

SA 64697

CW
SCOTLAND

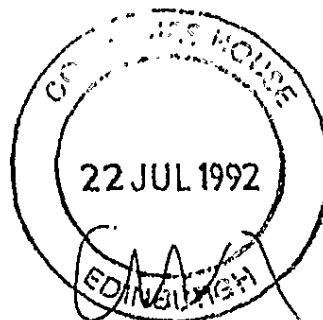
SCOTTISH EQUITABLE (MANAGED FUNDS) LIMITED

DIRECTORS' REPORT

AND

STATEMENT OF ACCOUNTS

For the year ended 31 December 1991



SCOTTISH EQUITABLE (MANAGED FUNDS) LIMITED

Directors

C. F. Sleight, CA (Chairman)
D. A. Berridge, BSc, FFA (Chief Executive)
P. H. Grace, BSc, FFA (Actuary)
D. J. Kirkpatrick, BSc, FFA
J. G. Elliott
D. A. Henderson, FCCA

Secretary

R. Patrick, LLB

Auditors

Scott-Moncrieff, Thomson & Sheills, CA
17 Melville Street
Edinburgh
EH3 7PH

Solicitors

Dundas & Wilson, CS
25/28 Charlotte Square
Edinburgh
EH2 4EZ

Registered Office

28 St Andrew Square
Edinburgh
EH2 1YF

SCOTTISH EQUITABLE (MANAGED FUNDS) LIMITED
REPORT BY THE DIRECTORS

For the year ended 31 December 1991

The Directors have pleasure in submitting their thirteenth annual report and audited accounts of the Company for the year to 31 December 1991.

Principal Activity

The principal activity of the Company is that of transacting approved pension and life business. The Company is a wholly owned subsidiary of the Scottish Equitable Life Assurance Society.

Business

	<u>1991</u>	<u>1990</u>
	<u>£000s</u>	<u>£000s</u>
Premiums received during the year comprised the following:		
Annual Premiums - Series A Managed Pension Fund Business	8,701	7,484
- Series B Individual Pension Fund Business	180,042	113,498
- Series C Regular Savings Business	1,200	-
Single Premiums - Series A Managed Pension Fund Business	450	735
- Series B Individual Pension Fund Business	163,414	134,313
- Series C Investment Bond Business	<u>13,801</u>	<u>17,287</u>
	<u>367,608</u>	<u>273,317</u>

Results and Dividend

The Company's results are shown in the Profit and Loss Account on page 4. The Directors recommend that no dividend be paid, and that the balance on Profit and Loss Account be carried forward.

Share Capital

During the year the authorised and fully paid up share capital was increased as shown in note 9 on page 10.

Directors

The Directors who held office at the year end are as noted on page 1. Mr J.G. Elliott and Mr D.A. Henderson were appointed on 21 March 1991. The other Directors served throughout the year. The Directors have declared that they had no interest in the share capital of the Company at the beginning or end of the year.

Auditors

Scott Moncrieff Thomson and Shiells CA have informed the Directors that they are not seeking re-appointment as auditors and a resolution for the appointment of KPMG Peat Marwick will be proposed at the Annual General Meeting.

By Order of the Board

R Patrick
SECRETARY

Date

28 St Andrew Square
EDINBURGH EH2 1YF

SCOTTISH EQUITABLE (MANAGED FUNDS) LIMITED
AUDITOR'S REPORT TO THE MEMBERS OF
SCOTTISH EQUITABLE (MANAGED FUNDS) LIMITED
For the year ended 31 December 1991

We have audited the financial statements on pages 4 to 10 in accordance with Auditing Standards.

In our opinion the financial statements give a true and fair view of the state of the Company's affairs at 31 December 1991 and of its profit and source and application of funds for the year ended on that date and have been properly prepared in accordance with the Companies Act 1985 as applicable to Insurance Companies.

SCOTT-MONCRIEFF THOMSON & SHIELLS
CHARTERED ACCOUNTANTS
REGISTERED AUDITORS

17 MELVILLE STREET
EDINBURGH

SCOTTISH EQUITABLE (MANAGED FUNDS) LIMITED
SHAREHOLDERS FUND
PROFIT AND LOSS ACCOUNT
For the year ended 31 December 1991

	<u>Note</u>	<u>1991</u> <u>£000s</u>	<u>1990</u> <u>£000s</u>
Investment and Administration			
Charge transferred from Revenue Account		8,259	4,924
Segregated Fund Charges		85	90
Change in value of investments		(67)	(56)
Investment Income		<u>964</u>	<u>900</u>
		9,241	5,858
Management fee	7	(8,328)	(5,014)
PROFIT BEFORE TAXATION		913	844
Taxation	8	(913)	(247)
PROFIT AFTER TAXATION		0	597
Retained Profit Brought Forward		<u>906</u>	<u>309</u>
RETAINED PROFIT CARRIED FORWARD		<u>906</u>	<u>906</u>

BALANCE SHEET
As at 31 December 1991

	<u>Note</u>	<u>1991</u> <u>£000s</u>	<u>1990</u> <u>£000s</u>
<u>INVESTMENTS</u>	3	11,881	7,448
<u>CURRENT ASSETS</u>			
Sundry Debtors		327	344
Due from Holding Company		2,118	1,024
Cash at Bank and in Hand		<u>5</u>	<u>482</u>
		14,331	9,298
<u>Less: CURRENT LIABILITIES</u>			
Sundry Creditors		202	349
Corporation Tax		<u>723</u>	<u>43</u>
		<u>13,406</u>	<u>8,906</u>
<u>CAPITAL AND RESERVES</u>			
Share Capital	9	12,500	8,000
Profit and Loss Account		<u>906</u>	<u>906</u>
		<u>13,406</u>	<u>8,906</u>

The notes on pages 8 to 10 form part of these accounts.

SCOTTISH EQUITABLE (MANAGED FUNDS) LIMITED
LONG-TERM BUSINESS REVENUE ACCOUNT
For the year ended 31 December 1991

	<u>Note</u>	<u>1991</u> <u>£000s</u>	<u>1990</u> <u>£000s</u>
<u>Income</u>			
Premiums	5	367,608	273,317
Interest Dividends and Rents	6	<u>62,681</u>	<u>49,975</u>
		<u>430,289</u>	<u>323,292</u>
<u>Expenditure</u>			
Benefits paid to Policyholders:-			
Claims by Death		3,283	3,826
Surrenders		<u>74,969</u>	<u>65,205</u>
		78,252	69,031
Commission		984	774
Expenses of Management		547	574
Investment and Administration Charge transferred to Profit & Loss Account		8,259	4,924
Taxation	8	<u>4,495</u>	<u>(1,302)</u>
		<u>92,537</u>	<u>74,001</u>
Excess of Income over Expenditure		<u>337,752</u>	<u>249,291</u>
<u>Movement in Fund</u>			
Fund at beginning of year		1,022,988	971,370
Excess of Income over Expenditure		337,752	249,291
Change in Value of Investments		<u>95,893</u>	<u>(197,673)</u>
Fund at end of year		<u>1,456,633</u>	<u>1,022,988</u>

The notes on pages 8 to 10 form part of these accounts.

SCOTTISH EQUITABLE (MANAGED FUNDS) LIMITED
BALANCE SHEET
as at 31 December 1991

LONG-TERM BUSINESS FUND

	<u>Note</u>	<u>1991</u> <u>£000s</u>	<u>1990</u> <u>£000s</u>
<u>INVESTMENTS</u>	3	1,454,428	1,051,098
<u>CURRENT ASSETS</u>			
Sundry Debtors		15,379	20,796
Taxation Recoverable		<u>6,370</u>	<u>2,615</u>
		1,476,177	1,074,509
Less: <u>CURRENT LIABILITIES</u>			
Sundry Creditors		16,755	46,681
Bank Overdraft		79	162
Due to Holding Company		<u>2,710</u>	<u>4,678</u>
		<u>1,456,633</u>	<u>1,022,988</u>
Representing LONG-TERM BUSINESS FUND		<u>1,456,633</u>	<u>1,022,988</u>

Approved by the Board and signed on their behalf by

C F Sleight, Director

Date

The notes on pages 8 to 10 form part of these accounts.

SCOTTISH EQUITABLE (MANAGED FUNDS) LIMITED
STATEMENT OF SOURCE AND APPLICATION OF FUNDS
For the year ended 31 December 1991

	<u>Shareholders fund</u>	
	<u>1991</u>	<u>1990</u>
	<u>£000s</u>	<u>£000s</u>
SOURCE OF FUNDS		
Profit before taxation	913	844
Adjustment for items not involving the movement of funds:		
Change in value of shareholders investment	<u>67</u>	<u>56</u>
	980	900
Funds from other sources:		
Issue of Share Capital	<u>4,500</u>	<u>500</u>
	5,480	1,400
APPLICATION OF FUNDS		
Taxation paid	(233)	(251)
Purchase of Investments	<u>(4,500)</u>	<u>(500)</u>
	<u>747</u>	<u>649</u>
INCREASE/(DECREASE) IN WORKING CAPITAL		
Decrease/(Increase) in Sundry Creditors	147	(142)
Increase in amount due from Holding Company	1,094	312
(Decrease) in Sundry Debtors	<u>(17)</u>	<u>(3)</u>
	1,224	167
Movement in Net liquid funds:-		
Increase/(Decrease) in cash balances	<u>(477)</u>	<u>482</u>
	<u>747</u>	<u>649</u>

The notes on pages 8 to 10 form part of these accounts.

SCOTTISH EQUITABLE (MANAGED FUNDS) LIMITED

Notes to the Accounts
For the year ended 31 December 1991

1. ACCOUNTING POLICIES

(a) Valuation of Assets

Investments have been valued in accordance with the provisions of the Insurance Companies Regulations 1981 and are shown in the Balance Sheet at these amounts. All the investments are fully admissible under paragraph 49 of the Regulations.

(b) Interest, Dividends and Rents

Credit is taken in the Revenue Account for interest and rents accrued on fixed interest and property investments and dividends due on equity shareholdings. Tax credits applicable to franked investment income are included.

(c) Basis of Translation of Foreign Currency

Assets and liabilities in currencies other than sterling have been translated at the rates of exchange ruling at the financial year end. Revenue transactions and investment realisations have been translated at rates of exchange ruling at the time of the transaction.

(d) Change in value of investments

Profits or losses on investment transactions arising during the year together with unrealised appreciation or depreciation on investments held at 31 December 1991 are transferred to the Revenue Account or the Profit and Loss Account depending upon the fund to which the investments related, and are described as change in value of investments.

(e) Disclosure requirements

These accounts have been prepared in compliance with Section 255 of, and Schedule 9 to the Companies Act 1985. The Company has availed itself of certain of the exemptions which are available to it under the Companies Act 1985 (as amended by the Companies Act 1989). Accordingly the accounts comply with Statements of Standard Accounting Practice except where compliance is overridden by such exemptions.

SCOTTISH EQUITABLE (MANAGED FUNDS) LIMITED

Notes to the Accounts
for the year ended 31 December 1991

2. HOLDING COMPANY

The ultimate holding company is the Scottish Equitable Life Assurance Society a company registered in Scotland.

3. INVESTMENTS

The analysis of investments as at 31 December 1991 is as follows:-

	Long-term Business Fund		Shareholders Fund	
	1991	1990	1991	1990
<u>Stock Exchange and Other Securities</u>	<u>£000s</u>	<u>£000s</u>	<u>£000s</u>	<u>£000s</u>
British Government Securities	8,553	18,410	6,881	6,948
Debenture and Other				
Fixed Interest Stocks	23,586	31,857	-	-
Ordinary and Convertible Stocks	1,094,181	633,816	-	-
Authorised Unit Trusts	<u>180,087</u>	<u>183,582</u>	-	-
	1,306,407	867,665	6,881	6,948
Deposits	141,729	176,676	5,000	500
Property	<u>6,292</u>	<u>6,757</u>	-	-
	<u>1,454,428</u>	<u>1,051,098</u>	<u>11,881</u>	<u>7,448</u>

Stock Exchange Securities are included at middle market value and Authorised Unit Trusts at bid value. Land and Properties are shown at open market value, as assessed by independent Chartered Surveyors during the year, less provision for expenses of sale, except for developments which are on a basis of value of site plus development cost.

