

## Balance sheets for investment trust companies

Previous articles in the *Bulletin* have put the case for producing national balance sheets and have presented figures for the deposit banks and for the banking sector as a whole.[1] Work on compiling similar series of integrated balance sheet and flow statistics for other groups of financial institutions has been delayed. However, this article now presents figures for investment trust companies, statistics for which are collected regularly by the Bank.

There is no hard and fast definition of an investment trust. The companies contributing to the Bank's statistics are either members of the Association of Investment Trust Companies or are listed as investment trusts by the stock exchange. The Bank's series does not follow either the definition of an 'investment trust' used in the *Stock Exchange Daily Official List*, or that in the alternative classification prepared by the Institute of Actuaries and the Faculty of Actuaries, which is also used in stock exchange statistics. The definition of an investment trust is discussed further in the notes to the tables.

Background information on the statistical series, which is compiled with the co-operation of the trusts, was included in an introductory article on the investment and unit trusts' statistical returns[2] and in a further article discussing the period 1960-67.[3] The series is published regularly in the statistical annex (Table 17).[4] At first sight, the construction of a balance sheet using this series seems straightforward, as much information is thereby readily available. But more is needed, in two main ways. First, the published figures exclude some important items. In particular, the trusts do not at present report outstanding issued capital: the series given here for this item has been derived from stock exchange data; it has been adjusted to cover broadly those trusts which report their figures to the Bank, but is not completely consistent with other series in the tables. Secondly, the valuation of assets and selected liabilities is reported at end years only. Quarterly series, giving more observations, are of greater value to those analysing the figures; estimating the end-quarter figures has, in fact, been the main task of compilation, and the methods are explained in detail in the accompanying notes. One problem has been to reconcile the reported end-year figures with the reported cash transactions during the year (the transactions are incorporated into the flow of funds accounts as part of the 'other financial institutions' sector, see Table H in the financial review).

The tables presented here set out the Bank's best estimates based on the available information. They show the end-quarter figures, the cash transactions, and a third category, 'revaluations etc.', which covers all other changes within each quarter. 'Revaluations etc.' reflects mainly changes in market prices, but it also covers non-cash transactions, such as exchanges of one type of security for another, and movements due to changes in the number of trusts contributing to the statistics. It has, unfortunately, not proved possible to identify these latter movements for each category of asset and liability.

Work is in progress on similar tables for other groups of financial institutions. Historical series for unit trusts, building societies and savings banks will probably not be published in the *Bulletin*, as there will not be a great deal in the figures which has not been published elsewhere already. They will, when completed, be made available on request.

[1] December 1972 and December 1973 issues of the *Bulletin*, pages 476 and 453 respectively.

[2] September 1961 *Bulletin*, page 29.

[3] March 1969 *Bulletin*, page 62.

[4] All table numbers refer to the statistical annex of the March *Bulletin*.

## Notes on definitions, sources, and methods

### Investment trusts

The definition of an investment trust is somewhat imprecise. A public investment trust may be defined as a company formed to provide a vehicle for collective investment by the general public in a professionally managed fund, which raises money by the issue of share and loan capital, and by other borrowing, and invests such money in shares and other securities. An investment trust, recognised as such by the Inland Revenue for tax purposes, may not distribute realised capital profits as a dividend. Its business is wholly or mainly the formation and management of a portfolio of investments consisting largely of readily marketable securities. If and when a trust adopts different investment policies it changes its character and becomes a 'financial trust' or a holding company with consequent responsibilities for management. Such a change does not immediately become apparent and it is by no means easy to decide when to drop the trust in question from the Bank's series.

As mentioned already, the companies contributing to the Bank's series are either members of the Association of Investment Trust Companies or listed as investment trust companies by the stock exchange; trusts are not included if their total assets are less than £1 million. Changes in total assets brought about by the varying number of trusts covered by the returns are as follows:

£ millions	
1963	+28
1964	+15
1965	+24
1966	+51
1967	-32
1968	-5
1969	-
1970	-31
1971	-2
1972	-10
1973	-82

The records of the figures have not been kept in sufficient detail to permit attribution of these changes to individual classes of asset. Differences due to changes in numbers of trusts will thus fall by residual into the 'revaluations etc.' column in the tables. As can be seen from the above figures, these changes have been substantial. Besides the trusts which changed their character, others were dropped when they became wholly-owned subsidiaries of other companies and their operations became part of the parent group's (insurance companies, for instance, report consolidated figures for the whole group). Other changes were brought about by the inclusion of new contributors and the dropping of trusts whose assets fell below £1 million.

### Sources

Most of the figures are from the series on investment trusts which is produced regularly in the statistical annex (Table 17). It is compiled from returns from the trusts, and covers both quarterly cash transactions and end-year figures at market prices for holdings of financial assets and short-term financial liabilities. Other sources, and differences from these tables, are:

- Assets and liabilities at the end of intervening quarters have been calculated with the help of price indices for securities where applicable and of changes in exchange rates where the asset or liability is denominated in a foreign currency (see below).
- There is additional detail on some assets.
- Borrowing (mainly at long term) from UK banks and from abroad to finance portfolio investment overseas is derived from exchange control information on cash flows. The figures are used in the balance of payments estimates.
- Transactions in issued capital of the investment trusts are taken from the capital issues series published in the statistical annex (Table 15).
- Market values of issued capital have been based on data produced by the stock exchange. The series has been adjusted to bring the trusts covered by the stock exchange as far as possible into line with the Bank's series, but there are still some

significant differences, partly because the number of trusts in the Bank's statistics changes frequently.

### Consolidation

In general, the figures are simple aggregations of amounts reported by the trusts, with no attempt to consolidate them by omitting transactions between trusts.

Transactions between the trusts cannot normally be identified; short-term assets with other financial institutions could therefore include claims on other investment trusts, and figures for loan capital, preference shares, and ordinary and deferred shares could include securities of other investment trusts.

Where, however, one investment trust has any wholly-owned UK-registered subsidiary which is also an investment trust, the assets (and transactions) of the subsidiary are included, but the parent's holdings of the subsidiary's shares are omitted from both sides of the tables.

### Scope

The tables cover financial assets and liabilities only; holdings of property or equipment for the trusts' own use are thus excluded. Such assets must, however, be quite small, and the figures for net financial assets are therefore — errors and omissions apart — almost a measure of reserves, or 'net worth'.

### Relationship with flow of funds accounts

The figures for the investment trusts' transactions have been used in the compilation of the transactions for 'other financial institutions' in the flow of funds accounts. There are two lines (12 and 29) in the balance-sheet tables, which, being transactions with other institutions included in that sector, are excluded from the flow of funds matrix (see the back of the financial review). Lines in the matrix which have equivalents in the balance-sheet tables are as follows:

	Flow of funds matrix	Integrated balance sheet and flow accounts
Miscellaneous investment overseas (net)	Line 11	Lines 3, 5, 16, 32
Bank deposits of domestic sectors	13	10, 11
Tax reserve certificates/tax deposit accounts	15	15 (part)
Bank lending to domestic sectors	16	1, 4
Other loans and accruals	19	2, 15 (part) 30 (part)
Marketable government debt held by domestic sectors:		
Treasury bills	20	13
Stocks	21	17
Local authority debt	22	14, 18, 30 (part)
UK company and overseas securities:		
Capital issues	23	6, 7, 8
Other transactions	24	19, 20, 21, 22, 23, 24, 25, 26, 27, 28

### Interpolation of end-quarter figures

Quarterly values of assets and liabilities are not available and have been estimated. Non-cash transactions and adjustments affecting the calculations are discussed in the notes to the individual lines.

For some categories a simple aggregation of cash flows has been appropriate, the comparatively small discrepancies between calculated and reported end-year valuations being smoothed over the year. Other categories, which are affected by constantly changing market values, need more complicated calculations to obtain valuations at the end of each quarter. In general, the method, using an appropriate price index for the type of security in question, is as follows.[1] The opening stock figure for an asset (or liability) is revalued by the percentage change in the price index to produce a figure for the value of the asset at the

[1] This method is often used in balance-sheet work to extrapolate from an available bench-mark, and is sometimes called the 'perpetual inventory' method.

end of the first quarter. To this is added the figure for cash (and identified non-cash) transactions during that quarter, itself revalued by half the change in the price index. The resultant figure becomes the provisional stock estimate for the end of the first quarter. The process is repeated until a stock figure for the end of the fourth quarter has been calculated; this figure is then compared with the available stock figure as reported by the institutions. There are several reasons for the discrepancies then disclosed: the price index used may not be representative of the pattern of securities held; the transactions may not have taken place at the estimated price; there may have been some sizable unidentified non-cash transactions, notably exchanges of one type of security for another during take-overs; and, as already noted, the effects of changes in the numbers of contributors are not quantified for individual classes of asset. The discrepancies are spread over the year according to any available information or, where there are no clues, equally to each quarter.

