



CHAPTER iv.

An Act to confirm the capitalisation in past years of certain profits of H. R. Baines and Company Limited and for other purposes. A.D. 1906.
[29th May 1906.]

WHEREAS H. R. Baines and Company Limited (herein-after called "the Company") was incorporated on the twenty-third day of July one thousand eight hundred and sixty-nine under the Companies Acts 1862 and 1867 as a company limited by shares with a registered capital of twenty-five thousand pounds divided into two thousand five hundred shares of ten pounds each and by the memorandum of association of the Company it was declared that the objects for which the Company was established were the publication of journals newspapers or periodical papers and to establish conduct and carry on the business of machine letterpress copperplate lithographic and other printers advertisement agents newsvendors purchasers and sellers of copyrights and divers other objects therein set forth :

And whereas shortly after its incorporation the Company commenced and has since carried on business :

And whereas by clause 31 of the Company's articles of association the Company was empowered by a resolution passed at an extraordinary general meeting convened for that purpose from time to time to increase the capital of the Company by the creation of new shares of such amount as the Company might by such resolution determine and by clause 32 of the articles of association it was provided that any such new shares might be issued either with or without special privileges over the other shares and with such an amount credited as paid up thereon as the Company might by such resolution determine and that the capital represented by such new shares should be considered as

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part of the general capital of the Company and should be subject to the same provisions in all respects as if it had been part of the original capital except so far as might be otherwise provided by the resolution authorising the raising of the same and by clause 33 of the said articles it was provided that upon any increase of capital the new shares to be issued in respect thereof should be offered pro rata to the then existing shareholders according to the number of shares for which they might then respectively be registered and upon such terms as might be prescribed by the resolution authorising such increase but if no such terms should be prescribed then upon such terms as the directors might think fit :

And whereas by clause 112 of the articles of association it was provided that the directors of the Company might if they should think fit before recommending a dividend set aside out of the profits of the Company such sum as they might think proper as a reserved fund to meet contingencies or for equalising dividends or for repairing maintaining or replenishing the buildings property or stock-in-trade of the Company or any part thereof and that the directors might invest the sum so set apart as a reserved fund upon such securities as were therein-after authorised :

And whereas by clause 115 of the articles of association it was provided that such of the funds for the time being in the hands of the Company as should not be required for the immediate purposes of the Company might from time to time be deposited with their bankers by the directors :

And whereas the said two thousand five hundred shares in the original capital were all subscribed for and issued and prior to the call herein-after mentioned had been paid up to the extent of six pounds per share :

And whereas by special resolution of the Company duly passed and confirmed at extraordinary general meetings of the Company held respectively on the sixteenth day of December one thousand eight hundred and seventy-two and the sixth day of January one thousand eight hundred and seventy-three it was resolved that the share capital of the Company be increased by an issue of one thousand two hundred and fifty shares of ten pounds each :

And whereas all the said one thousand two hundred and fifty further shares were duly subscribed for and allotted and prior to the call herein-after mentioned had been paid up to the extent of six pounds per share :

And whereas by special resolutions of the Company duly passed and confirmed at extraordinary general meetings of the Company held respectively on the twenty-third day of January one thousand eight hundred and eighty-three and the twelfth day of February one thousand eight hundred and eighty-three it was resolved as follows (that is to say):—

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“ (1) That the capital of the Company be increased to seventy-five thousand pounds by the creation of three thousand seven hundred and fifty new shares of ten pounds each to be called ‘Third Issue’ and to be numbered 3751 to 7500 both inclusive and that the said shares be issued as being paid up at the time of allotment to the extent of four pounds a share ;

“ (2) That notwithstanding anything to the contrary in the article of association of the Company numbered 112 or in any of the other articles of association of the Company each of the said three thousand seven hundred and fifty new shares be paid up to the extent of four pounds a share by the appropriation to that purpose and capitalising of the sum of eight thousand seven hundred and fifty pounds the reserved fund of the Company and of the sum of six thousand two hundred and fifty pounds part of the sum of six thousand four hundred and ninety-seven pounds eighteen shillings and tenpence undivided profits of the Company carried forward at the ordinary general meeting of the Company held on the twenty-first day of August one thousand eight hundred and eighty-two ;

