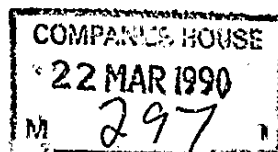


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SURVEYORS HOLDINGS LIMITED  
DIRECTORS' REPORT AND CONSOLIDATED ACCOUNTS  
FOR THE YEAR ENDED 31 JULY 1989

Peat Marwick McLintock



SURVEYORS HOLDINGS LIMITED  
AND SUBSIDIARY COMPANIES

DIRECTORS' REPORT

The directors present their annual report on the affairs of the group, together with the consolidated accounts and auditors' report for the year ended 31 July 1989. The comparative figures in the profit and loss account are for the 19 month period ended 31 July 1988.

Principal activities and business review

The principal activities of the group during the year were the production of journals and publications, the supply of information relating to building construction and maintenance, together with the provision of other services for the surveying profession.

The accompanying Chairman's statement gives further details of the group's activities and progress during the year.

The directors do not recommend the payment of a dividend in respect of the year covered by the accounts (1988 : £Nil).

Directors

The directors of the company who served during the year were as follows:

A.H.C. Voaden, FRICS (Chairman) (resigned 11 September 1989)  
R.S. Broadhurst FRICS (appointed 10 July 1989) (appointed chairman 11 September 1989)  
J.M. Allan, FRICS  
N.J. Arthur, FRICS  
C.W. Jonas, FRICS (resigned 13 April 1989)  
S.H. Kolesar, ARICS  
C. Lenan, FCIM (appointed 10th July 1989)  
C.H. Lewis, FRICS  
M.A. Pattison, BA  
S.G. Poval, FRICS  
J.R. Thomas, FRICS

The directors do not have any interests required to be disclosed under Schedule 7 of the Companies Act 1985.

Fixed assets

Information relating to changes in tangible fixed assets is given in note 10 to the accounts.

SURVEYORS HOLDINGS LIMITED  
AND SUBSIDIARY COMPANIES

DIRECTORS' REPORT  
(continued)

Auditors

On 1st January 1990 our auditors changed their name under which they practise to KPMG Peat Marwick McLintock and accordingly have signed their report in their new name.

In accordance with Section 384 of the Companies Act 1985, a resolution for the re-appointment of KPMG Peat Marwick McLintock as auditors of the company is to be proposed at the forthcoming annual general meeting.

By Order of the Board

C. LENAN

Secretary

11 Great George Street  
London SW1.

AUDITORS' REPORT TO THE MEMBERS OFSURVEYORS HOLDINGS LIMITED  
AND SUBSIDIARY COMPANIES

We have audited the accounts on pages 4 to 21 in accordance with Auditing Standards.

In our opinion, the accounts give a true and fair view of the state of affairs of the company and of the group at 31 July 1989 and of the consolidated 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

Birmingham

Chartered Accountants

17th January 1990

SURVEYORS HOLDINGS LIMITED  
AND SUBSIDIARY COMPANIES

CONSOLIDATED PROFIT AND LOSS ACCOUNT

FOR THE 12 MONTHS ENDED 31 JULY 1989

	Note(s)	Year ended 31 July 1989 £'000	19 months ended 31 July 1988 £'000
TURNOVER	1(g)	6,465	7,882
Deduct turnover of related companies		(3,665)	(3,866)
	2	2,800	4,016
Cost of sales		(1,829)	(2,620)
GROSS PROFIT		971	1,396
Other operating expenses	7	(1,501)	(2,022)
OPERATING LOSS	3(a)	(530)	(626)
Income from U.K. listed fixed asset investments		283	198
Other interest receivable and similar income		386	587
Profit on sale of fixed asset investments		441	1,013
Related company's 50% share of profit		543	203
Amounts written-off investments	8	(56)	(17)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	3(b)	1,067	1,358
Tax on profit on ordinary activities	1(f)&9	(592)	(621)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		475	737
Retained profit brought forward		838	101
RETAINED PROFIT CARRIED FORWARD		1,313	838