4. CAPITAL COMMITMENTS & FORWARD CURRENCY CONTRACTS

There were no future capital commitments at 31 December 1991

At 31 December 1991 the Company had entered into, in the normal course of business, forward foreign exchange contracts.

5. PREMIUMS

Premiums are made up as follows:-

	1991	1990
	<u>£000s</u>	<u>£000s</u>
Linked Annual Premiums	189,943	120,982
Linked Single Premiums	<u>177,665</u>	<u>152,335</u>
	<u>367,608</u>	<u>273,317</u>

SCOTTISH EQUITABLE (MANAGED FUNDS) LIMITED

Notes to the Accounts
for the year ended 31 December 1991

6. INTEREST, DIVIDENDS AND RENTS

	1991 <u>£000s</u>	1990 <u>£000s</u>
Interest, Dividends & Rents Receivable	62,851	50,159
Less, Interest paid on Bank Overdrafts	<u>170</u>	<u>184</u>
	<u>62,681</u>	<u>49,975</u>

7. MANAGEMENT FEE

A management fee is paid to Scottish Equitable Life Assurance Society, who pay all the company's expenses including auditor's remuneration of £16,000 (1990 £12,500). No directors fees are paid by the Company.

8. TAXATION

Long Term Business Fund

The charge for United Kingdom Corporation Tax and Income Tax is on the basis applicable to life assurance business and pension business and is included in the accounts as follows:-

	1991 <u>£000s</u>	1990 <u>£000s</u>
Corporation Tax	1,756	1,501
Income Tax	763	1,563
Foreign Tax	1,996	695
Overprovision in Previous Years	<u>-</u>	<u>(5,061)</u>
	<u>4,495</u>	<u>(1,302)</u>

No provision has been made in respect of any liability to corporation tax on chargeable gains which arise on the sale of the long term business fund investments after 31 December 1991. On the basis that the investments were realised at the value stated in the foregoing balance sheet, an estimated liability of £nil (1990 £nil) would arise.

Shareholder's Fund

The shareholder's fund is subject to UK Corporation Tax and is included in the accounts as follows:-

	1991 <u>£000s</u>	1990 <u>£000s</u>
Corporation Tax	<u>913</u>	<u>247</u>

9. SHARE CAPITAL

The share capital of the company is as follows:-

	<u>1991</u>	<u>Authorised</u>	<u>Allotted & Fully Paid-Up</u>
	<u>1991</u>	<u>1990</u>	<u>1991</u>
Ordinary £1 shares	20,000,000	20,000,000	12,500,000
			8,000,000

During the year 4,500,000 Ordinary Shares of £1 each with an aggregate nominal value of £4,500,000 were issued fully paid for cash of £4,500,000, having regard to the capital and solvency requirements of the Insurance Companies Regulations 1981.

*CDP
SCOTLAND*

SCOTTISH EQUITABLE

(MANAGED FUNDS) LIMITED

**ANNUAL RETURNS TO THE DEPARTMENT OF TRADE
UNDER THE INSURANCE COMPANIES ACT 1982**

For the year ended 31st December 1991

**HEAD OFFICE
28 ST. ANDREW SQUARE, EDINBURGH, EH2 1YF**

REGISTERED IN SCOTLAND No. 64697



Returns under Insurance Companies Legislation

Statement of solvency

Name of Company SCOTTISH EQUITABLE (MANAGED FUNDS) LIMITED

Global business/~~NON-INSURANCE BUSINESS~~
~~NON-INSURANCE BUSINESS~~Company
registration
numberGlobal/
UK/CM

Period ended

day month year Units

For
official
use

Financial year ended 31 December 1991

F9

64697

GL

31

12

19 91

£000

	As at the end of the financial year 1	As at the end of the previous year 2	Source		
			Form	Line	Column

GENERAL BUSINESS

Available assets

Other than long term business assets allocated towards general business required minimum margin	11				See instructions 1 and 2 below
---	----	--	--	--	--------------------------------

Required minimum margin

Required minimum margin for general business	12				12.49
Excess (deficiency) of available assets over the required minimum margin (11 - 12)	13				
Implicit items admitted under regulation 10(4) of the Insurance Companies Regulations 1981	14				

LONG TERM BUSINESS

Available assets

Long term business admissible assets	21	1,522, 903	1,099,062		10.11
Other than long term business assets allocated towards long term business required minimum margin	22	13,406	8,906		See instructions 1 and 3 below
Total mathematical reserves (after distribution of surplus)	23	1,456,633	1,022,988		See instruction 4 below
Other insurance and non-insurance liabilities	24	66,270	76,074		See instruction 5 below
Available assets for long term business required minimum margin (21 - 22 - 23 - 24)	25	13,406	8,906		

Implicit items admitted under regulation 10(4) of the Insurance Companies Regulations 1981

Future profits	31	-	-		
Z - merging	32	-	-		
Hidden reserves	33	-	-		

Total of available assets and implicit items (25 + 31 + 32 + 33)

	34	13,406	8,906		
--	----	--------	-------	--	--

Required minimum margin

Required minimum margin for long term business	41	11,123	6,695		60.13
Explicit required minimum margin (16 + 41, or minimum guarantee fund if greater)	42	1,854	1,116		
Excess (deficiency) of available assets over explicit required minimum margin (25 - 42)	43	11,552	7,790		
Excess (deficiency) of available assets and implicit items over the required minimum margin (34 - 41)	44	2,283	2,211		

Returns under Insurance Companies Legislation

Statement of solvency

Name of Company SCOTTISH EQUITABLE (MANAGED FUNDS) LIMITED

Global business/~~UK branch business~~/~~Community branch business~~

Company
registration
number

Global/
UK/CM

Period ended

day month year

Units

For
official
use

Financial year ended 31 December 1991

F9

64697

GL

31

12

1991

£000

	As at the end of the financial year 1	As at the end of the previous year 2	Source		
			Form	Line	Column

ALLOCATION OF OTHER THAN LONG TERM BUSINESS ASSETS

Other than long term business assets allocated towards general business required minimum margin	51	-	-	
Other than long term business assets allocated towards long term business required minimum margin	52	-	-	
Net other than long term business assets (51 + 52)	53	-	-	10.29

CONTINGENT LIABILITIES

Quantifiable contingent liabilities in respect of other than long term business as shown in a supplementary note to Form 15	60	-	-	See Instruction 6 below
Quantifiable contingent liabilities in respect of long term business as shown in a supplementary note to Form 14	61	-	-	See Instruction 6 below

Instructions

- (1) For a composite company, the whole Form shall be completed, with the entries at lines 11 and 22 being equal to the entries at lines 51 and 52 respectively.
- (2) For a company transacting only general business, only lines 11 to 14 and line 60 shall be completed, with the entry at line 11 being equal to the entry at Form 10 line 29.
- (3) For a company transacting only long term business, only lines 21 to 44 and lines 60 and 61 shall be completed, with the entry at line 22 being equal to the entry at Form 10 line 29.
- (4) The entry at line 23 shall be equal to the sum of lines 11 and 15 in Form 14 and the amount (if any) stated in a note to that Form in accordance with Instruction 3 to that Form.
- (5) The entry at line 24 shall be equal to the total of lines 21 to 47 in Form 14 and the amount of any cash bonuses stated in a note to that Form in accordance with Instruction 2 to that Form.
- (6) The entries at lines 60 and 61 shall not include provision for any liability to tax on capital gains referred to in paragraph 10(2) (b) of Schedule 1.

C F Sleight, Director

Edinburgh, 18 June 1992

D A Berridge, Chief Executive

D J Kirkpatrick, Director

Returns under Insurance Companies Legislation

Statement of net assets

Name of Company SCOTTISH EQUITABLE (MANAGED FUNDS) LIMITED

Global business/XXXXXX/business/Community/XXXXXX/XXXXXX

Financial year ended 31 DECEMBER 1991

Period ended						Units		For official use		
Company registration number		Global/UK/CM	day		month	year				
F10	64697	GL	31	12	1991	E000				
			As at the end of the financial year 1		As at the end of the previous year 2		Source			
							Form	Line	Column	
Long Term business-admissible assets			11	1,522,903	1,099,062				13.93	
Long Term business-liabilities and margins			12	1,522,903	1,099,062				14.59	
Other than Long Term business-admissible assets			21	14,331	9,298				13.93	
Other than Long Term business-liabilities			22	925	392				15.59	
Net admissible assets (21-22)			27	13,406	8,906					
Unpaid capital - as per line 53			28	-	-					
Net assets (27 + 28)			29	13,406	8,906					
Authorised share capital			41	20,000	20,000					
Paid up share capital			51	12,500	8,000					
Share premium account			52	-	-					
Unpaid amounts (including share premium) on partly paid shares within the limits allowed by Regulation 10 of the Insurance Companies Regulations 1981			53	-	-					
Amounts representing the balance of net assets			54	906	906					
Total (51 to 54) and equal to line 29 above			59	13,406	8,906					

A Analysis of admissible assets

Name of Company **SCOTTISH EQUITABLE (MANAGED FUNDS) LIMITED**

Global business (UK branch business) **SCOTTISH EQUITABLE (MANAGED FUNDS) LIMITED**

Business: **Long Term**

Financial year ended **31 DECEMBER 1991**

Category of Assets **TOTAL**

Company registration number	Global/UK/CM	Period ended day month year	Units	Category of assets	For official use
F13	64697	GL 31 12 19 91	£000	1	

Admissible assets		As at the end of the financial year 1	As at the end of the previous year 2
Land	Issued by, or guaranteed by, any government or public authority	11	-
		12	6,881
	listed	13	-
	Other fixed interest securities except those in dependants which must be included in lines 29 to 34 and any to be included in lines 61 or 62	14	-
	unlisted debentures	15	-
	other unlisted	16	-
	Issued by, or guaranteed by, any government or public authority, except those included at line 17	17	-
	Issued by, or guaranteed by, any government or public authority, where the capital value or interest is determined by an index of prices	18	-
	Other	21	-
	Equity shares except those in dependants which must be included in lines 29, 31 or 33	22	-
	listd	23	-
	unlisted	29	-
	Holdings in authorised unit trust schemes	30	-
	Companies authorised to transact insurance business in the United Kingdom	31	-
	Value of any shares held	32	-
	Debts, other than amounts which must be included in lines 41 or 51 to 54	33	-
	Value of any shares held	34	-
	Debts, other than amounts which must be included in lines 41 or 51 to 54	35	-
	Value of any shares held	39	6,881
	Other insurance companies		
	Non-insurance companies		
	Share options and debenture options		
	Total (11 to 35)		6,948

Analysis of admissible assets

(Sheet 2)

Name of Company SCOTTISH EQUITABLE (MANAGED FUNDS) LIMITED

Global business/US\$ 100,000,000/Other than Long Term

Business: Long Term

Financial year ended 31 DECEMBER 1991

Category of Assets TOTAL

Company registration number	Global/UK/CiM	Period ended day month year	Units	Category of assets	For official use
F13 64697	GL	31 12 1991	£000	1	

		As at the end of the financial year 1	As at the end of the financial year 2
Admissible assets			
Loans secured by policies of insurance issued by the company			
Tax recoveries due from taxation authorities			
Deposit and current accounts with approved financial institutions, and deposits with local authorities and Building Societies	Current accounts and amounts on deposit for a fixed term of, or on deposit and withdrawable after giving notice of, 12 months or less after the end of the financial year, and certificates of deposit maturing during that period	41	-
	Other	42	-
	Premium income in respect of direct insurance and facultative reinsurance contracts accepted not yet paid to ceding company less commission payable thereon	43	5,005
	Other	44	-
Insurance debts including those due from dependants and individuals	Amounts due from ceding insurers and intermediaries under reinsurance treaties accepted	51	-
	Amounts due from reinsurers and intermediaries under reinsurance contracts ceded	52	-
	Recoveries due by way of salvage or from other insurers in respect of claims paid other than recoveries under reinsurance contracts ceded	53	-
	Recoveries due by way of salvage or from other insurers in respect of claims paid other than recoveries under reinsurance contracts ceded	54	-
Debts fully secured on land except listed debentures (which must be included in line 13), debts due from dependants (which must be included in lines 30, 32 or 34), and debts due from individuals (which must be included in lines 64 or 66)	due more than 12 months after the end of the financial year	61	-
	due in 12 months or less after the end of the financial year, or which would become due if the company exercised any right to require repayment within that period	62	-
	due from companies and unincorporated bodies of persons	63	-
	due from individuals	64	-
Debts except those which must be included in other lines	due more than 12 months after the end of the financial year	65	2,445
	due in 12 months or less after the end of the financial year, or which would become due if the company exercised any right to require repayment within that period	66	-
	due from companies and unincorporated bodies of persons	67	1,368
	due from individuals	68	-
Total (41 to 66)		69	7,450
			2,350