#### Notes to individual lines

##### *Line 1, Overdrafts and advances from UK banks*

Excludes foreign currency borrowing repayable in a year or more (see the note on lines 4 and 5).

##### *Line 2, Other short-term borrowing in the United Kingdom*

Includes deposits accepted, balances due to stockbrokers, and balances due on securities bought for future settlement.

##### *Lines 4 and 5, Borrowing to finance portfolio investment overseas: from UK banks and from overseas*

Borrowing foreign currency to invest in foreign currency securities was first permitted by the exchange control authorities in May 1963. Statistics on the subsequent flows are available, and estimates of totals outstanding have been produced by aggregating these, revaluing when the pound was devalued in 1967 and since it has been floating from the middle of 1971. This method of finance has enabled the institutions to switch securities within their loan portfolios without having to observe the requirement, introduced in 1965, to surrender through the official market 25% of the proceeds of sales of securities purchased with investment currency.

The borrowing had, at first, to be for a minimum period of five years, but in December 1970 shorter-term loans were allowed. Since then there has been some double-counting of this short-term borrowing because the contributing trusts will have reported it indistinguishably in the figures used in lines 1 and 3, and no breakdown is available of the exchange control figures used here. However, in the first quarter of 1973 further detail was reported by the trusts contributing to the Bank series, which enabled a deduction of £30 million for double-counting to be made to line 4: thereafter this line reflects only long-term borrowing from UK banks, and double-counting is confined to line 5.

##### *Lines 6 and 7, Issued capital: loan capital and preference shares*

The stock exchange series on which the amounts outstanding are based was available annually at end-March until 1972 and has been quarterly since then. The values at intervening quarters before 1972 have been obtained by interpolation. Transactions are taken from the capital issues series published in the statistical annex (Table 15).

##### *Line 8, Issued capital: ordinary and deferred shares*

For amounts outstanding, uses the same source as for lines 6 and 7 until March 1970; thereafter uses a new series produced by the stock exchange which is based on the classification prepared by the Institute of Actuaries and the Faculty of Actuaries, and in which the group of trusts is nearer to that in the Bank's series. An increase of £83 million in the first quarter of 1970 reflects the break in the series. These statistics also became available quarterly from June 1972. Transactions are taken from the capital issues series published in the statistical annex (Table 15).

##### *Lines 10 and 11, Cash and balances with UK banks and negotiable certificates of deposit*

Foreign currency certificates of deposit were first issued in May 1966 and sterling certificates in October 1968. The trusts, however, did not report holdings of certificates of deposit

separately until end-1970, and until then holdings were reported within 'cash and balances with UK banks'.

##### *Line 12, Short-term assets with other financial institutions*

Other financial institutions are as defined in the notes to the flow of funds accounts (at the end of the financial review).

##### *Line 15, Other short-term assets in the United Kingdom*

Includes balances due from stockbrokers, balances due on securities sold for future settlement in the United Kingdom, tax reserve certificates, and tax deposit accounts (holdings of the last two categories are probably very small).

##### *Line 17, Government stocks*

In July 1967 steel was renationalised. £30 million of steel companies' securities were sold to the authorities by the investment trusts in the two weeks before vesting day, and these transactions are classified as sales of government stocks. Another £7 million were converted into 6½% Treasury Stock 1971. Exchanges of securities are not included in the cash transactions, and there is therefore a special addition of £37 million in the third quarter of 1967 and corresponding deductions of £1 million each in lines 19 and 21 and of £35 million in line 26.

##### *Line 19, Other UK fixed-interest securities: loan capital — listed*

In most of the later years covered by the tables, the issue of fixed-interest securities in exchange for ordinary and deferred shares during the course of take-overs or mergers will have affected the holdings of the trusts, but will not have been included in the cash transactions. In certain years the effects were significantly large, because calculated holdings of listed loan capital were low when compared with subsequent end-year valuations reported by the trusts, while estimates for ordinary and deferred shares were similarly high. It was therefore possible to make some attempt to quantify the exchanges, distribute them over the year according to the general incidence of take-overs, and thus improve the interpolation of quarterly figures. It has not been possible to adjust in the same way for any conversions by the trusts of convertible debentures into ordinary shares. There is a deduction of £1 million in the third quarter of 1967, which is an estimate of loan capital converted into government stocks on the renationalisation of steel (see the note on line 17).

##### *Line 20, Other UK fixed-interest securities: loan capital — unlisted*

The trusts are asked to value unlisted securities at approximate current market prices. There are, of course, no general rules for valuing these securities. A study of the reported end-year figures and quarterly transactions suggested that unlisted securities had been revalued only when listed market prices changed markedly over a year. Interpolation of quarterly holdings takes account of this, and price indices for listed securities have been used as a guide when necessary.

##### *Line 21, Other UK fixed-interest securities: preference shares — listed*

There is a deduction of £1 million in the third quarter of 1967 which is an estimate of preference shares converted into government stocks on the renationalisation of steel (see the note on line 17).

##### *Line 22, Other UK fixed-interest securities: preference shares — unlisted*

See the note on line 20 for the interpolation of quarterly holdings of unlisted securities.

##### *Line 26, UK ordinary and deferred shares — listed*

See the note on line 19 for non-cash transactions in securities in connection with take-overs and mergers. There is a deduction of £35 million in the third quarter of 1967 which is an estimate of ordinary and deferred shares converted on the renationalisation of steel (see the note on line 17). There is an addition of £61 million in the fourth quarter of 1972 which results from the identification of assets previously unreported.

##### *Line 27, UK ordinary and deferred shares — unlisted*

See the note on line 20 for the interpolation of quarterly holdings of unlisted securities. There is an addition of

£ 64 million in the fourth quarter of 1972 which results from the identification of assets previously unreported.

*Line 28, Overseas ordinary and deferred shares*

Most of the trusts' holdings of overseas shares are in premium portfolios (securities bought with currency obtained in the investment currency market, rather than obtained by borrowing). The annual valuation of these securities by the trusts includes the full amount of the investment currency premium,[1] and changes in premium currency rates as well as overseas share prices have therefore been used in calculations of quarterly holdings. In June 1972 securities of the overseas sterling area became premium currency securities. Their sterling value appreciated,

and interpolation of 1972 market values has taken account of this.

*Line 30, Other investments: United Kingdom*

Includes holdings of local authority mortgages and other unlisted securities (totalling only £ 2 million at end-1973).

**Geographical details of overseas investments**

The trusts provide a geographical breakdown of their total holdings of overseas investments at the end of each year. They do not, however, report their quarterly transactions in this detail, so it is not possible to estimate quarterly figures. The annual holdings are given here for the convenience of readers.

*Lines 23, 24, 25, 28 and 31*

£ millions	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
United States	486	596	733	803	728	1,058	1,457	1,118	992	1,110	1,516	1,175
Canada	77	84	101	107	107	135	181	161	148	126	172	182
Overseas sterling area [a]	85	126	136	113	118	173	235	240	210	224	463	362
EEC countries [b]	} 55	67	71	82	79	98	138	165	153	192	{ 200	207
Other countries												
	703	871	1,041	1,105	1,032	1,463	2,011	1,684	1,503	1,652	2,677	2,118

[a] Principally Australia, Hong Kong, Singapore, and South Africa. From 1972 the Republic of Ireland is included with EEC countries. Changes in the composition of the overseas sterling area have not had a significant effect on these statistics.

[b] Including Denmark and the Republic of Ireland in 1972 as well as in 1973.

[1] The amount of the 25% surrender is regarded by the trusts as a contingent liability.

