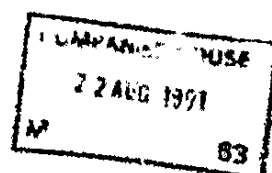


Registered No. 6252

GENERAL ACCIDENT EXECUTOR
AND
TRUSTEE COMPANY LIMITED

REPORT AND ACCOUNTS 1990



GENERAL ACCIDENT EXECUTOR AND TRUSTEE COMPANY LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31st DECEMBER 1990

DIRECTORS AND SECRETARY

Directors: W N Robertson, MA FCII (Chairman)
T Roberts, CBE MA FCII
R A Whitaker, LLB DMS FCII

Secretary: R A Whitaker, LLB DMS FCII

Principal Activity & Business Review

General Accident Executor and Trustee Company Limited produced a highly satisfactory result during the year ended 31st December 1990. Its principal activity is unit trust trusteeships where the number of funds under control increased by 15 to 56. Other forms of trustee business were also undertaken on a selective basis. The company operated profitably during the year.

Dividend and Reserves

Profit after tax amounted to £310,849. An interim dividend of £200,000 and a preference dividend of £840 were paid on 31st December 1990.

Directors and their interests

The names of the present directors are shown above.

Mr I C Menzies resigned as a director of the company on 31st December 1990.

Mr R A Whitaker was appointed as a director of the company on 11st February 1991.

The interests of Mr Menzies, Mr Robertson and Mr Roberts in the share capital of other companies in the General Accident group are stated in the Directors' Report of General Accident plc.

By Order of the Board

R A Whitaker
Secretary

27th March 1991

GENERAL ACCIDENT EXECUTOR AND TRUSTEE COMPANY LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED DECEMBER 31, 1990

	Notes	1990	1989
Turnover	2	1,622,291	1,245,757
Expenses		<u>1,146,743</u>	<u>966,146</u>
Operating Profit	3	475,548	279,611
Tax on profit on ordinary activities	4	<u>164,699</u>	<u>96,873</u>
Profit for the financial year		310,849	182,738
Retained profit brought forward		<u>299,411</u>	<u>217,513</u>
Total available for appropriation		610,260	400,251
Dividends	5	<u>200,840</u>	<u>100,840</u>
Retained profit carried forward		<u>409,420</u>	<u>299,411</u>

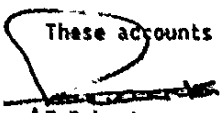
The notes on pages 5 to 7 form part of these accounts.

GENERAL ACCIDENT EXECUTOR AND TRUSTEE COMPANY LIMITED

BALANCE SHEET
AT DECEMBER 31, 1990

	Notes	1990	1989
		£	£
Investments	6	914,857	787,395
Fixed Assets	1(e)		
Computer Equipment		<u>99,399</u>	<u>97,785</u>
		1,014,256	<u>885,180</u>
Current Assets			
Due from Parent Company	3,782,777		3,708,393
Debtors	284,336		221,317
Accrued interest	13,577		19,276
Cash at bank and in hand	<u>7,305</u>		<u>4,780</u>
	<u>4,087,995</u>		<u>3,953,766</u>
Creditors: amounts falling due within one year	7	<u>3,592,623</u>	<u>3,439,971</u>
Net current Assets/(Liabilities)		<u>495,372</u>	<u>513,795</u>
Total assets less current liabilities		1,509,628	1,398,975
Creditors: amounts falling due after more than one year			
Provision for liabilities and charges			
Deferred taxation		4,752	6,747
		<u>1,504,876</u>	<u>1,392,228</u>
Capital and reserves			
Called up share capital	8	826,600	826,600
General Reserve		144,571	144,571
Investment Reserve		124,285	121,646
Profit and loss account		<u>409,420</u>	<u>299,411</u>
		<u>1,504,876</u>	<u>1,392,228</u>

These accounts were approved by the Board of Directors on 27th March, 1991 and are signed on its behalf.


