—
Reserve Fund 4,000,000 0 0	British Government Securities 58,060,297 14 3
225th dividend, payable 30th January, 1945 156,001 11 6	(including £50,000 securities lodged against note circulation in the Isle of Man)
Profit and Loss Account, balance carried forward 411,634 16 7	Dominion & Colonial Gov't., British Corporation and other first-class securities .. 2,787,968 8 9
	Nominee companies (written down to nil) —
Current, deposit and other accounts (including provision for contingencies) .. 204,243,817 5 5	Yorkshire Penny Bank Ltd., 18,750 shares of £5 each, £3 paid, at cost 112,500 0 0
Notes in circulation (Isle of Man) .. 20,284 0 0	37,500 shares of £1 each, fully paid, at cost 56,250 0 0
Acceptances on account of customers as per contra 155,664 16 2	
Endorsements, guarantees and other obligations on account of customers, as per contra 8,183,714 9 3	
	Advances to customers, less provision for doubtful debts 30,636,115 4 5
	Other assets and accounts 783,899 2 2
	Bank Premises and rentable properties, at cost less amounts written off 2,885,161 3 1
	Liability of customers for acceptances 155,664 16 2
	Liability of customers for endorsements, guarantees, etc. 8,193,714 9 3
<u>£221,341,158 18 11</u>	<u>£221,341,158 18 11</u>

F. A. BATES, }
A. H. BIBBY, } DIRECTORS.
W. CLARE LEEB, }

J. M. FURNISS, Director and Chief General Manager.

REPORT OF THE AUDITORS TO THE MEMBERS OF MARTINS BANK LIMITED.

We have audited the above balance sheet, dated 31st December, 1944, and have obtained all the information and explanations we have required. In our opinion such balance sheet is properly drawn up so as to exhibit a true and correct view of the state of the bank's affairs according to the best of our information and the explanations given to us and as shown by the books of the bank at the head office and certified returns from the branches.

HARMOOD BANNER & SON,
PEAT, MARWICK, MITCHELL & Co.,
THOMAS BOWDEN, SONS & NEPHEW,
*Chartered Accountants,
Auditors.*

LIVERPOOL, 9th JANUARY, 1945.

PROFIT AND LOSS ACCOUNT

Interim dividend of 7½%, less income tax, paid 25th July, 1944 £156,001 11 6	Balance of profit brought forward from last account £432,343 0 10
Final dividend of 7½%, less income tax, payable 30th January, 1945, making 15% for the year 156,001 11 6	Profit for the year, after charging all expenses, providing for taxation, and after making a transfer to credit of contingency account, out of which account full provision for bad and doubtful debts has been made 641,294 13 9
Reserve Fund 200,000 0 0	
Reserve for future contingencies .. 100,000 0 0	
Reserve for pensions 50,000 0 0	
Balance carried to next account .. 411,634 16 7	
<u>£1,073,637 19 7</u>	<u>£1,073,637 19 7</u>

Directors' fees amounted to £9,000 exclusive of £4,000 paid to the Standing Committee.

STATEMENT BY THE CHAIRMAN

Mr. F. A. BATES, M.C., A.F.C., D.L.

It is with deep regret that I have to record the death of Mr. R. M. Holland-Martin last January. The report makes reference to the valuable services he rendered to the bank, and the many tributes written at the time of his death bore witness to the high regard in which he was held. The directors mourn the loss of a distinguished colleague and loyal friend. I have to announce that Lord Colwyn, with the passing years, does not desire re-election to the board. His long and outstanding service is mentioned in the report, and the board have received the intimation of his forthcoming retirement with sincere feelings of regret. He has our warmest wishes that he may enjoy a leisure richly deserved by his great services not only to the bank but to the State. Since our last annual meeting, Sir N. F. Warren Fisher has been elected to a seat on the board. Lord Margesson and Mr. C. J. Holland-Martin, son of the late Mr. R. M. Holland-Martin, have joined the London board.

Mr. G. O. Papworth, for the past seventeen years chief accountant of the bank, has been appointed assistant general manager (Administration).

I again refer to the services of the large number of our staff, men and women, now engaged in every branch of the Forces or in other forms of national duty. They continue to distinguish themselves, as shown by the many further decorations bestowed for gallantry or other meritorious service. I send them and their families our sincere congratulations. To those relatives who have suffered bereavement or are in anxiety on account of missing men or prisoners of war I extend our deepest sympathy. Recently a letter has been addressed to every member of the staff on national duty, giving assurance of a warm welcome upon return to the bank, and indicating the plans that are being drawn up to facilitate re-entry into its service. From the many replies received, this letter has been the source of much pleasure and encouragement, especially to those who have been away for the long period of four or five years. With further withdrawals from our staff during the year, the strain upon those left with us has become more pronounced. This has particular effect upon the senior men, who have their normal duties increased by the training of temporary staff. Great credit is due to them for the efficiency with which the affairs of the bank continue to be conducted. To the chief executive officers and the whole staff, permanent and temporary, I therefore tender our thanks. Special praise should be given to our staff in the south, who have stood at their posts in recent particularly trying circumstances, and I include in this commendation those in other districts who have volunteered for relief duty at southern branches.

