

WOOLWICH UNIT TRUST MANAGERS LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 1999

Company No: 2364834



WOOLWICH UNIT TRUST MANAGERS LIMITED

REGULATED BY IMRO AND THE PERSONAL INVESTMENT AUTHORITY

DIRECTORS, OFFICERS AND REGISTERED OFFICE

DIRECTORS

I D Smith BA (Hons), FCA (Chairman)
D Holcroft FCCA (Managing)
I W Poston FCII

SECRETARY

C Fletcher Smith FCIS

REGISTERED OFFICE

Watling Street, Bexleyheath, Kent, DA6 7RR
Registered in England No. 2364834

AUDITOR

KPMG Audit plc
8 Salisbury Square, London, EC4Y 8BB

BANKERS

National Westminster Bank plc
1-7 Powis Street, Woolwich, London, SE18 6LE

WOOLWICH UNIT TRUST MANAGERS LIMITED

DIRECTORS' REPORT

The Directors are pleased to present their Annual Report and audited Financial Statements for the year ended 31 December 1999.

PRINCIPAL ACTIVITIES

The principal activity of the Company is unit trust management.

REVIEW OF BUSINESS AND FUTURE DEVELOPMENTS

The Company continues to market the Woolwich stockmarket funds, including a corporate bond fund and an associated Individual Savings Account (ISA). As at 31 December 1999 there were 290,775 accounts held by investors and funds under management totalled £1,991 million.

The level of business activity in the year has been satisfactory and the Directors are confident that this trend will continue.

On the introduction of Individual Savings Accounts (ISAs) with effect from 6 April 1999 Woolwich Plan Managers Limited (a fellow subsidiary of Woolwich plc) became the manager for the Woolwich ISA.

Woolwich Plan Managers Ltd delegates the management of the Woolwich ISA unit trust account to Woolwich Unit Trust Managers Limited and the management of the Woolwich ISA cash account to Woolwich plc.

The directors and staff of Woolwich Plan Managers Limited and Woolwich Unit Trust Managers Limited are the same personnel who are contracted to both companies.

The income and expenses of the ISA unit trust product are all retained in this company.

The Board noted that the innovative solution for branch dealing had been awarded first place in the "E-Commerce" section of the Information Management 1999 awards.

FINANCIAL RESULTS AND DIVIDEND

The results for the year are set out in the Profit and Loss Account on page 9. The Directors recommend that a final dividend of £4,928,000 be paid for the year (1998-£3,018,000).

DIRECTORS

The Directors of the Company during the year were:

D Holcroft
R C H Jeens (resigned 30 June 1999)
I W Poston
I D Smith

WOOLWICH UNIT TRUST MANAGERS LIMITED

DIRECTORS' REPORT CONTINUED

DIRECTORS' SHARE INTERESTS

No Director had an interest in the shares of the Company at any time during the year.

The Directors of the Company at the year end and at the beginning of the year, including, where applicable, their family, had the following interests in the share capital of Woolwich plc, the ultimate holding company:

		Ordinary shares of 10p each	
		31.12.99	1.1.99 or date of appointment, if later
	D Holcroft	1,456*	1,397*
	I W Poston	1,963*	1,911*
	I D Smith	2,076*	2,076*

Those holdings asterisked include 450 shares which are held by the trustees of the Woolwich plc Approved Profit Sharing Scheme.

In addition, as at 31 December 1999, I D Smith had a non-beneficial interest in 2,001,075 ordinary shares of 10p each in Woolwich plc in his capacity as a trustee of the Woolwich plc Approved Profit Sharing Scheme.