SURVEYORS HOLDINGS LIMITED  
AND SUBSIDIARY COMPANIES

CONSOLIDATED BALANCE SHEET

AT 31 JULY 1989

		<u>31 July 1989</u>		<u>31 July 1988</u>	
	<u>Note(s)</u>	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>
<b>FIXED ASSETS</b>					
Tangible assets	1(c)&10	998		327	
Investment in related company	1(d)&11	853		476	
Other investments	1(d)&11	5,996		4,908	
			7,847		5,711
<b>CURRENT ASSETS</b>					
Stocks	1(e)&12	246		224	
Debtors	13	298		287	
Investments	14	2,501		2,066	
Cash at bank and in hand		889		1,895	
		3,934		4,472	
<b>CREDITORS : AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	15	(1,774)		(1,275)	
<b>NET CURRENT ASSETS</b>			2,160		3,197
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			10,007		8,908
<b>CREDITORS : AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR</b>	16		(8,694)		(8,070)
<b>NET ASSETS</b>			1,313		838
<b>CAPITAL AND RESERVES</b>					
Called up share capital	18		-		-
Profit and loss account			1,313		838
			1,313		838

These accounts were approved by the board of directors on 17th January 1990.

R.S. BROADHURST )

S.H. KOLESAR )

DIRECTORS

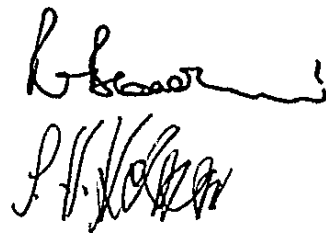
*Robson*  
*S.H. Kolesar*

SURVEYORS HOLDINGS LIMITEDBALANCE SHEETAT 31 JULY 1989

		31 July 1989		31 July 1988	
	Note(s)	£'000	£'000	£'000	£'000
FIXED ASSETS					
Tangible assets	1(c)&10	998		327	
Investments	1(d)&11	6,849		5,394	
			7,847		5,721
CURRENT ASSETS					
Stocks	1(e)&12	244		224	
Debtors	13	295		281	
Investments	14	2,501		2,066	
Cash at bank and in hand		837		1,855	
		(3,877)		4,426	
CREDITORS : AMOUNTS FALLING DUE WITHIN ONE YEAR					
	15	(1,703)		(1,239)	
NET CURRENT ASSETS			2,174		3,187
TOTAL ASSETS LESS CURRENT LIABILITIES			10,021		8,908
CREDITORS : AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR					
	16		(8,694)		(8,070)
PROVISIONS FOR LIABILITIES AND CHARGES			(14)		-
NET ASSETS			1,313		838
CAPITAL AND RESERVES					
Called up share capital	18		-		-
Profit and loss account			1,313		838
			1,313		838

These accounts were approved by the board of directors on 17th January 1990.

R.S. BROADHURST )  
S.H. KOLESAR ) DIRECTORS



SURVEYORS HOLDINGS LIMITED  
AND SUBSIDIARY COMPANIES

CONSOLIDATED STATEMENT OF SOURCE AND APPLICATION OF FUNDS

FOR THE YEAR ENDED 31 JULY 1989

	Year ended 31 July 1989		19 months ended 31 July 1988	
	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>
<b>SOURCE OF FUNDS</b>				
Profit on ordinary activities before taxation		1,067		1,358
Adjustment for items not involving the movement of funds:				
Depreciation	219		279	
Surplus on sale of fixed assets				
investments	(441)		(1,013)	
Related company profits	(543)		(203)	
		<u>(765)</u>		<u>(937)</u>
<b>FUNDS GENERATED FROM OPERATIONS</b>		<u>302</u>		<u>421</u>
<b>FUNDS FROM OTHER SOURCES</b>				
Proceeds from disposal of fixed asset investments	6,169		10,156	
Increase in creditors falling due after more than one year	624		2,924	
		<u>6,793</u>		<u>13,080</u>
		<u>7,095</u>		<u>13,501</u>
<b>APPLICATION OF FUNDS</b>				
Purchase of tangible fixed assets	890		457	
Purchase of fixed asset investments	6,816		10,856	
Further investment in related company	-		113	
Tax paid (net)	240		204	
		<u>(7,946)</u>		<u>(11,630)</u>
<b>(DECREASE)/INCREASE IN WORKING CAPITAL</b>		<u>(851)</u>		<u>1,871</u>



SURVEYORS HOLDINGS LIMITED  
AND SUBSIDIARY COMPANIES

CONSOLIDATED STATEMENT OF SOURCE AND APPLICATION OF FUNDS

FOR THE YEAR ENDED 31 JULY 1989  
(continued)

	Year ended 31 July 1989		19 months ended 31 July 1988	
	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>
COMPONENTS OF (DECREASE)/INCREASE IN WORKING CAPITAL				
Stocks	22		(63)	
Debtors	11		67	
Investments	435		128	
Creditors other than bank overdraft falling due within one year	(301)		(137)	
		167		(5)
Movement in net liquid funds:				
Cash at bank and in hand	(1,006)		1,853	
Bank overdraft	(12)		23	
		(1,018)		1,876
		(851)		1,871

SURVEYORS HOLDINGS LIMITED  
AND SUBSIDIARY COMPANIES

NOTES TO THE CONSOLIDATED ACCOUNTS

FOR THE YEAR ENDED 31 JULY 1989

1. Principal accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the group accounts:

(a) Basis of accounting

The accounts are prepared under the historical cost convention.