The bank's balance sheet shows new expansion. Total assets exceed £221,300,000, customers' deposits and current account balances being now in excess of two hundred million pounds at the substantial figure of £204,244,000, an increase of £24,100,000 on the year, the major part of this having been employed in taking up Treasury deposit receipts, of which we hold £71,000,000. Investments have increased by £4,744,000 and now stand at £61,000,000. Advances, the third largest item on this side of the balance sheet, show an increase of approximately £1,000,000 as compared with twelve months ago, having kept steady at about the present figure throughout the year.

Our holdings of cash, balances with other banks, market money, Treasury bills and Treasury deposit receipts amounting to £117,690,000 or 57.46 % of our public liabilities, indicate the continued extreme liquidity of the bank. In addition, there are our large holdings of British Government short-dated securities.

Net profit for the year is £641,295 an increase of £34,595 on the previous year. With the balance brought forward, there is available for distribution £1,073,638. The two dividends of 7½ % each, less tax, require £312,003, leaving an amount of £761,635, which you will observe from the accounts has been allocated as follows: £200,000 has been added to the published reserve, bringing that fund up to £4,000,000; reserve for future contingencies again takes £100,000, and reserve for pensions £50,000. The balance carried forward is £411,635 a decrease of £20,708 on last year, due to the larger amount placed to the published reserve.

In view of forecasts of possible early termination of the war, many national problems of great importance are being pressed forward for immediate settlement. It may be considered inadvisable that all these far-reaching schemes should be taken in hand at the same time as to attempt that might endanger their success. The general welfare of the country is the main essential, and it will tax the statesmanship of those in authority to proceed in due order. It is proper, however, that thought should be given to the many perplexities that will confront the nation when the war ends, so that we may turn towards fresh enterprises without delay. Housing and employment will undoubtedly come first, and in considering the latter it must not be forgotten that this country's position, and indeed existence in anything comparable with our present status, depends upon our overseas trade. We shall require large quantities of imported goods of many kinds, but to pay for these we must export, and it is, therefore, our foreign trade that calls for experienced and untrammelled consideration at the present time. The standards of living and employment can best be improved by the development of that trade. Other nations will be eager to establish markets, and we shall only gain our fair share of world commerce by our preparedness and efficiency, and by the quality, price and suitability of our goods. After the war there will be changed conditions requiring a fresh outlook on our part, but if we adapt ourselves with the same enterprise that built up the commerce and industry of this country, under free and fair competition we need not fear the future. Traders fully appreciate the need for a vigorous policy and it is therefore appropriate that I should repeat the assurance in my statement of last year of the bank's readiness to grant accommodation to its customers. As you will observe, our balance sheet is very liquid and the bank is in a strong position to undertake such finance (the proper employment of a bank's funds) as soon as proposals can be placed before us. There will be many new opportunities of utilising banking resources in the revival of businesses that have perforce languished owing to the paramount national effort. Funds will be required by many organisations in the change-over to

peace conditions, for the installation of new machinery, replenishment of normal stocks, and for re-equipment and expansion generally. These are matters we have continually before us, so far as the main war tasks permit. You will, therefore, be glad to know that your own bank looks forward to assisting both the small and the large trader in the work of restoring the home and foreign trade of the country.

F. A. BATES,
CHAIRMAN.

IN CASE OF NON-DELIVERY PLEASE RETURN TO
MARTINS BANK LTD.,
HEAD OFFICE,
LIVERPOOL 2

MARTINS BANK LIMITED

NOTICE IS HEREBY GIVEN that the ONE HUNDRED AND FOURTEENTH ANNUAL GENERAL MEETING of the members will be held on Tuesday, the 23rd January, 1945, at 12.15 p.m., precisely, in the Board Room at Head Office, Water Street, Liverpool, to receive the Report of the directors and the Profit and Loss Account and Balance Sheet of the company made up to the 31st ultimo; to elect directors; to appoint auditors for the ensuing year and fix their remuneration; and to transact any other business which, under the Articles of Association, should be transacted at an ordinary meeting.

By order of the Board,

J. M. FURNISS,
Director and Chief General Manager.

Liverpool, 9th January, 1945.

NOTE.—The Transfer Books were closed on 1st January for that day only for the preparation of the dividend payable 30th January, 1945.