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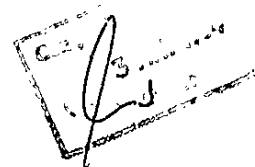
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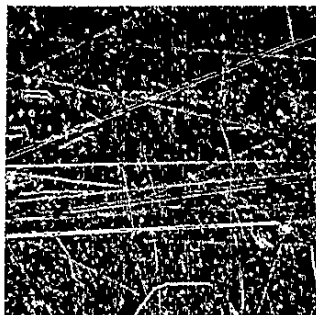
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Cover photograph, a view of the
City of Dundee from the southern
banks of the River Tay
Viking Studios, Dundee

Directors and Officers

Chairman

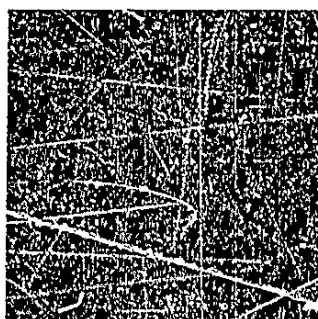


George W. Dunn

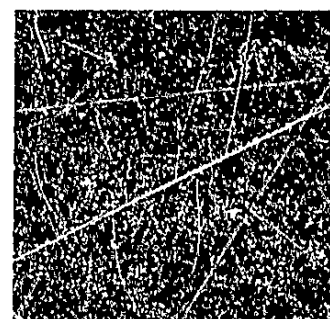
Directors



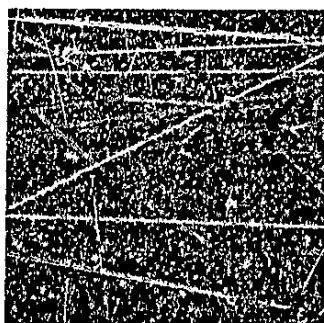
Christopher Blake
Non Executive



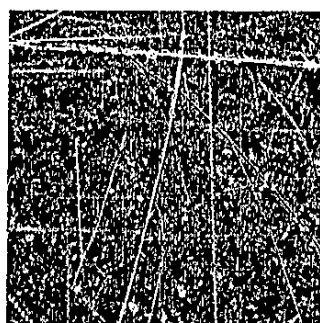
Lyndon Bolton
Joint Manager



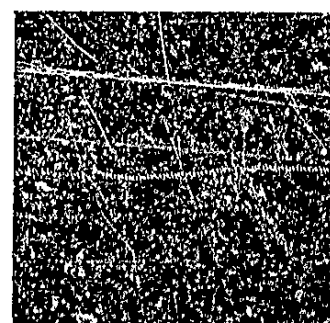
Douglas F. Hardie
Non Executive



George A. Stoul
Joint Manager

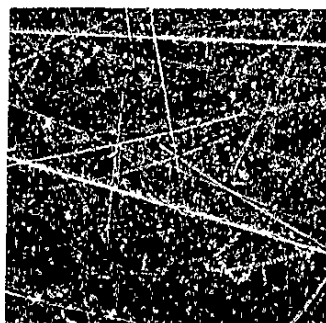


Robert C. Smith
Non Executive

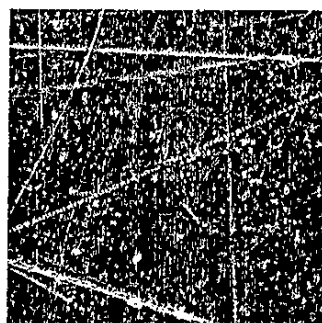


Brian H. Thomson
Non Executive

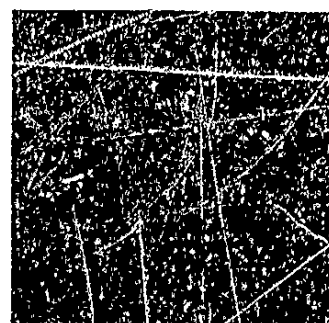
Officers



Gavin R. Suggett



Ronald Hadden



W. Grant Lindsay

Profile of The Alliance Trust

Profile of The Alliance Trust

The Company

Founded in 1888 the Alliance has grown into the largest self-administered investment trust in the U.K. owning investments of over £300 million. This growth has been achieved by the successful management of stockholders' funds and the retention of capital gains and not by acquisition or merger. The operations are conducted from Dundee.

Management

To ensure continuity and the maximum benefits from professional management, the Company has always employed its own management team whose task is to seek out investment opportunities, administer and implement the policies of the Board. The Directors meet with the Managers each week to form and monitor that policy.

Objectives

Investment policy is aimed at producing a steady growth of both income and capital.

Portfolio

The bulk of the £300 million portfolio is invested on a long-term basis in top quality commercial, financial and industrial concerns spread throughout the major economies. In the main these investments are marketable and changes in investment policy are achieved by moderate movements of funds from one investment to another. Over 60% of the portfolio is overseas with an emphasis on North America where the Company has a long-standing expertise.

Stockholders

Although the trend to institutional investment continues, the major proportion of the Company's stock is held for the benefit of individuals directly, often in trusts or in the names of nominees. A large proportion of the stock is transferred by gift or inheritance and there is still a distinct Scottish bias.

Attractions to the Private Stockholder

Investment

The Alliance provides a good vehicle for obtaining the necessary investment spreads to reduce overall risk, as well as providing the stockholders with all the advantages of professional management. Virtually all income is distributed as dividends and it is usually possible to buy stock at a discount to the value of the underlying assets.

Cost

The Company structure provides efficient cost management and with no promotion costs the management charges amount to less than 0.2% of total assets. Low transaction costs, freedom from capital gains tax, the ability to borrow and the company structure all enhance the ability of the Managers to execute a flexible investment policy.

Special Features

Mineral Rights

The Company owns a large number of oil and gas properties in the U.S.A. which although not valued in the Balance Sheet have been producing a growing income in recent years.

Leasing

Aldee Leasing, the Company's leasing subsidiary finances and purchases plant, vehicles and equipment for both the public and private sectors in the U.K.

Deposit Taking

The Company is a licensed deposit taker and accepts short-term deposits from the public at attractive rates of interest.

Dividend Reinvestment

The Company operates a plan for stockholders whereby their dividends can be automatically reinvested in further stock. This plan makes reinvestment easy and cheap and has the advantage of market averaging. For example a stockholder with 1,000 units in January 1974 would have acquired a further 420 units by January 1984 at an average cost of 236p. In the past year about 9% of all new stockholders have taken advantage of this plan.