## Investment trust companies: integrated balance sheet and flow accounts

£ millions

	Line	1962			1963			End- June	Cash flow	Revalu- ations etc.	End- Sept.
		End- Dec.	Cash flow	Revalu- ations etc.	End- March	Cash flow	Revalu- ations etc.				
<b>Liabilities and share capital</b>											
Overdrafts and advances from UK banks	1	9	- 3	-	6	+ 2	-	8	+ 4	+ 1	13
Other short-term borrowing in the United Kingdom	2	15	+ 3	-	18	- 1	+ 1	18	+ 3	-	21
Short-term borrowing overseas	3	1	- 1	+ 1	1	+ 1	-	2	- 1	-	1
Borrowing to finance portfolio investment overseas:											
From UK banks	4	-	-	-	-	+ 1	-	1	+ 1	- 1	1
From overseas	5	-	-	-	-	+ 2	-	2	+ 2	-	4
Issued capital:											
Loan capital	6	168	+ 5	- 1	172	+ 4	+ 3	179	+ 2	+ 4	185
Preference shares	7	108	-	- 3	105	-	+ 4	109	-	+ 6	115
Ordinary and deferred shares	8	1,702	+10	+116	1,828	+12	+61	1,901	+ 8	+144	2,053
<b>Total financial liabilities and share capital</b>	9	<b>2,003</b>	<b>+14</b>	<b>+113</b>	<b>2,130</b>	<b>+21</b>	<b>+69</b>	<b>2,220</b>	<b>+19</b>	<b>+154</b>	<b>2,393</b>
<b>Assets</b>											
Cash and balances with UK banks	10	14	+ 2	+ 2	18	- 7	+ 2	13	- 3	+ 2	12
Negotiable certificates of deposit	11	-	-	-	-	-	-	-	-	-	-
Short-term assets with other financial institutions	12	4	-	+ 1	5	+ 1	- 1	5	- 2	+ 1	4
Treasury bills	13	-	-	-	-	-	-	-	-	-	-
Local authority bills and temporary money	14	16	+ 1	- 1	16	- 3	-	13	- 1	- 1	11
Other short-term assets in the United Kingdom	15	7	+ 1	+ 1	9	- 3	-	6	+ 3	-	9
Short-term assets overseas	16	5	+ 2	-	7	-	+ 1	8	- 2	+ 1	7
Government stocks	17	62	-15	- 1	46	- 6	+ 2	42	-	- 1	41
Local authority negotiable bonds and other listed securities	18	3	- 1	-	2	-	-	2	-	-	2
Other UK fixed-interest securities:											
Loan capital:											
Listed	19	15	-	+ 1	16	+ 1	+ 1	18	-	+ 2	20
Unlisted	20	5	-	-	5	-	-	5	-	+ 1	6
Preference shares:											
Listed	21	77	+ 1	- 1	77	- 1	+ 6	82	- 3	+ 2	81
Unlisted	22	5	-	-	5	-	- 1	4	-	-	4
Overseas fixed-interest securities:											
Government, provincial and municipal securities	23	3	- 1	-	2	-	-	2	+ 1	-	3
Company loan capital	24	8	-	-	8	-	-	8	-	-	8
Preference shares	25	3	-	-	3	-	-	3	-	-	3
UK ordinary and deferred shares:											
Listed	26	1,391	+ 9	+ 75	1,475	+21	+ 5	1,501	+16	+ 89	1,606
Unlisted	27	43	+ 3	- 1	45	-	-	45	+ 3	- 1	47
Overseas ordinary and deferred shares	28	687	+ 9	+ 60	756	+12	+16	784	+ 9	+ 11	804
Unit trust units	29	-	-	-	-	-	-	-	-	-	-
Other investments:											
United Kingdom	30	9	-	- 1	8	-	-	8	-	-	8
Overseas	31	2	-	- 1	1	-	-	1	-	-	1
<b>Total financial assets</b>	32	<b>2,359</b>	<b>+11</b>	<b>+134</b>	<b>2,504</b>	<b>+15</b>	<b>+31</b>	<b>2,550</b>	<b>+21</b>	<b>+106</b>	<b>2,677</b>
<b>Net financial assets</b>	33	<b>356</b>	<b>- 3</b>	<b>+ 21</b>	<b>374</b>	<b>- 6</b>	<b>-38</b>	<b>330</b>	<b>+ 2</b>	<b>- 48</b>	<b>284</b>

1963			1964												Line
Cash flow	Revaluations etc.	End-Dec.	Cash flow	Revaluations etc.	End-March	Cash flow	Revaluations etc.	End-June	Cash flow	Revaluations etc.	End-Sept.	Cash flow	Revaluations etc.	End-Dec.	
—	—	13	— 1	— 1	11	—	+ 1	12	— 4	—	8	— 1	—	7	1
— 3	—	18	+ 3	—	21	—	—	21	— 1	—	20	— 5	—	15	2
— 1	+ 1	1	+ 1	—	2	—	—	2	—	—	2	— 1	+ 1	2	3
—	+ 1	2	+ 3	—	5	+ 3	+ 1	9	+ 3	—	12	+ 3	—	15	4
+ 2	—	6	—	—	6	—	—	6	—	—	6	—	—	6	5
+12	— 9	188	+ 8	— 5	191	+ 7	— 1	197	+ 5	— 2	200	+ 3	— 3	200	6
—	— 8	107	—	— 1	106	—	— 3	103	—	— 2	101	—	+ 4	105	7
+12	+ 54	2,119	+ 7	— 1	2,125	+ 7	+ 7	2,139	+ 7	+102	2,248	+ 1	—335	1,914	8
+22	+ 39	2,454	+21	— 8	2,467	+17	+ 5	2,489	+10	+ 98	2,597	—	—333	2,264	9
— 2	+ 2	12	+ 2	+ 1	15	+ 3	—	18	—	+ 1	19	— 1	—	18	10
— 1	—	3	+ 1	—	4	—	—	4	+ 1	—	5	+ 1	—	6	11
—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	12
—	— 1	10	+ 5	+ 1	16	+ 2	—	18	+ 4	—	22	+12	—	34	13
+ 2	—	11	— 2	—	9	+ 1	+ 1	11	— 1	—	10	+ 2	— 1	11	14
+ 1	—	8	+ 1	— 1	8	—	—	8	— 1	+ 1	8	+ 4	—	12	15
— 5	+ 2	38	— 8	— 1	29	— 4	—	25	— 1	— 1	23	— 2	— 1	20	16
—	—	2	— 1	+ 1	2	—	— 1	1	—	—	1	—	—	1	17
—	—	20	— 1	—	19	— 1	—	18	— 1	+ 1	18	— 1	— 1	16	18
—	—	6	—	+ 1	7	—	— 1	6	+ 1	—	7	+ 4	—	11	19
— 2	— 1	78	+ 1	— 3	76	—	—	76	— 1	+ 1	76	— 2	+ 3	77	20
—	—	4	—	—	4	—	—	4	—	+ 1	5	—	—	5	21
—	—	3	+ 1	—	4	— 1	+ 1	4	+ 2	— 1	5	— 1	—	4	22
+ 1	—	9	+ 1	—	10	+ 1	— 1	10	—	—	10	+ 1	—	11	23
—	—	3	—	—	3	—	— 1	2	—	—	2	—	—	2	24
+20	+105	1,731	+ 8	—59	1,680	+ 7	+27	1,714	+ 2	+ 65	1,781	— 7	—172	1,602	25
+ 1	— 1	47	—	+ 1	48	—	+ 1	49	+ 1	+ 1	51	+ 1	+ 1	53	26
+11	+ 41	856	+ 9	+60	925	+14	+60	999	+14	— 1	1,012	+18	— 6	1,024	27
—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	28
+ 1	—	9	—	— 1	8	—	— 2	6	—	— 2	4	—	— 1	3	29
—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	30
+27	+146	2,850	+17	—	2,867	+22	+84	2,973	+20	+ 66	3,059	+29	—178	2,910	31
+ 5	+107	396	— 4	+ 8	400	+ 5	+79	484	+10	— 32	462	+29	+155	646	32
—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	33

