

6252

GENERAL ACCIDENT EXECUTOR

AND

TRUSTEE COMPANY LIMITED

REPORT AND ACCOUNTS 1986



GENERAL ACCIDENT EXECUTOR AND TRUSTEE COMPANY LIMITED

1.

REGISTERED OFFICE: Becket House, 87 Cheapside, London EC2V 6AY
Registered in England - No. 6252

BOARD OF DIRECTORS:

Chairman G R Simpson, DSO, LVO, TD, DL

Directors B C Marshall, CA
T Roberts, MA, FCII
W N Robertson, MA, FCII

Secretary R A Whitaker, LLB, DMS, FCII

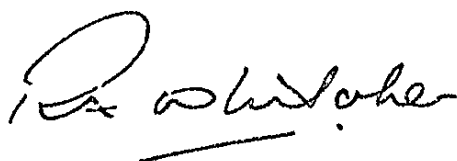
NOTICE OF MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Shareholders of this Company will be held on Wednesday the 6th day of May 1987 at 9.30 a.m. at Pitheavlis to transact the following ordinary business:

1. To receive the report of the directors and the audited accounts for the year ended 31st December 1986
2. To re-appoint Messrs Peat, Marwick, Mitchell & Co., Chartered Accountants, as auditors and to authorise the directors to determine their remuneration.

A member entitled to attend and vote at this meeting is entitled to appoint one or more proxies to attend and vote instead of him. A proxy need not be a member of the Company.

By Order of the Board



Secretary

April 1987

DIRECTORS' REPORT

The directors submit their Report together with the Accounts of the Company for the year ended 31 December 1986.

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £135,450 to which has been added £64,814 balance brought forward from the previous year. An interim ordinary dividend of £50,000 and a preference dividend of £840 was paid on 31 December 1986 leaving a balance of £149,424 to be carried forward.

PRINCIPAL ACTIVITY

The principal activity of the Company is transacting trustee and executorship business.

DIRECTORS AND THEIR INTERESTS

The names of the present directors are shown on page 1. No other directors served during the year.

There are no interests of directors in the shares or debentures of the holding company to be disclosed in accordance with section 2, schedule 7 of the Companies Act 1985, as all directors of the company are directors also of the holding company.

AUDITORS

At the company's last annual general meeting, Peat, Marwick, Mitchell & Co were reappointed as auditors of the company and from 1st April 1987 they will practise under the name of Peat Marwick McLintock. A resolution concerning their reappointment as auditors and their remuneration will be proposed at the forthcoming annual general meeting.

Chairman

March 1987

GENERAL ACCIDENT EXECUTOR AND TRUSTEE COMPANY LIMITED

3.

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED DECEMBER 31, 1986

	Notes	1986	1985
Turnover	2	213,659	77,565
Other operating charges		2,355	808
		<hr/>	<hr/>
Operating Profit	3	211,304	76,757
Tax on profit on ordinary activities	4	75,854	29,943
		<hr/>	<hr/>
Profit for the financial year		135,450	46,814
Retained profit brought forward		64,814	68,840
		<hr/>	<hr/>
Total available for appropriation		200,264	115,654
Dividends	5	50,840	50,840
		<hr/>	<hr/>
Retained profit carried forward		149,424	£64,814
		=====	=====

The notes on pages 6 to 8 form part of these accounts.

GENERAL ACCIDENT EXECUTOR AND TRUSTEE COMPANY LIMITED

BALANCE SHEET
AT DECEMBER 31, 1986

	Notes	1986	1985
		£	£
Investments	6	<u>653,401</u>	<u>570,392</u>
Current Assets		40,963	39,790
Debtors		17,074	16,445
Accrued interest		7,863	9,328
Cash at bank and in hand		<u>65,900</u>	<u>65,563</u>
Creditors: amounts falling due within one year	7	117,461	<u>189,701</u>
Net current liabilities		51,561	<u>124,138</u>
Total assets less current liabilities		<u>601,840</u>	<u>446,254</u>
Creditors: amounts falling due after more than one year		80,617	28,548
Corporation Tax (payable January 1, 1988)			
Provision for liabilities and charges		5,976	5,962
Deferred taxation		<u>86,593</u>	<u>34,510</u>
		<u>£515,247</u>	<u>£411,744</u>
		=====	=====
Capital and reserves	8	146,600	146,600
Called up share capital		144,571	144,571
General Reserve		74,652	55,759
Investment Reserve		149,424	64,814
Profit and loss account		<u>£515,247</u>	<u>£411,744</u>
		=====	=====

The notes on pages 6 to 8 form part of these accounts.

GENERAL ACCIDENT EXECUTOR AND TRUSTEE COMPANY LIMITED

5.

