

5. The details supplied of the calculation of items at each point of time should reveal the reason for the differences in costs and revenue over the period—but where such differences are appreciable applicants should ensure that the causes of them are adequately explained.

6. The following notes relate to specific items and cover the substantiating particulars which it is desired should be furnished on a separate sheet.

Sales

7. The sales figures sought under items (i) and (ii) (Part II) should be shown as gross values before the deduction of discounts—which are to be separately disclosed under item (XVII).

Materials and Packaging Materials

8. The basis of calculation of this cost is to be shown with supporting calculations for each of the two points of time. Where an increase in the cost over the period is due to a rise in the price of the materials themselves the date when such rise took place should be indicated—together with particulars of the allowance which has been made for the clearance of the old, lower-costing stocks. Where the increase in cost has been occasioned by a change in the type of packages, or packaging materials used, explanatory details should be supplied.

Wages, Salaries, and Other Remuneration

9. In entering this item on the form please provide separate figures for the various classes of staff—(as set out in sub-items (a) to (d) item VIII Part II) and ensure that in each instance all types of remuneration are taken into account—i.e., payments at ordinary time, payments at overtime rates, holiday pay, bonuses, travelling allowances, etc.

Substantiating details should provide a breakdown under these headings for payments made to your various classes of staff—and particulars of calculations should be furnished to indicate how the amounts in question have been arrived at either by projection from the amount paid in the previous financial year—or by taking a typical shorter period, say the 2 weeks prior to the time points in question, grossed up to an annual basis.

If a portion of the increase in this item is attributable to increase in rates of remuneration which first became payable from a date subsequent to 31 December 1970, please indicate the relevant date, and furnish additional details under the headings already mentioned of the annual level of wage and salary remuneration payable as at 31 December 1970.

Repairs and Maintenance

10. Substantiating details for the amount shown under this heading at each time point (i.e., base date and the date of the pricing submission) should reveal the reasons for any significant increase which may have taken place. If the current calculation incorporates items (e.g., the painting of a building) which would normally recur at intervals of 2 or more years please supply particulars and indicate a suitable spread of such charges so that the present period is not saddled with more than its appropriate share.

Depreciation

11. Please provide a subdivision of this item of cost at both relevant dates under the headings of:

- (a) depreciation at standard income tax rates;
- (b) special depreciation;
- (c) depreciation provided for in excess of (a) and (b).

Power

12. Particulars furnished in support of this item should provide a breakdown of expenditure incurred on the various classes of power—electric, gas, oil, coal, etc. Where any increase in cost has been occasioned by a change in the type of power used the reason for this should be explained.

Rent

13. Please indicate the name of the owner of the property, and if such owner is a subsidiary or associated company of the applicant, show the basis on which the rental has been calculated. Details should be given of any change in rental which took place between the relevant dates—that is the base date and the date of this submission.

Interest

14. A detailed breakdown of this charge should be furnished showing the sources of the loan funds and the rates of interest in each case. By way of comparison interest payments made during the financial year prior to the base date, and prior to the lodging of the current submission should be supplied.

Administration and General Expenses

15. An indication should be given of the main items incorporated under this heading, which should include all expenses (other than distribution expenses) not otherwise included.

Outward Freights

16. Substantiating details of the calculation of this item at the two relevant points of time should include particulars of any general increases in freight charges which have taken place over the period.

Discounts

17. This item should be related to the value of sales as calculated at each of the two time points. Cash and quantity discounts should be separately shown.

Other Selling and Distribution Expenses

18. In addition to indicating bases of calculation please itemise under appropriate headings.

Payroll Tax

19. Details of calculation supplied for this item should indicate that it represents only the actual tax payable on the amounts enumerated under item (viii) after taking into account such exemptions as are allowable, but excluding export incentives.