## Investment trust companies: integrated balance sheet and flow accounts

£ millions

	Line	1964			1965			End- June	Cash flow	Revalu- ations etc.	End- Sept.
		End- Dec.	Cash flow	Revalu- ations etc.	End- March	Cash flow	Revalu- ations etc.				
<b>Liabilities and share capital</b>											
Overdrafts and advances from UK banks	1	7	—	+ 1	8	- 2	+ 1	7	- 1	+ 1	7
Other short-term borrowing in the United Kingdom	2	15	+ 2	—	17	—	—	17	+ 7	—	24
Short-term borrowing overseas	3	2	+ 1	- 1	2	—	—	2	—	—	2
Borrowing to finance portfolio investment overseas:											
From UK banks	4	15	+ 1	—	16	—	—	16	—	+ 1	17
From overseas	5	6	—	—	6	—	—	6	—	—	6
Issued capital:											
Loan capital	6	200	—	- 5	195	+ 3	- 5	193	—	+ 3	196
Preference shares	7	105	—	- 5	100	—	+ 3	103	—	+ 4	107
Ordinary and deferred shares	8	1,914	—	+124	2,038	+ 7	-252	1,793	—	+272	2,065
<b>Total financial liabilities and share capital</b>	<b>9</b>	<b>2,264</b>	<b>+ 4</b>	<b>+114</b>	<b>2,382</b>	<b>+ 8</b>	<b>-253</b>	<b>2,137</b>	<b>+ 6</b>	<b>+281</b>	<b>2,424</b>
<b>Assets</b>											
Cash and balances with UK banks	10	18	+ 6	+ 1	25	+ 4	—	29	+ 8	—	37
Negotiable certificates of deposit	11	—	—	—	—	—	—	—	—	—	—
Short-term assets with other financial institutions	12	6	+ 7	—	13	+ 3	- 1	15	+ 5	—	20
Treasury bills	13	—	—	—	—	—	+ 1	1	—	—	1
Local authority bills and temporary money	14	34	- 4	—	30	+13	- 1	42	- 2	+ 1	41
Other short-term assets in the United Kingdom	15	11	- 2	+ 1	10	- 1	+ 1	10	+ 3	- 1	12
Short-term assets overseas	16	12	—	—	12	+ 3	—	15	—	—	15
Government stocks	17	20	+ 5	- 1	24	—	- 1	23	+17	+ 1	41
Local authority negotiable bonds and other listed securities	18	1	—	+ 1	2	—	—	2	—	—	2
Other UK fixed-interest securities:											
Loan capital:											
Listed	19	16	- 1	+ 1	16	- 1	—	15	+ 1	—	16
Unlisted	20	11	—	—	11	—	+ 1	12	—	—	12
Preference shares:											
Listed	21	77	- 1	- 4	72	—	- 1	71	+ 2	+ 4	77
Unlisted	22	5	—	+ 1	6	—	—	6	—	—	6
Overseas fixed-interest securities:											
Government, provincial and municipal securities	23	4	+ 1	—	5	- 2	—	3	—	—	3
Company loan capital	24	11	- 1	—	10	—	—	10	—	—	10
Preference shares	25	2	—	+ 1	3	—	—	3	—	+ 1	4
UK ordinary and deferred shares:											
Listed	26	1,602	- 9	+ 10	1,603	- 3	- 74	1,526	- 4	+112	1,634
Unlisted	27	53	+ 1	+ 2	56	—	- 1	55	—	+ 6	61
Overseas ordinary and deferred shares	28	1,024	+ 3	+ 6	1,033	-14	+ 5	1,024	-20	+ 38	1,042
Unit trust units	29	—	—	—	—	—	—	—	—	—	—
Other investments:											
United Kingdom	30	3	—	+ 2	5	+ 2	+ 1	8	- 2	+ 2	8
Overseas	31	—	—	—	—	—	—	—	—	—	—
<b>Total financial assets</b>	<b>32</b>	<b>2,910</b>	<b>+ 5</b>	<b>+ 21</b>	<b>2,936</b>	<b>+ 4</b>	<b>- 70</b>	<b>2,870</b>	<b>+ 8</b>	<b>+164</b>	<b>3,042</b>
<b>Net financial assets</b>	<b>33</b>	<b>646</b>	<b>+ 1</b>	<b>- 93</b>	<b>554</b>	<b>- 4</b>	<b>+183</b>	<b>733</b>	<b>+ 2</b>	<b>-117</b>	<b>618</b>

1965			1966												Line
Cash flow	Revaluations etc.	End-Dec.	Cash flow	Revaluations etc.	End-March	Cash flow	Revaluations etc.	End-June	Cash flow	Revaluations etc.	End-Sept.	Cash flow	Revaluations etc.	End-Dec.	
+ 2	—	9	—	—	9	— 1	—	8	+ 1	— 1	8	— 1	— 1	6	1
+ 3	—	27	+ 1	—	28	— 5	—	22	— 2	+ 1	21	+ 5	—	26	2
—	—	2	—	+ 1	3	— 1	—	2	— 1	—	1	+ 1	—	2	3
—	—	17	—	—	17	—	—	17	—	—	17	—	—	17	4
—	—	6	—	—	6	—	—	6	—	—	6	—	—	6	5
+ 1	— 2	195	+18	— 7	206	—	— 2	204	+ 4	—10	198	— 1	+ 9	206	6
—	+ 1	108	+ 1	— 4	105	+ 1	+ 2	108	—	— 9	99	+ 2	+ 2	103	7
+ 1	+ 50	2,116	+28	+99	2,243	—	+208	2,451	+ 1	—522	1,930	—	+67	1,997	8
<b>+ 7</b>	<b>+ 49</b>	<b>2,480</b>	<b>+48</b>	<b>+89</b>	<b>2,617</b>	<b>— 6</b>	<b>+207</b>	<b>2,818</b>	<b>+ 3</b>	<b>—541</b>	<b>2,280</b>	<b>+ 6</b>	<b>+77</b>	<b>2,363</b>	9
— 3	+ 1	35	+27	—	62	—10	+ 1	53	— 5	— 1	47	— 1	—	46	10
— 5	+ 1	16	+ 1	—	17	+ 2	+ 1	20	+ 6	—	26	— 6	+ 1	21	11
—	— 1	—	—	—	—	—	—	—	—	—	—	—	—	—	12
— 1	—	40	— 3	—	37	+ 5	—	42	—	—	42	— 3	—	39	13
—	—	12	— 1	— 1	10	+ 4	—	14	— 2	—	12	+ 8	—	20	14
— 5	—	10	+ 1	—	11	— 2	—	9	+ 2	—	11	+ 2	—	13	15
+ 3	— 1	43	— 7	— 1	35	—	—	35	+ 1	— 1	35	+15	+ 2	52	16
+ 2	—	4	+ 1	— 1	4	—	—	4	—	— 1	3	—	—	3	17
—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	18
+ 1	—	17	+ 1	+ 1	19	—	+ 1	20	—	+ 1	21	— 1	+ 3	23	19
+ 2	—	14	—	— 1	13	—	— 1	12	—	— 1	11	— 2	— 1	8	20
+ 5	— 2	80	+ 7	— 4	83	+ 7	+ 4	94	+ 7	— 5	96	+ 7	+ 6	109	21
—	—	6	—	—	6	—	—	6	—	—	6	—	—	6	22
—	—	3	—	—	3	+ 1	— 1	3	—	—	3	—	—	3	23
+ 1	—	11	+ 1	—	12	—	+ 1	13	+ 1	— 1	13	—	+ 1	14	24
—	—	4	—	+ 1	5	—	—	5	—	+ 1	6	—	—	6	25
+15	+ 54	1,703	+26	+39	1,768	+ 8	+117	1,893	—	—295	1,598	+ 1	+26	1,625	26
—	+ 3	64	+ 1	+ 1	66	—	+ 4	70	— 1	— 11	58	—	+ 1	59	27
— 2	+ 47	1,087	— 2	+19	1,104	—11	— 7	1,086	—11	—112	963	— 6	+52	1,009	28
—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	29
—	+ 2	10	—	—	10	— 1	+ 1	10	+ 1	— 1	10	—	—	10	30
—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	31
<b>+13</b>	<b>+104</b>	<b>3,159</b>	<b>+53</b>	<b>+53</b>	<b>3,265</b>	<b>+ 3</b>	<b>+121</b>	<b>3,389</b>	<b>— 1</b>	<b>—427</b>	<b>2,961</b>	<b>+14</b>	<b>+91</b>	<b>3,066</b>	32
<b>+ 6</b>	<b>+ 55</b>	<b>679</b>	<b>+ 5</b>	<b>—36</b>	<b>648</b>	<b>+ 9</b>	<b>— 86</b>	<b>571</b>	<b>— 4</b>	<b>+114</b>	<b>681</b>	<b>+ 8</b>	<b>+14</b>	<b>703</b>	33

