

B & C E UNIT TRUST MANAGEMENT COMPANY LIMITED

(Registered Number 2207140)

REPORTS AND ACCOUNTS

for the year ended 31 March 1995



B & C E UNIT TRUST MANAGEMENT COMPANY LIMITED

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B & C E UNIT TRUST MANAGEMENT COMPANY LIMITED

DIRECTORS

Sir Trevor P. Hughes, KCB, C.Eng, FICE, FIWEM (Chairman)
Chairman of Building and Civil Engineering Holidays Scheme
Management Ltd. (BCEHSML)

G.B. Brumwell,
General Secretary - Union of Construction,
Allied Trades and Technicians
Director of BCEHSML

D.L.F. Chapman, FIPD, , MIOSH
Director of Industrial Relations - Federation of Civil
Engineering Contractors
Director of BCEHSML

B.J. Griffiths, FCA
Deputy General Manager of BCEHSML

G.P. Henderson
National Secretary - Building Construction and Civil
Engineering Group of Transport and General Workers' Union
Director of BCEHSML

S.H. Moon, LL.B
Deputy Director General - Building
Employers Confederation
Director of BCEHSML

R.W. Steer, DMS, FCIS, ACIB
Secretary of BCEHSML

R.A. Veal, FCA
General Manager of BCEHSML

Secretary

Miss K.J. Musto, B.Sc. (Hons)

Registered Office

Manor Royal, Crawley,
West Sussex, RH10 2QP.
Telephone: 0345 414142

Bankers

Midland Bank plc,
9 The Boulevard, Crawley,
West Sussex, RH10 1UT

Auditors

Coopers & Lybrand,
Melrose House,
42 Dingwall Road,
Croydon, CRO 2NE

Solicitors

Frere Cholmeley Bischoff,
4 John Carpenter Street
London, EC4 0NH

B & C E UNIT TRUST MANAGEMENT COMPANY LIMITED

REPORT OF THE DIRECTORS

The Directors present their Annual Report and Accounts of the Company for the year ended 31 March 1995.

PRINCIPAL ACTIVITIES

The Company manages The Building and Civil Engineering Contracted-Out Pension Scheme, which is a tax exempt Unit Trust, for the provision of a minimum contribution - only appropriate Personal Pension Scheme.

The Company also manages The B & C E "Foundation" Personal Pension Scheme which is a tax exempt Unit Trust and an appropriate Personal Pension Scheme.

REVIEW OF ACTIVITIES

In the year under review the Company made a profit after tax of £1,668 (1994 - £73,294). The Directors do not recommend the payment of a dividend and the profit has been transferred to reserves.

There were 12,115 operatives in the Contracted-Out Pension Scheme at 31 March 1995 (1994 - 12,205) and 5,332 in the "Foundation" Scheme (1994 - 4,880).

FUTURE DEVELOPMENTS

It is anticipated that the number of operatives in the Contracted-Out Pension Scheme will remain at approximately the same level and that the number of self employed members of the "Foundation" Personal Pension Scheme will continue to build up during the year ended 31 March 1996.

FIXED ASSETS

The movements in fixed assets during the year are set out in note 3 to the accounts.

DIRECTORS

The Directors of the Company at the year end are shown on Page 1.

The Directors receive no remuneration and have no beneficial share-holdings in the Company (1994 £ NIL).

B & C E UNIT TRUST MANAGEMENT COMPANY LIMITED

REPORT OF THE DIRECTORS (Continued)

EMPLOYEES

At the year end the Company had 12 employees (1994 NIL).

FUND MANAGER AND INVESTMENT ADVISER

Both Schemes are administered by Baring Fund Managers Limited on behalf of the Company. The Investment Adviser is Baring Investment Management Limited.

REGULATOR

The Company is regulated by IMRO.

DIRECTORS' RESPONSIBILITIES

The Directors are required by UK company law to prepare financial accounts for each financial year that give a true and fair view of the state of the Company's affairs as at the end of the financial year and of the profit or loss of the Company for that period.

The Directors confirm that suitable accounting policies have been used and applied consistently and reasonable and prudent judgements and estimates have been made in the preparation of the financial accounts for the year ended 31 March 1995. The Directors also confirm that applicable accounting standards have been followed and that the financial accounts have been prepared on the going concern basis.

The Directors are responsible for keeping proper accounting records, for taking reasonable steps to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

AUDITORS

Coopers & Lybrand have indicated their willingness to continue as auditors and a resolution to re-appoint them in accordance with the provisions of Section 384 of the Companies Act 1985 will be proposed at the forthcoming Annual General Meeting.