Analysis of admissible assets

Name of Company **SCOTTISH EQUITABLE (MANAGED FUNDS) LIMITED**Global business: **UK/Overseas/Other than Long Term**Financial year ended **31 DECEMBER 1991**Category of Assets **TOTAL**

F13	Company registration number	Global/UK/CM	Period ended			Units	Category of assets	For official use
			day	month	year			
	64697	GL	31	12	19 91	£000	1	

	As at the end of the financial year		As at the end of the previous year
	1	2	
Admissible assets			
Shares in Building Societies and Industrial and Provident Societies			
Cash	71	-	-
Computer equipment	72	-	-
Other office machinery, furniture, motor vehicles and other equipment	81	-	-
Other interests, reversionary interests and similar interests in property	82	-	-
Other interests, reversionary interests and similar interests in property	83	-	-
Linked assets in internal linked funds (as shown in line 12 on Form 49)	85	-	-
Other linked assets	86	-	-
Total of Sheet 1 (13.39)	87	-	-
Total of Sheet 2 (13.69)	91	6,881	6,948
Gross Total of admissible assets (71 to 92)	92	7,450	2,350
	93	14,331	9,298

Total of assets valued in accordance with valuation regulations which would have been included in one of the headings above but for the admissibility limits applied by which certain assets are required to be taken into account only to a specified extent

Amount included in line 93 attributable to debits due from related companies, other than those under contracts of insurance or reinsurance

94	-	-
95	2,118	1,024

Name of Company SCOTTISH EQUITABLE (MANAGED FUNDS) LIMITED

Global business/UK registered office/Company registration number

Business: Long Term/Other investment

Financial year ended 31 DECEMBER 1991

Category of Assets TOTAL

Company registration number	Global/UK/CM	Period ended day month year	Units	Category of assets	For official use
F13 64697	GL	31 12 19 91	£000	1	

Admissible assets		As at the end of the financial year 1	As at the end of the previous year 2
Land	Issued by, or guaranteed by, any government or public authority	11	-
		12	-
		13	-
		14	-
		15	-
Fixed interest securities	Other fixed interest securities except those in dependants which must be included in lines 29 to 34 and any to be included in lines 61 to 62	16	-
	listed	17	-
	unlisted debentures	18	-
	other unlisted	21	-
		22	-
Variable interest securities except those included at lines 21 to 34	Issued by, or guaranteed by, any government or public authority, except those included at line 17	23	-
	Issued by, or guaranteed by, any government or public authority, where the capital value or interest is determined by an index of prices	29	-
	Other	30	-
	Equity shares except those in dependants which must be included in lines 29, 31 or 33	31	-
		32	-
Other variable interest investments	Holdings in authorised unit trust schemes	33	-
		34	-
	Companies authorised to transact insurance business in the United Kingdom	35	-
	Other insurance companies		-
	Non-insurance companies		-
Investments in dependants	Value of any shares held		-
	Debts, other than amounts which must be included in lines 41 or 51 to 54		-
	Value of any shares held		-
	Debts, other than amounts which must be included in lines 41 or 51 to 54		-
	Value of any shares held		-
Share options and debenture options	Debts, other than amounts which must be included in lines 41 or 51 to 54		-
			-
			-
			-
			-
Total (11 to 35)		39	-

Analysis of admissible assets

Name of Company SCOTTISH EQUITABLE (MANAGED FUNDS) LIMITED

Global business/UK, export business/Community bank business/

Business: Long Term/Direct Mail/Advertising

Financial year ended 31 DECEMBER 1991

Category of Assets TOTAL

F13	64697	GL	31	12	19 91	£000	1
-----	-------	----	----	----	-------	------	---

Admissible assets	As at the end of the financial year	As at 1.1.2020 end of the previous year
Loans secured by policies of insurance issued by the company	41	-
Tax recoveries due from taxation authorities	42	-
Deposit and current accounts with approved financial institutions, and deposits with local authorities and Building Societies	43	-
Current accounts and amounts on deposit for a fixed term of, or on deposit and withdrawable after giving notice of, 12 months or less after the end of the financial year, and certificates of deposit maturing during that period	44	-
Other	51	-
Premium income in respect of direct insurance and facultative reinsurance contracts accepted not yet paid to the company less commission payable thereon	52	-
Amounts due from ceding insurers and intermediaries under reinsurance treaties accepted	53	-
Amounts due from reinsurers and intermediaries under reinsurance contracts ceded	54	-
Recoveries due by way of salvage or from other insurers in respect of claims paid other than recoveries under reinsurance contracts ceded	61	-
Debts fully secured on land except listed debentures (which must be included in lines 30, 32 in line 13), debts due from dependants (which must be included in lines 30, 32 in line 13), and debts due from individuals (which must be included in lines 30, 32 in line 13), and debts due from individuals (which must be included in lines 30, 32 in line 13), and debts due from individuals (which must be included in lines 30, 32 in line 13)	62	-
Debts due from companies and unincorporated bodies of persons	63	-
due from companies and unincorporated bodies of persons	64	-
due from individuals	65	-
due from companies and unincorporated bodies of persons	66	-
due from individuals	69	-
Debits except those which must be included in other lines		
due more than 12 months after the end of the financial year		
due in 12 months or less after the end of the financial year, or which would become due if the company exercised any right to require repayment within that period		
Total (41 to 66)		

Analysis of admissible assets

Name of Company SCOTTISH EQUITABLE (MANAGED FUNDS) LIMITED

Global business: ~~UK branch business (SCOTTISH EQUITABLE MANAGED FUNDS)~~Business: Long Term ~~Other than Long Term~~

Financial year ended 31 DECEMBER 1991

Category of Assets TOTAL

Company registration number	Global/ UK/CM	Period ended			Units	Category of assets	For official use
		day	month	year			
F13	64697	GL	31	12	19 91	£000	1

	As at the end of the financial year		As at the end of the previous year
	1	2	
Admissible assets			
Shares in Building Societies and Industrial and Provident Societies			
Cash			
Computer equipment			
Other office machinery, furniture, motor vehicles and other equipment			
Life interests, reversionary interests and similar interests in property			
Linked assets			
linked assets in internal linked funds (as shown in line 12 on Form 49)			
other linked assets			
Total of Sheet 1 (13.39)			
Total of Sheet 2 (13.69)			
Gross Total of admissible assets (71 to 92)			

Total of assets valued in accordance with valuation regulations which would have been included in one of the headings above but for the admissibility limits applied by which certain assets are required to be taken into account only to a specified extent			
Amount included in line 93 attributable to debts due from related companies, other than those under contracts of insurance or reinsurance			

Instructions for Completion of Form 13

1 Long-term business: Form 13 shall be completed for the total long-term business assets of the company or branch and for each fund or group of funds for which separate assets are appropriated. The word "Total" or the name of the fund shall be shown against the heading "Category of Assets". The corresponding code box shall contain "10" for the total assets and, in the case of separate funds, code numbers allocated sequentially beginning with code "11".

2 Other than long-term business: Form 13 shall be completed in respect of the total assets of the company or branch (other than any long-term business assets) and code "1" entered in the code box "Category of Assets".

3 (a) In the case of the United Kingdom branch return of an external company (other than a pure reinsurer) Form 13 shall be completed for the following categories of assets —

Category	Code
Assets deposited with the Accountant General	2
Assets maintained in the United Kingdom	3
Assets maintained in the United Kingdom and the other member States	4

(b) In the case of a Community branch return of a United Kingdom deposit company, Form 13 shall be completed for the following categories of assets —

Category	Code
Assets deposited with the Accountant General	2
Assets maintained in the United Kingdom and the other member States where business is carried on	5
Assets maintained in the United Kingdom and the other member States	4

4 Linked assets shall be included in lines 85 and 86 wherever appropriate and not in lines 11 to 83.

5 In line 83 "life interests, reversionary interests and similar interests in property" means those interests of the kind described in Regulation 47 of the Insurance Companies Regulations 1981.

T40F 0614

Returns under Insurance Companies Legislation

Long Term business liabilities and margins

Name of Company **SCOTTISH EQUITABLE (MANAGED FUNDS)**Global business: ~~UK branch business~~ ~~Community branch business~~Company
registration
numberGlobal/
UK/CM

day

Period ended
month year

Units

For
official
useFinancial year ended **31 DECEMBER 1991**

F14	64697	GL	31	12	1991	£000
-----	-------	----	----	----	------	------

		As at the end of the financial year		As at the end of the previous year		Source		
		1		2		Form	Line	Column
Ordinary Long Term Business (all funds)	Mathematical reserves as shown in Schedule 4, after distribution of surplus	11	1,456,633	1,022,988		See Instruction 1 below		
	Balance of long term business funds	12	-	-		See Instruction 2 below		
	Ordinary long term business funds (11 + 12)	13	1,456,633	1,022,988		40.16		
	Valuation deficiencies	14	-	-				
Industrial Assurance Business	Mathematical reserves as shown in Schedule 4, after distribution of surplus	15	-	-		See Instruction 1 below		
	Balance of long term business funds	16	-	-		See Instruction 2 below		
	Industrial long term business funds (15 + 16)	17	-	-		40.16		
	Valuation deficiencies	18	-	-				
Other Insurance Liabilities	Claims admitted but not paid	21	-	-				
	Amounts due in respect of direct insurance and facultative reinsurance contracts accepted except amounts which must be included in line 21	31	-	-				
	Amounts due to ceding insurers and intermediaries under reinsurance treaties accepted except amounts which must be included in line 21	32	2,802	4,795				
	Amounts due to reinsurers and intermediaries under reinsurance contracts ceded	33	-	-				
Other Liabilities	Loans secured	41	-	-				
	Loans unsecured	42	-	-				
	Taxation	44	1,908	-				
	Other creditors	47	61,550	71,279				
Excess of the value of admissible assets representing the long term business funds over the amount of those funds		51	-	-		See Instruction 3 below		
Total (13 + 14 + 17 to 51)		59	1,522,903	1,099,062				
Amount included in line 59 attributable to liabilities to related companies, other than those under contracts of insurance or reinsurance		61	-	-				
Amount included in line 59 attributable to liabilities in respect of property linked benefits		62	1,522,903	1,099,062				

Instructions

1 The entries at 14.11 and 14.15 shall equal the sum of lines 9, 19, 20 and 21 of the appropriate Form 58.

2 The amount of any cash bonuses allocated but not yet paid to policy holders, as shown in 58.18, (which together with 58.25 constitutes the balance of the long term business funds) shall be stated in a note

3 The value of admissible assets representing the long term business funds is determined by deducting from the total value of the admissible assets an amount equal to the liabilities itemised in lines 21 to 47. The amount of any additional mathematical reserves included in line 51 which have been taken into account in the actuary's certificate because the amount of the mathematical reserves determined in Schedule 4 was not calculated in respect of assets valued in accordance with Part V of the Insurance Companies Regulations 1981, as shown in Form 13, shall be stated in a note

Returns under Insurance Companies Legislation

Form 15

Liabilities (other than Long Term business)

Name of Company SCOTTISH EQUITABLE (MANAGED FUNDS)
LIMITEDCompany
registration
numberGlobal/
UK/CMPeriod ended
day month year