## Investment trust companies: integrated balance sheet and flow accounts

£ millions

	Line	1966			1967						
		End-Dec.	Cash flow	Revaluations etc.	End-March	Cash flow	Revaluations etc.	End-June	Cash flow	Revaluations etc.	End-Sept.
<b>Liabilities and share capital</b>											
Overdrafts and advances from UK banks	1	6	+ 2	—	8	+ 2	—	10	— 3	—	7
Other short-term borrowing in the United Kingdom	2	26	— 1	—	25	+ 4	—	29	+ 1	—	30
Short-term borrowing overseas	3	2	+ 2	— 1	3	+ 1	—	4	— 2	—	2
Borrowing to finance portfolio investment overseas:											
From UK banks	4	17	+ 4	—	21	+ 4	+ 1	26	+ 4	—	30
From overseas	5	6	+ 1	—	7	+ 1	— 1	7	+ 1	—	8
Issued capital:											
Loan capital	6	206	— 1	+ 8	213	+ 9	— 7	215	+ 5	+ 1	221
Preference shares	7	103	—	+ 1	104	—	— 3	101	—	+ 3	104
Ordinary and deferred shares	8	1,997	—	+ 48	2,045	+ 1	+178	2,224	+ 4	+205	2,433
<b>Total financial liabilities and share capital</b>	9	<b>2,363</b>	<b>+ 7</b>	<b>+ 56</b>	<b>2,426</b>	<b>+22</b>	<b>+168</b>	<b>2,616</b>	<b>+10</b>	<b>+209</b>	<b>2,835</b>
<b>Assets</b>											
Cash and balances with UK banks	10	} 46	— 6	—	40	+ 4	— 1	43	+10	—	53
Negotiable certificates of deposit	11		— 8	—	13	—	—	13	+10	— 1	22
Short-term assets with other financial institutions	12	—	—	—	—	—	—	—	—	—	—
Treasury bills	13	—	—	—	—	—	—	—	—	—	—
Local authority bills and temporary money	14	39	—18	—	21	+ 1	+ 1	23	+ 6	+ 1	30
Other short-term assets in the United Kingdom	15	20	— 7	— 1	12	+12	—	24	— 2	— 1	21
Short-term assets overseas	16	13	+ 3	—	16	+ 1	—	17	—	— 1	16
Government stocks	17	52	+15	+ 2	69	— 4	— 2	63	—41	+ 37	59
Local authority negotiable bonds and other listed securities	18	3	—	—	3	—	—	3	—	— 1	2
Other UK fixed-interest securities:											
Loan capital:											
Listed	19	23	—	+ 4	27	— 1	+ 2	28	— 1	+ 1	28
Unlisted	20	8	—	—	8	— 1	—	7	—	—	7
Preference shares:											
Listed	21	109	+12	+ 3	124	+ 5	— 5	124	+ 5	— 1	128
Unlisted	22	6	—	—	6	—	—	6	—	—	6
Overseas fixed-interest securities:											
Government, provincial and municipal securities	23	3	+ 2	—	5	— 2	+ 1	4	— 1	—	3
Company loan capital	24	14	—	—	14	—	+ 1	15	+ 1	—	16
Preference shares	25	6	—	+ 2	8	+ 1	+ 1	10	—	+ 1	11
UK ordinary and deferred shares:											
Listed	26	1,625	+18	+ 64	1,707	+12	+143	1,862	+34	+106	2,002
Unlisted	27	59	—	+ 1	60	+ 1	+ 1	62	+ 4	—	66
Overseas ordinary and deferred shares	28	1,009	—13	+100	1,096	— 8	+ 54	1,142	— 5	+124	1,261
Unit trust units	29	—	—	—	—	—	—	—	—	—	—
Other investments:											
United Kingdom	30	10	—	—	10	—	—	10	—	— 1	9
Overseas	31	—	—	—	—	—	—	—	—	—	—
<b>Total financial assets</b>	32	<b>3,066</b>	<b>— 2</b>	<b>+175</b>	<b>3,239</b>	<b>+21</b>	<b>+196</b>	<b>3,456</b>	<b>+20</b>	<b>+264</b>	<b>3,740</b>
<b>Net financial assets</b>	33	<b>703</b>	<b>— 9</b>	<b>+119</b>	<b>813</b>	<b>— 1</b>	<b>+ 28</b>	<b>840</b>	<b>+10</b>	<b>+ 55</b>	<b>905</b>

1967						1968						Line			
Cash flow	Revaluations etc.	End-Dec.	Cash flow	Revaluations etc.	End-March	Cash flow	Revaluations etc.	End-June	Cash flow	Revaluations etc.	End-Sept.		Cash flow	Revaluations etc.	End-Dec.
+ 5	—	12	- 3	- 1	8	+ 2	—	10	—	- 1	9	- 4	—	5	1
- 2	+ 1	29	- 3	- 2	24	+ 7	- 1	30	+ 2	- 1	31	+ 7	- 2	36	2
+ 1	—	3	—	—	3	+ 1	—	4	+ 2	—	6	- 2	+ 1	5	3
+ 4	+ 5	39	+12	—	51	+12	+ 1	64	+12	—	76	+12	—	88	4
+ 1	+ 1	10	—	—	10	—	—	10	—	—	10	—	—	10	5
+ 8	- 8	221	+ 6	+ 1	228	+ 4	- 2	230	+37	+ 8	275	+ 8	- 12	271	6
—	—	104	—	+ 2	106	—	- 1	105	—	- 2	103	+ 1	- 4	100	7
+ 4	+294	2,731	+17	+368	3,116	+ 1	+523	3,640	+12	+ 18	3,670	+ 9	+666	4,345	8
<b>+21</b>	<b>+293</b>	<b>3,149</b>	<b>+29</b>	<b>+368</b>	<b>3,546</b>	<b>+27</b>	<b>+520</b>	<b>4,093</b>	<b>+65</b>	<b>+ 22</b>	<b>4,180</b>	<b>+31</b>	<b>+649</b>	<b>4,860</b>	<b>9</b>
-13	—	40	—	—	40	- 5	- 1	34	+17	—	51	+ 2	—	53	10
- 5	—	17	+ 4	+ 1	22	- 7	+ 1	16	+ 7	+ 1	24	—	+ 1	25	11
—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	12
—	—	30	- 6	—	24	+ 2	—	26	- 8	—	18	+ 3	- 1	20	13
+ 5	—	26	+ 3	- 3	26	- 1	- 3	22	+ 5	- 3	24	+ 7	- 2	29	14
+ 3	—	19	—	—	18	+ 2	- 2	18	+ 12	- 1	29	- 3	- 1	25	15
- 5	- 1	53	- 4	- 1	48	- 2	- 4	42	+ 8	—	50	-14	- 2	34	16
—	—	2	- 1	—	1	—	—	1	—	—	1	—	—	1	17
—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	18
—	+ 2	30	- 3	+ 8	35	- 2	+ 2	35	+ 2	+ 6	43	+ 1	+ 13	57	19
—	—	7	- 2	—	5	+ 1	—	6	—	- 1	5	—	—	5	20
+ 5	- 1	132	+ 5	- 1	136	+ 4	- 4	136	- 2	- 2	132	- 1	- 7	124	21
—	—	6	—	—	6	—	+ 1	7	—	—	7	—	+ 1	8	22
—	—	3	+ 1	- 1	3	—	—	3	- 1	—	2	—	—	2	23
+ 1	—	17	+ 2	+ 1	20	+ 5	+ 1	26	+ 5	+ 1	32	+ 1	+ 1	34	24
—	+ 2	13	- 1	+ 4	16	—	+ 3	19	- 1	+ 4	22	—	+ 3	25	25
+44	+110	2,156	+24	+314	2,494	+26	+265	2,785	+32	+103	2,920	+19	+219	3,158	26
+ 1	—	67	- 4	+ 4	67	—	+ 2	69	—	+ 1	70	+ 1	+ 3	74	27
—	+169	1,430	+ 1	- 19	1,412	+ 1	+360	1,773	- 5	-12	1,756	+ 6	+175	1,937	28
—	—	9	- 1	—	8	+ 1	- 1	8	—	- 1	7	—	—	7	29
—	—	—	—	+ 2	2	+ 2	+ 2	6	+ 3	+ 1	10	+ 1	+ 2	13	30
<b>+36</b>	<b>+281</b>	<b>4,057</b>	<b>+18</b>	<b>+308</b>	<b>4,383</b>	<b>+27</b>	<b>+622</b>	<b>5,032</b>	<b>+74</b>	<b>+ 97</b>	<b>5,203</b>	<b>+23</b>	<b>+405</b>	<b>5,631</b>	<b>31</b>
<b>+15</b>	<b>- 12</b>	<b>908</b>	<b>-11</b>	<b>- 60</b>	<b>837</b>	<b>—</b>	<b>+102</b>	<b>939</b>	<b>+ 9</b>	<b>+ 75</b>	<b>1,023</b>	<b>- 8</b>	<b>-244</b>	<b>771</b>	<b>32</b>
															<b>33</b>