“ (3) That the regulations of the Company be altered as follows (that is to say) First by the insertion in the article of association of the Company numbered 112 of the words ‘or adding to’ between the word ‘equalising’ and the word ‘dividends’ Secondly by adding after the word ‘directors’ in the article of association of the Company numbered 115 the words ‘and the directors may from time to time ‘ if they think fit apply any moneys standing to ‘ the credit of the reserved fund in paying up all ‘ or any part of the amount remaining uncalled ‘ upon the shares of the Company or may invest

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‘ any of the said moneys in the purchase of any
‘ real or leasehold property for the purposes of the
‘ Company or in the purchase of any of the public
‘ funds or Government securities of the United
‘ Kingdom or on any securities on which trustees
‘ may invest moneys and the directors may sell
‘ any real or leasehold property or any funds or
‘ other property purchased or otherwise acquired
‘ by the Company and may from time to time
‘ vary securities ’” :

And whereas by an agreement dated the nineteenth day of February one thousand eight hundred and eighty-three and made between the Company of the one part and James Aspin Heaton secretary to the Company as trustee for the holders for the time being of the shares in the capital of the Company of the other part after reciting the said last-mentioned special resolutions it was for the purpose of giving effect to the said resolutions thereby agreed by and between the Company and the said James Aspin Heaton as such trustee as aforesaid that the said three thousand seven hundred and fifty new shares numbered from 3751 to 7500 both inclusive in the capital of the Company should be issued as having been paid up at the time of allotment to the extent of four pounds a share and that each of the said shares should be credited in the books of the Company as having had the sum of four pounds paid up thereon and that there should not be any sum of money beyond the sum of six pounds upon each of the said shares payable to the Company upon or in respect of the said shares in any event whatever :

And whereas the said agreement was duly executed by the Company and the said James Aspin Heaton and was filed with the Registrar of Joint Stock Companies on the twentieth day of February one thousand eight hundred and eighty-three :

And whereas shortly after the filing of the said agreement the said three thousand seven hundred and fifty new shares of ten pounds each were duly offered and allotted to the then existing holders of shares in the Company in due proportions and thereupon the amount namely eight thousand seven hundred and fifty pounds then standing to the credit of the Company's reserved fund and the sum of six thousand two hundred and fifty pounds part of the undivided profits carried forward at the ordinary general meeting of the Company held on the twenty-first day of August one thousand eight hundred and eighty-two were written off and

[6 EDW. 7.] *H. R. Baines and Company's Act*, 1906. [Ch. iv.]

the amount thus written off namely fifteen thousand pounds was credited as having been paid up on the said three thousand seven hundred and fifty new shares being at the rate of four pounds per share: A.D. 1906.

And whereas at a meeting of the directors of the Company duly convened and held on the eleventh day of November one thousand eight hundred and eighty-four it was resolved as follows:—

“ That in pursuance of the power given and reserved to them
“ by the special resolutions of the Company passed on
“ the twenty-third day of January one thousand eight
“ hundred and eighty-three and confirmed on the twelfth
“ day of February one thousand eight hundred and
“ eighty-three the directors of the Company hereby
“ apply the sum of seven thousand five hundred pounds
“ now standing to the credit of the reserved fund in
“ payment of a further sum of two pounds per share on
“ each of the shares of the Third Issue” (meaning
thereby the shares authorised to be issued by such special
resolutions) “ making six pounds per share paid up on
“ each of such shares and they further direct that such
“ payment be credited in the books of the Company to
“ the persons holding shares of the Third Issue in pro-
“ portion to the number of such shares held by them
“ respectively further that on presentation to the
“ secretary the certificates of such shares shall be
“ indorsed with a memorandum showing that by this
“ resolution the additional sum of two pounds has been
“ credited on each share of the 'Third Issue' ” :

And whereas pursuant to the said resolution of the directors the sum of two pounds per share was credited as paid up on the said shares of the Third Issue and the amount standing to the credit of the Company's reserved fund was reduced by the amount of the sum so credited :