Units

For
official
use

Global business / UK branch business / Community bank business

Financial year ended 31 DECEMBER 1991

F15

64697

GL

31

12

19 91

£000

					As at the end of the financial year 1	As at the end of the previous year 2	Source		
							FORM	LINE	COLUMN
General business technical reserves	Unearned premiums				21	-	-	See Note below	
	Additional amount for unexpired risks				22	-	-		
	Claims outstanding (less amounts recoverable from reinsurers)		Reported claims		23	-	-		
			Claims incurred but not reported		24	-	-		
	Expenses for settling claims outstanding				25	-	-		
	Funds				26	-	-		
	Claims equalisation		Other than credit business		27	-	-		
			Credit business		28	-	-		
	Other				29	-	-		
Total (21 to 29)				30	-	-			
Other insurance liabilities	Amounts due in respect of direct insurance and facultative reinsurance contracts accepted except amounts which must be included in line 30				31	-	-		
	Amounts due to ceding insurers and intermediaries under reinsurance treaties accepted except amounts which must be included in line 30				32	-	-		
	Amounts due to reinsurers and intermediaries under reinsurance contracts ceded				33	-	-		
Other liabilities	Loans secured				41	-	-		
	Loans unsecured				42	-	-		
	Subordinated loan stock				43	-	-		
	Taxation				44	723	43		
	Recommended dividend				45	-	-		
	Cumulative preference share dividend accrued				46	-	-		
	Other creditors				47	202	349		
Total (30 to 47)					59	925	392		
Amounts included in line 59 attributable to liabilities to related companies, other than those under contracts of insurance or reinsurance					61	-	-		

Note The sources are as follows: Line 21 All forms 21.29.6 + 21.31.6
- (22.23.3 + 22.24.3 - 22.25.3)
Line 22 Summary form 20.23

Line 23 All forms 22.31.3 + 22.41.3
Line 24 All forms 22.32.3 + 22.42.3

Line 25 All forms 22.21.3 + 22.22.3
Line 26 All forms 24.42.5 + 27.46.3

Name of Company SCOTTISH EQUITABLE (MANAGED FUNDS) LIMITED

Global business/UK branch/business/Community/branch/business/

Financial year ended 31 DECEMBER 1991

	Company registration number	Global/UK/CM	Period ended			Units	For official use
			day	month	year		
	F16	64697	GL	31	12	19 91	£003
		The financial year 1	Previous year 2	Source			
				Form	Line	Column	
Transfer from (to) Long Term Business Revenue Account	11	-	-				
Transfer from (to) General Business Revenue Account Summary	12	-	-		20.79		
Investment income receivable, before deduction of tax	13	964	900		See Note below		
Other income	14	8,277	4,958		See Note below		
Total (11 to 14)	19	9,241	5,858				
Management expenses	21	8,328	5,014		See Note below		
Interest payable, before deduction of tax	22	-	-				
Taxation, other than that applicable to long term business	23	913	247				
Dividends paid and/or recommended	24	-	-				
Other expenditure	25	-	-		See Note below		
Total (21 to 25)	29	9,241	5,261				
Excess of income over expenditure (19 ~ 29)	39	-	597				

Note
The amounts at lines 13, 14, 21 and 25 exclude any amounts included elsewhere in the returns.

Returns under Insurance Companies Legislation

Long Term business: Revenue account

Form 40

Name of Company SCOTTISH EQUITABLE (MANAGED FUNDS) LIMITED

Global business/~~UK branch business~~/~~Community branch business~~

Financial year ended 31 DECEMBER 1991

Name and number of Fund/Summary

Company registration number	Global/ UK/CM	Period ended			Units	OB/IB	No. of Fund/ Summary	No. of part of Fund	For official use
		day	month	year					
F40	64697	GL	31	12	19 91	£000	OB		
Items to be shown net of reinsurance ceded							The financial year 1	Previous financial year 2	
Premiums receivable (less rebates and refunds)							1	367,608	273,317
Investment income receivable before deduction of tax							2	62,851	50,159
Increase (decrease) in the value of non-linked assets brought into account							3	-	-
Increase (decrease) in the value of linked assets							4	95,893	(197,673)
Other income (particulars to be specified)							5	-	-
Total income (1 to 5)							6	526,352	125,803
Claims payable							7	78,252	69,031
Expenses payable							8	9,790	6,272
Interest payable before deduction of tax							9	170	184
Taxation							10	4,495	(1,302)
Other expenditure (particulars to be specified)							11	-	-
Transfer to (from) statement of other income and expenditure							12	-	-
Total expenditure (7 to 12)							13	92,707	74,185
Increase (decrease) in fund in financial year (6-13)							14	433,645	51,618
Fund brought forward							15	1,022,988	971,370
Fund carried forward (14 + 15)							16	1,456,633	1,022,988

Instructions for completion of this form are printed on the reverse

Instructions for Completion of Form 40

- 1 The entry at 40.1.1 shall be equal to 41.9.3.
the entry at 40.7.1 shall be equal to 42.21.3 and
the entry at 40.8.1 shall be equal to 41.16.3.
- 2 Where a company decides to allocate to the long term business the whole or any part of investment income and/or net capital gains arising from assets not attributable to its long term business, the amounts in question shall be shown as a transfer in line 12.
- 3 Where a transfer is made to the statement of other income and expenditure, the entry at 40.12.1 will show amounts which have been included in line 23 of Form 58. Transfers from or to other funds shall be included in line 5 or 11, with transfers to reserves associated with a transfer of contracts from one fund to another distinguished from other transfers.

Long Term business: Analysis of premiums and expenses

Name of Company SCOTTISH EQUITABLE (MANAGED FUNDS) LIMITED

Global business

Financial year ended 31 December 1991

F41	Company registration number	Global/ UK/CM	Period ended			Units	OB/IB	No. of Fund Summary	No. of part of Fund	For official use
			day	month	year					
	64697	GL	31	12	1991	£000	OB			

				Gross	Payable to or recoverable from reinsurers	Net of reinsurance (1 - 2)
				1	2	3
Premiums receivable less rebates and refunds) in the financial year	life assurance contracts	single premium	1	13,801	—	13,801
		regular premiums	2	1,200	—	1,200
	general annuity contracts	single premium	3	—	—	—
		regular premiums	4	—	—	—
	pension business contracts	single premium	5	163,864	—	163,864
		regular premiums	6	188,743	—	188,743
	permanent health contracts		7	—	—	—
	capital redemption contracts		8	—	—	—
	total premiums (1 to 8)		9	367,608	—	367,608
	total premiums at line 9 attributable to	UK contracts	10	367,608	—	367,608
		Overseas contracts	11	—	—	—
Expenses payable in the financial year	commission payable in connection with acquisition of business		12	—	—	—
	other commission payable		13	984	—	984
	management expenses in connection with acquisition of business		14	69	—	69
	other management expenses		15	8,737	—	8,737
	total expenses (12 to 15)		16	9,790	—	9,790
	total expenses at line 16 attributable to	UK contracts	17	9,790	—	9,790
		Overseas contracts	18	—	—	—

Reassurance agreements, in respect of Series B and Series C, exist between the Company and its parent, Scottish Equitable Life Assurance Society, whereby the Society retains a contribution towards commission and expenses, associated with the corresponding business, before paying the Reassurance premiums to the Company.

The Company pays to the Society part of the annual management charges levied by the Company in respect of this business.

Returns under Insurance Companies Legislation

Form 42

Long Term business: Analysis of claims

Name of Company SCOTTISH EQUITABLE (MANAGED FUNDS) LIMITED

Global business/UK branch business/Community branch business/x

Financial year ended 31 DECEMBER 1991

Name and number of Fund/Summary

		Company registration number	Global/ UK/CM	Period ended			Units	OB/IB	No. of Fund/ Summary	No. of part of Fund	For official use
				day	month	year					
F42		64697	GL	31	12	19 91	£000	OB	1	0	
Claims payable in the financial year								Gross 1	Recoverable from re- insurers 2	Net of re- insurance (1-2) 3	
Life assurance contracts	on death	1	3,283	-	3,283						
	on maturity	2	-	-	-						
	on surrender or partial surrender	3	41,522	-	41,522						
	total life assurance claims (1 to 3)	4	44,805	-	44,805						
General annuity contracts	on death	5	-	-	-						
	by way of lump sums on maturity	6	-	-	-						
	by way of periodical payments	7	-	-	-						
	on surrender or partial surrender	8	-	-	-						
	total general annuity claims (5 to 8)	9	-	-	-						
Pension business	on death	10	-	-	-						
	by way of lump sums on maturity	11	-	-	-						
	by way of periodical payments	12	-	-	-						
	on surrender or partial surrender	13	33,447	-	33,447						
	total pension business claims (10 to 13)	14	33,447	-	33,447						
Permanent health contracts	by way of lump sums	15	-	-	-						
	by way of periodical payments	16	-	-	-						
	total permanent health claims (15 + 16)	17	-	-	-						
Capital redemption contracts	by way of lump sums	18	-	-	-						
	by way of periodical payments	19	-	-	-						
	total capital redemption claims (18 + 19)	20	-	-	-						
Total claims (4 + 9 + 14 + 17 + 20)		21	78,252	-	78,252						
Total claims at line 21 attributable to	UK contracts	22	78,252	-	78,252						
	Overseas contracts	23	-	-	-						

Instructions for Completion of Form 42

In the case of industrial assurance, claims payable on survival in respect of periodical endowment benefits shall be shown separately

F42 01/92

Returns under Insurance Companies Legislation

Long Term business: Summary of changes in business

Name of Company SCOTTISH EQUITABLE (MANAGED FUNDS) LTD.

Global Business

United Kingdom

Linked

Financial year ended 31 December 1991

	Life Assurance		General annuity		Pension business		Permanent health		Capital redemption	
	No. of contracts 1	Annual premiums 2 £000	No. of contracts 3	Annual premiums 4 £000	No. of contracts 5	Annual premiums 6 £000	No. of contracts 7	Annual premiums 8 £000	No. of contracts 9	Annual premiums 10 £000
In force at beginning of year	1	329,500	—	—	991,831	161,406	—	—	—	—
New business	2	28,356	—	—	265,391	45,941	—	—	—	—
Net transfers and other alterations "on"	3	—	—	—	9,950	39,643	—	—	—	—
Total "on" (2 + 3)	4	28,356	—	—	275,341	85,584	—	—	—	—
Deaths	5	2,450	—	—	3,470	182	—	—	—	—
Maturities	6	—	—	—	11,520	273	—	—	—	—
Surrenders	7	46,587	—	—	8,878	1,092	—	—	—	—
Forfeitures	8	7,425	—	—	1,387	109	—	—	—	—
Conversions to paid-up policies for reduced benefits	9	—	—	—	—	—	—	—	—	—
Net transfers, expiries and other alterations "off"	10	—	—	—	4,286	46,130	—	—	—	—
Total "off" (5 to 10)	11	56,462	—	—	29,541	47,786	—	—	—	—
In force at end of year (1 + 4 - 11)	12	301,394	—	—	1,237,631	199,204	—	—	—	—

NOTE: There are 34 Group Deferred Annuity Contracts in force. The nature of the group contracts does not involve the allocation of benefits to individual scheme members until such times as benefits fall due to be paid, therefore the number of members covered by the contracts cannot be estimated.

There are in addition 2 further group contracts for special schemes set up under master policies. One is in respect of Reflex '85 benefits and the other in respect of Exsel-Group benefits. The total number of members of these schemes was 5100.

INSTRUCTION: The figure for annual premiums shall not include any recurrent single premiums.

Long Term business: Analysis of new business

Name of Company SCOTTISH EQUITABLE (MANAGED FUNDS) LTD.

United Kingdom

Global Business

Financial Year ended 31 December 1991

Type of insurance	Single premium contracts			Regular premium contracts		
	No. of contracts	Premiums	Sums assured, annuities per annum or other measure of benefits 4 £000	No. of contracts	Annual premiums	Sums assured, annuities per annum or other measure of benefits 7 £000
1	2	3 £000	4 £000	5	6 £000	7 £000
LIFE ASSURANCE BUSINESS:						
Linked Without Profit:						
1. Whole Life	10,320	13,701	—	206	139	84
2. Endowment - Mortgage Link linked portions	—	—	—	17,830	1,163	321
Total	10,320	13,701	—	18,036	1,302	—
TOTAL	10,320	13,701	—	18,036	1,302	—
PENSIONS BUSINESS:						
Linked Without Profit:						
1. Reflex Linked	—	10,454	—	—	—	—
2. Reflex '85 linked portions	—	3,546	—	—	—	—
3. Reflex Personal Pensions linked portions	75,660	107,773	—	170,010	21,292	—
4. Exsel Plus linked portions	4,149	105,088	—	2,877	12,926	—
5. Exsel-Group linked portions	3,691	33,917	—	9,004	11,723	—
6. Group Pension	1	450	—	—	—	—
Total	83,501	261,228	—	181,891	45,941	—
TOTAL	83,501	261,228	—	181,891	45,941	—
TOTAL	93,821	274,929	—	199,927	47,243	—

NOTES: 1. Benefits for linked contracts cannot be determined in advance being dependent on the value of the units deemed allocated to each contract.