By Order of the Board

K.J. Musto, Secretary
Manor Royal,
Crawley,
West Sussex,
RH10 2QP.



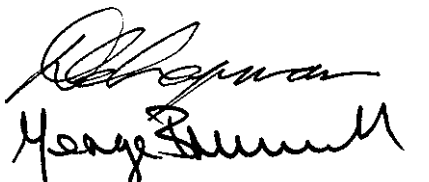

16 June 1995.

B & C E UNIT TRUST MANAGEMENT COMPANY LIMITED

Balance Sheet
as at 31 March 1995

	Note	1995	1994
		£	£
<u>Fixed Assets</u> - tangible	3	5,636 -----	7,515 -----
<u>Current Assets</u>			
B & C E H S M Ltd		117,377	-
Debtors		9,918	462
Cash at Bank		484,726 -----	705,707 -----
		612,021 -----	706,169 -----
<u>Current Liabilities</u>			
Creditors due within one year:-			
Taxation	4	712	23,805
Other Creditors		186,044	140,796
B & C E H S M Ltd.		-	119,850 -----
		186,756 -----	284,451 -----
Net Current Assets		425,265 -----	421,718 -----
Net Assets		£430,901 =====	£429,233 =====
Represented by:-			
<u>Capital and Reserves</u>			
Called-up Share Capital	5	50,000	50,000
Profit and Loss Account	6	380,901 -----	379,233 -----
Equity Shareholders' Funds	7	£430,901 =====	£429,233 =====

Approved by the Board on 16 June 1995
and signed on its behalf by:


) Directors


B & C E UNIT TRUST MANAGEMENT COMPANY LIMITED

Profit and Loss Account for the year ended 31 March 1995

	Note	1995	1994
		£	£
<u>Turnover</u>			
Initial Service Charge		123,549	197,718
Management Service Charge		448,211	395,891
Deposit Account Interest		21,465	25,668
Other Income		3,523	12,863
		-----	-----
		596,748	632,140
		-----	-----
<u>Administrative Expenditure</u>			
Administration & Investment Management Fees		283,781	241,147
Regulatory Fees & Expenses		6,491	9,079
Accounts & Unit Price Costs		28,358	28,155
Legal & Professional Fees		30,328	26,775
Equipment Depreciation		1,879	1,879
Equipment Repairs & Maintenance		971	268
Training & Course Fees		858	470
Marketing and Sales Literature		48,836	102,723
Auditors' Remuneration		4,895	4,695
Recharge of Direct Costs - B & C E H S M Ltd.		-	119,850
Staff Costs	8	186,953	-
Sundry Expenses		1,018	-
		-----	-----
		594,368	535,041
		-----	-----
Profit on ordinary activities before Taxation		2,380	97,099
Taxation	4	712	23,805
		-----	-----
Retained profit for the year	6	£1,668	£73,294
		=====	=====

All of the Company's activities are classified as continuing.

The Company has no recognised gains and losses other than the profits above and therefore no separate statement of total recognised gains and losses has been presented.

There is no difference between the profit on ordinary activities before taxation and the retained profit for the year stated above, and their historical cost equivalents.

B & C E UNIT TRUST MANAGEMENT COMPANY LIMITED

Cash flow statement for the year ended 31 March 1995

	1995	1994
	£	£
Operating activities		
Cash received from		
Fund Management	575,283	634,363
Cash payments for Services		
and costs	793,924	502,124
	-----	-----
Net cash (outflow)/inflow from		
operating activities	(218,641)	132,239
Return on investments		
Interest received	21,465	25,668
	-----	-----
Net cash (outflow)/inflow	(197,176)	157,907
 Taxation Paid	 (23,805)	 (28,782)
Investment activities		
Purchase of tangible fixed assets	-	(9,394)
	-----	-----
(Decrease)/increase in cash and cash		
equivalents	(£220,981)	£119,731
	=====	=====

Notes to the cash flow statement

1. Reconciliation of operating profit to net cash (outflow)/inflow from operating activities:

Operating profit	2,380	97,099
Deposit account interest	(21,465)	(25,668)
Depreciation on tangible fixed assets	1,879	1,879
(Increase)/decrease in debtors	(126,833)	27,429
(Decrease)/increase in creditors	(74,602)	31,500
	-----	-----
	(£218,641)	£132,239
	=====	=====

2. Analysis of the balances of cash and cash equivalents as shown in the balance sheet:

Cash at bank and in hand at 1 April	705,707	585,976
Cash at bank and in hand at 31 March	484,726	705,707
	-----	-----
Change in year	(£220,981)	£119,731
	=====	=====

B & C E UNIT TRUST MANAGEMENT COMPANY LIMITED

Notes to the Accounts

1. Principal accounting policies

The accounts have been prepared in accordance with applicable Accounting Standards in the United Kingdom. A summary of the more important accounting policies, which have been applied consistently, is set out below.