And whereas at the time when the said respective sums of four pounds and two pounds per share were credited as aforesaid the Company had undivided profits at the credit of reserve and carried forward exceeding in amount fifteen thousand pounds and seven thousand five hundred pounds respectively but such undivided profits were represented by divers stocks funds shares and securities and did not exist in the shape of cash :

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And whereas by special resolutions of the Company passed at extraordinary general meetings thereof held respectively on the fourteenth day of October one thousand eight hundred and eighty-nine and the fourth day of November one thousand eight hundred and eighty-nine it was resolved as follows:—

- “(1) That in view of the proposed increase in the Company's business as described in the chairman's recent letter to the shareholders the capital of the Company be increased to one hundred thousand pounds by the creation of two thousand five hundred new shares of ten pounds each to be called 'Fourth Issue' and to be numbered 7501 to 10000 both inclusive and that the said shares be issued as being paid up at the time of allotment to the extent of seven pounds a share and be offered in the first instance pro rata (exclusive of fractions of shares) to the existing shareholders in the proportion of one share for every three shares for which they are now respectively registered And in case any share or shares so proposed to be issued shall not be accepted by the now existing shareholders or in case any shares shall remain unallotted in consequence of fractions then such share or shares so unaccepted or unallotted shall be sold or otherwise dealt with as the directors may from time to time determine;
- “(2) That notwithstanding anything to the contrary in the articles of association of the Company numbered 112 and 115 or in any of the other articles of association of the Company each of the said two thousand five hundred new shares be paid up to the extent of seven pounds a share by the appropriation to that purpose and capitalising of the sum of seventeen thousand five hundred pounds part of the reserved fund of the Company;
- “(3) That the articles of association of the Company be altered in manner following (that is to say) (A) Article No. 112 shall be cancelled and the following article substituted in lieu thereof namely 112 The directors may if they shall think fit before recommending a dividend set aside out of the profits of the Company such a sum as they think proper

as a reserved fund to meet contingencies or for equalising or adding to dividends or for extending and increasing repairing maintaining or replenishing the buildings property machinery or stock-in-trade of the Company or any part thereof and the directors may invest the sum so set apart or any other moneys standing to the credit of the reserved fund upon such securities as are herein-after authorised (B) Article No. 115 shall be cancelled and the following article substituted in lieu thereof namely 115 Such of the funds for the time being in the hands of the Company as shall not be required for the immediate purposes of the Company or which may be in their hands to reserve account may from time to time be deposited with their bankers by the directors or the directors may invest any of the said moneys in the purchase of any real or leasehold property for the purposes of the Company or in the purchase of any of the public funds or Government securities of the United Kingdom or on any securities in which trustees may invest trust moneys and the directors may sell or mortgage or deposit by way of security any real or leasehold property or any funds or other property purchased or otherwise acquired by the Company and may from time to time vary securities And the directors may from time to time if they think fit apply any moneys standing to the credit of the reserved fund in paying up all or any part of the amount to be called up upon any shares of the Company now created or hereafter to be created and also may apply any of the moneys standing to the credit of reserve or otherwise in promoting or continuing 'The Graphic' Provident Fund already established or any fund of a similar nature that may be hereafter established":

And whereas on the fourth day of November one thousand eight hundred and eighty-nine a call of one pound per share was duly made in respect of the issued shares in the Company other than the said two thousand five hundred last-mentioned shares and such call was duly paid thus making the same paid up to the extent of seven pounds per share:

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And whereas all the said two thousand five hundred shares of the Fourth Issue were duly offered to the existing shareholders in the proportions indicated in the last-mentioned special resolutions and they were all subscribed for by them and were credited in accordance with such resolutions with the sum of seven pounds per share as paid up at the time of allotment making a total sum of seventeen thousand five hundred pounds so credited and the reserved fund of the Company was debited with and reduced by the said sum of seventeen thousand five hundred pounds :

And whereas at the time of the passing of such special resolutions and of the allotment and issue of such two thousand five hundred shares the reserved fund of the Company consisting of undivided profits largely exceeded the said sum of seventeen thousand five hundred pounds but such reserved fund was represented by stocks funds shares and securities and did not exist in the shape of cash :