2. No new annual premiums were received by existing linked without profit Group Pension contracts.

3. Premiums under Reflex Linked, Reflex '85 Linked, Reflex Personal Pensions Linked, Exsel Plus and Exsel-Group Linked may be varied and there was an additional £23,972,000 written in respect of increments to existing annual premiums under these contracts on individual policy basis - see also note 5.

4. Reflex -linked includes linked portions of Reflex-Plus contracts.

5. Figures for Reflex '85 and Exsel-Group in form 56 include in each case a policy count of 1 and a total £1,990,000 of annual premium at 31.12.91 relating to special schemes written by master policy which have been counted as group in the analysis on Form 43. Increment new annual premiums for these special schemes amounted to NIL.

Returns under Insurance Companies Legislation

Long Term business: Balance sheet for internal linked funds

Name of Company SCOTTISH EQUITABLE (MANAGED FUNDS) LIMITED - SERIES 'A'

Financial year ended 31 December 1991

Type of asset	Name of funds		Equity £000	Fixed Interest £000	International £000	Property £000	Cash £000	Mixed £000	Total £000
Land	1		—	—	—	—	—	—	—
Fixed interest securities	2	Government or public authority	—	1,131	—	—	—	—	1,131
	3	Other	—	5,082	—	—	—	—	5,082
Variable interest securities	4		48,994	—	49,978	—	—	—	98,972
Unit Trusts	5		—	—	—	—	—	—	—
Mortgages on land	6		—	—	—	—	—	—	—
Building Society shares and deposits	7		—	—	—	—	—	—	—
Deposits and loans	8		1,065	212	3,040	—	4,997	—	9,314
Income due or accrued	9		408	247	50	—	1	—	706
Cash	10		1,144	4	1	—	—	—	1,149
Other assets (see appendix)	11		988	336	561	—	—	—	1,885
Total (1 to 11)	12		52,599	7,012	53,630	—	4,998	—	118,239
Total investment in other internal linked funds of the company	13		—	—	—	—	—	109,298	109,298
Total assets (12 + 13)	14		52,599	7,012	53,630	—	4,998	109,298	227,537
Amount set aside for tax on capital gains not yet realised	15		—	—	—	—	—	—	—
Secured loans	16		—	—	—	—	—	—	—
Unsecured loans	17		—	—	—	—	—	—	—
Other liabilities (see appendix)	18		1,603	114	1,027	—	—	—	2,744
Total liabilities (15 to 18)	19		1,603	114	1,027	—	—	—	2,744
Net asset value (14 - 19)	20		50,996	6,898	52,603	—	4,998	109,298	224,793

NOTE: For the purpose of these returns the assets have been valued on a basis similar to that required for assets being valued in accordance with the Asset Valuation Regulations. Instructions. 1. The entries at line 20 shall be the same as those at line 15 on form 51. 2. The entry at line 12 in the total column shall be equal to line 85 on form 13.

Returns under Insurance Companies Legislation

Long Term business: Balance sheet for internal linked funds Appendix

Name of Company SCOTTISH EQUITABLE (MANAGED FUNDS) LIMITED - SERIES 'A'

Financial year ended 31 December 1991

NOTES

Names of Funds	Equity £000	Fixed Interest £000	International £000	Property £000	Cash £000	Mixed £000	Total £000
1. Other Assets							
Due from parent	—	—	—	—	—	—	—
Tax recoverable	712	327	12	—	—	—	1,051
Due from stockbrokers	271	—	474	—	—	—	745
Sundry Debtors	5	9	75	—	—	—	89
Total of other assets	988	336	561	—	—	—	1,885
2. Other Liabilities							
Due to parent	—	—	—	—	—	—	—
Due to bankers	—	34	95	—	—	—	129
Rents in advance	—	—	—	—	—	—	—
Due to stockbrokers	1,072	—	389	—	—	—	1,461
Accruals	11	1	10	—	—	—	22
Sundry Creditors	520	79	533	—	—	—	1,132
Total of other liabilities	1,603	114	1,027	—	—	—	2,744
Unrealised Capital Gains/(Losses)	1,823	(1,118)	(1,563)	—	—	—	(858)

4. Value of Assets

Stock Exchange Securities have been valued at middle market value at 31 December 1991. Properties have been valued at open market value less a provision for expenses of sale at 31 December 1991 by independent qualified valuers.

Long Term business: Balance sheet for internal linked funds

Name of Company SCOTTISH EQUITABLE (MANAGED FUNDS) LIMITED - SERIES 'B'

Financial year ended 31 December 1991

Type of asset	Name of funds		Equity	Fixed Interest	Index Linked	Inter-national	Property	Cash	Building Society	Mixed	Edinburgh Investment Trust	Bailie Gifford Japan Trust	Ethical	American	Pacific	Japan	Europe	Private Managed Fund 1	Broker Funds	Total
			£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Land	1		—	—	—	—	6,292	—	—	—	—	—	—	—	—	—	—	—	—	6,292
Fixed interest securities	2	Government or public authority	—	1,491	1,977	—	—	—	—	—	—	—	—	—	—	—	—	—	—	3,468
	3	Other	—	6,702	1,278	—	—	—	—	—	—	—	—	—	—	—	—	—	—	7,980
Variable interest securities	4		458,344	—	—	—	—	—	—	—	3,843	2,991	5,181	64,630	75,291	161,983	222,946	—	—	995,209
Unit Trusts	5		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Mortgages on land	6		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Building Society shares and deposits	7		—	—	—	—	—	—	1,481	—	—	—	—	—	—	—	—	—	—	1,481
Deposits and loans	8		9,966	280	41	—	1,664	46,774	—	—	54	23	111	4,019	3,637	12,630	11,719	—	—	91,118
Income due or accrued	9		3,812	326	47	—	1	300	—	—	—	—	24	173	138	113	140	—	—	5,074
Cash	10		10,314	—	—	—	—	27,800	12	—	—	—	—	—	1,260	—	—	—	—	39,392
Other assets (see appendix)	11		7,764	1,001	23	—	110	—	—	—	39	—	43	100	318	647	4,320	—	—	14,365
Total (1 to 11)	12		490,200	9,800	3,366	—	8,073	74,874	1,493	—	3,936	3,014	5,359	68,922	80,844	175,373	239,125	—	—	1,164,379
Total investment in other internal linked funds of the company	13		—	—	—	489,126	—	—	—	823,539	—	—	—	—	—	—	—	—	73,321	1,385,986
Total assets (12 + 13)	14		490,200	9,800	3,366	489,126	8,073	74,874	1,493	823,539	3,936	3,014	5,359	68,922	80,844	175,373	239,125	—	73,321	2,550,365
Amount set aside for tax on capital gains not yet realised	15		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Secured loans	16		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Unsecured loans	17		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Other liabilities (see appendix)	18		22,717	1,697	730	—	5,096	77	118	—	240	330	582	3,386	581	8,583	8,657	—	—	52,794
Total liabilities (15 to 18)	19		22,717	1,697	730	—	5,096	77	118	—	240	330	582	3,386	581	8,583	8,657	—	—	52,794
Net asset value (14 - 19)	20		467,483	8,103	2,636	489,126	2,977	74,797	1,375	823,539	3,696	2,684	4,777	65,536	80,263	166,790	230,468	—	73,321	2,497,571

NOTE: For the purposes of this return the assets have been valued on a basis similar to that required for assets 1 to 20 valued in accordance with the Asset Valuation Regulations.

Instructions 1. The entries at line 20 shall be the same as those at line 15 on form 51.

2. The entry at line 12 in the total column shall be equal to line 85 on form 13.

Appendix

Returns under Insurance Companies Legislation

Long Term business: Balance sheet for internal linked funds

Name of Company SCOTTISH EQUITABLE (MANAGED FUNDS) LIMITED - SERIES 'B'

Financial year ended 31 December 1991

NOTES

Name of Funds	Equity £000	Fixed Interest £000	Index Linked £000	Inter- national £000	Property £000	Cash £000	Building Society £000	Mixed £000	Edinburgh Investment Trust £000	Baillie Gifford Japan Trust £000	Ethical £000	American £000	Pacific £000	Japan £000	Europe £000	Private Managed Fund £000	Broker Funds £000	Total £000
1. Other Assets																		
Sundry Debtors	44	12	—	—	18	—	—	—	—	—	—	—	1	—	684	—	—	759
Due from parent (note 5)	—	142	—	—	92	—	—	—	—	—	—	100	—	—	—	—	—	334
Tax recoverable	5,188	847	23	—	—	—	—	—	39	—	43	—	53	56	—	—	—	6,249
Due from stockbrokers	2,532	—	—	—	—	—	—	—	—	—	—	—	264	591	3,636	—	—	7,023
Total other assets	7,764	1,001	23	—	110	—	—	—	39	—	43	100	318	647	4,320	—	—	14,365
2. Other Liabilities																		
Due to stockbrokers	10,026	—	—	—	—	—	—	—	—	—	—	206	325	576	2,689	—	—	13,822
Due to bankers	12,427	1,498	499	—	4,994	—	—	—	—	—	—	2,986	185	7,935	5,868	—	—	36,392
Due to parent (note 5)	263	57	231	—	97	75	118	—	240	329	577	93	68	70	82	—	—	2,300
Sundry Creditors	1	142	—	—	5	2	—	—	—	1	5	101	3	2	18	—	—	280
Total other liabilities	22,717	1,697	730	—	5,096	77	118	—	240	330	582	3,386	581	8,583	3,657	—	—	52,794
3. Unrealised Capital Gains/(Losses)	17,050	(1,475)	159	—	1,386	—	—	—	637	1,070	208	4,898	430	(16,777)	165	—	—	7,751

4. Value of Assets

Stock Exchange Securities have been valued at middle market value and Unit Trusts at published bid prices.

5. Due from/to Parent

These amounts are in respect of a reinsurance agreement between the Company and Scottish Equitable Life Assurance Society.

Returns under Insurance Companies Legislation

Long Term business: Balance sheet for internal linked funds

Name of Company SCOTTISH EQUITABLE (MANAGED FUNDS) LIMITED - SERIES 'C'

Financial year ended 31 December 1991

Name of Funds	Equity £000	Fixed Interest £000	Index Linked £000	Inter- national £000	American £000	Cash £000	Mixed £000	Tech- nology £000	Foreign Bond & Currency £000	Japan £000	European £000	Pacific £000	Gilt Protection £000	Ethical £000	Death Benefit £000	Broker Funds £000	Total £000
Type of asset																	
Land	1	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Fixed Interest Securities	2	2,400	1,554	—	—	—	—	—	—	—	—	—	—	—	—	—	3,954
Other	3	4,936	735	—	—	—	—	—	4,853	—	—	—	—	—	—	—	10,524
Variable interest securities	4	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Unit Trusts	5	68,488	—	—	11,950	—	—	7,466	—	17,370	49,750	24,155	—	908	—	—	180,087
Mortgages on land	6	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Building Society shares and deposits	7	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Deposits and loans	8	1,275	46	—	3	33,094	—	—	4,305	24	—	11	—	—	1,059	—	39,817
Income due or accrued	9	—	68	31	—	199	—	—	177	—	376	—	—	—	—	—	851
Cash	10	—	—	—	101	—	—	—	200	900	—	2,601	—	100	—	—	3,902
Other assets (see appendix)	11	528	131	19	21	—	—	16	83	81	121	38	3	1	108	—	1,150
Total (1 to 11)	12	70,291	7,581	2,339	12,075	33,293	—	7,482	9,618	18,375	50,247	26,805	3	1,009	1,167	—	240,285
Total investment in other internal linked funds of the company	13	—	—	—	17,126	—	123,952	—	—	—	—	442	—	—	—	53,706	195,226
Total assets (12 + 13)	14	70,291	7,581	2,339	17,126	33,293	123,952	7,482	9,618	18,375	50,247	27,247	3	1,009	1,167	53,706	435,511
Amount set aside for tax on capital gains not yet realised	15	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Secured loans	16	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Unsecured loans	17	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Other liabilities (see appendix)	18	2,181	1,569	1,917	—	57	3,161	642	348	189	465	139	3	29	31	—	10,731
Total liabilities (15 to 18)	19	2,181	1,569	1,917	—	57	3,161	642	348	189	465	139	3	29	31	—	10,731
Net asset value (14 - 19)	20	68,110	6,012	422	17,126	30,132	123,952	6,840	9,270	18,186	49,782	27,108	—	980	1,136	53,706	424,780

NOTE: For the purpose of these returns the assets have been valued on a basis similar to that required for assets being valued in accordance with the Asset Valuation Regulations. Instructions. 1. The entries at line 20 shall be the same as those at line 15 on form 51. 2. The entry at line 12 in the total column shall be equal to line 85 on form 13.