Directors' Interests in Share Options and Allocations

Details of options to subscribe for ordinary shares and allocations of shares in Woolwich plc made to Directors of the Company during 1999 are set out below:

	At 1.1.99 (or date of appointment if later)	No. of options		At 31.12.99	Exercise price £	Market price at date of exercise	Date from which exercisable	Expiry date	
		Granted	Exercised						
D Holcroft	13,432		-	13,432	3.35	-	28.04.01	28.04.08	ESOP
		15,302	-	15,302	3.67*	-	25.03.02	25.03.09	
		80,838	-	80,838	3.34	-	01.01.03	14.12.09	
	11,250	10,487	-	11,250	3.20	-	01.01.01	31.12.07	PSP
			-	10,487	3.57*	-	01.01.02	31.12.08	

WOOLWICH UNIT TRUST MANAGERS LIMITED

DIRECTORS' REPORT CONTINUED

	At 1.1.99 (or date of appointment if later)	No. of options		At 31.12.99	Exercise price £	Market price at date of exercise	Date from which exercisable	Expiry date	
		Granted	Exercised						
	6,436		-	6,436	2.68	-	01.07.03	31.12.03	SS
I W Poston	17,910	18,596 139,221	- - -	17,910 18,596 139,221	3.35 3.67* 3.34	- - -	28.04.01 25.03.02 01.01.03	28.04.08 25.03.09 14.12.09	ESOP
	15,000	15,294	- -	15,000 15,294	3.20 3.57*	- -	01.01.01 01.01.02	31.12.07 31.12.08	PSP
	6,436		-	6,436	2.68	-	01.07.03	31.12.03	SS
I D Smith	17,910	18,596 139,221	- - -	17,910 18,596 139,221	3.35 3.67* 3.34	- - -	28.04.01 25.03.02 01.01.03	28.04.08 25.03.09 14.12.09	ESOP
	15,000	15,294	- -	15,000 15,294	3.20 3.57*	- -	01.01.01 01.01.02	31.12.07 31.12.08	PSP
	6,436		-	6,436	2.68	-	01.07.03	31.12.03	SS

ESOP = Options granted under the 1998 Executive Share Option Plan

PSP = Awards initially allocated under the 1998 Performance Share Plan.

SS = Options granted under the Sharesave Scheme

Notes:

1. No options granted to any of the above Directors lapsed during the year. The market price of shares in Woolwich plc as at 31 December 1999 was 342p and the range during 1999 was 304p to 434.50p.
2. As at 31 December 1999, the market price for options granted under the Sharesave Scheme and Executive Share Option Plan exceeded the exercise price, with the exception of those options and initial allocations under the Performance Share Plan asterisked.
3. Woolwich plc has established a Qualifying Employee Share Ownership Trust ("QUEST") which is operated in conjunction with the Sharesave Scheme. The trustee of the QUEST is Woolwich Qualifying Employee Share Ownership Trustee Limited, a subsidiary of Woolwich plc. As at 31 December 1999, 2,755,151 shares were held by the QUEST. Under the terms of the trust deed establishing the QUEST, all employees and directors of companies who participate in the Sharesave Scheme are deemed to have an interest in those shares as potential discretionary beneficiaries.

SHARE SCHEME SUMMARIES:

Sharesave Scheme

In common with other eligible employees, executive directors may participate in Woolwich plc's Inland Revenue approved sharesave scheme, introduced in 1998. This scheme enables employees to save up to £250 per month for a fixed period of up to three or five years. At the end of that fixed term, they have the opportunity of using those savings to purchase shares in Woolwich plc at a discount. Currently the discount is 20% of the market value of a share at the time the invitation to participate in the scheme is made.

WOOLWICH UNIT TRUST MANAGERS LIMITED
DIRECTORS' REPORT CONTINUED

1998 Executive Share Option Plan

This plan allows Directors to receive annual grants of share options in Woolwich plc. Options are granted at the market value at the time of the grant, with no discount and are only exercisable to the extent that Woolwich plc's earnings per share is equal to the rate of increase in the Retail Prices Index plus 9% over three consecutive financial years. An option will be exercisable in whole or part at any time between three years and ten years from the date of grant subject to the prior satisfaction of the performance target. Any option not exercised will lapse on the tenth anniversary of the date of its grant.