(b) Basis of consolidation

The group accounts consolidate the accounts of Surveyors Holdings Limited and its subsidiary made up to 31 July 1989, together with the group's share of the results of related companies. In the company accounts, investment in the subsidiary is stated at cost less amounts written off. No profit and loss account is presented for Surveyors Holdings Limited, as provided by Section 228 of the Companies Act 1985. £475,000 (19 months ended 31 July 1988 : £753,000) of the consolidated profit for the financial year attributable to the shareholders of Surveyors Holdings Limited has been dealt with in the accounts of the company.

(c) Depreciation

Depreciation is calculated so as to write off the cost of tangible fixed assets by instalments over their estimated useful lives as follows:

Computer equipment and motor vehicles	- 3 years
Office equipment	- 4 years
Fixtures and fittings	- 5 years

Long leasehold land is not depreciated.

(d) Fixed asset investments

Fixed asset investments are treated in the accounts of the company as follows:

(i) Listed investments and subsidiary company

Listed investments and the company's investment in its subsidiary company are shown at cost less amounts written off.

(ii) Related company

Investment in the related company is stated at cost, plus long-term loans, less amounts written off equivalent to the company's share of losses incurred since incorporation.

SURVEYORS HOLDINGS LIMITED  
AND SUBSIDIARY COMPANIES

NOTES TO THE CONSOLIDATED ACCOUNTS

FOR THE YEAR ENDED 31 JULY 1989  
(continued)

1. Principal accounting policies (continued)

(d) Fixed asset investments (continued)

(iii) Joint venture

Investment in the joint venture is stated at cost, plus long-term loans less amounts written off equivalent to the company's share of losses incurred since the joint venture commenced trading.

(iv) Income from listed investments

Income is included, with any related tax credit, in the accounts of the period in which it is receivable.

(e) Stocks

Stocks are stated at the lower of cost and net realisable value. Provision is made for obsolete, slow moving or defective items where appropriate.

(f) Taxation

Corporation tax is provided on taxable profit at the current rate.

Deferred taxation (which arises from differences in timing, principally of depreciation, between the accounts and the tax computations) is calculated on the liability method. Under this method, deferred taxation is only provided in cases where it is expected that an actual corporation tax liability will arise at some future date and is calculated at the current rate of tax, which is reviewed annually to reflect changes in tax rates.

(g) Turnover

Turnover represents the value of goods and services provided and is stated net of discounts and VAT.

SURVEYORS HOLDINGS LIMITED  
AND SUBSIDIARY COMPANIES

NOTES TO THE CONSOLIDATED ACCOUNTS

FOR THE YEAR ENDED 31 JULY 1989  
(continued)

2. Turnover

Excluding the group's share of the related company's turnover the analysis of turnover by activity is as follows:

	Year ended 31 July 1989 £'000	19 months ended 31 July 1988 £'000
Surveyors Publications and bookselling	2,082	2,496
Westminster Centre/STS	221	860
Surveyors Appointments Consultancy	251	328
Asset leasing	116	154
BMI	130	178
	<u>2,800</u>	<u>4,016</u>

Substantially all of the group's turnover arises as a result of trading activities in the United Kingdom.

3. Profit on ordinary activities before taxation

(a) The analysis of operating loss by activity is as follows:

	Year ended 31 July 1989 £'000	19 months ended 31 July 1988 £'000
Surveyors Publications and bookselling	155	300
Westminster Centre/STS	32	10
Surveyors Appointments Consultancy	59	69
Asset leasing	(75)	(83)
Payments to RICS Journals Limited	(470)	(658)
ICC	-	(24)
BMI	(25)	(48)
Administration	(206)	(192)
	<u>(530)</u>	<u>(626)</u>

SURVEYORS HOLDINGS LIMITED  
AND SUBSIDIARY COMPANIES

NOTES TO THE CONSOLIDATED ACCOUNTS

FOR THE YEAR ENDED 31 JULY 1989  
(continued)