Returns under Insurance Companies Legislation

Long Term business: Balance sheet for internal linked funds Appendix

Name of Company SCOTTISH EQUITABLE (MANAGED FUNDS) LIMITED - SERIES 'C'

Financial year ended 31 December 1991

NOTES

Name of Funds	UK Equity £000	Fixed Interest £000	Index Linked £000	Inter national £000	American £000	Cash £000	Mixed £000	Tech- nology £000	Foreign Bond & Currency £000	Japan £000	European £000	Pacific £000	Gilt Protection £000	Ethical £000	Death Benefit £000	Broker Funds £000	Total £000
1. Other Assets																	
Tax recoverable	528	131	19	—	21	—	—	16	83	31	116	29	3	1	—	—	978
Due from parent (note 5)	—	—	—	—	—	—	—	—	—	39	—	—	—	—	—	—	39
Due from stockbrokers	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Due from shareholders fund	—	—	—	—	—	—	—	—	—	—	—	—	—	—	108	—	108
Sundry Debtors	—	—	—	—	—	—	—	—	—	11	5	9	—	—	—	—	25
Total other assets	528	131	19	—	21	—	—	16	83	81	121	38	3	1	108	—	1,150
2. Other Liabilities																	
Tax payable	535	75	12	—	15	872	—	41	283	—	—	40	3	1	31	—	1,908
Due to bankers	1,450	1,450	1,902	—	—	2,250	—	600	—	—	349	—	—	—	—	—	8,001
Due to parent (note 5)	196	44	3	—	42	39	—	1	65	150	116	99	—	28	—	—	783
Sundry Creditors	—	—	—	—	—	—	—	—	—	39	—	—	—	—	—	—	39
Total other liabilities	2,181	1,569	1,917	—	57	3,161	—	642	348	189	465	139	3	29	31	—	10,731
3. Unrealised Capital Gains/(Losses)	13,214	(1,656)	190	—	2,868	—	—	3,711	110	2,710	16,699	7,672	—	42	—	—	45,560

4. Value of Assets

Stock Exchange Securities have been valued at middle market value and Unit Trusts at published bid price.

5. Due from/to Parent

These are in respect of a reinsurance agreement between the Company and the Scottish Equitable Life Assurance Society.

Returns under Insurance Companies Legislation

Long Term business: Analysis of units in internal linked funds

Name of Company SCOTTISH EQUITABLE (MANAGED FUNDS) LIMITED - SERIES 'A'

Financial year ended 31 December 1991

Name of internal linked fund in which invested	Name of unit link	Valuation price per unit	Total number of units in force	Value of total units in force	Value of units held by each internal linked fund in each unit link of other internal linked funds							Value of units in force excluding those held by other internal linked funds (5 - 12) £000
					Value of units held by each internal linked fund in each unit link of other internal linked funds							
					Equity 6 £000	Fixed Interest 7 £000	International 8 £000	Property 9 £000	Cash 10 £000	Mixed 11 £000	Total 12 £000	
Equity	Equity	811.68	6,282,708	50,996	—	—	—	—	—	50,306	50,306	690
Fixed Interest	Fixed Interest	424.95	1,623,264	6,898	—	—	—	—	—	6,846	6,846	52
International	International	548.75	9,586,006	52,603	—	—	—	—	—	52,146	52,146	457
Property	Property	—	—	—	—	—	—	—	—	—	—	—
Cash	Cash	304.47	1,641,544	4,998	—	—	—	—	—	—	—	4,998
Mixed	Mixed	716.63	15,208,236	109,298	—	—	—	—	—	—	—	109,298
Total	—	—	—	224,793	—	—	—	—	—	109,298	109,298	115,495

Instructions.

1. The entries in column 5 for the total values of all units in force in each internal linked fund shall equal the entries in line 20 in form 49.
2. The totals of column 6, 7 etc shall equal the entries in line 13 on form 49.

Returns under Insurance Companies Legislation

Long Term business: Analysis of units in internal linked funds Summary

Name of Company

SCOTTISH EQUITABLE (MANAGED FUNDS) LIMITED - SERIES "B"

Financial year ended

31 December 1991

Financial year ended 31 December 1991												
Name of internal linked fund in which invested	Name of unit link	Valuation price per unit	Total number of units in force	Value of total units in force	Value of units held by each internal linked fund in each unit link of other internal linked funds - see Appendix		Value of units in force excluding those held by other internal linked funds (5 - 6)					
1	2	3	4	5 £000	6	Total £000	7 £000					
UK Equity	UK Equity	576.16	81,137,421	467,483	430,365		37,118					
Fixed Interest	Fixed Interest	223.91	3,618,854	8,103	3,041		5,062					
Index Linked	Index Linked	155.68	1,693,235	2,636	804		1,832					
International	International	535.90	91,271,896	489,126	414,259		74,867					
Property	Property	204.60	1,455,002	2,977	—		2,977					
Cash	Cash	245.10	30,517,052	74,797	22,889		51,908					
Building Society	Building Society	155.20	885,981	1,375	—		1,375					
Mixed	Mixed	501.10	164,345,940	823,539	2,240		821,299					
Edinburgh Investment Trust	Edinburgh Investment Trust	265.90	1,389,980	3,696	—		3,696					
Bailie Gifford Japan Trust	Bailie Gifford Japan Trust	188.80	1,421,579	2,684	—		2,684					
Ethical	Ethical	115.68	4,129,504	4,777	—		4,777					
American	American	159.99	40,963,193	65,536	62,923		2,613					
Pacific	Pacific	224.33	35,778,871	80,263	72,719		7,544					
Japan	Japan	211.62	78,813,956	166,790	161,572		5,218					
Europe	Europe	216.03	106,683,379	230,468	215,171		15,294					
Private Managed Fund 1	Private Managed Fund 1	—	—	—	—		—					
Broker Funds	Broker Funds	—	—	73,321	—		73,321					
Total	Total	—	644,105,843	2,497,571	1,385,986		1,111,585					

- Instructions
- The entries in column 5 for the total values of all units in force in each internal linked fund shall equal the entries in line 20 on form 49.
 - The total of column 6 shall equal the entries in line 13 on form 49.

Returns under Insurance Companies Legislation

Long Term business: Analysis of units in internal linked funds Appendix

Name of Company

SCOTTISH EQUITABLE (MANAGED FUNDS) LIMITED - SERIES "B"

Financial year ended

31 December 1991

Name of internal Linked fund in which invested	Name of unit link	Value of units held by each internal linked fund in each unit link of other internal linked funds																	
		Equity £000	Fixed Interest £000	Index Linked £000	Inter-national £000	Property £000	Cash £000	Building Society £000	Mixed £000	Edinburgh Investment Trust £000	Baillie Gifford Japan Trust £000	Ethical £000	American £000	Pacific £000	Japan £000	Europe £000	Private Managed Fund 1 £000	Broker Funds £000	Total £000
Equity	Equity	-	-	-	-	-	-	-	414,005	-	-	-	-	-	-	-	-	16,360	430,365
Fixed Interest	Fixed Interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,041	3,041
Index Linked	Index Linked	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	804	804
International	International	-	-	-	-	-	-	-	409,534	-	-	-	-	-	-	-	-	4,725	414,259
Property	Property	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cash	Cash	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Building Society	Building Society	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	22,889	22,889
Mixed	Mixed	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,240	2,240
Edinburgh Investment Trust	Edinburgh Investment Trust	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Baillie Gifford Japan Trust	Baillie Gifford Japan Trust	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Ethical	Ethical	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
American	American	-	-	-	60,074	-	-	-	-	-	-	-	-	-	-	-	-	2,849	62,923
Pacific	Pacific	-	-	-	65,045	-	-	-	-	-	-	-	-	-	-	-	-	7,674	72,719
Japan	Japan	-	-	-	157,553	-	-	-	-	-	-	-	-	-	-	-	-	4,019	161,572
Europe	Europe	-	-	-	206,454	-	-	-	-	-	-	-	-	-	-	-	-	8,720	215,174
Private Managed Fund 1	Private Managed Fund 1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Broker Funds	Broker Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	Total	-	-	-	489,126	-	-	-	823,539	-	-	-	-	-	-	-	-	73,321	1,385,986

Returns under Insurance Companies Legislation

Long Term business: Analysis of units in internal linked funds Summary

Name of Company SCOTTISH EQUITABLE (MANAGED FUNDS) LIMITED - SERIES "C"

Financial year ended 31 December 1991

1 Name of internal linked fund in which invested	2 Name of unit link	3 Valuation price per unit	4 Total number of units in force	5 Value of total units in force £000	6 Value of units held by each internal linked fund in each unit link of other internal linked funds - see Appendix	7 Value of units in force excluding those held by other internal linked funds (£5 - 6)
UK Equity	UK Equity	177.08	38,463,528	68,110	59,044	9,066
Fixed Interest	Fixed Interest	112.73	5,332,373	6,012	4,770	1,242
Index Linked	Index Linked	133.66	315,726	422	114	308
International	International	187.64	9,126,851	17,126	1,620	15,506
American	American	160.28	7,497,913	12,018	10,454	1,564
Cash	Cash	157.89	19,084,184	30,132	23,876	6,256
Mixed	Mixed	183.17	67,669,161	123,952	663	123,289
Technology	Technology	247.46	2,764,029	6,840	5,829	1,011
Foreign Bond & Currency	Foreign Bond & Currency	171.64	5,400,729	9,270	8,690	580
Japan	Japan	187.13	9,718,423	18,186	15,353	2,833
European	European	201.62	24,691,073	49,782	40,785	8,997
Pacific	Pacific	223.47	12,130,684	27,108	24,028	3,080
Gilt Protection	Gilt Protection	—	—	—	—	—
Ethical	Ethical	95.06	1,030,919	980	—	980
Death Benefit Fund	Death Benefit Fund	—	—	1,136	—	1,136
Broker Funds (See appendix)	Broker Funds	—	—	53,706	—	53,706
Total	Total	—	203,226,193	424,780	195,226	229,554

Instructions. 1. The entries in column 5 for the total values of all units in force in each internal linked fund shall equal the entries in line 20 on form 49.