The Secretary welcomes enquiries from stockholders and potential investors.

Telephone No. 0382 21234.

Financial Highlights

for the year to 31st January 1984

Financial Highlights	Income	1984	1983
	Gross Revenue	£13.0 million	£11.7 million
	Earnings per Ordinary Stock Unit	13.73p	12.70p
	Dividend per Ordinary Stock Unit	13.50p	12.30p
	Capital		
	Total assets less current liabilities	£355.0 million	£291.8 million
	Net asset value per Ordinary Stock Unit	685.4p	560.1p
	Distribution		
	Proportion of total assets overseas	62.2%	58.7%

Financial Calendar 1984

Announcements

Final Dividend and year-end results	9th March
Report and Accounts sent to stockholders	20th March
Interim results	10th August

Meetings

Annual General Meeting	13th April
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Dividends and Interest

Ordinary and Preference Stocks Final	19th April
Ordinary and Preference Stocks Interim	19th October
5¼% Debenture Stock	31st January and 31st July
Other Debenture Stocks	15th May and 15th November

Net Assets

An estimated net asset valuation, a geographical distribution of investments, and performance figures are published on the fourth Saturday of each month in the "Financial Times" and "Daily Telegraph".

Chairman's Statement

I retire as a Director at the conclusion of the forthcoming Annual General Meeting on reaching the age limit. Your Directors have appointed a Mr Robert C Smith to succeed me as Chairman. Mr Smith joined us on 1st January 1981 and his wide spread of interests has already been of inestimable value to you. I am confident that he will prove to be a sound and enlightened Chairman and you will have their full support.

Revenue

It is the objective of the Company to try to meet the requirements of all stockholders by striking a balance between income and capital growth. It is therefore satisfactory to report a further increase in revenue and earnings this year. Gross revenue is up by 11% and earnings for the Ordinary Stock by 8%. Earnings have again been affected adversely by the Corporation Tax assessable on overseas income and the lower rates of interest internationally which reduce the returns on our short-term deposits.

Dividends

It is proposed to increase the final dividend to 9.50p making, with the already increased interim dividend of 4.00p paid in October 1983, a total for the year of 13.50p compared with 12.30p last year and an increase of 10%.

Capital

The value of the Company's net assets increased by a further 22% this year to a new record of £345m. and the net asset value of the Ordinary Stock Unit rose by a corresponding amount to 685.4p. In the last three years the net asset value has more than doubled, a remarkable commentary on the buoyancy of world stock markets and a unique experience over such a short time in the Company's long history. Over this period the U.K. stock market has risen by 73%. The greater rate of growth in the Company's funds can be attributed to investment selection and the benefits from being substantially invested in stronger currencies than Sterling throughout this period.

Outlook

We now have 62% of our assets invested in overseas securities, all financed in the appropriate local currency. This distribution reflects our assessment of the opportunities worldwide for investment and in particular it reflects our continuing preference for the U.S.A. At 47% of our funds, our stake in the U.S.A. is large when compared with many other trusts.

While we are fully aware of the problems of the United States, including the dismal state of the Federal Government's finances and the large balance of payment deficit, the breadth of innovation and investment opportunity remain greater there than in any other country and, in our opinion, the best values in stock market terms are to be found there. The balance of advantage, therefore, still appears to us to favour a substantial investment in the U.S.A.

Stockholders

In my last statement to stockholders it is gratifying to report that there are encouraging signs from our stock register of a reawakening of interest from the private investor. The proportion of our stock held by individuals at over 40% has always been exceptionally high when compared with other investment trusts and greatly exceeds the average for U.K. public companies in general which is only 28%. However, in recent years we have suffered a loss of stockholders for reasons which are well known including the effect of high inflation on private savings and the tax incentives which have distorted savings flows into pension funds and life assurance. This year the number of new stockholders has greatly increased and almost compensated for attrition through deaths and other causes and we also welcome to the register for the first time some U.S. institutional investors. 9% of our new private investors are now participating in the Company's Dividend Investment Plan.

I cannot say enough about the diligence and quality of our management and staff to whom as always we are all so indebted. We are most fortunate and they should know that we as Directors and you as stockholders appreciate their very material contribution to our results.

21st March 1984

G. W. Dunn

Management Review

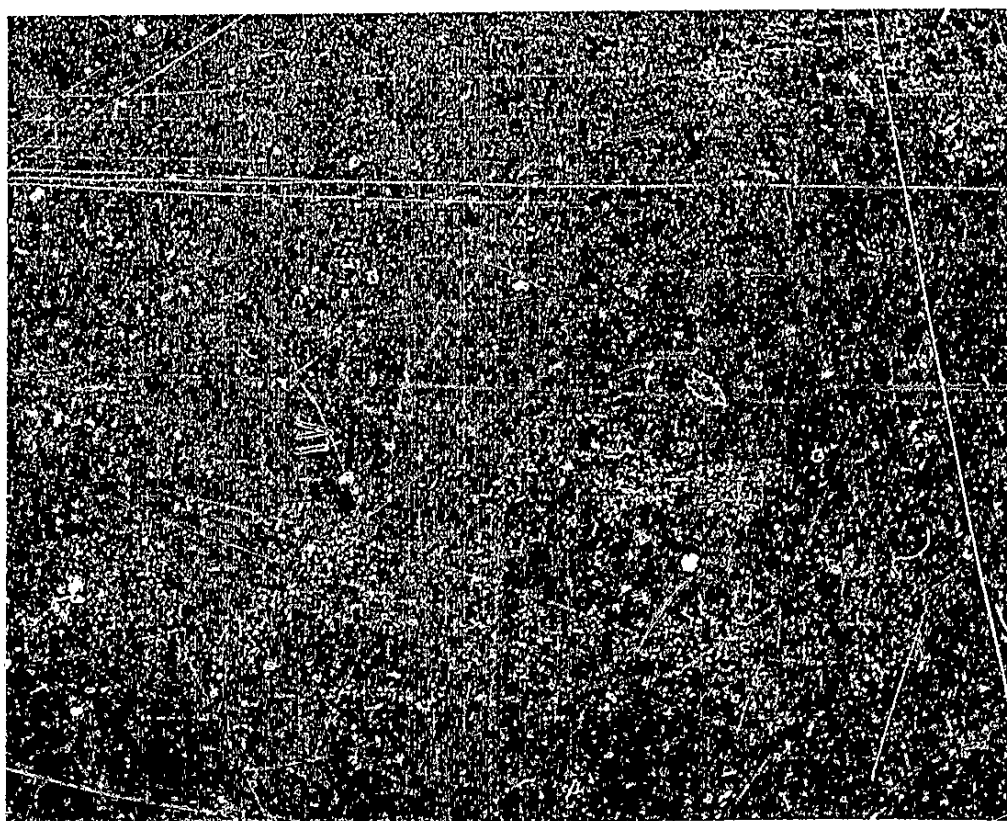
Summary

The table of investment changes shows that the broad trend of our investment policy has been sustained and that we have added a further \$2m to US investments, making \$2m over the last three years. This has again been financed from cash resources. The net loss in the UK is the high dividend yield rate compared with past years, and the modest increase in the value of the European