1998 Performance Share Plan

The plan provides for participants, if the performance target described below is satisfied, to be granted a right to acquire ordinary shares in the capital of Woolwich plc in the form of an award for a nominal sum of £1. The number of shares, if any, awarded will depend upon the extent to which the performance target is satisfied over a period of three years (the 'performance period') and will also be at the discretion of the trustee of the plan. Current awards will only be exercisable for a period of seven years. Each performance period commences on 1 January in the year of the initial allocation and terminates after three years on 31 December. The performance target for the current cycles will measure Woolwich plc's performance against its total shareholder return ('TSR') relative to the TSR performance of a comparator group of companies in the retail-banking sector. The comparator group consists of Abbey National, Alliance & Leicester, Bank of Scotland, Barclays, Halifax, HSBC Holdings, Lloyds TSB, National Westminster, Northern Rock and Royal Bank of Scotland. No awards will be granted unless the Company's TSR performance is at least at the 50th percentile relative to the comparator group. The number of shares over which awards may be granted rises on a straight line basis from a TSR performance at the 50th percentile, when awards over the minimum number of shares may be made, to a TSR performance at the 75th percentile of the comparator group when awards over the maximum number available may be made. The allocation price for determining such share allocations is based on the average of the middle market closing price quotations for a share in Woolwich plc on the London Stock Exchange for the five consecutive dealing days, as derived from the Daily Official List of the London Stock Exchange, immediately prior to the commencement of the performance period.

Fixed Assets

Details of the movements in tangible fixed assets during the year are shown in note 9 to the financial statements.

Policy and practice on payment of creditors

Unless otherwise agreed, the Company's policy on payment of creditors is for all invoices to be paid within 28 days of receipt of an invoice, provided that all trading terms and conditions have been complied with.

At the year-end, the Company had an average of one day's purchases outstanding in trade creditors.

WOOLWICH UNIT TRUST MANAGERS LIMITED

DIRECTORS' REPORT CONTINUED

Year 2000

Details of the expenditure and programme relating to Year 2000 compliance for the Woolwich group is contained in the accounts for Woolwich plc, the Company's ultimate holding company.

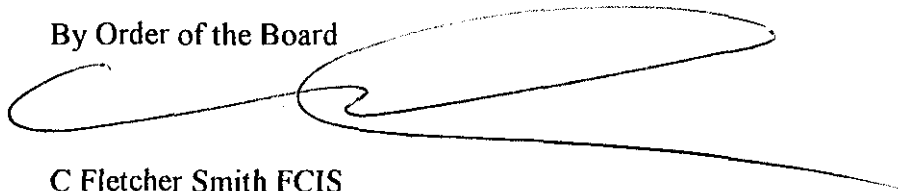
Euro

No issues arose following the introduction of the Euro.

Auditors

Pursuant to a shareholders resolution, the Company is not obliged to reappoint its auditors annually and KPMG Audit Plc will therefore continue in office.

By Order of the Board

A large, stylized handwritten signature in black ink, appearing to be 'C Fletcher Smith', written over a horizontal line.

C Fletcher Smith FCIS
Secretary

Watling Street
Bexleyheath
Kent DA6 7RR

31 January 2000

WOOLWICH UNIT TRUST MANAGERS LIMITED

Statement of Directors' Responsibilities

The following statement which should be read in conjunction with the Auditor's Report on page 8, in relation to the financial statements, is made with a view to distinguishing for shareholders the respective responsibilities of the Directors from those of the Auditors.

Company Law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the Company's state of affairs at the end of the year and of the profit and loss for that period. In preparing those financial statements, the Directors 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, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the Company will continue in business.

The Directors 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 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

REPORT OF THE AUDITORS KPMG AUDIT PLC

TO THE MEMBERS OF WOOLWICH UNIT TRUST MANAGERS LIMITED

We have audited the financial statements on pages 9 to 19.

Respective responsibilities of Directors and Auditor

As described on page 7, the Company's Directors are responsible for the preparation of the financial statements. It is our responsibility to form an independent 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 Directors 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 mis-statement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of the 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 December 1999 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG Audit plc

KPMG Audit plc
Chartered Accountants
Registered Auditor
8 Salisbury Square
LONDON EC4Y 8BB

31 January 2000

WOOLWICH UNIT TRUST MANAGERS LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 1999