2. The total of column 6 shall equal the entries in line 13 on form 49.

Returns under Insurance Companies Legislation

Long Term business: Analysis of units in internal linked funds

Name of Company SCOTTISH EQUITABLE (MANAGED FUNDS) LIMITED - SERIES "C"

Financial year ended 31 December 1991

Name of internal linked fund in which invested	Name of unit link	Value of units held by each internal linked fund in each unit link of other internal linked funds																
		Equity £000	Fixed Interest £000	Index Linked £000	Inter-national £000	American £000	Cash £000	Tech-nology £000	Foreign Bond & Currency £000	Japan £000	Mixed £000	European £000	Pacific £000	Gilt Pro-tection £000	Ethical £000	Death Benefit Fund £000	Broker Funds £000	Total £000
UK Equity	UK Equity	—	—	—	—	—	—	—	—	—	52,899	—	—	—	—	—	6,145	59,044
Fixed Interest	Fixed Interest	—	—	—	—	—	—	—	—	—	3,019	—	—	—	—	—	1,751	4,770
Index Linked	Index Linked	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	114	114
International	International	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	1,620	1,620
American	American	—	—	—	1,593	—	—	—	—	6,754	—	—	—	—	—	—	2,107	10,454
Cash	Cash	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	23,876	23,876
Technology	Technology	—	—	—	—	—	—	—	—	5,398	—	—	—	—	—	—	431	5,829
Foreign Bond & Currency	Foreign Bond & Currency	—	—	—	—	—	—	—	—	6,706	—	—	—	—	—	—	1,984	8,690
Japan	Japan	—	—	—	2,424	—	—	—	—	8,956	—	442	—	—	—	—	3,531	15,353
Mixed	Mixed	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	663	663
European	European	—	—	—	8,752	—	—	—	—	26,607	—	—	—	—	—	—	5,426	40,785
Pacific	Pacific	—	—	—	4,357	—	—	—	—	13,613	—	—	—	—	—	—	6,058	24,028
Gilt Protection	Gilt Protection	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Ethical	Ethical	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Death Benefit Fund	Death Benefit Fund	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Broker Funds	Broker Funds	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Total	Total	—	—	—	17,126	—	—	—	—	123,952	—	442	—	—	—	—	53,706	195,226

Returns under Insurance Companies Legislation

Long Term business: Revenue account for internal linked funds

Name of Company SCOTTISH EQUITABLE (MANAGED FUNDS) LIMITED - SERIES 'A'

Financial year ended 31 December 1991

Name of Funds	Equity £000	Fixed Interest £000	International £000	Property £000	Cash £000	Mixed £000
1 Value of net creation of units	—	—	—	—	1,346	—
2 Investment income attributable to the fund before deduction of tax	2,931	861	1,866	62	550	—
3 Increase (decrease) in the value of investments in financial year	7,074	491	11,058	128	—	19,487
4 Other income	—	—	—	—	—	—
5 Total income (1 to 4)	10,005	1,352	12,924	190	1,896	19,487
6 Value of net cancellation of units	8,224	6,961	8,269	5,562	—	23,945
7 Charges for management	143	11	151	2	15	69
8 Charges in respect of tax on investment income	—	—	220	—	—	—
9 Taxation on realised capital gains	—	—	—	—	—	—
10 Increase (decrease) in amount set aside for tax on capital gains not yet realised	—	—	—	—	—	—
11 Other expenditure	5	—	62	2	6	—
12 Total expenditure (6 to 11)	8,372	6,972	8,702	5,566	21	24,014
13 Increase (decrease) in fund in the financial year (5 - 12)	1,633	(5,620)	4,222	(5,376)	1,875	(4,527)
14 Internal linked fund brought forward	49,363	12,518	48,381	5,376	3,123	113,825
15 Internal linked fund carried forward	50,996	6,898	52,603	—	4,998	109,298

Instruction. Funds shall be entered in the same column positions on this form and on form 49.

Companies under Insurance Companies Legislation

Long Term business: Revenue account for internal linked funds

Name of Company SCOTTISH EQUITABLE (MANAGED FUNDS) LIMITED - SERIES 'B'

Financial year ended 31 December 1991

Name of Funds	Equity £000	Fixed Interest £000	Index Linked £000	Inter- national £000	Property £000	Cash £000	Building Society £000	Mixed £000	Edinburgh Investment Trust £000	Bailie Gifford Japan Trust £000	Ethical £000	American £000	Pacific £000	Japan £000	Europe £000	Private Managed Fund 1 £000	Broker Funds £000
Value of net creation of units	1 171,814	—	25 190,864	283	7,972	371 324,950	499	189	2,154	28,855	70,427	55,674	—	17,183	—	—	—
Investment income attributable to the fund before deduction of tax	2 20,606	3,192	137	539	5,683	150	168	2	210	1,571	2,506	8,721	53	—	—	—	—
Increase (decrease) in the value of investments in financial year	3 23,111	2,571	41 9,954	(593)	—	—	20,855	377	341	6,980	1,492	17,464	(1)	2,584	—	—	—
Other income	4 —	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Total income (1 to 4)	5 215,531	5,763	203 200,818	229	13,655	521 345,805	1,044	587	2,705	37,406	74,825	81,859	52	19,767	—	—	—
Value of net cancellation of units	6 —	19,657	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Charges for management	7 2,913	253	23	52	348	9	27	21	55	408	1,132	1,670	3	—	—	—	—
Charges in respect of tax on investment income	8 —	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Taxation on realised capital gains	9 —	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Increase (decrease) in amount set aside for tax on capital gains not yet realised	10 —	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Other expenditure	11 27	2	—	13	2	—	—	—	—	—	—	—	—	—	—	—	—
Total expenditure (6 to 11)	12 2,940	19,912	23	65	350	9	27	22	59	611	1,353	3,151	52	—	—	—	—
Increase (decrease) in fund in the financial year (5 - 12)	13 212,591	(14,149)	160 200,818	164	13,305	512 345,805	1,017	565	2,646	36,795	73,472	78,708	—	19,767	—	—	—
Internal linked fund brought forward	14 254,892	22,252	2,456 288,308	2,813	61,492	863 477,734	2,679	2,119	2,131	28,741	93,318	151,760	—	53,554	—	—	—
Internal linked fund carried forward	15 467,483	8,103	2,636 489,126	2,977	74,797	1,375 823,539	3,696	2,684	4,777	65,536	166,790	230,468	—	73,321	—	—	—

Instruction. Funds shall be entered in the same column positions on this form and on Form 49.

Returns under Insurance Companies Legislation

Long Term business: Revenue account for internal linked funds

Name of Company

SCOTTISH EQUITABLE (MANAGED FUNDS) LIMITED - SERIES 'C'

Financial year ended

31 December 1991

Name of Funds	UK Equity £000	Fixed Interest £000	Index Linked £000	Inter- national £000	American £000	Cash £000	Mixed £000	Tech- nology £000	Foreign Bond & Currency £000	Japan £000	European £000	Pacific £000	Gilt Pro- tection £000	Ethical £000	Death Benefit Fund £000	Broker Funds £000
Value of net creations of units	1	—	—	—	7,930	—	—	4,193	3,203	3,541	—	8,895	—	462	—	—
Investment income attributable to the fund before deduction of tax	2	3,735	434	97	—	3,798	—	192	829	1	670	216	14	9	123	—
Increase (decrease) in the value of investments in financial year	3	(4,844)	423	(40)	743	(3,634)	—	(1,977)	(839)	(1,599)	(1,211)	(3,255)	(5)	(69)	—	3,428
Other Income	4	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Total income (1 to 4)	5	(1,109)	857	57	743	4,467	3,798	2,408	3,193	1,943	(541)	5,856	9	402	123	3,428
Value of net cancellation of units	6	950	1,389	2,909	31	—	20,205	521	—	—	1,929	—	133	—	31	7,673
Charges for management	7	—	71	17	—	—	239	—	67	—	—	—	1	—	46	—
Charges in respect of tax on investment income	8	(378)	(46)	—	—	(11)	—	(32)	—	11	(264)	(18)	—	(1)	—	—
Taxation on realised capital gains	9	17	(36)	—	—	(6)	—	27	140	(6)	(112)	25	—	—	—	—
Increase (decrease) in amount set aside for tax on capital gains not yet realised	10	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Other expenditure	11	—	5	—	—	7	—	2	6	7	4	2	—	—	—	—
Total expenditure (6 to 11)	12	589	1,383	2,926	31	(10)	20,444	(3)	213	12	1,557	9	134	(1)	77	7,673
Increase (decrease) in fund in the financial year (5 - 12)	13	(1,698)	(526)	(2,869)	712	4,477	(16,646)	587	2,980	1,931	(2,098)	5,847	(125)	403	46	(4,245)
Internal linked fund brought forward	14	69,808	6,538	3,291	16,414	7,541	46,778	123,365	6,290	16,255	51,880	21,261	125	577	1,090	57,951
Internal linked fund carried forward	15	68,110	6,012	422	17,126	12,018	30,132	6,840	9,270	18,186	49,782	27,108	—	980	1,136	53,706

Instructions. Funds shall be entered in the same column positions on this form and on form 49.

SCOTTISH EQUITABLE (MANAGED FUNDS) LIMITED

NOTES TO THE RETURN

1. EXCHANGE RATES

Assets and liabilities in currencies other than sterling have been translated at the rates of exchange ruling at the financial year end. Revenue transactions and investment realisations have been translated at the rates of exchange ruling at the time of the transaction.

2. CONTINGENT LIABILITIES

- (a) No charge has been made on the assets of the Society to secure the liabilities of any other person.
- (b) No provision has been made for any liability to tax on capital gains on Series A and Series B as this is free from such tax. A provision has been made for the liability to tax on capital gains on the realised gains on Series C.

3. INSURANCE COMPANIES ACT 1982 - SECTION 68 ORDER

The Secretary of State for Trade and Industry in a letter to the Company dated 10th June 1987 agreed that instead of preparing separate details for each individual broker fund, the Company may prepare consolidated details for forms 49, 50, 51 and 57.

DIRECTORS' CERTIFICATE

We certify

- (i) in relation to the part of the return comprising Forms 9, 10, 13 to 16, 40, 41, 42, 43, 44, and 49 to 51 -
 - (a) that for the purpose of preparing the return,
 - (i) proper accounts and records have been maintained and adequate information has been obtained by the Company, and
 - (ii) an appropriate system of control has been established and maintained by the Company over its transactions and records;
 - (b) that the value shown for each category of asset has been determined in conformity with Regulation 4 of the Insurance Companies (Accounts and Statements) Regulations 1983 and includes the value of only such assets or such parts thereof as are permitted to be taken into account;
 - (c) that the amount shown for each category of liability (including contingent and prospective liabilities) has been determined in conformity with Regulation 4 of the Insurance Companies (Accounts and Statements) Regulations 1983.
 - (d) that the assets held at the end of the financial year enabled the Company to comply with Regulations 25 and 26 (matching and localisation) of the Insurance Companies Regulations 1981; and
 - (e) that the returns in respect of long term business are not distorted by agreements between the Company and any other company carrying on insurance business, or by any arrangements which could affect the apportionment of expenses and income, except as otherwise disclosed.
- (ii)
 - (a) that the requirements of sections 28 to 31 of the Insurance Companies Act 1982 have been fully complied with and in particular that, subject to the provisions of section 29(2) and (3) and section 30 of the Insurance Companies Act 1982, assets attributable to long term business, the income arising therefrom, the proceeds of any realisation of such assets and any other income or proceeds allocated to the long term business fund have not been applied other than for the purpose of the long term business;
 - (b) that any amount payable from or receivable by the long term business fund in respect of services rendered by or to any other business carried on by the Company or by a person connected with it for the purposes of Section 31 of the Insurance Companies Act 1982 has been determined and where appropriate apportioned on terms which are believed to be no less than fair to that fund, and any exchange of assets representing such fund for other assets of the Society has been made at fair market value; and
 - (c) that no guarantees have been given by the Company of the performance by a related company of a contract binding on the related company which would fall to be met by any long term business fund.
- (iii)
 - (a) that immediately following the end of the financial year the amount of the Company's required minimum margin was as shown in Form 9.
 - (b) that at the end of the financial year the amount of the Company's available assets and quantifiable contingent liabilities (other than those included in Form 14) were as shown in Form 9.
- (iv) in relation to the statement required by Regulation 29 of the Insurance Companies (Accounts and Statements) Regulations 1983:
 - (a) that for the purpose of preparing the statement, proper accounts and records have been maintained; and
 - (b) that the information given has been ascertained in conformity with that Regulation.
- (v) That the company has fully complied with the requirements of S31A of the Insurance Companies Act 1982.