STATEMENT OF SOURCE AND APPLICATION OF FUNDS
FOR THE YEAR ENDED DECEMBER 31, 1986

	1986	1985
	£	£
Source of Funds:		
Profit on ordinary activities before taxation	211,304	76,757

Application of funds:		
Dividends paid	50,840	50,840
Tax paid	28,663	32,684
	-----	-----
	79,503	83,524
	-----	-----
Working capital increase/(decrease)	£131,801	£(6,767)
	=====	=====
Components of increase/(decrease) in working capital:		
Debtors	1,802	331
Creditors	67,348	8,201
	-----	-----
	69,150	8,532

Movement in investments and net liquid funds:		
Cash at bank and in hand	(1,465)	7,701
Cash on deposit	87,000	(23,000)
Listed investments (net of reserve)	(22,884)	-
	-----	-----
	62,651	(15,299)
	-----	-----
	£131,801	£(6,767)
	=====	=====

The notes on pages 6 to 8 form part of these accounts

NOTES TO THE ACCOUNTS AT DECEMBER 31, 1986

1. Accounting Policies

Accounting Convention

The accounts are prepared under the historical cost convention.

Investment Income

Ordinary dividends are taken to credit when received. Fixed dividends and interest are on an accrual basis.

Investments

Investments are shown in the balance sheet at or under cost.

Profits and losses on realisation of investments, after adjusting for taxation, have been dealt with through Investment reserve.

Deferred taxation

Deferred taxation has been provided at current rates on all timing differences other than those considered likely to continue in the foreseeable future. No detailed breakdown under the categories concerned is given as the amounts involved are relatively immaterial.

2. Turnover

Analysis of turnover is as follows:

	1986	1985
	£	£
a) Investment income received from investments held in the U.K.	79,659	77,565
b) Net income from Unit Trusts	<u>134,000</u>	<u>-</u>
	213,659	77,565
	=====	=====

3. Operating profit

a) This is stated after charging:

Directors' remuneration

Auditors' remuneration

£	£
N11	N11
850	802

4. Tax on profit on ordinary activities

Based on the profit for the year:

Corporation Tax at 36.25% (1985: 41.25%)

Tax credits attributable to dividends received

Deferred taxation

£	£
73,781	28,531
2,059	2,314
14	(902)
<u>75,854</u>	<u>£29,943</u>
=====	=====

5. Dividends

Preference

Ordinary - Interim paid

£	£
840	840
50,000	50,000
<u>£50,840</u>	<u>£50,840</u>
=====	=====

GENERAL ACCIDENT EXECUTOR AND TRUSTEE COMPANY LIMITED

7.

NOTES TO THE ACCOUNTS AT DECEMBER 31, 1986

	1986	1985
6. Investments	£	£
Cost at January 1, 1986	570,392	593,392
Additions	87,000	-
Disposals	(3,991)	(23,000)
	<hr/>	<hr/>
Cost at December 31, 1986	653,401	£570,392
	<hr/>	<hr/>
	£	£
Listed Investments	544,401	548,392
Deposits at Interest	109,000	22,000
	<hr/>	<hr/>
	653,401	£570,392
	<hr/>	<hr/>
Valuation:		
Listed Investments - market value (less accrued interest)	£775,863	£749,177
Deposits at Interest	109,000	£22,000
	<hr/>	<hr/>
7. Creditors: amounts falling due within one year	£	£
Current corporation tax	28,548	33,440
Due to parent company	87,594	155,461
Accruals	1,319	800
Proposed dividend	-	-
	<hr/>	<hr/>
	117,461	£189,701
	<hr/>	<hr/>
8. Share Capital		
Authorised:	No	No
Ordinary shares of £4 each	37,500	37,500
6% (now 4.2% plus tax credit)		
Preference shares of £5 each	20,000	20,000
	<hr/>	<hr/>
	57,500	57,500
	<hr/>	<hr/>
Issued:		£
24,500 Ordinary shares of £4 each, fully paid	98,000	98,000
13,000 Ordinary shares of £4 each, £2.20 per share paid	28,600	28,600
	<hr/>	<hr/>
	126,600	126,600
	<hr/>	<hr/>
6% (now 4.2% plus tax credit)		
Preference shares of £5 each, £1 paid	20,000	20,000
	<hr/>	<hr/>
	£146,600	£146,600
	<hr/>	<hr/>

GENERAL ACCIDENT EXECUTOR AND TRUSTEE COMPANY LIMITED

8.

NOTES TO THE ACCOUNTS AT DECEMBER 31, 1986

9. Holding Company

The company's ultimate holding company is General Accident Fire and Life Assurance Corporation plc which is incorporated in Great Britain.

Approved by the Board


(DIRECTOR)


(DIRECTOR)

25th March 1987

REPORT OF THE AUDITORS TO THE MEMBERS OF
GENERAL ACCIDENT EXECUTOR AND TRUSTEE COMPANY LIMITED

9.

We have audited the accounts set out on pages 3 to 8, in accordance with approved Auditing Standards.

In our opinion the accounts, which have been prepared on the basis of the accounting policies set out on page 6, give a true and fair view of the state of affairs of the Company at December 31, 1986 and of its profit and source and application of funds for the year to that date and comply with the Companies Act 1985.



PEAT, MARWICK, MITCHELL & CO.,
Chartered Accountants

135 Buchanan Street
Glasgow G1 2JG

25th March 1987