3. Profit on ordinary activities before taxation (continued)

- (b) Profit on ordinary activities before taxation is stated after charging the following:

	Year ended 31 July 1989 <u>£'000</u>	19 months ended 31 July 1988 <u>£'000</u>
Depreciation and other amounts written off tangible fixed assets	219	279
Auditors' remuneration	20	16
Directors' emoluments	3	-
Exceptional item: Payment to RICS Journals Limited in connection with the provision under licence of professional journals to members of the RICS	<u>450</u>	<u>612</u>

5. Staff

The average number of persons employed by the company and its subsidiary (including executive directors) during the year, analysed by category, was as follows:

	Year ended 31 July 1989 <u>Number</u>	19 months ended 31 July 1988 <u>Number</u>
Distribution	8	7
Sales	13	19
Administration	20	12
	<u>41</u>	<u>38</u>

The aggregate payroll costs of these persons was as follows:

	<u>£'000</u>	<u>£'000</u>
Wages and salaries	388	574
Social security costs	55	58
Other pension costs	30	40
	<u>473</u>	<u>672</u>

SURVEYORS HOLDINGS LIMITED  
AND SUBSIDIARY COMPANIES

NOTES TO THE CONSOLIDATED ACCOUNTS

FOR THE YEAR ENDED 31 JULY 1989  
(continued)

6. Directors' emoluments

The directors emoluments (excluding pension contributions) were as follows:

	Year ended 31 July 1989 £	19 months ended 31 July 1988 £
Chairman	Nil	Nil
Highest paid director	2,259	Nil

None of the other directors received any emoluments during the year (1988 : £Nil).

7. Other operating expenses

	Year ended 31 July 1989 £'000	19 months ended 31 July 1988 £'000
Other operating expenses comprise:		
Distribution costs	5	34
Administrative expenses	1,496	1,988
	<u>1,501</u>	<u>2,022</u>

8. Amounts written off investments

Decrease in value of investment in the joint venture was £56,000 (19 months ended 31 July 1988 : £17,000).

SURVEYORS HOLDINGS LIMITED  
AND SUBSIDIARY COMPANIES

NOTES TO THE CONSOLIDATED ACCOUNTS

FOR THE YEAR ENDED 31 JULY 1989  
(continued)

9. Tax on profit on ordinary activities

The tax charge is based on the profit of the group for the year and comprises:

	Year ended 31 July 1989 <u>£'000</u>	19 months ended 31 July 1988 <u>£'000</u>
Corporation tax at 35% (1988 : 35%)	362	603
Deferred taxation arising from:		
Capital allowances	-	(6)
Other timing differences	-	(15)
Tax attributable to franked investment income	64	44
Tax attributable to related company	240	-
Reduction in liability to related company for consortium relief	(74)	-
	<u>592</u>	<u>626</u>
Less : Relief for overseas taxation	-	(5)
	<u>592</u>	<u>621</u>

SURVEYORS HOLDINGS LIMITED  
AND SUBSIDIARY COMPANIES

NOTES TO THE CONSOLIDATED ACCOUNTS

FOR THE YEAR ENDED 31 JULY 1989  
(continued)

10. Tangible fixed assets

The movement in the year for the group and the company was as follows:

	Long leasehold land £'000	Assets in course of construction £'000	Motor vehicles £'000	Fixtures and fittings £'000	Computer equipment £'000	Office equipment £'000	Total £'000
<u>Cost</u>							
At 1.8.88	-	-	42	248	690	39	1,019
Additions	420	365	61	-	38	6	890
At 31.7.89	420	365	103	248	728	45	1,909
<u>Depreciation</u>							
At 1.8.88	-	-	14	102	541	35	692
Charge for the year	-	-	42	51	121	5	219
At 31.7.89	-	-	56	153	662	40	911
<u>Net book value</u>							
At 31.7.89	420	365	47	95	66	5	998
At 31.7.88	-	-	28	146	149	4	327

11. Fixed asset investments

(a) The movement in the year for the group and the company was as follows:

<u>Group</u>	Listed investments £'000	Related company £'000	Total £'000
Balance at 1.8.88 - Cost	4,908	830	5,738
- Provision	-	(354)	(354)
- Net	4,908	476	5,384
Additions	6,816	-	6,816
Disposals	(5,728)	-	(5,728)
Share of profit for the year	-	303	303
Movement in loan account	-	74	74
Balance at 31.7.89 - Cost	5,996	904	6,900
- Provision	-	(51)	(51)
- Net	5,996	853	6,849



