

6252

GENERAL ACCIDENT EXECUTOR

AND

TRUSTEE COMPANY LIMITED

REPORT AND ACCOUNTS 1987



**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** B C Marshall, CA

**Directors** T Roberts, MA, FCII  
W N Robertson, MA, FCII

**Secretary** R A Whitaker, LLB, DMS, FCII

**DIRECTORS' REPORT**

The directors submit their Report together with the Accounts of the Company for the year ended 31 December 1987.

**RESULTS AND DIVIDENDS**

The profit for the year, after taxation, amounted to £209,679 to which has been added £149,424 balance brought forward from the previous year. An interim ordinary dividend of £200,000 and a preference dividend of £840 was paid on 31 December 1987 leaving a balance of £158,263 to be carried forward.

**ULTIMATE HOLDING COMPANY**

The ultimate holding company is General Accident Fire & Life Assurance Corporation plc incorporated in Great Britain.

**PRINCIPAL ACTIVITY**

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

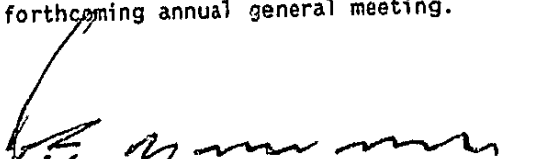
**DIRECTORS AND THEIR INTERESTS**

Mr G R Simpson retired as a director on 6th May 1987.

There are no interests of directors in the shares or debentures of the holding company as 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**

A resolution concerning the re-appointment of Peat Marwick McLintock as auditors will be proposed at the forthcoming annual general meeting.

  
Chairman

23rd March 1988

GENERAL ACCIDENT EXECUTOR AND TRUSTEE COMPANY LIMITED

2.

PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED DECEMBER 31, 1987

	Notes	1987	1986
Turnover	2	832,911	631,489
Expenses		507,788	420,185
		<hr/>	<hr/>
Operating Profit	3	325,123	211,304
Tax on profit on ordinary activities	4	115,444	75,854
		<hr/>	<hr/>
Profit for the financial year		209,679	135,450
Retained profit brought forward		149,424	64,814
		<hr/>	<hr/>
Total available for appropriation		359,103	200,264
Dividends	5	200,840	50,840
		<hr/>	<hr/>
Retained profit carried forward		<u>158,263</u>	<u>149,424</u>

The notes on pages 5 to 7 form part of these accounts.

## GENERAL ACCIDENT EXECUTOR AND TRUSTEE COMPANY LIMITED

BALANCE SHEET  
AT DECEMBER 31, 1987

	Notes	1987	1986
		£	£
Investments	6	<u>1,174,401</u>	653,401
Current Assets			
Due from Parent Company		3,368,181	40,963
Debtors		36,506	17,074
Accrued interest		17,340	7,863
Cash at bank and in hand		6,019	
		<u>3,428,046</u>	<u>65,900</u>
Creditors: amounts falling due within one year	7	79,300	<u>117,461</u>
Net current Assets/(Liabilities)		3,348,746	(51,561)
Total assets less current liabilities		<u>4,523,147</u>	<u>601,840</u>
Creditors: amounts falling due after more than one year			80,617
Corporation Tax (payable January 1, 1989)		112,992	
Loan - Parent Co		3,200,000	
Provision for liabilities and charges		6,069	5,976
Deferred taxation		<u>3,319,061</u>	<u>86,593</u>
		<u>£1,204,086</u>	<u>£515,247</u>
Capital and reserves	8	826,600	146,600
Called up share capital		144,571	144,571
General Reserve		74,652	74,652
Investment Reserve		158,263	149,424
Profit and loss account		<u>£1,204,086</u>	<u>£515,247</u>

The notes on pages 5 to 7 form part of these accounts.