## Investment trust companies: integrated balance sheet and flow accounts

£ millions

	Line	1968			1969			End-June	Cash flow	Revaluations etc.	End-Sept.
		End-Dec.	Cash flow	Revaluations etc.	End-March	Cash flow	Revaluations etc.				
<b>Liabilities and share capital</b>											
Overdrafts and advances from UK banks	1	5	+ 2	- 1	6	- 3	—	3	—	—	3
Other short-term borrowing in the United Kingdom	2	36	-10	+ 1	27	+ 7	+ 1	35	-11	—	24
Short-term borrowing overseas	3	5	—	+ 1	6	- 1	—	5	- 1	—	4
Borrowing to finance portfolio investment overseas:											
From UK banks	4	88	+13	+ 1	102	+ 1	—	103	- 8	—	95
From overseas	5	10	—	—	10	+ 3	—	13	+18	—	31
Issued capital:											
Loan capital	6	271	+37	- 8	300	+ 1	- 28	273	—	- 6	267
Preference shares	7	100	—	- 9	91	—	- 10	81	—	+ 3	84
Ordinary and deferred shares	8	4,345	+ 7	-328	4,024	+ 2	-542	3,484	+ 5	-108	3,381
<b>Total financial liabilities and share capital</b>	<b>9</b>	<b>4,860</b>	<b>+49</b>	<b>-343</b>	<b>4,566</b>	<b>+10</b>	<b>-579</b>	<b>3,997</b>	<b>+ 3</b>	<b>-111</b>	<b>3,889</b>
<b>Assets</b>											
Cash and balances with UK banks	10	} 53	+ 9	+ 1	63	+ 1	+ 1	65	+19	—	84
Negotiable certificates of deposit	11										
Short-term assets with other financial institutions	12	25	+ 7	- 2	30	- 2	- 1	27	+ 1	- 1	27
Treasury bills	13	—	—	—	—	—	—	—	—	—	—
Local authority bills and temporary money	14	20	+ 9	—	29	+ 5	+ 1	35	+ 5	+ 1	41
Other short-term assets in the United Kingdom	15	29	- 5	+ 1	25	+11	+ 1	37	- 5	+ 1	33
Short-term assets overseas	16	25	+ 9	+ 1	35	+17	+ 1	53	- 5	+ 2	50
Government stocks	17	34	- 8	- 1	25	+13	- 1	37	+17	+ 1	55
Local authority negotiable bonds and other listed securities	18	1	—	—	1	—	—	1	—	—	1
Other UK fixed-interest securities:											
Loan capital:											
Listed	19	57	+11	- 1	67	+10	- 2	75	—	+ 3	78
Unlisted	20	5	+ 1	—	6	+ 2	—	8	+ 1	- 1	8
Preference shares:											
Listed	21	124	- 2	- 15	107	- 3	- 9	95	- 2	+ 1	94
Unlisted	22	8	+ 1	—	9	—	—	9	—	- 1	8
Overseas fixed-interest securities:											
Government, provincial and municipal securities	23	2	—	—	2	—	- 1	1	—	+ 1	2
Company loan capital	24	34	+ 3	- 1	36	+ 1	- 1	36	- 1	- 1	34
Preference shares	25	25	+ 3	- 1	27	—	—	27	—	- 1	26
UK ordinary and deferred shares:											
Listed	26	3,158	+ 7	-164	3,001	-17	-389	2,595	-31	- 34	2,530
Unlisted	27	74	+ 1	—	75	+ 1	—	76	—	—	76
Overseas ordinary and deferred shares	28	1,937	-14	- 40	1,883	-41	-248	1,594	-27	- 68	1,499
Unit trust units	29										
Other investments:											
United Kingdom	30	7	+ 1	—	8	+ 2	- 1	9	+ 8	—	17
Overseas	31	13	+ 4	+ 1	18	+ 3	+ 2	23	+ 2	+ 1	26
<b>Total financial assets</b>	<b>32</b>	<b>5,631</b>	<b>+37</b>	<b>-221</b>	<b>5,447</b>	<b>+ 3</b>	<b>-647</b>	<b>4,803</b>	<b>-18</b>	<b>- 96</b>	<b>4,689</b>
<b>Net financial assets</b>	<b>33</b>	<b>771</b>	<b>-12</b>	<b>+122</b>	<b>881</b>	<b>- 7</b>	<b>- 68</b>	<b>806</b>	<b>-21</b>	<b>+ 15</b>	<b>800</b>

1969			1970												Line
Cash flow	Revaluations etc.	End-Dec.	Cash flow	Revaluations etc.	End-March	Cash flow	Revaluations etc.	End-June	Cash flow	Revaluations etc.	End-Sept.	Cash flow	Revaluations etc.	End-Dec.	
+ 1	—	4	+ 2	—	6	— 1	—	5	— 1	—	4	—	—	4	1
+ 5	+ 1	30	+ 5	— 1	34	—15	—	19	+ 4	— 1	22	— 2	—	20	2
+ 6	+ 1	11	— 5	—	6	— 3	— 1	2	+ 2	— 1	3	—	—	3	3
+ 1	—	96	—	—	96	+ 3	—	99	+ 1	—	100	+ 2	—	102	4
+ 7	—	38	—	—	38	+ 6	—	44	—	—	44	—	—	44	5
— 1	+ 1	267	+ 2	+ 19	288	+ 8	— 26	270	— 1	+ 14	283	+ 2	— 11	274	6
—	— 2	82	—	+ 1	83	—	— 8	75	—	—	75	—	— 4	71	7
—	— 36	3,345	+ 8	+ 121	3,474	—	— 571	2,903	—	+ 442	3,345	—	— 156	3,189	8
<b>+ 19</b>	<b>— 35</b>	<b>3,873</b>	<b>+ 12</b>	<b>+ 140</b>	<b>4,025</b>	<b>— 2</b>	<b>— 606</b>	<b>3,417</b>	<b>+ 5</b>	<b>+ 454</b>	<b>3,876</b>	<b>+ 2</b>	<b>— 171</b>	<b>3,707</b>	9
— 13	+ 1	72	— 11	— 3	58	+ 17	— 1	74	— 1	— 2	71	+ 2	— 2	71	10
— 5	— 1	21	— 2	—	19	+ 11	—	30	+ 6	—	36	— 2	+ 1	35	11
— 11	—	—	—	—	—	—	—	—	—	—	—	—	—	—	12
+ 2	—	30	— 7	+ 1	24	+ 16	—	40	— 1	+ 1	40	+ 1	— 1	40	13
+ 5	+ 1	35	— 3	—	32	— 6	— 1	25	— 1	— 1	23	+ 2	— 1	24	14
+ 21	+ 1	56	— 18	—	38	+ 15	—	53	— 6	—	47	— 7	—	40	15
—	—	77	+ 6	+ 3	86	— 17	— 3	66	+ 9	+ 2	77	— 18	— 3	56	16
—	—	1	—	—	1	—	—	1	—	—	1	—	—	1	17
— 7	+ 5	76	— 5	+ 8	79	— 1	— 5	73	— 3	+ 6	76	— 3	—	73	18
+ 1	—	9	+ 1	—	10	—	—	10	—	—	10	+ 1	— 1	10	19
— 2	— 2	90	— 1	+ 1	90	+ 10	— 14	86	— 2	— 6	78	— 1	— 6	71	20
+ 1	—	9	+ 1	—	10	—	— 2	8	—	—	8	—	— 1	7	21
—	— 1	1	—	—	1	—	—	1	—	—	1	—	—	1	22
+ 2	— 2	34	+ 1	— 1	34	+ 2	— 2	34	—	— 1	33	+ 3	— 1	35	23
+ 1	—	27	— 1	— 2	24	— 1	— 1	22	+ 1	— 1	22	+ 1	— 2	21	24
+ 12	+ 152	2,694	+ 6	— 61	2,639	— 39	— 334	2,266	— 6	+ 235	2,495	+ 10	— 43	2,462	25
—	—	76	— 2	+ 1	75	+ 2	—	77	—	+ 1	78	+ 1	—	79	26
+ 9	+ 85	1,593	+ 11	— 144	1,460	— 18	— 258	1,184	+ 10	+ 183	1,377	+ 9	+ 37	1,423	27
+ 1	— 1	17	+ 1	—	18	+ 2	—	20	—	+ 1	21	+ 2	—	23	28
+ 2	+ 1	29	—	— 2	27	—	— 1	26	—	— 2	24	—	— 1	23	29
<b>+ 19</b>	<b>+ 239</b>	<b>4,947</b>	<b>— 23</b>	<b>— 199</b>	<b>4,725</b>	<b>— 7</b>	<b>— 622</b>	<b>4,096</b>	<b>+ 6</b>	<b>+ 416</b>	<b>4,518</b>	<b>+ 1</b>	<b>— 24</b>	<b>4,495</b>	30
—	<b>+ 274</b>	<b>1,074</b>	<b>— 35</b>	<b>— 339</b>	<b>700</b>	<b>— 5</b>	<b>— 16</b>	<b>679</b>	<b>+ 1</b>	<b>— 38</b>	<b>642</b>	<b>— 1</b>	<b>+ 147</b>	<b>788</b>	31
															32
															33