T Roberts
Director

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

GENERAL ACCIDENT EXECUTOR AND TRUSTEE COMPANY LIMITED

STATEMENT OF SOURCE AND APPLICATION OF FUNDS
FOR THE YEAR ENDED DECEMBER 31, 1990

	1990	1989
£	£	£
<u>Source of Funds:</u>		
Profit before tax	475,548	<u>279,611</u>
<u>Adjustments to convert Revenue and Expenditure To a Cash Basis</u>		
Decrease/(Increase) in debtors	(131,906)	12,643
Increase/(Decrease) in creditors	80,752	146,896
Depreciation of Computer Software	<u>30,961</u>	<u>24,446</u>
	<u>(20,193)</u>	<u>183,985</u>
Total generated from operations	455,355	463,596
<u>Decrease in Investments</u>		
Listed Investments (net of reserve)	177	135,000
<u>NET FUNDS AVAILABLE</u>	<u>455,532</u>	<u>598,596</u>
<u>Application of funds:</u>		
Dividends paid	200,840	100,840
Tax paid	94,592	169,905
Purchase of Fixed Assets net	<u>32,575</u>	<u>104,231</u>
	328,007	<u>374,976</u>
<u>Increase in Investments:</u>		
Cash at bank	2,525	3,620
Cash on deposit	<u>125,000</u>	<u>220,000</u>
	<u>127,525</u>	<u>223,620</u>
	<u>455,532</u>	<u>598,596</u>

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

GENERAL ACCIDENT EXECUTOR AND TRUSTEE COMPANY LIMITED

NOTES TO THE ACCOUNTS AT DECEMBER 31, 1990

1. Accounting Policies

(a) Accounting Convention

The accounts are prepared under the historical cost convention.

(b) Investment Income

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

(c) 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.

(d) 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 immaterial.

(e) Depreciation

Depreciation is provided on Computer Equipment at a rate calculated to write off the cost over five years.

2. Turnover

Analysis of turnover is as follows:

	1990 £	1989 £
a) Investment income received from investments held in the U.K.	131,449	105,992
b) Trusteeship Business Fees	1,490,841	1,139,765
	<u>1,622,290</u>	<u>1,245,757</u>

3. Operating profit

This is stated after charging:

	£	£
Directors' remuneration	Nil	Nil
Auditors' remuneration	1,093	1,051
Depreciation	30,961	24,446

4. Tax on profit on ordinary activities

Based on the profit for the year:

	£	£
Corporation Tax at 35%	164,020	93,856
Tax credits attributable to dividends received	2,674	2,454
Deferred taxation	(1,995)	563
	<u>164,699</u>	<u>96,873</u>

The taxation charge for 1990 was calculated before the 1991 budget announcement.

5. Dividends

	£	£
Preference	840	840
Ordinary - Interim paid	200,000	100,000
	<u>200,840</u>	<u>100,840</u>

GENERAL ACCIDENT EXECUTOR AND TRUSTEE COMPANY LIMITED

NOTES TO THE ACCOUNTS AT DECEMBER 31, 1990

	1990	1989
6. Investments	£	£
At beginning of year	787,395	701,681
Additions	227,120	220,000
Disposals	<u>99,658</u>	<u>134,286</u>
At end of year	<u>914,857</u>	<u>787,395</u>
	£	£
Listed investments	369,857	367,395
Deposits at interest	<u>545,000</u>	<u>420,000</u>
	<u>914,857</u>	<u>787,395</u>
	£	£
Valuation:		
Listed investments - market value	590,084	618,403
Deposits at interest	<u>545,000</u>	<u>420,000</u>
	<u>1,135,084</u>	<u>1,038,403</u>
7. Creditors: amounts falling due within one year	£	£
Current corporation tax	164,020	92,120
Accruals	228,603	147,851
Loan - Parent Company	<u>3,200,000</u>	<u>3,200,000</u>
	<u>3,592,623</u>	<u>3,439,971</u>
8. Share Capital		
Authorised:	No	No
Ordinary shares of £4 each	<u>1,480,000</u>	<u>1,480,000</u>
6% (now 4.2% plus tax credit)		
Preference shares of £5 each	<u>20,000</u>	<u>20,000</u>
Issued:	£	
194,500 Ordinary shares of £4 each, fully paid	778,000	778,000
13,000 Ordinary shares of £4 each, £2 20 per share paid	<u>28,600</u>	<u>28,600</u>
	806,600	806,600
6% (now 4.2% plus tax credit)		
Preference shares of £5 each, £1 paid	<u>20,000</u>	<u>20,000</u>
	<u>826,600</u>	<u>826,600</u>

GENERAL ACCIDENT EXECUTOR AND TRUSTEE COMPANY LIMITED

NOTES TO THE ACCOUNTS AT DECEMBER 31, 1990

9. Holding Company

The company's ultimate holding company is General Accident plc which is incorporated in Great Britain.

27th March 1991

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 Auditing Standards.

In our opinion the accounts, give a true and fair view of the state of the company's affairs at December 31, 1990 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.

KPMG Peat Marwick McLintock

KPMG PEAT MARWICK MCLINTOCK
Chartered Accountants

24 Blythswood Square
Glasgow G2 4QS

27th March 1991