

HONG KONG AND SHANGHAI BANKING CORPORATION  
ONE HUNDRED AND SEVENTEENTH  
REPORT OF THE BOARD OF DIRECTORS  
TO THE  
ORDINARY YEARLY GENERAL MEETING OF  
SHAREHOLDERS

TO BE HELD AT THE  
OFFICES OF THE HONG KONG AND SHANGHAI BANKING CORPORATION,  
1 QUEEN'S ROAD CENTRAL, HONG KONG  
on Saturday, the 25th., February, 1933.  
AT 11.30 A.M.

*To the Proprietors of the*  
HONG KONG AND SHANGHAI BANKING CORPORATION.

GENTLEMEN,

The Directors have now to submit to you a General Statement of the affairs of the Bank, and Balance Sheet for the year ending 31st. December 1932.

The net profits for the year, together with \$3,421,511.15, balance brought forward from last account, after paying all charges, deducting interest paid and due, and making provision for bad and doubtful accounts and contingencies, amount to \$20,315,231.74.

The Directors recommend writing off Bank Premises Account the sum of \$1,500,000.

After making this transfer, deducting the Interim Dividend of £3 per share, paid on 8th. August last, *viz.* :—£480,000 @  $1/3\frac{1}{8}$  = \$7,616,528.93, and remuneration to Directors, there remains for appropriation \$11,119,033.39, out of which the Directors recommend the payment of a Final Dividend of £3 per Share, *viz.*, £480,000 which, at  $1/3$ , the rate of the day, will absorb \$7,680,000.

The Balance \$3,439,033.39 to be carried to New Profit and Loss Account.

The Sterling equivalents of the Assets and Liabilities are shown at  $1/3$ , the rate ruling on the last day of the year.

DIRECTORS.

Mr. T. E. PEARCE has been elected Chairman for the year 1933, and Mr. T. H. R. SHAW has been elected Deputy Chairman.

Mr. A. H. COMPTON, Mr. G. MISKIN and the Hon. Mr. J. J. PATERSON retire in rotation, but being eligible for re-election, offer themselves accordingly.

AUDITORS.

The Accounts have been audited by Mr. JOHN FLEMING, C.A. and Mr. H. R. FORSYTH, C.A., who offer themselves for re-election.

J. J. PATERSON,  
*Chairman.*

HONG KONG, 6th. February, 1933.

# ABSTRACT OF ASSETS AND LIABILITIES, HONG KONG AND SHANGHAI BANKING CORPORATION.

31st. December 1932.