## Investment trust companies: integrated balance sheet and flow accounts

£ millions

	Line	1970			1971			1971			End-Sept.
		End-Dec.	Cash flow	Revaluations etc.	End-March	Cash flow	Revaluations etc.	End-June	Cash flow	Revaluations etc.	
<b>Liabilities and share capital</b>											
Overdrafts and advances from UK banks	1	4	+ 4	- 1	7	+ 2	+ 1	10	+ 1	-	11
Other short-term borrowing in the United Kingdom	2	20	+ 6	- 1	25	+ 6	- 1	30	- 1	- 1	28
Short-term borrowing overseas	3	3	-	-	3	+ 2	+ 1	6	+ 1	+ 1	8
Borrowing to finance portfolio investment overseas:											
From UK banks	4	102	-	-	102	+ 3	-	105	+ 3	- 4	104
From overseas	5	44	-	-	44	+ 8	-	52	-	- 2	50
Issued capital:											
Loan capital	6	274	+ 1	+ 9	284	+ 2	+ 22	308	+ 23	+ 53	384
Preference shares	7	71	-	+ 1	72	-	- 2	70	-	+ 4	74
Ordinary and deferred shares	8	3,189	+ 22	+ 185	3,396	+ 23	+ 354	3,773	+ 17	+ 246	4,036
<b>Total financial liabilities and share capital</b>	<b>9</b>	<b>3,707</b>	<b>+ 33</b>	<b>+ 193</b>	<b>3,933</b>	<b>+ 46</b>	<b>+ 375</b>	<b>4,354</b>	<b>+ 44</b>	<b>+ 297</b>	<b>4,695</b>
<b>Assets</b>											
Cash and balances with UK banks	10	64	- 9	+ 1	56	- 2	+ 1	55	+ 17	-	72
Negotiable certificates of deposit	11	7	- 1	-	6	+ 1	-	7	- 3	-	4
Short-term assets with other financial institutions	12	35	+ 5	- 1	39	- 7	- 1	31	- 9	-	22
Treasury bills	13	-	-	-	-	-	-	-	-	-	-
Local authority bills and temporary money	14	40	- 9	-	31	- 10	- 1	20	+ 2	- 1	21
Other short-term assets in the United Kingdom	15	24	- 3	+ 1	22	+ 4	+ 1	27	- 5	+ 1	23
Short-term assets overseas	16	40	- 5	-	35	- 11	-	24	- 7	-	17
Government stocks	17	56	+ 20	+ 3	79	- 5	- 2	72	+ 15	+ 3	90
Local authority negotiable bonds and other listed securities	18	1	-	-	1	-	-	1	-	-	1
Other UK fixed-interest securities:											
Loan capital:											
Listed	19	73	- 2	+ 4	75	+ 2	+ 5	82	+ 7	+ 14	103
Unlisted	20	10	+ 1	-	11	- 2	-	9	-	+ 1	10
Preference shares:											
Listed	21	71	- 1	- 2	68	-	- 1	67	+ 6	+ 6	79
Unlisted	22	7	-	-	7	-	-	7	+ 1	+ 1	9
Overseas fixed-interest securities:											
Government, provincial and municipal securities	23	1	- 1	+ 1	1	-	-	1	-	-	1
Company loan capital	24	35	+ 1	+ 1	37	-	+ 2	39	+ 2	+ 1	42
Preference shares	25	21	-	-	21	+ 1	- 1	22	-	+ 1	23
UK ordinary and deferred shares:											
Listed	26	2,462	+ 9	+ 106	2,577	+ 35	+ 446	3,058	+ 26	+ 229	3,313
Unlisted	27	79	+ 2	+ 5	86	+ 1	+ 15	102	+ 1	+ 8	111
Overseas ordinary and deferred shares	28	1,423	- 2	+ 56	1,477	+ 18	+ 62	1,557	- 1	- 28	1,528
Unit trust units	29	-	+ 10	-	10	+ 10	+ 3	23	-	+ 1	24
Other investments:											
United Kingdom	30	23	- 1	-	22	+ 2	- 2	22	-	- 1	21
Overseas	31	23	-	+ 2	25	-	+ 1	26	+ 1	+ 1	28
<b>Total financial assets</b>	<b>32</b>	<b>4,495</b>	<b>+ 14</b>	<b>+ 177</b>	<b>4,686</b>	<b>+ 37</b>	<b>+ 529</b>	<b>5,252</b>	<b>+ 53</b>	<b>+ 237</b>	<b>5,542</b>
<b>Net financial assets</b>	<b>33</b>	<b>788</b>	<b>- 19</b>	<b>- 16</b>	<b>753</b>	<b>- 9</b>	<b>+ 154</b>	<b>898</b>	<b>+ 9</b>	<b>- 60</b>	<b>847</b>