Investment Changes £'000

	UK Equities	US Equities	Other Equities	Fixed Interest	Total
Valuation at 31/12/83	933,462	123,068	29,838	5,747	1,092,115
Purchases	19,972	28,093	17,253		65,318
Sales	(23,038)	(15,937)	(14,373)	(80)	(63,428)
Appreciation	21,494	22,950	16,774	295	61,513
Valuation at 31/12/84	130,890	158,174	44,494	3,965	337,523

Our UK portfolio at 36.9% of the total is at its lowest level for many years despite the relative strength of the market. However, because of yield differentials and the high level of taxation on overseas income, it still provides us with 52% of our earnings, and hence more than half of dividends paid to stockholders.

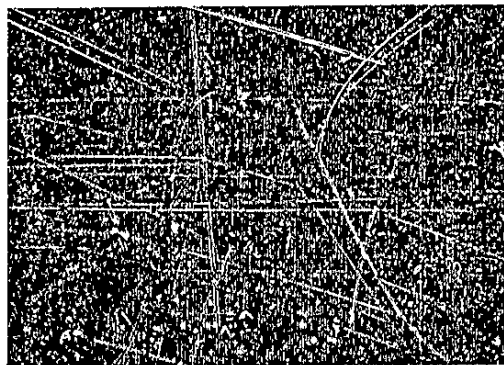


Business Machines Corp. Information processing equipment
\$10,403,000

United Kingdom

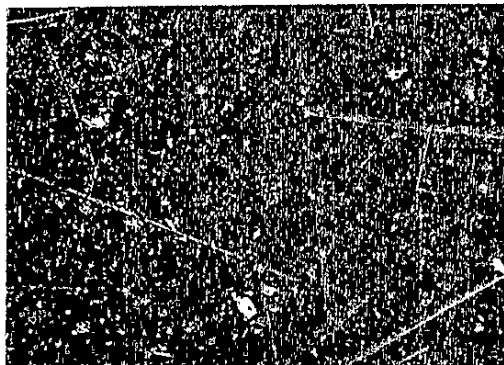
Conversely those sectors, whose long-term growth prospects are better, such as electricals, electronics and health care companies, which had done so relatively well in recent years, underperformed markedly. We took large profits in these groups in 1982/83 and this year again reduced fifteen holdings by a further £10.5m, realising profits of £8.8m. The average net yield on these sales was 1.2%.

We have added to thirty-three existing holdings and established eleven new ones. In the former cases we have continued to build up stakes in smaller companies in the fields of activity where prospects for earnings improvement appear well above average. The implementation of this policy of concentration has been successful to the extent that we have now established significant holdings in a broad range of smaller companies.

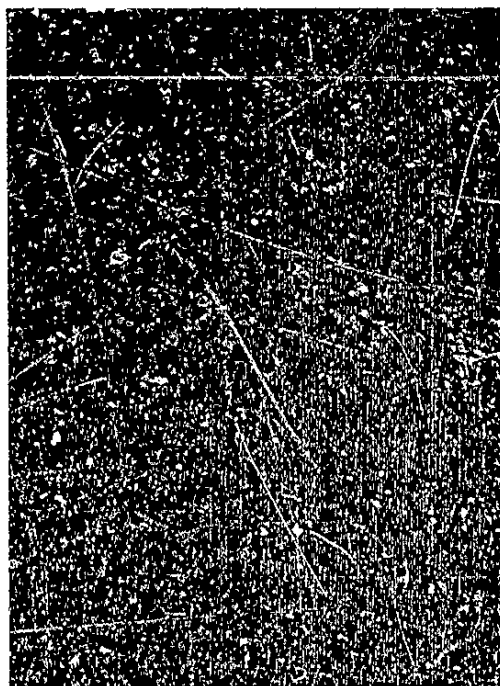


A high-contrast, black and white image showing a dense, textured surface, possibly a book cover or endpaper. The texture is characterized by a grid-like pattern of thin, light-colored lines intersecting on a dark background. Numerous small, light-colored spots and speckles are scattered across the surface, giving it a grainy, aged appearance. The overall effect is one of a heavily worn or antique material.

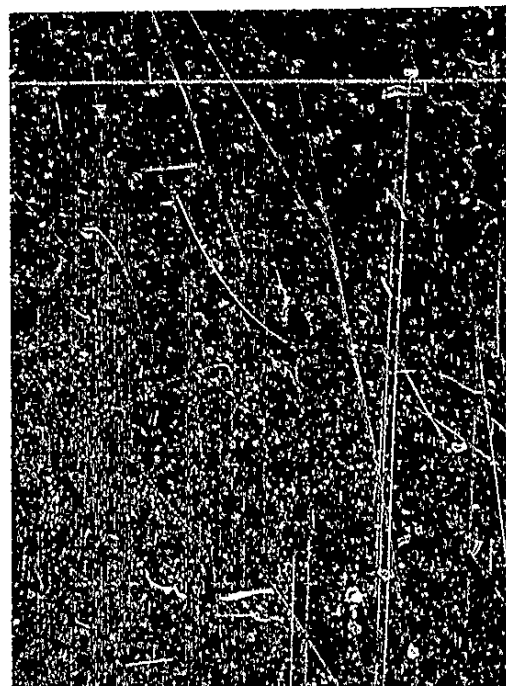
Safeway Stores Inc International supermarket chain Investment **\$660,000**



Bank of Scotland Britain's first home banking service Investment £512,000



Reckitt & Colman PLC Food and wine products investment **£1,492,000**



Fuji Photo Film Co Ltd Film and video tape manufacturer Investment **£3,620,000**

Of our new holdings five account for £6.5m and will produce a net yield of 4-7%. They are in companies with defensive qualities, a consumer bias and characterised by proven or improving management.