And whereas doubts have arisen whether the said three thousand seven hundred and fifty shares issued pursuant to the said agreement of the nineteenth day of February one thousand eight hundred and eighty-three were effectually credited with the sum of four pounds per share in accordance with the said agreement and whether the said sum of two pounds per share credited on each of the shares of the Third Issue pursuant to the resolution of the directors passed on the eleventh day of November one thousand eight hundred and eighty-four was effectually credited as paid up and whether the sum of seven pounds per share credited on the two thousand five hundred shares of the Fourth Issue aforesaid pursuant to the said special resolutions passed and confirmed on the fourteenth day of October one thousand eight hundred and eighty-nine and the fourth day of November one thousand eight hundred and eighty-nine respectively was effectually credited as paid up :

And whereas the said several new shares in the Company have from time to time since the passing of the said resolutions relating thereto respectively been in a large number of cases sold and transferred and otherwise dealt with and for many years all parties concerned have acted on the footing that the said credits were effective :

And whereas if the said credits were not effective the aggregate amount thereby intended to be capitalised would retain its character of undivided profits and be liable to be dealt with accordingly :

And whereas the business of the Company is a profitable one and its assets largely exceed its debts and liabilities: A.D. 1906.

And whereas it is expedient to remove the doubts aforesaid and to confirm the said credits:

And whereas the purposes of this Act cannot be effected without the authority of Parliament:

May it therefore please Your Majesty that it may be enacted and be it enacted by the King's most Excellent Majesty by and with the advice and consent of the Lords Spiritual and Temporal and Commons in this present Parliament assembled and by the authority of the same as follows:—

1. This Act may be cited as *H. R. Baines and Company's Act* Short title.
1906.

2. The credit of four pounds per share on the said three thousand seven hundred and fifty shares of the Third Issue aforesaid in accordance with the provisions of the said agreement of the nineteenth day of February one thousand eight hundred and eighty-three is hereby confirmed and undivided profits of the Company to the extent of eight thousand seven hundred and fifty pounds then standing to the credit of the Company's reserved fund and the sum of six thousand two hundred and fifty pounds part of the sum of six thousand four hundred and ninety-seven pounds eighteen shillings and tenpence undivided profits of the Company carried forward at the ordinary general meeting of the Company held on the twenty-first day of August one thousand eight hundred and eighty-two shall be regarded as having been thereby capitalised. Confirmation of certain credits on shares of Third Issue and of capitalisation of certain undivided profits.

3. The credit of two pounds per share on each of the shares of the Third Issue aforesaid pursuant to the said resolution of the board of directors of the Company of the eleventh day of November one thousand eight hundred and eighty-four is hereby confirmed and undivided profits of the Company to the extent of seven thousand five hundred pounds part of the reserved fund of the Company as then existing shall be regarded as having been thereby capitalised. Confirmation of certain further credits on shares of Third Issue and of capitalisation of certain further undivided profits.

4. The credit of seven pounds per share on the said two thousand five hundred shares of the Fourth Issue aforesaid made pursuant to the said special resolutions passed and confirmed on the fourteenth day of October one thousand eight hundred and eighty-nine and the fourth day of November one thousand eight hundred Confirmation of certain credits on shares of Fourth Issue and of capitalisation of

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and eighty-nine is hereby confirmed and undivided profits of the Company to the extent of seventeen thousand five hundred pounds part of the reserved fund of the Company as then existing shall be regarded as having been thereby capitalised.

Copy of Act
to be regis-
tered.

5. The Company shall deliver to the Registrar of Joint Stock Companies a printed copy of this Act and he shall retain and register the same and if such copy is not so delivered within three months from the passing of this Act the Company shall incur a penalty not exceeding two pounds for every day during which such default continues and any director or manager of the Company who knowingly or wilfully authorises such default shall incur the like penalty Every penalty under this section shall be recoverable summarily There shall be paid to the said Registrar by the Company on such copy being registered the like fee as is for the time being payable under the Companies Act 1862 on registration of any document other than a memorandum of association.

Costs of Act.

6. All costs charges and expenses of and incident to the preparation for obtaining and passing of this Act or otherwise in relation thereto shall be paid by the Company.

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