SURVEYORS HOLDINGS LIMITED  
AND SUBSIDIARY COMPANIES

NOTES TO THE CONSOLIDATED ACCOUNTS

FOR THE YEAR ENDED 31 JULY 1989  
(continued)

11. Fixed asset investments (continued)

<u>Company</u>	<u>Listed investments</u> <u>£'000</u>	<u>Related company</u> <u>£'000</u>	<u>Subsidiary company</u> <u>£'000</u>	<u>Total</u> <u>£'000</u>
Balance at 1.8.88:				
- Cost	4,908	830	41	5,779
- Provision	-	(354)	(31)	(385)
- Net	4,908	476	10	5,394
Additions	6,816	-	-	6,816
Disposals	(5,728)	-	-	(5,728)
Movement in provision	-	303	(10)	293
Movement in loan account	-	74	-	74
Balance at 31.7.89:				
- Cost	5,996	904	41	6,941
- Provision	-	(51)	(41)	(92)
- Net	5,996	853	-	6,849

(b) Listed investments

The aggregate cost and market value of listed investments of the group and the company was as follows:

	<u>Cost</u>		<u>Market value</u>	
	<u>1989</u> <u>£'000</u>	<u>1988</u> <u>£'000</u>	<u>1989</u> <u>£'000</u>	<u>1988</u> <u>£'000</u>
Government securities	507	2,363	511	2,387
U.K. listed securities	4,938	1,802	5,560	2,244
Listed overseas	551	659	658	594
Foreign government securities	-	84	-	88
	<u>5,996</u>	<u>4,908</u>	<u>6,729</u>	<u>5,313</u>

SURVEYORS HOLDINGS LIMITED  
AND SUBSIDIARY COMPANIES

NOTES TO THE CONSOLIDATED ACCOUNTS

FOR THE YEAR ENDED 31st JULY 1989  
(continued)

11. Fixed asset investments (continued)

(c) Investment in subsidiary company:

- (i) The company owns the entire share capital of Building Maintenance Information Limited (BMI), a company incorporated in Great Britain. The principal activity of BMI is to promote research, design and development relating to buildings and construction and to the maintenance and use of buildings.
- (ii) In the opinion of the directors, the aggregate value of the shares in BMI is not less than the amount stated in the company's balance sheet.
- (iii) The company's interest in BMI is represented as follows:

	<u>1989</u> <u>£'000</u>	<u>1988</u> <u>£'000</u>
Share capital	1	1
Loan account	40	40
Less : Amounts written off	(41)	(31)
Net book value	<u>-</u>	<u>10</u>

(d) Investment in related company

The company owns 50% of the share capital of RICS Journals Limited. RICS Journals Limited is incorporated in Great Britain and the holding is stated at cost plus long-term loans, less amounts written off to reflect the company's share of losses incurred since incorporation. The principal activity of the company is the publication of professional journals under licence from Surveyors Holdings Limited which owns the titles.

The figures incorporated into the consolidated accounts are based on the audited accounts of RICS Journals Limited to 31 March 1989 and management accounts to 31st July 1989.

SURVEYORS HOLDINGS LIMITED  
AND SUBSIDIARY COMPANIES

NOTES TO THE CONSOLIDATED ACCOUNTS

FOR THE YEAR ENDED 31 JULY 1989  
(continued)

11. Fixed asset investments (continued)

(d) Investment in related company (continued)

The company's investment in RICS Journals Limited comprises:

	<u>1989</u> <u>£'000</u>	<u>1988</u> <u>£'000</u>
Share capital	1	1
Long term loans	903	829
Less: Amounts written off	(51)	(354)
	<u>853</u>	<u>476</u>

(e) Investment in joint venture

The company has a 50% share in the joint venture trading as Institution and College Conferences (ICC). The holding is stated at cost, less amounts written off to reflect the company's share of losses incurred since trading commenced on 1st January 1988. The principal activity is the arranging of conferences for the surveying profession.

12. Stocks

The stocks held by the group and the company are books held for resale. The estimated replacement cost approximates to their balance sheet value.