We expect the profit recovery to continue this year but at a reduced rate while the element dependent upon cyclical economic improvement declines relatively. Many industries, recovering from drastically low levels of output and which compete internationally on price will increasingly find U.K. unit costs of production a barrier to growth unless the exchange rate falls further. In the stock market this and other economic realities and their effect upon share valuations are being to some extent hidden by a takeover boom the logic of which is in many cases obscure, and a surge of American buying interest in the U.K. where the impact on share prices of casual dealing activity and rumour is demonstrably large. All this leads us to be somewhat cautious of present market levels.

United States

The upturn in industrial activity in the U.S.A. which was under way at the time of our last Annual Report has continued at a vigorous pace. Not only has the growth in industrial production been greater than other countries, up 15% from its low, but the fall in unemployment has been just as impressive, down from 10.7% to 7.9%, with four million more people employed than a year ago. To date, all this has been achieved without any significant resurgence in inflation.

At the same time, they are aware of the problems. Little progress has been made in reducing the government's budget deficit, despite improved revenues from taxation. The government has been unable to attract sufficient funds and the decline in interest rates has not been enough to stimulate the economy. The result is a growing trade deficit, the strength of the dollar has been a major factor in this, and the government is now facing a serious problem of how to deal with it.

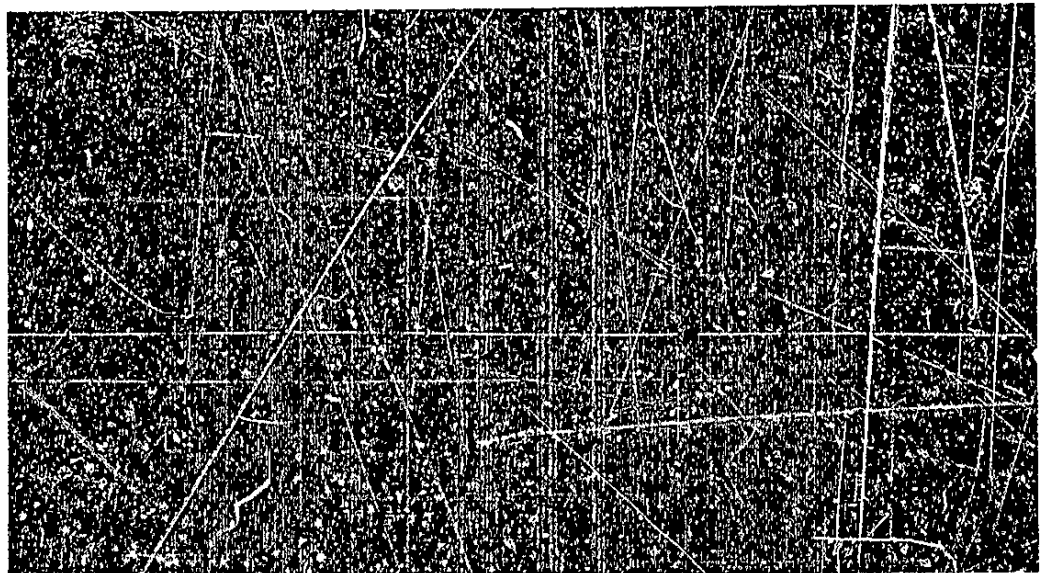
Other Overseas

The company's operations in Australia, New Zealand and South Africa have been very satisfactory. In 1984/85, the company's operations in these countries resulted in a net profit of £1.1m, being a 25% increase on the previous year. The company's operations in these countries are very satisfactory and the company's operations in these countries are very satisfactory. The company's operations in these countries are very satisfactory.

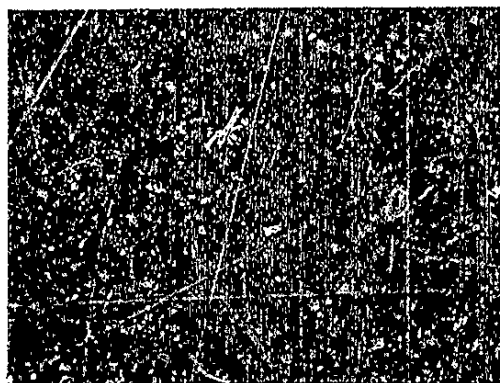
Leasing

The company's operations in the leasing subsidiary have again been very satisfactory. A total of £1.1m new business was undertaken and the amount of equipment on lease at the end of the year had risen to £1.4m from £1.4m. Net profits after tax amounted to £152,000 compared with £153,000 last year and the dividend received by the parent company increased to £50,000 from £40,000. These profits were achieved after paying £476,000 of interest on loans from the parent company. The pretax return on the average capital employed was 16%.

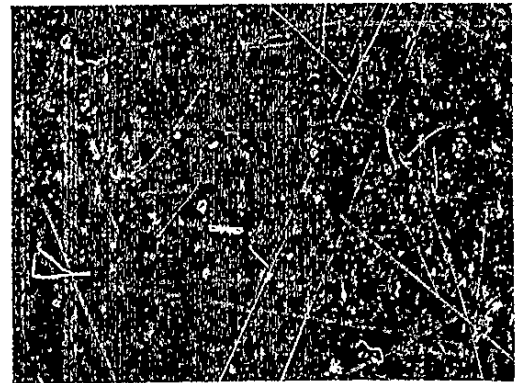
It is expected that a further expansion in business and profits will take place in 1984/85.



Merck & Co Inc. International ethical drug company
Investment £2,081,000



£1,262,000



£740,000



General Electric Co (U.S.A.). Aircraft engine manufacturer
Investment **£1,394,000**

Minerals

The U.S. recession and its impact on demand for natural gas and oil was reflected in lower profits from our land interests in Oklahoma and Texas. Royalty income was down at \$129,000 compared with \$153,000 and a reduction in the industry's exploratory drilling programme lowered bonus and rental payments to us from \$112,000 to \$98,000. Prospects may improve in the latter half of the current year as the number of oil rigs at work continues to recover.

Deposits

There was a welcome increase in our deposit-taking business, which is mainly local in scope, as the rates on offer became more competitive with the clearing banks.