- 1.1 The Company prepares its accounts on the historical cost basis of accounting.
- 1.2 The initial charge and deposit interest are brought into account on a received basis.
- 1.3 The management service charges are brought into account on a receivable basis.
- 1.4 Costs include VAT where appropriate because this is not recoverable.
- 1.5 The cost of tangible fixed assets is their purchase cost, together with any incidental costs of acquisition.

Depreciation is calculated so as to write off the cost of tangible fixed assets on a straight line basis of 20% over the expected useful economic lives of the assets concerned.
- 1.6 Provision is made for deferred taxation, using the liability method, on all material timing differences to the extent that it is probable that a liability or asset will crystallise.

- 2. The Company is a wholly-owned subsidiary of Building and Civil Engineering Holidays Scheme Management Limited (B & C E H S M Ltd) a company limited by guarantee and registered in England and Wales.

B & C E UNIT TRUST MANAGEMENT COMPANY LIMITED

Notes to the Accounts (Continued)

3. Fixed Assets - Tangible

	Equipment Total £
Cost	
At 1 April 1994 and 31 March 1995	9,394 -----
Depreciation	
At 1 April 1994	1,879
Charge for year	1,879 -----
At 31 March 1995	3,758 -----
Net book value	
At 31 March 1995	£5,636 =====
At 31 March 1994	£7,515 =====

4. Taxation

	1995 £	1994 £
Profit and Loss Account:		
Based upon profits for the year:		
United Kingdom Corporation Tax		
at 25%	£712 =====	£23,805 =====
Balance Sheet:		
Corporation Tax due		
1 January 1996	£712 =====	£23,805 =====

5. Share Capital

Authorised, Issued and Fully Paid 50,000 Ordinary Shares of £1 each	£50,000 =====	£50,000 =====
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6. Profit and Loss Account

At 1 April 1994	379,233	305,939
Profit for the year	1,668 -----	73,294 -----
At 31 March 1995	£380,901 =====	£379,233 =====

7. Reconciliation of movements in
shareholders' funds

Opening shareholders' funds	429,233	355,939
Profit for the financial year	1,668 -----	73,294 -----
Closing shareholders' funds	£430,901 =====	£429,233 =====

B & C E UNIT TRUST MANAGEMENT COMPANY LIMITED

Notes to the Accounts (Continued)

8. Employees and Directors

Employee costs during the year amounted to:	1995	1994
	£	£
Salaries	147,636	-
National Insurance	15,762	-
Staff Pension Scheme Costs (Note 9)	17,547	-
Mortgage Subsidies	6,008	-
	-----	----
	£186,953	NIL
	=====	===

The average number of staff employed by the Company during the year was:	12	NIL
	--	---

The Directors received no remuneration during the year (1994 NIL).

9. Pension Commitments

The Company participates in a group pension scheme operated by B & C E H S M Ltd. The Scheme is a defined benefit type whereby retirement benefits are based on employees' final remuneration and length of service. It is funded through a separate trustee administered scheme.

An actuarial valuation was carried out as at 31 December 1992 and a report has been issued by the Scheme's independent Actuary. The valuation method used was the 'projected unit' method.

Particulars of the valuation of the group Scheme are contained in the accounts of B & C E H S M Ltd.

The total pension cost for the Company was £17,547 (1994 - £NIL).

A further valuation will be performed on the Scheme as at 31 December 1995.

10. Deferred Taxation

Deferred taxation provided in the financial accounts and the amount unprovided of the total potential liability, is as follows:

	1995	1994
	£	£
Tax effect of timing differences because of:		
Excess of capital allowances over depreciation		
Amount provided	NIL	NIL
	===	===
Amount unprovided	£352	£470
	===	===

B & C E UNIT TRUST MANAGEMENT COMPANY LIMITED

**Report of the auditors to the members of
B & C E Unit Trust Management Company Limited**

We have audited the accounts on pages 4 to 9.

Respective responsibilities of directors and auditors

As described on page 3 the Company's Directors are responsible for the preparation of accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts 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 accounts. It also includes an assessment of the significant estimates and judgements made by the Directors in the preparation of the accounts, 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 accounts 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 accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of the Company's affairs at 31 March 1995 and of its profit and cash flows for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Coopers & Lybrand

Coopers & Lybrand
Chartered Accountants and Registered Auditors
Croydon
29 June 1995