	<u>Group</u>		<u>Company</u>	
	<u>1989</u> <u>£'000</u>	<u>1988</u> <u>£'000</u>	<u>1989</u> <u>£'000</u>	<u>1988</u> <u>£'000</u>
Finished goods for resale	246	224	244	224

13. Debtors

	<u>Group</u>		<u>Company</u>	
	<u>1989</u> <u>£'000</u>	<u>1988</u> <u>£'000</u>	<u>1989</u> <u>£'000</u>	<u>1988</u> <u>£'000</u>
Amounts falling due within one year:				
Trade debtors	135	102	135	102
VAT	53	19	50	13
Prepayments and accrued income	52	108	52	108
Income tax recoverable	58	58	58	58
	<u>298</u>	<u>287</u>	<u>295</u>	<u>281</u>

SURVEYORS HOLDINGS LIMITED  
AND SUBSIDIARY COMPANIES

NOTES TO THE CONSOLIDATED ACCOUNTS

FOR THE 12 MONTHS ENDED 31 JULY 1989  
(continued)

14. Current asset investments

Current asset investments comprise short term deposits of the company and the group.

15. Creditors : Amounts falling due within one year

	<u>Grp</u>		<u>Company</u>	
	<u>1989</u>	<u>1988</u>	<u>1989</u>	<u>1988</u>
	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>
Bank loans and overdrafts	13	1	-	-
Trade creditors	208	179	208	178
Accruals and deferred income	532	238	474	204
Other creditors:				
U.K. Corporation tax payable	992	806	992	806
Amounts due to related companies and joint venture	29	51	29	51
	<u>1,774</u>	<u>1,275</u>	<u>1,703</u>	<u>1,239</u>

16. Creditors : Amounts falling due after more than one year

Creditors falling due after more than one year comprise amounts due to The Royal Institution of Chartered Surveyors (RICS), which owns the entire share capital of the company. The loan is interest free and RICS has given an undertaking not to request payment for at least twelve months.

17. Provisions for liabilities and charges

	<u>Other provisions £'000</u>
At 31 July 1988	-
Profit and loss account charge	14
At 31 July 1989	<u>14</u>

Both the group and the company have no potential liability for deferred taxation at 31 July 1989 (1988 : £Nil).

Other provisions comprise a provision against the net liabilities of the company's wholly owned subsidiary, BMI.

SURVEYORS HOLDINGS LIMITED  
AND SUBSIDIARY COMPANIES

NOTES TO THE CONSOLIDATED ACCOUNTS

FOR THE YEAR ENDED 31 JULY 1989  
(continued)

18. Share capital

The authorised; issued and fully paid up share capital of the company consists of 100 ordinary shares of £1 each (1988 : 100).

19. Capital commitments

Capital commitments at 31 July 1989, for which no provision has been made in these accounts, were as follows:

	<u>1989</u> <u>£'000</u>	<u>1988</u> <u>£'000</u>
Contracted	2,705	-
Authorised but not contracted for	502	-
	<u>3,207</u>	<u>-</u>

Of the above total £3,119,000 relates to the new premises under construction in Coventry.

20. Pension obligations

The company is party to a pension scheme operated by The Royal Institution of Chartered Surveyors providing benefits based on final pensionable pay. The assets of the scheme are held separately from those of the company, being invested with an insurance company. Contributions to the scheme are charged to the profit and loss account so as to spread the cost of pensions over employees' working lives with the company.

The contributions are determined by a qualified actuary on the basis of triennial valuations using projected unit method. The most recent valuation was as at 1st January 1987. The assumptions which have the most significant effect on the results of the valuation are those relating to the rate of return on investments and the rates of increase in salaries and pensions. It was assumed that the investment returns would be 1% per annum compound in excess of salary increases and that present and future pensions would increase at the rate of 5% per annum compound except for Guaranteed Minimum Pensions.

The pension charge for the period was £30,000 (19 months ended 31 July 1988 : £40,000).

The most recent actuarial valuation showed that the market value of the scheme's assets represented 85% of the benefits that had accrued to members, after allowing for expected future increases in earnings. An interim valuation at 1st January 1989 indicated a value of 97% of accrued benefits.

SURVEYORS HOLDINGS LIMITED  
AND SUBSIDIARY COMPANIES

NOTES TO THE CONSOLIDATED ACCOUNTS

FOR THE YEAR ENDED 31 JULY 1989  
(continued)

20. Pension obligations (continued)

The contributions of the company and employees were set at 15.0% and 4.0% of earnings respectively. Since the last actuarial valuation, the company has enhanced the benefits accruing to members and, on actuarial advice, the company's contribution was increased to 15.2% of earnings.

21. Ultimate holding body corporate

The company's ultimate holding body corporate is The Royal Institution of Chartered Surveyors.