Forty Largest Equity Investments

Company	Value (£'000's)	Main Activity	Country of Incorporation
Shel. Transport & Trading	11,427	Oil	U.K.
IBM	10,403	Business equipment	U.S.A.
Philip Morris	8,877	Tobacco	U.S.A.
B.A.T Industries	8,461	Tobacco	U.K.
Superior Oil	8,317	Gas and oil production	U.S.A.
ITT	5,857	Telecommunications and insurance	U.S.A.
Wal-Mart Stores	5,641	Discount stores	U.S.A.
Unocal	5,043	Integrated oil	U.S.A.
Beecham Group	4,949	Drugs and toiletries	U.K.
Standard Chartered Bank	4,809	Banking	U.K.
Matsushita Electric	4,762	Consumer electronics	Japan
A. C. Nielsen	4,495	Market research	U.S.A.
Schlumberger	4,432	Oil-well service	U.S.A.
Humana	4,081	Hospital and hospital service	U.S.A.
Abbott Laboratories	4,013	Drugs and cosmetics	U.S.A.
Fuji Photo Film	3,620	Leisure	Japan
Eli Lilly	3,473	Drugs	U.S.A.
Marsh & McLennan	3,324	Insurance broker	U.S.A.
Electrocomponents	3,238	Electrical parts distributors	U.K.
Hitachi	3,197	Electrical equipment	Japan
Kyocera	3,138	Electronic ceramics	Japan
Tandy	2,933	T.V. and computer stores	U.S.A.
Sensormatic Electronics	2,674	Electronic surveillance	U.S.A.
Bristol-Myers	2,625	Drugs and cosmetics	U.S.A.
Rentokil	2,578	Pest control	U.K.
Security Services	2,570	Security and other services	U.K.
NCR	2,564	Business equipment	U.S.A.
General Electric	2,474	Electrical equipment	U.K.
Johnson & Johnson	2,460	Drugs and hospital supplies	U.S.A.
Harris	2,444	Business equipment and electronics	U.S.A.
Prudential	2,400	Insurance	U.K.
DeLuxe Check Printers	2,341	Cheques and business forms	U.S.A.
Brimbles Industries	2,284	Transportation	Australia
Sedgwick Group	2,251	Insurance broker	U.K.
National Westminster Bank	2,233	Banking	U.K.
Marks & Spencer	2,227	Multiple stores	U.K.
International Flavors & Fragrances	2,216	Food and fragrance chemicals	U.S.A.
Betz Laboratories	2,164	Water treatment chemicals	U.S.A.
Farmer's Group	2,164	Insurance	U.S.A.
G. J. Coles	2,161	Multiple stores	Australia

The above investments represent 48.4% of the Company's total equity holdings

Report of the Directors

The Directors present their Report and the Accounts for the year ended 31st January 1984.

Dividends

The Board recommends a final dividend of 9.50p per Ordinary Stock Unit which together with the interim of 4.00p paid on 21st October 1983 makes a total of 13.50p for the year, compared with 12.30p for the previous year. The surplus of £117,000 is transferred to Revenue Reserve.

Status

The Company has received approval as an Investment Trust by the Inland Revenue in respect of the year ended 31st January 1983 and has subsequently directed its affairs so as to enable it to continue to seek such approval. It is not a 'Close Company'. The Company is an Investment Company within the meaning of Part III of the Companies Act 1980. The outlook for the Company is referred to in the Chairman's Statement.

Directors

Mr. George W. Dunn retires from the Board in terms of the Companies Acts at the conclusion of the Annual General Meeting having reached the age of seventy. The Directors throughout the year have been as listed below. Mr. Lyndon Bolton, who has been a Manager of the Company since 1972, retires by rotation from the Board and, being eligible, offers himself for re-election. Mr. Bolton's service contract, covering his employment as a Manager, expires on 3rd November 1988.

No contracts, apart from service agreements, entered into by the Company in which any Director is interested have subsisted during the year.

The interests of Directors and their families in the Ordinary Stock Units of the Company are:—

		31st January 1984	1st February 1983
George W. Dunn	Beneficial	800	800
	As Trustee	33,060	39,465
Christopher Blake	Beneficial	1,234	800
	As Trustee	—	1,300
Lyndon Bolton	Beneficial	800	800
	As Trustee	—	—
Douglas F. Hardie	Beneficial	800	800
	As Trustee	—	—
Robert C. Smith	Beneficial	800	800
	As Trustee	—	—
George A. Stout	Beneficial	971	945
	As Trustee	—	—
Brian H. Thomson	Beneficial	29,264	29,264
	As Trustee	130,954	130,954

There has been no change in these holdings between 1st February and 9th March 1984.

The Directors have appointed Mr. W. Grant Lindsay to be an Assistant Manager.

Stockholders

The Company has received notification of the following holdings of more than 5% of its Ordinary Share Capital:—

National Coal Board Staff Superannuation Scheme	6,636,894 Ordinary Stock Units (13.17%)
and The Mineworkers' Pension Scheme	3,241,503 Ordinary Stock Units (6.43%)
D. C. Thomson & Co. Ltd.	
The Standard Life Assurance Company/ Standard Life Pension Funds Ltd.	2,618,434 Ordinary Stock Units (5.20%)
Number of Ordinary Stockholders 13,579	

Auditors

Thomson McLintock & Co., C.A. Dundee, will be proposed for reappointment as Auditors in accordance with Section 14 of the Companies Act 1976.

By Order of the Board
G. R. SUGGETT
Secretary

Dundee, 9th March 1984

Revenue Account

for year ended 31st January 1984

	Notes	1984		1983	
		£'000 Listed	£'000 Unlisted	£'000 Listed	£'000 Unlisted
Income from Assets					
Income from Investments					
U.K. Dividend Income		5,761	64	5,762	40
U.K. Other Income		118	10	124	10
Dividend from Subsidiary		—	50	—	30
U.S. Dollar Income		4,252	22	2,692	—
Other Overseas Income		922	—	887	—
		<u>11,053</u>	<u>146</u>	<u>9,465</u>	<u>80</u>
Total Income from Investments			11,199		9,545
Other Income					
Interest Received	2	1,650		2,034	
Mineral Royalty Income		129		153	
Underwriting Commission		32		—	
			<u>1,817</u>		<u>2,187</u>
Total Revenue			13,016		11,732
Expenses and Interest					
Management Expenses		505		452	
Additional Pension Fund Contributions		188		—	
Audit Fee		7		7	
Administration Expenses	1	700		459	
Interest payable	2	471		487	
			<u>1,171</u>	<u>487</u>	<u>946</u>
Revenue before Taxation			11,845		10,786
Taxation	3		4,356		4,317
Revenue after Taxation			6,989		6,469
Dividends					
Preference Stocks for the year			<u>68</u>		<u>68</u>
			6,921		6,401
Ordinary Stock:					
Interim of 4.00p (3.75p)		2,016		1,890	
Proposed Final of 9.50p (8.55p)		4,788		4,309	
			<u>6,804</u>	<u>4,309</u>	<u>6,199</u>
Surplus Revenue for the Year			117		202
Revenue Reserve at 1st February 1983			7,177		6,975
Revenue Reserve at 31st January 1984			7,294		7,177
Earnings per Ordinary Stock Unit	4		13.73p		12.70p

The Notes on pages 17 to 19 form part of these Accounts.

