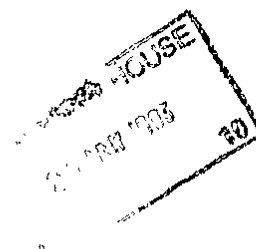


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**WOOLWICH**

1993 1994



DIRECTORS' REPORT & FINANCIAL  
STATEMENTS  
FOR THE YEAR END  
31 DECEMBER 1992

WOOLWICH UNIT TRUST MANAGERS LIMITED  
DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 DECEMBER 1992

WOOLWICH UNIT TRUST MANAGERS LIMITED

MEMBERS OF IMRO / LAUTRO

DIRECTORS, OFFICERS AND REGISTERED OFFICE

DIRECTORS

C J Crowe BSc (Econ), FCT (Chairman)  
H L Alderman BSc (Hons), FCBSI  
J H Bushell FCA  
B C Hines ACII  
D Holcroft FCCA (Managing)  
L M Peacock BA (Hons)  
B D Rogles FCA

SECRETARY

R Warrington LLB, FCII

REGISTERED OFFICE

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

AUDITORS

Clark Whitehill  
25 New Street Square, London EC4A 3LN

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 1992.

#### PRINCIPAL ACTIVITIES

The principal activity of the Company continues to be unit trust management.

#### REVIEW OF BUSINESS AND FUTURE DEVELOPMENTS

The Company continues to market the Woolwich Stockmarket Fund and an associated Personal Equity Plan. As at 31 December 1992 there were 28,613 accounts held by investors and funds under management totalled £93 million.

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

#### RESULTS AND DIVIDEND

The results for the year are set out in the Profit and Loss Account on page 5. The Directors do not recommend the payment of a dividend and the profit for the year has been transferred to reserves.

#### DIRECTORS

The Directors of the Company who served during the year were as follows:-

C J Crowe (Chairman)	
H L Alderman	(appointed 3 November 1992)
J H Bushell	
B C Hines	
D Holcroft (Managing)	(appointed 1 March 1992)
L M Peacock	(appointed 1 March 1992)
B D Rogles	(appointed 1 March 1992)
M E Tuke	(resigned 1 March 1992)
J M Stewart	(resigned 3 November 1992)

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

#### FIXED ASSETS

Details of the fixed assets acquired during the year are shown in note 7 to the financial statements.

#### CLOSE COMPANY PROVISIONS

The Company is not a close company under the provisions of the Income and Corporation Taxes Act 1988. There has been no change in this respect since 31 December 1991.

WOOLWICH UNIT TRUST MANAGERS LIMITED

DIRECTORS' REPORT (continued)

POLITICAL AND CHARITABLE CONTRIBUTIONS

No political or charitable contributions were made during the year.

AUDITORS

At the Annual General Meeting of the Company held on 4 April 1991, Clark Whitehill were reappointed as auditors. In accordance with Section 386 of the Companies Act 1985, the Company has elected to dispense with the obligation to reappoint its auditors annually.

By order of the Board



R Warrington LLB, FCII  
Company Secretary  
Bexleyheath

19 January 1993

REPORT OF THE AUDITORS

TO THE MEMBERS OF WOOLWICH UNIT TRUST MANAGERS LIMITED

We have audited the financial statements on pages 5 to 14 in accordance with Auditing Standards.

In our opinion the financial statements give a true and fair view of the state of affairs of the Company at 31 December 1992, and of the profit and cash flows of the Company for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*Clark Whitehill*

Clark Whitehill  
Chartered Accountants  
Registered Auditor  
London

19 January 1993

WOOLWICH UNIT TRUST MANAGERS LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 1992

		1992	1991
	Notes	£	£
TURNOVER	2	1,988,078	756,016
Administrative expenses		(1,420,290)	(1,449,891)
OPERATING PROFIT / (LOSS)	3	567,788	(693,875)
Interest receivable		143,906	123,670
PROFIT / (LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		711,694	(570,205)
Taxation on profit / loss on ordinary activities	6	(237,777)	174,121
RETAINED PROFIT / (LOSS) FOR THE YEAR	12	473,917	(396,084)

The notes on pages 8 to 14 form part of these financial statements.