GENERAL ACCIDENT EXECUTOR AND TRUSTEE COMPANY LIMITED

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STATEMENT OF SOURCE AND APPLICATION OF FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 1987

		1987	1986
	£	£	£
<b>Source of Funds:</b>			
Profit on ordinary activities before taxation		<u>325,124</u>	211,304
<b>Application of funds:</b>			
Dividends paid	200,840		50,840
Tax paid	33,156		28,663
	<u>          </u>	233,996	<u>79,503</u>
<b>Working capital increase/(decrease)</b>		<u><u>£91,128</u></u>	<u><u>£131,801</u></u>
<b>Components of increase/(decrease) in working capital:</b>			
Share Capital	(680,000)		1,802
Debtors	3,451,583		67,348
Creditors	(3,199,611)		<u>69,150</u>
	<u>          </u>	(423,028)	
<b>Movement in investments and net liquid funds:</b>			
Cash at bank and in hand	(1,844)		(1,465)
Cash on deposit	521,000		87,000
Listed Investments (net of reserve)	-		(22,884)
	<u>          </u>	519,156	<u>62,651</u>
		<u><u>£91,128</u></u>	<u><u>£131,801</u></u>

## NOTES TO THE ACCOUNTS AT DECEMBER 31, 1987

## 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:

	1987	1986
	£	£
a) Investment income received from investments held in the U.K.	87,153	79,659
b) Income from Unit Trusts	<u>745,758</u>	<u>551,830</u>
	<u>832,911</u>	<u>631,489</u>

## 3. Operating profit

a) This is stated after charging:

Directors' remuneration

Auditors' remuneration

£	£
Nil	Nil
925	850

## 4. Tax on profit on ordinary activities

Based on the profit for the year:

Corporation Tax at 35% (1986: 36.25%)

Tax credits attributable to dividends received

Deferred taxation

£	£
112,969	73,781
2,382	2,059
93	14
<u>115,444</u>	<u>75,854</u>

## 5. Dividends

Preference

Ordinary - Interim paid

£	£
840	840
200,000	50,000
<u>200,840</u>	<u>50,840</u>
=====	=====

GENERAL ACCIDENT EXECUTOR AND TRUSTEE COMPANY LIMITED

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NOTES TO THE ACCOUNTS AT DECEMBER 31, 1987

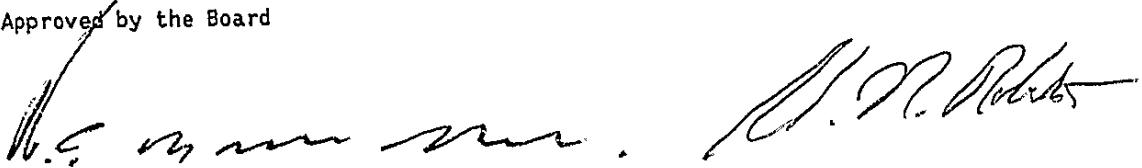
	1987	1986
	£	£
<b>6. Investments</b>		
Cost at January 1, 1987	653,401	570,392
Additions	521,000	87,000
Disposals	-	(3,991)
	<u>1,174,401</u>	<u>653,401</u>
Cost at December 31, 1987		
	£	£
Listed investments	544,401	544,401
Deposits at interest	630,000	109,000
	<u>1,174,401</u>	<u>653,401</u>
Valuation:		
Listed investments - market value (less accrued interest)	£807,567	£775,863
Deposits at interest	<u>630,000</u>	<u>£109,000</u>
	£	£
<b>7. Creditors: amounts falling due within one year</b>		
Current corporation tax	78,370	28,548
Due to parent company	-	87,594
Accruals	930	1,319
Proposed dividend	-	-
	<u>79,300</u>	<u>117,461</u>
	No	No
<b>8. Share Capital</b>		
Authorised:	350,000	37,500
Ordinary shares of £4 each		
6% (now 4.2% plus tax credit)	20,000	20,000
Preference shares of £5 each	<u>370,000</u>	<u>57,500</u>
Issued:	£	
194,500 Ordinary shares of £4 each, fully paid	778,000	98,000
13,000 Ordinary shares of £4 each, £2.20 per share paid	28,600	28,600
	<u>806,600</u>	<u>126,600</u>
6% (now 4.2% plus tax credit)	20,000	20,000
Preference shares of £5 each, £1 paid	<u>826,600</u>	<u>146,600</u>

NOTES TO THE ACCOUNTS AT DECEMBER 31, 1987

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



23rd March 1988



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

We have audited the accounts on pages 2 to 7, in accordance with approved Auditing Standards.

In our opinion the accounts, give a true and fair view of the state of the company's affairs at December 31, 1987 and of its profit and source and application of funds for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

A handwritten signature in cursive script, reading "Peat Marwick McLintock", followed by a horizontal line.

PEAT MARWICK MCLINTOCK  
Chartered Accountants

24 Blythswood Square  
Glasgow G2 4QS

23rd March 1988