Balance Sheet

as at 31st January 1984

		Notes	1984		1983	
			£'000	£'000	£'000	£'000
Fixed Assets	Investments	5				
	Listed in the U.K. at Market Value		133,108		115,692	
	Listed Overseas at Market Value		201,688		152,904	
	Unlisted at Directors' Valuation	6	2,420		1,326	
	Subsidiary Company	7	305		193	
				337,521		270,115
	Real Estate, Mineral Rights and Office Premises	8		63		30
Current Assets	Debtors					
	Amount owed by Subsidiary		3,516		2,826	
	Sales for Future Settlement		2,167		4,382	
	Taxation Recoverable		278		197	
	Cash and Short-term Deposits		19,806		20,816	
			<u>25,767</u>		<u>28,221</u>	
	Creditors: Amounts falling due within one year					
	Purchases for Future Settlement		1,961		1,151	
	Other Creditors		52		33	
	Taxation Payable		54		99	
	Proposed Dividends		4,822		4,343	
	Short-term Loans		1,494		947	
			<u>8,383</u>		<u>6,573</u>	
	Net Current Assets			17,384		21,648
Total Assets less Current Liabilities				354,968		291,793
Capital and Reserves	Creditors: Amounts falling due after more than one year					
	Debenture Stock	9		7,323		7,323
	Called up Share Capital					
	Preference Stocks	10		2,200		2,200
	50,400,000 25p Ordinary Stock Units		12,600		12,600	
	Reserves					
	Capital Reserves	11	325,551		262,493	
	Revenue Reserve		7,294		7,177	
				345,445		282,270
				354,968		291,793

The Financial Statements on pages 14 to 19 were approved by The Board of Directors on 9th March 1984 and are signed on its behalf by:

G. W. Dunn
B. H. Thomson

G. W. Dunn Director
B. H. Thomson Director

The Notes on pages 17 to 19 form part of these Accounts.

Statement of Source and Application of Funds

for the year ended 31st January 1984

Source of Funds	1984 £'000	1983 £'000
Revenue before Taxation	11,845	10,786
Net Sale of Investments	—	8,538
Appreciation of Foreign Currency Balances	1,444	2,322
Short-term Loans received	547	203
Bonuses and Rentals from Mineral Rights	98	112
	13,934	21,961
Application of Funds		
Dividends paid	6,393	5,990
Net Purchase of Investments	5,890	—
Taxation paid and suffered	3,645	3,005
Investments in subsidiary company	2,027	2,234
Acquisition of Mineral Rights	33	—
	17,988	11,229
	(4,054)	10,732
Total Increase/(Decrease) in Liquidity		
Increase (Decrease) in Debtors	(2,215)	4,097
Decrease (Increase) in Creditors	(829)	(393)
Increase (Decrease) in Cash and Short-term Deposits	(1,010)	7,028
	(4,054)	10,732

Accounting Policies

These Financial Statements have been prepared under the historical cost convention, modified to include the revaluation of investments.

- Income and expenditure of a revenue nature are included in the Company's Revenue Account. Realised and unrealised profits and losses on investments, which cannot be distributed, are included in Capital Reserves.
- Income from Assets is determined on a basis of cash receipts including taxes deducted at source and imputed tax credits.
- Interest payable and management expenses are treated on an accruals basis.
- Listed investments are valued at market prices or middle market prices as appropriate. Unlisted investments are valued by the Directors on a basis of market prices, latest dealings, stockbroker valuations and accounting information as appropriate.
- Foreign assets and liabilities are valued using the middle rates of exchange ruling at the year end. Foreign income is converted at the rate of exchange applicable on receipt.
- To comply with normal practice income from underwriting has been included in the Revenue Account for the first time in 1984. Had this policy been adopted in 1973 the net revenue would have been increased and Capital Reserves reduced by £6,000 respectively.
- No depreciation has been charged on freehold office premises, real estate and mineral rights which are shown at 1948 book value with subsequent additions at cost. In the opinion of the Directors any provision for depreciation would be immaterial in relation to the revenue for the year and the assets of the Company.

Notes on the Accounts

1. Administration Expenses	Administration Expenses include:—	1984 £	1983 £	
	Directors' Remuneration:	29,000	26,722	
	Fees	43,305	38,194	
	Managers' Salaries	29,201	31,109	
	Pension Contributions	101,506	96,025	
	Particulars of Directors' Remuneration excluding pension contributions:	5,000	5,000	
	Chairman	27,105	24,319	
	Highest Paid Director			
	Other Directors £0—£5,000 4 (4)			
	£20,001—£25,000 1 (1)			
The non-recurring, additional pension fund contributions include £61,095; deemed to relate to the Directors.				
The Company shares the cost of employing 17 (16) persons, excluding the Directors, with The Second Alliance Trust PLC. The costs to The Alliance Trust PLC are salaries £96,000 (£85,000), pension contributions £57,000 (£61,000) and social security contributions £12,000 (£12,000).				
2. Interest	Interest payable on Loans repayable within 5 years	£'000 397	£'000 413	
	Interest on all other Loans	74	74	
		471	487	
	Interest Received includes Interest from Subsidiary Company	476	466	
3. Taxation on Revenue	Corporation Tax at 52% after group relief	1,772	1,427	
	Less: Relief for Overseas Tax	818	561	
		954	866	
	Overseas Withholding Taxes	818	561	
	Income Tax Credit applicable to Franked Investment Income	1,747	1,740	
		3,519	3,167	
		1,337	1,150	
	Payment to Subsidiary in respect of group relief at 52%	4,856	4,317	
	No provision has been made for Advance Corporation Tax on the proposed Final Dividend, as in the opinion of the Directors, such taxation will be fully relieved.			
	4. Earnings per Stock Unit	The earnings per Ordinary Stock Unit are based on revenue available to Ordinary Stockholders of £6,921,000 (£6,401,000) divided by the 50,400,000 Stock Units in issue.		