**WOOLWICH UNIT TRUST MANAGERS LIMITED**

**BALANCE SHEET**

**AS AT 31 DECEMBER 1992**

		1992		1991	
	Notes	£	£	£	£
<hr/>					
FIXED ASSETS					
Tangible assets	7		7,767		8,659
CURRENT ASSETS					
Stocks		64,947		156,473	
Debtors	8	2,017,457		865,032	
Cash at bank and in hand		61,677		81,034	
		<hr/>		<hr/>	
		2,144,081		1,102,539	
CREDITORS : amounts falling due within one year	9	<hr/> (855,630) <hr/>		<hr/> (289,685) <hr/>	
NET CURRENT ASSETS			1,288,451		812,854
TOTAL ASSETS LESS CURRENT LIABILITIES			1,296,213		821,513
PROVISIONS FOR LIABILITIES AND CHARGES					
Deferred taxation	10		(1,136)		(348)
			<hr/>		<hr/>
			1,295,082		821,165
			<hr/>		<hr/>
CAPITAL AND RESERVES					
Called up share capital	11		1,700,000		1,700,000
Profit and loss account	12		(404,918)		(878,835)
			<hr/>		<hr/>
			1,295,082		821,165
			<hr/>		<hr/>

APPROVED BY THE BOARD ON 19 JANUARY 1993



C J CROWE      Chairman

The notes on pages 8 to 14 form part of these financial statements.

WOOLWICH UNIT TRUST MANAGERS LIMITED

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 1992

	1992	1991
	£	£
NET CASH INFLOW / (OUTFLOW) FROM OPERATING ACTIVITIES	822,854	(1,006,584)
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		
Interest received	141,465	122,948
TAXATION		
Corporation tax paid	(5,255)	(1,465)
Group relief received	242,401	-
NET TAX RECEIVED / (PAID)	237,146	(1,465)
INVESTING ACTIVITIES		
Purchase of fixed assets	(1,859)	(11,103)
NET CASH INFLOW / (OUTFLOW) BEFORE FINANCING	1,199,606	(896,204)
FINANCING	-	-
INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	1,199,606	(896,204)

The notes on page 8 form part of this cash flow statement.

WOOLWICH UNIT TRUST MANAGERS LIMITED

NOTES TO THE CASH FLOW STATEMENT - 31 DECEMBER 1992

1. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	1992	1991
	-----	-----
	£	£
Operating profit / (loss)	567,788	(693,875)
Depreciation charge	2,751	2,444
Decrease / (increase) in stocks	91,526	(156,473)
Increase in debtors	(173,422)	(134,178)
Increase / (decrease) in creditors	334,211	(24,502)
	-----	-----
Net cash inflow / (outflow) from operating activities	822,854	(1,006,584)
	-----	-----

2. ANALYSIS OF CHANGES IN CASH AND CASH EQUIVALENTS DURING THE YEAR

	1992	1991
	-----	-----
	£	£
Balance at 1 January 1992	568,765	1,464,969
Net cash inflow / (outflow)	1,199,606	(896,204)
	-----	-----
Balance at 31 December 1992	1,768,371	568,765
	-----	-----

3. ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS AS SHOWN IN THE BALANCE SHEET

	1992	1991	Change in year
	-----	-----	-----
	£	£	£
Cash at bank and in hand	61,677	81,034	(19,357)
Amounts due from parent society	1,706,694	487,731	1,218,963
	-----	-----	-----
	1,768,371	568,765	1,199,606
	-----	-----	-----

WOOLWICH UNIT TRUST MANAGERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 1992

1. PRINCIPAL ACCOUNTING POLICIES

(a) Accounting Conventions

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

(b) Fixed Assets and Depreciation

With the exception of some lower value items of equipment, the cost of additions to fixed assets is capitalised.

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

(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) Pension Costs

The cost of providing retirement pensions and related benefits is charged to the profit and loss account over the periods benefiting from the employees' services. Any difference between the charge to the profit and loss account and the contributions paid to the scheme is shown as an asset or liability in the balance sheet.

(f) Stocks

Stocks comprise units held by the Company at 31 December 1992 valued at the lower of cost or cancellation price on that date.

WOOLWICH UNIT TRUST MANAGERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 1992 (continued)

2. TURNOVER

Turnover represents gross income from issuing and dealing in units and annual management fees charged against the fund, less the cost of creations, repurchases, stock movements, discounts and commissions.

	1992	1991
	£	£
Total sales	55,018,848	26,048,791
Cost of sales	(53,703,704)	(27,468,328)
Net profit from trading in units	1,315,144	580,463
Annual management fees	672,934	175,553
Turnover	1,988,078	756,016

3. OPERATING PROFIT

The operating profit is arrived at after charging:

	1992	1991
	£	£
Auditors' remuneration	10,575	10,575
Auditors' non-audit remuneration	4,901	68,387
Depreciation of tangible fixed assets	2,751	2,444
Staff costs (see Note 4)	286,719	288,368
Directors' emoluments	79,272	15,667
Included in the above:-		
Emoluments of Chairman	8,000	8,000
Emoluments of highest paid Director	63,272	8,000
Table of Directors' emoluments:		
£ 0 to £5,000	7	5
£ 5,001 - £10,000	1	1
£60,000 - £65,000	1	-

WOOLWICH UNIT TRUST MANAGERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 1992 (continued)

4. STAFF COSTS

Staff contracts of service are with the Woolwich Building Society, therefore remuneration and numbers would normally be recorded within the parent society's Annual Report and Accounts. However, since staff costs are paid by Woolwich Unit Trust Managers Limited and the employees are working full time for the Company, disclosure is made below as required by the Companies Act 1985.