LIABILITIES.	STERLING EQUIVALENT.	DOLLARS.	ASSETS.	STERLING EQUIVALENT.	DOLLARS.
AUTHORISED CAPITAL:— 400,000 Shares of \$125 each .....\$ 50,000,000			CASH:— (Including \$54,500,000 Coin lodged with the Hong Kong Government and \$8,850,000 Coin lodged with H.B.M. Consul-General, Shanghai, against authorised and/or excess note circulation) .....	£12,693,616.18. 6	\$ 203,097,870.85
ISSUED AND PAID UP CAPITAL:— 160,000 Shares of \$125 each .....	£1,250,000. 0. 0	\$ 20,000,000.00	BULLION IN HAND AND IN TRANSIT:— (Including \$47,250,000 Bullion lodged with Hong Kong Government against authorised and/or excess note circulation) .....	8,148,373. 5. 5	130,373,972.39
RESERVE LIABILITY OF PROPRIETORS:— \$125 per Share on 160,000 Shares issued .....\$ 20,000,000			BRITISH GOVERNMENT, INDIAN, COLONIAL AND OTHER SECURITIES .....	18,124,225.12. 9	289,987,610.21
STERLING RESERVE .....	6,500,000. 0. 0	104,000,000.00	BILLS DISCOUNTED, LOANS AND CREDITS.....	27,453,135.17. 3	439,250,173.80
SILVER RESERVE .....	625,000. 0. 0	10,000,000.00	BILLS RECEIVABLE AND BALANCE OF REMITTANCES AND DRAFTS IN TRANSIT	9,311,331. 1. 1	148,981,296.82
NOTES IN CIRCULATION:— (Authorised and Additional Issue against Securities, Bullion, and Coin amounting to \$166,565,152 deposited with the Crown Agents for the Colonies, their Trustees, and the Hong Kong Government) .....	8,590,578. 8. 9	137,419,255.00	LIABILITIES OF CONSTITUENTS FOR ACCEPTANCES PER CONTRA.....	155,306. 1. 6	2,484,897.16
CURRENT ACCOUNTS .....	43,398,698. 8. 1	694,379,174.48	BANK PREMISES .....	1,229,641. 0.11	19,674,256.73
FIXED DEPOSITS .....	14,828,665.18. 6	237,258,651.86			
BILLS PAYABLE:— (Including Call Loans and Short Sight Drawings on London Office and Drafts on London Bankers).....	978,691. 8.10	15,659,063.07			
ACCEPTANCES ON ACCOUNT OF CONSTITUENTS .....	155,306. 1. 6	2,484,897.16			
PROFIT AND LOSS ACCOUNT .....	788,689.11. 9	12,619,033.39			
	£77,115,629.17. 5	\$ 1,233,850,077.96		£77,115,629.17. 5	\$ 1,233,850,077.96

Liability on Bills of Exchange re-discounted, £2,165,060.3:6 of which £1,992,066:10:1 have since run off.

STERLING EXCHANGE TAKEN AT 1/3.

**GENERAL PROFIT AND LOSS ACCOUNT, HONG KONG AND SHANGHAI BANKING CORPORATION.**

**Dr:** 31st. December 1932. **Cr:**

	DOLLARS	DOLLARS.	DOLLARS.	DOLLARS.
% INTERIM DIVIDEND:—				
Paid on 8th. August 1932. of £3 per Share on 160,000 Shares = £480,000 @ 1/3 <sup>1</sup> / <sub>8</sub> = .....		\$ 7,616,528.93	\$3,421,511.15	
” REMUNERATION TO DIRECTORS £5,000.		79,669.42		
” BALANCE TO BE APPROPRIATED:—			16,893,720.59	
” FINAL DIVIDEND:—				
Of £3 per Share on 160,000 Shares = £480,000 @ 1/3 = .....	\$7,680,000.00			\$ 20,315,231.74
” TRANSFER TO BANK PREMISES ACCOUNT .....	1,500,000.00			
” BALANCE forward to next year .....	3,439,033.39	12,619,033.39		
				\$ 20,315,231.74

**STERLING RESERVE.**

to Balance.....	STERLING. £6,500,000: 0: 0
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By Balance 31st. December 1931.....	STERLING. £6,500,000: 0: 0
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**SILVER RESERVE.**

to Balance.....	DOLLARS. \$ 10,000,000.00
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By Balance 31st. December 1931.....	DOLLARS. \$ 10,000,000.00
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V. M. GRAYBURN, *Chief Manager.*  
A. MORSE, *Acting Chief Accountant.*

J. J. PATERSON,  
T. E. PEARCE,  
T. H. R. SHAW, } *Directors.*

We have audited the above Balance Sheet with the Books, Vouchers and Securities at the Head Office and with the certified returns from the Branches and Agencies made up to 31st. December 1932, with the exception of certain distant offices where the year is closed on 31st. October or 30th. November.

We have obtained all the information and explanations we have required. In our opinion such Balance Sheet is full and fair, and properly drawn up so as to exhibit a true and correct view of the Corporation's affairs according to the best of our information and the explanations given to us and as shown by the Books of the Corporation.

HONG KONG. 6th. February, 1933.

JOHN FLEMING,  
H. R. FORSYTH, } *Chartered Accountants.*  
*Auditors.*