5. Investments

	Listed in UK £'000	Listed Overseas £'000	Unlisted £'000	Subsidiary Company £'000	Total £'000
Book Cost at 31st January 1983	49,412	86,271	1,555	10	137,248
Unrealised Appreciation	66,280	66,633	(229)	183	132,867
Valuation at 31st January 1983	115,692	152,904	1,326	193	270,115
Movements during year					
Purchases — Cost	18,816	39,366	1,136	—	59,318
Sales — Proceeds	(23,110)	(30,308)	(10)	—	(53,428)
— Profit/(Loss)	14,488	12,593	(13)	—	27,068
Increase in Unrealised Appreciation	7,222	27,133	(19)	112	34,448
Valuation at 31st January 1984	133,108	201,688	2,420	305	337,521

6. Unlisted Investments

Included in the Company's Unlisted investments were:

Company	Shares & Class	Percentage Held
City Oil Exploration Ltd. (Registered in England)	202,500 Ordinary Shares of £1	42.86%
Gate Investments Ltd. (Registered in Scotland)	102,200 Ordinary Shares of £1	36.63%
	20,000 £5 Units of Convertible Unsecured Loan Stock 1987/91	50.00%

The investment in these companies has not been consolidated in the Accounts as the Directors consider that to do so would be misleading. As the Company does not take an active part in the management of either company, nor operates in the same fields of business, neither company has been regarded as a related company. Neither company shows any reserves in their latest Balance Sheet. Since 31st January 1984 negotiations have been entered into for the sale of the Ordinary Shares and Loan Stock of Gate Investments Ltd. for a consideration not exceeding £130,000.

7. Subsidiary Company

The Company owns 100% of Alldee Leasing Ltd., a company registered in Scotland. This investment has not been consolidated in these Accounts as the Directors consider it would be misleading to do so. A separate statement of the affairs of the subsidiary is presented below.

The Accounts of Alldee Leasing Ltd. were prepared in accordance with the accounting policies stated on page 19. During the year to 31st January 1984 the Accounts show a profit after tax of £162,630 (£105,000) before payment of a dividend of £50,000 (£30,000). The investment in Alldee Leasing Ltd. has been included in the Balance Sheet at a value of £305,000 (£193,000) being the nominal value of 10,000 shares of £1 at cost plus accumulated profits.

This value is represented by: —

	1984 £'000	1983 £'000
Equipment on lease at cost less Depreciation	15,435	12,064
Less Net Current Liabilities	8,715	7,002
	6,660	5,062
Less Deferred Taxation	6,355	4,869
	305	193

Accounting policies adopted by Alidee Leasing Ltd. —

- a. Lease rentals are treated on an accruals basis.
- b. Provision has been made for Corporation Tax at the current rate of 52% on the excess of the book value of fixed assets qualifying for taxation allowances over the corresponding written down value for taxation purposes.
- c. Depreciation of leased assets, along with the appropriate credit for Regional Development Grants, where applicable, is calculated using the 'Investment Period' method which ensures that the net leasing income being taken to profit is in proportion to the funds invested.

		£'000
8. Real Estate, Mineral Rights and Office Premises	Cost at 31st January 1983	30
	Additions During Year	33
		<u>63</u>
	Cost at 31st January 1984	63

At 31st January 1984 the Company was committed to purchase additional office premises costing £49,000.

	1984 £'000	1983 £'000
9. Debenture Debt		
4½% Debenture Stock 1956 or after	1,648	1,648
3½% Debenture Stock 1975/85	675	675
5¼% Debenture Stock 1980/85	5,000	5,000
	<u>7,323</u>	<u>7,323</u>

		1984 £'000	1983 £'000
10. Preference Share Capital Authorised and Issued	4¼% (now 2.975% + tax credit) Cumulative Preference Stock	700	700
	4% (now 2.8% + tax credit) Cumulative Preference Stock	650	650
	5% (now 3.5% + tax credit) Cumulative Preference Stock	750	750
	4% (now 2.8% + tax credit) "A" Cumulative Preference Stock	100	100
		<u>2,200</u>	<u>2,200</u>

11. Capital Reserves	Note	Realised Reserve £'000	Unrealised Appreciation £'000	Total £'000
Capital Reserves at 31st January 1983		129,626	132,867	262,493
Profits Realised	5	27,068	—	27,068
Increase in Unrealised Appreciation	5	—	34,448	34,448
Profit on Currency Transactions		1,444	—	1,444
Bonuses and Rentals from Mineral Rights		98	—	98
Capital Reserves at 31st January 1984		<u>158,236</u>	<u>167,315</u>	<u>325,551</u>

12. Contingent Liabilities	There are Contingent Liabilities at 31st January 1984 for £224,250 in respect of commitments to subscribe for shares (1983—underwriting—£75,000).
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Report of the Auditors

To the Members of The Alliance Trust PLC

We have audited the Financial Statements on pages 14 to 19 in accordance with approved auditing standards.

In our opinion the Financial Statements, which have been prepared under the historical cost convention, as modified by the revaluation of investments, give a true and fair view of the state of the Company's affairs at 31st January 1984 and of the revenue and source and application of funds for the year then ended and comply with the Companies Acts 1948 to 1981.

