

**FREEMANS TRUST LIMITED**  
**REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JANUARY 1995**



## **Freemans Trust Limited**

### **Report of the Council of Management For the year ended 31 January 1995**

The Council of Management submit their report and the financial statements of the Company for the year ended 31 January 1995.

- 1 Council of Management**
- J J Pearmund (Chairman)  
R P Boland (resigned 28.7.95)  
R S Chapman  
E F T Cribb  
J Gillies (appointed 31.7.95)  
Miss M P Johnston (appointed 31.7.95)  
Mrs B V Kent  
G Phillips  
E G Pool  
J R A Rampton  
J A F Stringer (resigned 27.8.94)  
Miss D M A Ward (appointed 31.7.95)

In accordance with the Articles of Association the members of the Council retiring by rotation are Mr R S Chapman and Mr E F T Cribb who, being eligible, offer themselves for re-election.

**2 Principal activities**

The Company is a registered charity and applies the income arising from its assets for charitable purposes.

**3 Results**


The income and expenditure for the year is set out on page 4.

**4 Donated Capital**

The Trust was established in 1974 by the donation of a number of shares in Freemans PLC to the Company. The current value of this donation represents the permanent capital of the Company and is invested to produce income to support the Trust's charitable activities.

**5 Auditors**

Touche Ross & Co have expressed their willingness to continue in office as auditors and a resolution to re-appoint them will be proposed at the forthcoming Annual General Meeting.



By order of the Council  
J J Pearmund, Council Member

31 July 1995

**Freemans Trust Limited**

**Statement of Council of Management Responsibilities  
For the year ended 31 January 1995**

Company law requires the Council of Management to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the profit or loss of the Company for that period. In preparing those statements, the Council of Management are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Council of Management are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



## Chartered Accountants

Touche Ross & Co.  
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## AUDITORS' REPORT TO THE MEMBERS OF FREEMANS TRUST LIMITED

We have audited the financial statements on pages 4 to 9 which have been prepared under the accounting policies set out on page 7.

### Respective responsibilities of Council of Management and auditors

As described on page 2 the Council of Management are responsible for the preparation of financial statements. It is our responsibility to form an adequate opinion, based on our audit, on those statements and to report our opinion to you.

### Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Council of Management in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

### Opinion

In our opinion the financial statements give a true and fair view of the state of the Company's affairs as at 31 January 1995 and its excess of expenditure over income for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Chartered Accountants and  
Registered Auditors

31 July 1995

Freemans Trust Limited

Income and Expenditure Account  
For the year ended 31 January 1995

	Note	1995 £	1994 £
<b>Income from continuing operations</b>			
Dividends		125,792	122,262
Interest		9,807	8,578
Donations		390	348
		<u>135,989</u>	<u>131,188</u>
<b>Expenditure</b>			
Grants		123,801	104,376
Audit fees		1,588	1,086
Fund management fees		21,770	21,204
Provision against irrecoverable loans		8,991	10,700
		<u>156,150</u>	<u>137,366</u>
<b>Excess of expenditure over income from continuing operations</b>	<b>4</b>	<u>(20,161)</u>	<u>(6,178)</u>

Statement of Investment Gains and Losses  
For the year ended 31 January 1995

	Note	1995 £	1994 £
Realised gains on disposal of investments		145,258	116,728
Change in unrealised (losses)/gains on investments		(507,480)	738,023
<b>Net investment (losses)/gains</b>	<b>2,3</b>	<u>(362,222)</u>	<u>854,751</u>

Freemans Trust Limited

Statement of Total Recognised Gains and Losses  
For the year ended 31 January 1995

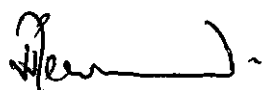
	1995 £	1994 £
Excess of expenditure over income from continuing operations	(20,161)	(6,178)
Net investment (losses)/gains	(362,222)	854,751
Total recognised (losses)/gains for the year	<u>(382,383)</u>	<u>848,573</u>

Freemans Trust Limited

Balance Sheet  
As at 31 January 1995

	Note	1995 £	1994 £
<b>Fixed assets</b>			
Investments at market value	2	3,502,371	3,864,593
<b>Current assets</b>			
Loans to Freemans PLC staff		16,797	35,060
Other debtors		9,868	15,237
Cash at bank and in hand		210,190	164,287
		<u>236,855</u>	<u>214,584</u>
<b>Creditors: Amounts falling due within one year</b>			
Accruals and deferred income		(112,219)	(69,787)
Net current assets		<u>124,636</u>	<u>144,797</u>
<b>Total assets less current liabilities</b>			
		<u>3,627,007</u>	<u>4,009,390</u>
<b>Accumulated funds</b>			
Permanent capital	3	3,502,371	3,864,593
Other reserves	4	124,636	144,797
		<u>3,627,007</u>	<u>4,009,390</u>

Approved by the Council of Management on 31 July 1995.  
Signed on behalf of the Council of Management



J J Pearmund

Council Member

**Freemans Trust Limited**

**Notes to the Financial Statements  
For the year ended 31 January 1995**

**1 Accounting Policies**

The financial statements have been prepared in accordance with applicable accounting standards. The particular accounting policies are described below.

**(a) Accounting convention**

The financial statements are prepared under the historical cost convention as modified by the revaluation of investments at market value.

**(b) Investments**

Investments are stated at market value. Realised and unrealised gains or losses on investments are reflected as a change in the permanent capital of the Company.

**(c) Grants**

Grants are accounted for when unconditionally approved by or on behalf of the Council of Management and when the amount has been ascertained.

**(d) Interest**

Interest is accounted for on an accruals basis.

**(e) Dividend income**

Dividend income is included, gross of income tax, in the period in which it is received.

**(f) Provision against irrecoverable loans**

Provision is made against loans which the Council of Management consider are unlikely to be repaid.

**(g) Depreciation**

Assets are fully written off in the year of purchase through the grants account - 1995 £ Nil (1994 - £ NIL).



Freemans Trust Limited

Notes to the Financial Statements (continued)  
For the year ended 31 January 1995

2 Investments

Investments at 31 January 1995 comprised:

Type of Security	Cost			Market Value		
	£	%	Yield	£	%	Yield
Government securities	570,921	20.9	4.98	722,556	20.6	3.94
Fixed interest	67,579	2.5	4.68	60,226	1.7	5.25
U K equities	1,370,548	50.3	5.52	1,696,042	48.4	4.46
Overseas equities	470,467	17.3	3.86	772,809	22.1	2.35
Unit trusts and funds	134,119	4.9	2.00	135,922	3.9	1.97
Investment trusts	9,520	0.3	2.66	12,145	0.4	2.08
Total securities	2,623,154	96.2	4.89	3,399,700	97.1	3.78
Short-term deposits	102,671	3.8	5.12	102,671	2.9	5.12
Total investments	2,725,825	100.0	4.90	3,502,371	100.0	3.82

	1995 £	1994 £
Investments at 1 February	3,864,593	3,009,842
Purchases	515,558	481,282
Sales	(582,482)	(464,919)
Increase/(decrease) in short-term deposits	66,924	(16,363)
	3,864,593	3,009,842
Net investment (losses)/gains	(362,222)	854,751
Investments at 31 January	3,502,371	3,864,593

3 Permanent Capital

	1995 £	1994 £
Permanent capital at 1 February	3,864,593	3,009,842
Net investment (losses)/gains	(362,222)	854,751
Permanent capital at 31 January	3,502,371	3,864,593

The liability of the members is limited by guarantee to a sum not exceeding £1.