Continuing Operations	Notes	1999 £000	1998 £000
		-----	-----
TURNOVER	2	16,115	12,542
Administrative expenses		(8,991)	(8,262)
		-----	-----
OPERATING PROFIT	3	7,124	4,280
Interest receivable from parent Company		645	887
		-----	-----
		7,769	5,167
Interest payable	4	(17)	(7)
		-----	-----
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		7,752	5,160
Taxation on profit on ordinary activities	7	(2,276)	(1,807)
		-----	-----
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		5,476	3,353
Dividend payable	8	(4,928)	(3,018)
		-----	-----
RETAINED PROFIT FOR THE YEAR	15	548	335
		=====	=====

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

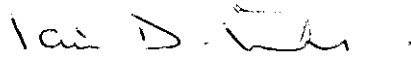
The profit and loss account includes all gains and losses recognised in the year.

The notes on pages 11 to 19 form part of these financial statements.

WOOLWICH UNIT TRUST MANAGERS LIMITED
BALANCE SHEET
AS AT 31 DECEMBER 1999

	Notes	1999 £000	1998 £000
FIXED ASSETS			
Tangible Assets	9	1,172	481
CURRENT ASSETS			
Stocks		1,313	625
Debtors	10	4,166	2,133
Cash at bank and in hand		10,221	8,927
		15,700	11,685
CREDITORS : amounts falling due within one year	11	(12,437)	(8,346)
NET CURRENT ASSETS		3,263	3,339
TOTAL ASSETS LESS CURRENT LIABILITIES		4,435	3,820
CREDITORS : amounts falling due after one year	12	(67)	0
		4,368	3,820
CAPITAL AND RESERVES			
Called up share capital	14	1,700	1,700
Profit and loss account	15	2,668	2,120
SHAREHOLDERS' FUNDS	15	4,368	3,820

Approved by the Board on 31 January 2000


I D SMITH Chairman


D HOLCROFT Managing Director

The notes on pages 11 to 19 form part of these financial statements.

WOOLWICH UNIT TRUST MANAGERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 1999

1. PRINCIPAL ACCOUNTING POLICIES

(a) Accounting Convention

The accounts have been prepared under the historical cost convention and in accordance with applicable Accounting Standards.

(b) Fixed Assets and Depreciation

The cost of fixed assets is depreciated on a straight line basis over their estimated useful lives which are taken to be:-

Office equipment	- 7 years
Computer equipment and software	- 4 years
Motor vehicles	- 3 years

(c) Corporation Tax

Corporation tax is charged in the accounts on profits as adjusted for taxation purposes at the appropriate rate of tax.

(d) Deferred Taxation

Provision is made, using the liability method, for taxation which is deferred as a result of items included in these accounts being dealt with in a different period for taxation purposes to the extent that it is likely that such taxation will become payable or receivable in the foreseeable future.

(e) Finance Lease Commitments

Assets acquired under finance leases are capitalised in the balance sheet at fair value and are depreciated over the shorter of the period of the lease or useful life of the asset, after taking account of estimated residual values. The finance charge element of the rental obligations is charged to the profit and loss account over the period of the lease.

(f) Post-retirement benefits

The cost of providing post-retirement benefits other than pensions have been assumed by the parent company, Woolwich plc, with effect from 1 January 1998.

WOOLWICH UNIT TRUST MANAGERS LIMITED
NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 1999 Continued

1. PRINCIPAL ACCOUNTING POLICIES (continued)

(g) Stocks

Stocks comprise units held by the Company at 31 December 1999 valued at the lower of cost and cancellation price on that date.

(h) Cash Flow Statement

Under Financial Reporting Standard 1 the Company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the Company in its own published consolidated financial statements.

2. TURNOVER

Turnover represents gross income from issuing and dealing in units and annual management fees charged against the unit trust funds which the Company manages, less the cost of creations, liquidations, repurchases, stock movements, discounts and commissions.