The average number of persons employed during the year was 10 (1991 - 10). Aggregate remuneration amounted to:-

	1992	1991
	£	£
Wages and salaries	246,964	249,081
Social security costs	20,595	20,787
Pension costs	19,160	18,500
	-----	-----
	286,719	288,368
	-----	-----

5. PENSION SCHEME

The employees of the Company are eligible to participate in the scheme operated by Woolwich Building Society, 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 earnings, with the assets of the scheme being held in a separate trustee administered fund.

The Company's pension cost for the year, calculated in accordance with Statement of Standard Accounting Practice Number 24, "Accounting for Pension Costs", amounted to £19,160 (1991 - £18,500).

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 is as at 31 March 1992, particulars of which are contained in the Annual Report and Accounts of Woolwich Building Society.

WOOLWICH UNIT TRUST MANAGERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 1992 (continued)

6. TAXATION ON PROFIT ON ORDINARY ACTIVITIES

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

	<u>1992</u>	<u>1991</u>
	£	£
UK corporation tax @ 33% (1991 - 34%)	236,989	5,253
Group relief surrender to parent society (1991 - 33.19%)	-	(242,401)
Deferred taxation	788	63,027
	<u>237,777</u>	<u>(174,121)</u>

7. TANGIBLE FIXED ASSETS

	<u>Office &amp; computer equipment</u>
<b>COST</b>	
	£
1 January 1992	11,103
Additions	1,859
	<u>12,962</u>
31 December 1992	
<b>DEPRECIATION</b>	
1 January 1992	2,444
Charge for the year	2,751
	<u>5,195</u>
31 December 1992	
<b>NET BOOK VALUES</b>	
31 December 1992	7,767
	=====
31 December 1991	8,659
	=====

WOOLWICH UNIT TRUST MANAGERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 1992 (continued)

8. DEBTORS

	1992	1991
	-----	-----
	£	£
Trade debtors for units sold	295,051	131,076
Amount due from parent society	1,715,201	488,247
Prepayments and accrued income	7,205	3,308
Group relief receivable	-	242,401
	-----	-----
	2,017,457	865,032
	-----	-----

9. CREDITORS: amounts falling due within one year

	1992	1991
	-----	-----
	£	£
Trade creditors for units repurchased and units created	146,448	106,793
Other trade creditors	2,100	15,932
Amount due to parent society	107,050	25,758
Corporation tax	236,987	5,253
Accruals	363,045	135,949
	-----	-----
	855,630	289,685
	-----	-----

10. PROVISIONS FOR LIABILITIES AND CHARGES

The total potential liability to deferred taxation, which has been provided for in the accounts in accordance with the Company's accounting policy described in 1(d) is set out below:-

	£
Movement in the year comprises:	
31 December 1991	348
Reversed capital allowances	(18)
Accrued interest	806
	-----
31 December 1992	1,136
	-----

WOOLWICH UNIT TRUST MANAGERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 1992 (continued)

11. CALLED UP SHARE CAPITAL

	1992	1991
	£	£
Authorised:		
Ordinary shares of £1 each	2,000,000	2,000,000
Issued and fully paid:		
Ordinary shares of £1 each	1,700,000	1,700,000

12. PROFIT AND LOSS ACCOUNT

	1992	1991
	£	£
1 January 1992	(878,835)	(482,751)
Retained profit / (loss) for the year	473,917	(396,084)
31 December 1992	(404,918)	(878,835)

13. GUARANTEES AND FINANCIAL COMMITMENTS

- (a) Under the Building Societies Act 1986 Woolwich Building Society has an obligation to discharge the liabilities of its subsidiary companies in so far as they are unable to discharge them out of their own assets.
- (b) Capital commitments at 31 December 1992, for which no provision has been made in the accounts, were as follows:-

	1992	1991
	£	£
Authorised but not contracted	350,000	-

14. ULTIMATE HOLDING BODY

The Company is a wholly owned subsidiary of Woolwich Building Society, registered in England and Wales.