DUNDEE, 16th March 1984

THOMSON McLINTOCK & Co., C.A., Auditors

Thomson McLintock & Co. CA

Ten Year Record

years to 31st January

	Total Assets Less Current Liabilities	Gross Revenue	Net Revenue Available for Ordinary	Earned on Ordinary Net	Ordinary Dividend Net	Net Asset Value
	£'m	£'m	£'m	Pence per Stock Unit	Pence per Stock Unit	Pence per Stock Unit
1975	92.7	5.6	2.9	5.77	5.25	164.1
1976	135.3	5.5	2.8	5.56	5.35	248.5
1977	127.0	6.5	3.4	6.66	6.35	233.0
1978	140.3	6.9	3.7	7.37	7.10	259.5
1979	157.4	7.7	4.2	8.28	8.00	293.4
1980	150.5	9.1	5.2	9.66 + 0.65	9.35 + 0.65	279.4
1981	174.7	10.0	5.7	11.24	10.50	327.7
1982	211.4	10.5	5.9	11.63	11.25	400.5
1983	291.8	11.7	6.5	12.70	12.30	560.1
1984	355.1	13.0	6.9	13.73	13.50	685.4

Classification of Investments

Classification		U.K.	U.S.A.	Japan	Elsewhere	Total 1984	Total 1983
		%	%	%	%	%	%
Equities (including Convertibles)	Capital Goods	5.8	4.8	4.9	0.9	16.4	16.8
	Aerospace	—	1.4	—	—	1.4	0.9
	Building and Construction	0.8	—	—	0.2	1.0	1.2
	Electrical and Electronics	2.9	3.0	4.7	0.5	11.1	11.0
	Engineering	1.6	0.2	0.2	0.2	2.2	3.0
	Motors	—	0.2	—	—	0.2	0.4
	Miscellaneous	0.5	—	—	—	0.5	0.3
	Consumer Goods	10.6	12.2	1.7	1.8	26.5	25.5
	Brewers and Distillers	2.1	—	0.1	0.2	2.4	1.6
	Food Manufacturing	0.3	0.4	—	0.3	1.0	0.4
	Food Retailing	0.4	0.2	—	—	0.6	—
	Health and Household Products	2.4	4.6	—	0.4	7.4	8.6
	Leisure	0.3	—	—	—	0.3	0.2
	Paper and Packaging	0.2	—	—	0.1	0.3	0.2
	Printing and Publishing	0.2	0.9	—	—	1.1	0.9
	Stores	1.5	3.6	0.6	0.8	6.5	6.0
	Textiles	0.6	—	—	—	0.6	0.6
	Tobacco	2.8	2.5	—	—	5.3	6.1
	Miscellaneous	—	—	1.0	—	1.0	0.9
	Other Groups	8.1	23.7	0.2	2.1	34.1	32.3
	Chemicals	1.2	2.9	0.1	0.2	4.4	4.9
	Hospitals and Hospital Services	—	1.1	—	—	1.1	0.5
	Office Equipment	0.6	5.1	0.1	—	5.8	6.1
	Oil and Oil Service	4.0	7.5	—	—	11.5	10.7
	Public Utilities	—	2.9	—	—	2.9	1.0
	Transport	—	0.2	—	—	0.2	0.2
	Miscellaneous	2.3	4.0	—	1.9	8.2	8.9
	Financial	12.2	3.9	0.5	0.4	17.0	16.6
	Banks and Finance	2.3	1.4	—	—	3.7	2.9
	Insurance	4.5	2.1	—	—	6.6	6.7
	Investment Trusts	1.6	—	0.4	0.4	2.4	3.6
	Property	2.0	0.4	—	—	2.4	2.0
	Mining Finance	—	—	—	—	—	0.2
	Miscellaneous	1.8	—	0.1	—	1.9	1.2
	Total Equities	36.9	44.6	7.3	5.2	94.0	91.2
Fixed Interest	Preference & Loan Stocks	1.1	—	—	—	1.1	1.3
Total Investments		38.0	44.6	7.3	5.2	95.1	92.5
Other Net Assets		(0.2)	2.8	2.3	—	4.9	7.5
Total Assets	1984	\$354,963,070	37.6	47.4	9.6	5.2	100.0
	1983	\$291,793,006	41.3	45.5	7.6	5.6	100.0

Notice of Meeting

NOTICE IS HEREBY GIVEN that the Ninety-Sixth Annual General Meeting of the Company will be held at MEADOW HOUSE, 64 REFORM STREET, DUNDEE, on Friday, 13th of April 1984, at 11.30 a.m. for the following purposes:—

Ordinary business

- I. To receive the Report of the Directors.
- II. To declare Dividends.
- III. To re-elect Mr. Lyndon Bolton as a Director
- IV. To re-appoint Thomson McIntock & Co., C.A., Dundee, as Auditors.
- V. To fix the remuneration of the Auditors.

By Order of the Directors
G. R. Suggett
Secretary

Dundee,
20th March 1984.

A Member entitled to attend and vote at the above meeting may appoint a proxy in his stead who need not be a member of the Company. Proxies must be lodged at the Company's registered office not less than 48 hours before the time of the meeting. Only Ordinary Stockholders or their representatives are entitled to attend the meeting.

The Register of Directors' Stock and Debenture Interests and copies of Directors' Service Agreements will be available at the meeting.

Subject to approval at the meeting, dividend warrants payable on 1st April will be posted on 17th April to Stockholders on the register on 23rd March.

The Alliance Trust PLC

Form of Proxy
for use by
Members only

I/We
of

Please complete
in
BLOCK CAPITALS

being (a) member(s) of The Alliance Trust PLC, HEREBY APPOINT

or failing him Mr. George W. Dunn, or failing him, the CHAIRMAN OF THE MEETINGS as my/our proxy to attend and vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held on Friday, 13th April 1984 at 11.30 a.m. and at any adjournment thereof.

I/We direct my/our proxy to vote on the resolutions set out in the notice convening the Annual General Meeting as follows:—

Resolutions

- | | |
|---|---------------|
| I. To receive the Report of the Directors. | FOR / AGAINST |
| II To declare Dividends. | FOR / AGAINST |
| III. To re-elect Mr. Lyndon Bolton as a Director. | FOR / AGAINST |
| IV To re-appoint Thomson McLintock & Co., C.A., Dundee as Auditors. | FOR / AGAINST |
| V. To fix the remuneration of the Auditors | FOR / AGAINST |

Signature.....

Date.....

Notes

1. Please indicate how you wish your proxy to vote by deleting "For" or "Against" as appropriate. Unless otherwise indicated, your proxy will use his discretion as to whether and how to vote.
2. In the case of joint holders, the vote of the senior shall be accepted to the exclusion of the vote of other joint holders. For this purpose seniority shall be determined by the order in which the names of such holders stand in the register of members.
3. In the case of a corporation, this form of proxy should be executed under its common seal or signed on its behalf by an attorney or officer of the corporation.
4. To be valid, this form must be lodged at the registered office of the company not less than 48 hours before the time of the meeting.
5. If you wish to appoint a proxy of your own choice, please insert his/her name in the spaces provided.