	1999	1998
	-----	-----
	£000	£000
Total sales	535,135	382,935
Cost of sales:-		
Commission to Woolwich plc	(14,777)	(10,033)
Other	(526,354)	(375,662)
	-----	-----
Net profit/(loss) from trading in units	(5,996)	(2,760)
Annual management fees	21,368	14,718
Registration fees	743	584
	-----	-----
Turnover	16,115	12,542
	=====	=====

During the year ended 31 December 1999, transactions undertaken in Unit Trust Funds managed by the Company, by Directors, and key management of the Company, the Directors of Woolwich plc (previously Woolwich Building Society), and members of their close family were as follows:

	1999	1998
	£000	£000
Sales by the Company	77	56
	-----	-----
Repurchases by the Company	27	17
	-----	-----

WOOLWICH UNIT TRUST MANAGERS LIMITED
NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 1999 (continued)

3. OPERATING PROFIT

The operating profit is arrived at after charging:

	1999	1998
	-----	-----
	£000	£000
Auditors' remuneration	85	70
Auditors' non-audit remuneration	25	15
Depreciation of tangible fixed assets	281	79
Depreciation of fixed assets held under finance leases	19	18
Loss on disposal of fixed assets	5	3
Staff costs (see note 5)	1,887	1,327
	-----	-----
<u>Remuneration of director</u>		
Only one director received emoluments from the company. The other directors are employed by other companies within the Woolwich plc group and are compensated by these companies.		
Director's emoluments	134	132
	-----	-----
Company contributions to money purchase pension schemes	31	-
Company contributions to defined benefit scheme	10	8
	-----	-----
	41	8
	=====	=====

The accrued pension of the director under the defined benefit scheme was £34,000 (1998: £31,000). There were no amounts taken up as a lump sum at 31 December 1999 (1998: Nil).
The operating profit is arrived at after crediting:

	1999	1998
	-----	-----
	£000	£000
Management fee from Woolwich Plan Managers Limited relating to staff costs	120	120
	-----	-----

Woolwich Individual Savings Account

Woolwich Plan Managers Ltd (a fellow subsidiary of Woolwich plc) is the manager of the Woolwich Individual Savings Account (ISA).

WOOLWICH UNIT TRUST MANAGERS LIMITED
NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 1999 (continued)

Woolwich Plan Managers Ltd delegates the management of the Woolwich ISA unit trust account to Woolwich Unit Trust Managers Limited and the management of the Woolwich ISA cash account to Woolwich plc.

The income and expenses of the ISA unit trust product is all retained in this company.

4. **INTEREST PAYABLE**

	1999	1998
	-----	-----
	£000	£000
Finance charges payable under finance leases	17	7
	-----	-----

5. **STAFF COSTS**

	1999	1998
	-----	-----
	£000	£000
The average number of persons employed during the year was 58 (1998 - 47). Aggregate remuneration amounted to:-		
Wages and salaries	1,642	1,149
Social security costs	131	97
Other pension costs and post-retirement benefits (see note 6)	114	81
	-----	-----
	1,887	1,327
	=====	=====

6. **PENSIONS AND OTHER POST-RETIREMENT BENEFITS**

The employees of the Company are eligible to participate in the scheme operated by Woolwich plc, the contributions to which are based on pension costs across the Group as a whole.

The scheme is a contributory defined benefit pension scheme based on final pensionable salaries, with the assets being held in a separate trustee administered fund. The Company's pension costs for the year including other post-retirement benefits were £114,000 (1998 - £81,000).

The pension cost is assessed in accordance with the advice of a qualified actuary using the projected unit method. The latest full actuarial valuation for the scheme was as at 31 March 1998, particulars of which are contained in the Annual Report and Accounts of Woolwich plc.

The requirement for a provision for post-retirement benefits was transferred to Woolwich plc with effect from 1 January 1998.

WOOLWICH UNIT TRUST MANAGERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 1999 (continued)

6. **PENSIONS AND OTHER POST-RETIREMENT BENEFITS (continued)**

The independent actuarial review of these unfunded benefits as at 31 March 1998, referred to separately in the Annual Report and Accounts of Woolwich plc, adopted similar methods and assumptions to those used in the valuation of the pension scheme described above. The other principal assumption used in the review was that health care costs would increase in line with national average earnings.