1971			1972												Line
Cash flow	Revaluations etc.	End-Dec.	Cash flow	Revaluations etc.	End-March	Cash flow	Revaluations etc.	End-June	Cash flow	Revaluations etc.	End-Sept.	Cash flow	Revaluations etc.	End-Dec.	
+ 4	—	15	+ 22	+ 2	39	+ 11	+ 4	54	+ 5	+ 2	61	+ 1	+ 3	65	1
+ 8	—	35	+ 15	+ 3	53	+ 2	+ 2	57	- 18	+ 3	42	+ 7	+ 3	52	2
+ 1	—	9	+ 5	—	14	- 3	—	11	+ 6	—	17	- 1	—	16	3
+17	- 3	118	+ 76	- 2	192	+ 86	+ 12	290	+ 86	+ 8	384	+40	+ 13	437	4
+ 5	- 1	54	+ 5	—	59	+ 6	+ 3	68	—	+ 1	69	+ 2	+ 3	74	5
+11	+ 30	425	+ 19	+ 27	471	+ 7	- 58	420	+ 1	- 43	378	+ 8	+ 51	437	6
—	+ 4	78	—	—	78	+ 3	+ 3	84	+ 8	- 11	81	+ 3	+ 11	95	7
+18	+405	4,459	+ 68	+739	5,266	+183	-579	4,870	+ 46	-429	4,487	+16	+428	4,931	8
<b>+64</b>	<b>+434</b>	<b>5,193</b>	<b>+210</b>	<b>+769</b>	<b>6,172</b>	<b>+295</b>	<b>-613</b>	<b>5,854</b>	<b>+134</b>	<b>-469</b>	<b>5,519</b>	<b>+76</b>	<b>+512</b>	<b>6,107</b>	9
-12	+ 1	61	+ 28	+ 1	90	+ 71	+ 2	163	- 25	+ 1	139	+ 1	+ 1	141	10
+ 3	- 1	6	- 1	—	5	+ 1	—	6	+ 15	- 1	20	+ 3	—	23	11
- 1	- 1	20	- 3	- 1	16	+ 10	- 1	25	+ 8	- 1	32	+ 3	- 1	34	12
—	—	—	—	—	—	—	+ 1	1	—	—	1	—	—	1	13
- 3	—	18	+ 13	—	31	+ 1	+ 1	33	- 2	+ 1	32	+11	+ 2	45	14
+ 8	—	31	- 5	—	26	+ 9	- 1	34	- 5	—	29	+16	- 1	44	15
+ 5	—	22	+ 31	+ 1	54	- 11	+ 1	44	+ 4	—	48	-12	+ 1	37	16
+ 7	—	97	- 5	- 3	89	+ 2	- 7	84	- 8	- 1	75	- 9	- 2	64	17
—	—	1	—	—	1	—	—	1	+ 1	- 1	1	+ 1	—	2	18
+ 2	+ 10	115	+ 10	+ 12	137	+ 2	—	139	+ 3	+ 11	153	- 3	+ 18	168	19
—	—	10	+ 8	—	18	—	- 2	16	+ 2	- 1	17	—	—	17	20
- 3	+ 3	79	- 3	+ 4	80	—	- 6	74	—	+ 1	75	- 1	+ 2	76	21
+ 1	—	10	—	—	10	—	—	10	—	+ 1	11	—	—	11	22
—	—	1	—	—	1	—	—	1	—	—	1	—	—	1	23
—	+ 2	44	+ 3	+ 2	49	—	+ 1	50	+ 6	+ 2	58	+ 3	+ 1	62	24
—	—	23	—	—	23	—	—	23	- 1	- 1	21	+ 1	- 1	21	25
+30	+206	3,549	+ 65	+458	4,072	+ 54	-203	3,923	+ 6	-133	3,796	-38	+430	4,188	26
—	+ 8	119	+ 1	+ 19	139	+ 1	- 2	138	+ 4	- 1	141	+ 5	+ 81	227	27
+ 7	+ 20	1,555	+ 54	+ 55	1,664	+101	+ 69	1,834	+ 89	+307	2,230	+69	+265	2,564	28
—	+ 2	26	—	+ 3	29	+ 8	- 1	36	—	- 1	35	—	+ 3	38	29
+ 5	- 2	24	+ 5	—	29	+ 3	+ 1	33	+ 1	—	34	+ 1	—	35	30
- 1	+ 2	29	+ 3	- 7	31	+ 1	- 2	30	+ 1	- 1	30	+ 1	- 2	29	31
<b>+48</b>	<b>+250</b>	<b>5,840</b>	<b>+204</b>	<b>+550</b>	<b>6,594</b>	<b>+253</b>	<b>-149</b>	<b>6,698</b>	<b>+ 99</b>	<b>+182</b>	<b>6,979</b>	<b>+52</b>	<b>+797</b>	<b>7,828</b>	32
<b>-16</b>	<b>-184</b>	<b>647</b>	<b>- 6</b>	<b>-219</b>	<b>422</b>	<b>- 42</b>	<b>+464</b>	<b>844</b>	<b>- 35</b>	<b>+651</b>	<b>1,460</b>	<b>-24</b>	<b>+285</b>	<b>1,721</b>	33

## Investment trust companies: integrated balance sheet and flow accounts

£ millions

	Line	1972			1973						
		End-Dec.	Cash flow	Revaluations etc.	End-March	Cash flow	Revaluations etc.	End-June	Cash flow	Revaluations etc.	End-Sept.
<b>Liabilities and share capital</b>											
Overdrafts and advances from UK banks	1	65	+ 7	- 2	70	- 3	- 1	66	+ 4	- 2	68
Other short-term borrowing in the United Kingdom	2	52	- 7	- 1	44	- 8	- 1	35	+ 3	- 1	37
Short-term borrowing overseas	3	16	- 4	+ 1	13	+ 1	-	14	-	-	14
Borrowing to finance portfolio investment overseas:											
From UK banks	4	437	+ 6	- 23	420	-16	+11	415	-45	+ 28	398
From overseas	5	74	+ 3	+ 1	78	+ 1	+ 2	81	- 3	+ 6	84
Issued capital:											
Loan capital	6	437	+ 6	- 41	402	- 1	+ 7	408	-	- 44	364
Preference shares	7	95	-	- 13	82	-	+ 6	88	-	- 10	78
Ordinary and deferred shares	8	4,931	+14	-795	4,150	+ 1	-60	4,091	-	-114	3,977
<b>Total financial liabilities and share capital</b>	<b>9</b>	<b>6,107</b>	<b>+25</b>	<b>-873</b>	<b>5,259</b>	<b>-25</b>	<b>-36</b>	<b>5,198</b>	<b>-41</b>	<b>-137</b>	<b>5,020</b>
<b>Assets</b>											
Cash and balances with UK banks	10	141	+50	+ 1	192	+33	-	225	-10	-	215
Negotiable certificates of deposit	11	23	+15	+ 1	39	+ 7	+ 1	47	+19	+ 2	68
Short-term assets with other financial institutions	12	34	+10	-	44	+ 3	-	47	+ 3	-	50
Treasury bills	13	1	-	-	1	-	-	1	-	- 1	-
Local authority bills and temporary money	14	45	+ 8	- 3	50	+10	- 2	58	+24	- 2	80
Other short-term assets in the United Kingdom	15	44	+13	-	57	-17	- 1	39	- 4	-	35
Short-term assets overseas	16	37	+32	-	69	+ 4	-	73	- 5	-	68
Government stocks	17	64	- 3	- 1	60	+ 3	- 1	62	- 5	- 5	52
Local authority negotiable bonds and other listed securities	18	2	+ 7	- 1	8	+ 5	- 1	12	+ 4	- 1	15
Other UK fixed-interest securities:											
Loan capital:											
Listed	19	168	-	- 6	162	- 5	-	157	- 8	- 17	132
Unlisted	20	17	+ 1	- 1	17	-	-	17	-	- 3	14
Preference shares:											
Listed	21	76	- 1	- 4	71	-	+ 2	73	-	- 7	66
Unlisted	22	11	-	-	11	-	-	11	-	-	11
Overseas fixed-interest securities:											
Government, provincial and municipal securities	23	1	+ 1	-	2	- 1	-	1	+ 2	-	3
Company loan capital	24	62	- 1	- 12	49	+ 3	- 3	49	-	+ 5	54
Preference shares	25	21	+ 2	- 1	22	+ 1	- 1	22	+ 2	-	24
UK ordinary and deferred shares:											
Listed	26	4,188	-79	-556	3,553	-49	+32	3,536	-31	-206	3,299
Unlisted	27	227	+ 3	- 4	226	+ 2	- 3	225	-	- 3	222
Overseas ordinary and deferred shares	28	2,564	-35	-365	2,164	-17	-51	2,096	-23	+123	2,196
Unit trust units	29	38	-	- 5	33	-	-	33	-	- 2	31
Other investments:											
United Kingdom	30	35	+ 1	+ 1	37	+ 2	+ 1	40	+ 2	+ 2	44
Overseas	31	29	-	- 2	27	+ 1	- 2	26	- 1	- 2	23
<b>Total financial assets</b>	<b>32</b>	<b>7,828</b>	<b>+24</b>	<b>-958</b>	<b>6,894</b>	<b>-15</b>	<b>-29</b>	<b>6,850</b>	<b>-31</b>	<b>-117</b>	<b>6,702</b>
<b>Net financial assets</b>	<b>33</b>	<b>1,721</b>	<b>- 1</b>	<b>- 85</b>	<b>1,635</b>	<b>+10</b>	<b>+ 7</b>	<b>1,652</b>	<b>+10</b>	<b>+ 20</b>	<b>1,682</b>

1973			
Cash flow	Revaluations etc.	End-Dec.	Line
+10	- 1	77	1
-	- 1	36	2
- 5	+ 1	10	3
-22	- 11	365	4
+ 4	- 2	86	5
-	- 52	312	6
-	-	78	7
+ 1	-877	3,101	8
<b>-12</b>	<b>-943</b>	<b>4,065</b>	9
- 2	+ 1	214	10
+13	+ 1	82	11
+ 6	+ 1	57	12
-	-	-	13
- 1	- 3	76	14
+40	- 1	74	15
+32	- 1	99	16
+17	- 3	66	17
+ 8	- 1	22	18
- 5	- 12	115	19
- 1	- 1	12	20
+ 1	- 10	57	21
-	-	11	22
- 2	-	1	23
- 1	- 4	49	24
-	- 1	23	25
-70	-585	2,644	26
+ 2	- 4	220	27
-57	-116	2,023	28
-	- 5	26	29
+ 1	+ 1	46	30
+ 2	- 3	22	31
<b>-17</b>	<b>-746</b>	<b>5,939</b>	32
<b>- 5</b>	<b>+197</b>	<b>1,874</b>	33