7. **TAXATION ON PROFIT ON ORDINARY ACTIVITIES**

The tax charge is based on the profit on ordinary activities for the year and comprises:

	1999	1998
	-----	-----
	£000	£000
UK corporation tax at 30.25%	2,289	1,807
Corporation tax adjustment in respect of prior years	(13)	-
	-----	-----
	2,276	1,807
	=====	=====

8. **DIVIDEND PAYABLE**

	1999	1998
	-----	-----
	£000	£000
Proposed final dividend of 290p (1998 - 178p) per ordinary share	4,928	3,018
	-----	-----

WOOLWICH UNIT TRUST MANAGERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 1999 (continued)

9. **TANGIBLE FIXED ASSETS**

	Office & Computer Equipment	Motor Vehicles	Total
	----- £000	----- £000	----- £000
COST			
1 January 1999	1,059	94	1,153
Additions	936	84	1,020
Disposals	-	(46)	(46)
	-----	-----	-----
31 December 1999	1,995	132	2,127
	-----	-----	-----
DEPRECIATION			
1 January 1999	641	31	672
Charge for the year	281	19	300
Disposals	0	(17)	(17)
	-----	-----	-----
31 December 1999	922	33	955
	-----	-----	-----
NET BOOK VALUES			
31 December 1999	1,073	99	1,172
	=====	=====	=====
31 December 1998	418	63	481
	=====	=====	=====

The net book value at 31 December 1999 of motor vehicles comprises those:-

	1999	1998
	----- £000	----- £000
Held under finance leases	99	39
Purchased outright	0	24
	-----	-----
	99	63
	=====	=====

WOOLWICH UNIT TRUST MANAGERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 1999 (continued)

10. DEBTORS

	1999	1998
	-----	-----
	£000	£000
Amount due from Trustees	4,068	1,482
Prepayments and accrued income	53	58
Amounts due from parent company	29	534
Other debtors	16	59
	-----	-----
	4,166	2,133
	-----	-----

11. CREDITORS: amounts falling due within one year

	1999	1998
	-----	-----
	£000	£000
Bank Overdraft	1,895	485
Amount due to Trustees	784	659
Obligations under finance leases	33	46
Amounts due to parent Company	592	536
Corporation tax	1,915	1,343
VAT	28	42
Proposed dividend	4,928	3,018
Accruals	2,249	2,189
Sundry creditors	13	28
	-----	-----
	12,437	8,346
	=====	=====

12. CREDITORS: amounts falling due after more than one year

	1999	1998
	-----	-----
	£000	£000
Obligations under finance leases	67	0
	-----	-----

WOOLWICH UNIT TRUST MANAGERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 1999 (continued)

13. OBLIGATIONS UNDER FINANCE LEASES

	1999	1998
	----- £000	----- £000
Amounts payable:	38	47
- within 1 year	69	0
- within 2-5 years	-----	-----
	107	47
Less finance charges allocated to future periods	(8)	(1)
	----- 99	----- 46
	=====	=====

14. CALLED UP SHARE CAPITAL

	1999	1998
	----- £000	----- £000
Authorised:		
Ordinary shares of £1 each	2,000	2,000
	-----	-----
Issued and fully paid:		
Ordinary shares of £1 each	1,700	1,700
	-----	-----

15. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	Share Capital	Profit & Loss Account	Total
	----- £000	----- £000	----- £000
Opening Shareholders' Funds	1,700	2,120	3,820
Retained profit for the year	-	548	548
	-----	-----	-----
Closing Shareholders' Funds	1,700	2,668	4,368
	=====	=====	=====

WOOLWICH UNIT TRUST MANAGERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 1999 (continued)

16. FINANCIAL COMMITMENTS

Capital commitments at 31 December 1999, for which no provision has been made in the accounts, were as follows:-

	1999	1998
	-----	-----
	£000	£000
Contracted but not provided		
Software development	50	332
	-----	-----

17. ULTIMATE HOLDING BODY

The Company is a wholly owned subsidiary of Woolwich plc, which is incorporated in England. The largest Group in which the results of the Company are consolidated is that headed by Woolwich plc. Copies of their consolidated accounts can be obtained from Watling Street, Bexleyheath, Kent DA6 7RR.

18. RELATED PARTY DISCLOSURE

The Company is controlled by Woolwich plc. Related party transactions are disclosed in the relevant notes to the accounts as appropriate.