C.F. SLEIGH, Chairman

D.J. KIRKPATRICK, Director

D.A. BERRIDGE, Chief Executive

Edinburgh, 18th June 1992

APPOINTED ACTUARY'S CERTIFICATE

I certify that:

- (a)
 - (i) in my opinion proper records have been kept by the Company adequate for the purpose of the valuation of the liabilities of its long term business.
 - (ii) the mathematical reserves as shown in Form 14 constitute proper provision as at 31 December 1991 for the liabilities (other than those which had fallen due before that date) arising under or in connection with contracts for long term business.
 - (iii) for the purposes of (ii) above the liabilities have been assessed in accordance with Part VI of the Insurance Companies Regulations 1981 in the context of assets valued in accordance with Part V of those Regulations, as shown in Form 13.
- (b) The amount of the required minimum margin applicable to the Company's long term business immediately following 31 December 1991 is £11,123,000

Edinburgh, 18th June 1992

P. H. Grace, Appointed Actuary

STATEMENT OF INFORMATION ON APPOINTED ACTUARY

1.
 - (a) Scottish Equitable (Managed Funds) Limited is a wholly owned subsidiary of Scottish Equitable Life Assurance Society ("the Society") which has no shareholders. There are no debenture holders. The Actuary receives no pecuniary benefits from the company itself.
 - (b) The Actuary has in force with the Society six with profits endowment assurances, five of which mature in 1998 and one in 2003 and a Performance Bond. The total gross premiums paid in 1991 were £3,104 the total sums assured amount to £71,290 and the total declared bonuses are £26,379.
 - (c) The Actuary has a mortgage loan from the Society of £44,500 on normal staff terms.
 - (d) The aggregate amount of the emoluments received by the Actuary from the Society during the year was £99,893.
 - (e) Pension and lump sum benefits are provided under the standard terms and conditions of the Society's Staff Retirement and Death Benefit Scheme.
2. The company made a request to the Actuary to furnish it with the particulars specified in paragraph (1) of Regulation 29 of the Insurance Companies (Accounts and Statements) Regulations 1983. Pursuant to that request the Actuary supplied information in item 1 above and the Company has nothing to add to it.

AUDITOR'S REPORT

We have examined Forms 9, 10, 13 to 16, 40, 41, 42, 43, 44, and 49 to 51, together with the related notes on page 34.

In our opinion these forms have been properly prepared in accordance with the provisions of the Insurance Companies (Accounts and Statements) Regulations 1983.

In our opinion and according to the information and explanations we have received, the certificate on page 35 required to be signed in accordance with Regulation 26(a) has been properly prepared in accordance with these Regulations and in our opinion and according to the information and explanations we have received, it was reasonable for the persons giving that certificate to have made the statements therein.

In giving our opinion we have relied on the certificate of the appointed actuary given in accordance with the provisions of the Insurance Companies (Accounts and Statements) Regulations 1983 with respect to the mathematical reserves and required minimum margin of the Company.

Edinburgh, 19th June 1992

Scott-Moncrieff Thomson & Shiells
Chartered Accountants
17 Melville Street, Edinburgh

SCOTTISH EQUITABLE (MANAGED FUNDS) LIMITED

Statement in accordance with the terms of Section 22(2) of the Insurance Companies Act 1982 and Regulations made thereunder for the year to 31st December 1991.

CONNECTED PERSONS AUTHORISED BY THE COMPANY TO ISSUE INVITATIONS

The following directors of the Company:-

David A. Berridge

John G. Elliott

Paul H. Grace

David A Henderson

David J. Kirkpatrick

Charles F. Sleigh

The following manager of the Company:-

Roy Patrick

The following partners of directors of the Company:-

The Partners of Messrs. Grant Thornton, Chartered Accountants,
1/4 Atholl Crescent, Edinburgh, EH3 8LQ and elsewhere in Great Britain.

Other Connected Persons known to have issued invitations:-

None

C.F. SLEIGH, Chairman

D.J. KIRKPATRICK, Director

D.A. BERRIDGE, Chief Executive

Edinburgh, 18th June 1992

SCOTTISH EQUITABLE (MANAGED FUNDS) LIMITED

SCHEDULE 4

VALUATION REPORT ON SCOTTISH EQUITABLE (MANAGED FUNDS) LTD. MADE BY THE APPOINTED ACTUARY

The Valuation is in conformity with Regulation 54 of the Insurance Companies Regulations 1981.

1. The date to which the investigation relates is 31 December 1991.
2. The date to which the previous investigation related was 31 December 1990.
3. All contracts in force are linked contracts.
4. The Company operates three series of internal linked funds.

SERIES A is for group deferred annuity contracts written as direct business, (closed to new business from 1.1.91). A suitable charging structure for the same market has been implemented under Series B, which in this report will be referred to as "Series B Pooled Funds" in this context.

SERIES B is for individual and group deferred annuity and pension contracts reassured from Scottish Equitable Life Assurance Society.

SERIES C is for individual life assurance contracts reassured from Scottish Equitable Life Assurance Society.

- (1) Descriptions of the categories of contract were given in the report on the year to 31 December 1990 with the exception of the following new contract introduced in 1991.

Life Fund

Passport for Life-Linked Portions

These are reassurances from Scottish Equitable Life Assurance Society of the linked portions of its Unit-Linked Whole of Life Plan.

- (a) This is a Unit-Linked Whole of Life Plan which has benefits linked to units deemed allocated in internal funds of the Company's Series C Funds. Any level of sum assured between a maximum and minimum can be chosen, where the maximum sum assured is the highest level of cover that can be offered (based on an age related table of sums assured) and the minimum sum assured is 101% of the bid value of the units at the date of claim. On death, the benefit payable is the chosen level of sum assured.

The Plan also allows receipt of all or a proportion of the sum assured on being diagnosed as suffering or having suffered a critical illness as detailed in the policy conditions. Costs for Critical Illness Cover and Death Benefit are met by monthly deduction of units from the policy. The scale of these charges is not guaranteed.

On surrender, the benefit payable is the bid value of the units, except during the reduced allocation period when the benefit is zero.

- (b) During the first two years of the plan there is a reduced allocation period which varies according to age. This relates to regular premiums only. Any increase in premiums is also subject to a reduced allocation period for two years. Following that period, 100% of each premium is allocated to purchase units. The table below shows the reduced allocations that are applicable.

REGULAR PREMIUMS

Age Next Birthday	Allocation
Up to 45	20%
55	24%
60	26%
65	32%
70	42%
75	52%

SCOTTISH EQUITABLE (MANAGED FUNDS) LIMITED
SCHEDULE 4 - continued

The allocation rates for single premiums are also shown below.

SINGLE PREMIUMS	
Amount of Investment	Allocation
£1,000 - £2,499	97.5%
£2,500 - £7,499	99.0%
£7,500 - £24,999	100.0%
£25,000 - £49,999	100.5%
£50,000 and over	101.0%

(c) The internal linked funds to which benefits may be linked are the Series C Funds.

(d) There are no provision for benefits to be linked to any Authorised Unit Trusts.

Pension Fund

The undernoted contracts had amendments made to their charging structures and the new contract descriptions are as follows. Two additional variations (in charging structure only) of Exsel Plus - Linked Portions were also introduced in 1991 and are described below.

Reflex - Personal Pensions - Linked Portions

- (a) The unit linked benefits are linked to units deemed allocated in Series B Funds. All allocations are to "Accumulation" Units. At maturity the benefit payable is the bid value of the units deemed allocated to the contract, which must be applied to the provision of benefits in accordance with Chapter IV of Part XIV of the Income and Corporation Taxes Act 1988. If benefits are taken at an earlier date than that for which the contract is set up a deduction may apply.
- (b) Unit allocations are 101.25% of the contribution for all regular contributions except those over £10,000 where the allocation is 103.25%. For single contributions, 99% of the first £5,000 is allocated to purchase units. Any amount in excess of £5,000 is applied to purchase units in accordance with the following scale:

Number of complete Years to Retirement Date	Allocation %
Up to and including 8 years	100.0%
9 years	102.5
10 years	104.5
11 years	105.5
12 years	106.5
13 years	107.5
14 years	108.5
15 years or more	110.0

If further special contributions are paid then the allocation rate depends on the total of special contributions already paid into the plan ie if special contributions exceed £5,000 in total then any further special contributions receive an allocation rate of at least 100%.

In addition to the charges on the internal linked funds, there is a charge deductible from the policyholder's fund. The charge is £2 per month (£24 p.a.) if the policyholder is self-employed or £3 per month (£36 p.a.) if he is in non-pensionable employment. If a single premium is paid, one annual charge will be made in respect of that year. If no premiums are paid for 12 consecutive months, a charge of £12 p.a. will be deducted for every such period. In addition ³/₄% of the units purchased by regular contributions will be cancelled at the end of every 12 months whenever the total of regular contributions paid is less than 15 times the highest level of regular premium paid in any 12 month period.

SCOTTISH EQUITABLE (MANAGED FUNDS) LIMITED
SCHEDULE 4 - continued

- (c) The internal funds to which benefits may be linked are the Series B Funds. All allocations are deemed to be to Accumulation Units.
- (d) There is no provision for benefits to be linked to any Authorised Unit Trust.

Exsel Plus - Linked Portions

- (a) The unit linked benefits are linked to units deemed allocated in Series B Funds. All allocations are to "Accumulation" Units. At maturity, the benefit payable is the bid value of the units deemed allocated to the contract, which must be applied to the provision of benefits in accordance with Chapter I of Part XIV of the Income and Corporation Taxes Act 1988. If benefits are taken at an earlier date than that for which the contract is set up a deduction may apply.
- (b) Allocations are the same as for Reflex - Personal Pensions - Linked Portions (see page 40).

In addition to the charges on the internal linked funds, there is a charge of £2 per month (£24 p.a.) deductible from the policyholder's fund where level premiums are paid or £3 per month (£36 p.a.) if variable contributions are paid. In addition 3/4% of the units purchased by regular contributions will be cancelled at the end of every 12 months whenever the total of regular contributions paid is less than 15 times the highest level of regular premium paid in any 12 month period.

- (c) The internal funds to which benefits may be linked are the Series B Funds. All allocations are deemed to be to Accumulation Units.
- (d) There is no provision for benefits to be linked to any Authorised Unit Trust.

The following variations (in charging structure only) of Exsel Plus - Linked Portions were introduced in 1991:

Exsel Plus (Trustee Investment) - Linked Portions

This variation is for investment only purposes by Pension Scheme Trustees on a non-earmarked basis.

- (a) The unit linked benefits are linked to units deemed allocated in Series B Funds. All allocations are to "Accumulation" Units. The benefit payable is the bid value of the units deemed allocated to the contract, which must be applied to the provision of benefits in accordance with Chapter I of Part XIV of the Income and Corporation Taxes Act 1988. Due to the non-earmarked nature of this variation, the contract is not written to a fixed maturity date, but deductions may apply to withdrawals at short durations in force.
- (b) Allocation rates are as follows:

Contribution (Annual or Single)	Allocation %
Up to £49,999	99%
£50,000+	100%

Incremental Business takes account of existing contributions made, net of withdrawals, and the level of increment being paid. If the increment takes the total paid to £50,000 or more, the whole increment receives an allocation of 100%.

- (c) The internal funds to which benefits may be linked are the series B Funds. All allocations are deemed to be Accumulation Units.
- (d) There is no provision for benefits to be linked to any Authorised Unit Trust.

SCOTTISH EQUITABLE (MANAGED FUNDS) LIMITED
SCHEDULE 4 - continued

Exsel Plus (Pooled Funds) - Linked Portions

This variation is for investment only purposes by Pension Scheme Trustees on a non-earmarked basis.

- (a) The unit linked benefits are linked to units deemed allocated in Series B Pooled Funds. All allocations are to "Accumulation Units". The benefit payable is the bid value of the units deemed allocated to the contract which must be applied to the provision of benefits in accordance with Chapter I of Part XIV of the Income and Corporation Taxes Act 1988. Due to the non-earmarked nature of this variation, the contract is not written to a fixed maturity date.
- (b) All contributions (subject to a minimum of £50,000) receive an allocation rate of 104%, as do all increments above this level. For large funds, (in excess of £250,000), a loyalty bonus is granted in the form of the purchase of additional units at the end of the first and subsequent years.
- (c) The internal funds to which benefits may be linked are the Series B Pooled Funds. All allocations are deemed to be to Accumulation Units.
- (d) There is no provision for benefits to be linked to any Authorised Unit Trust.

(2) (a) The Series A Funds are as follows:

- (i) A UK Equity Fund which will be invested wholly or mainly in ordinary stocks and shares, and in stocks and shares which are or will become convertible into ordinary stocks and shares, of United Kingdom companies.
- (ii) A Fixed Interest Fund which will be invested wholly or mainly in stocks, securities, mortgage bonds, deposits, preference shares and other investments bearing interest at fixed rates.
- (iii) An International Fund which will be invested wholly or mainly in stocks, shares and securities of companies outside the United Kingdom.
- (iv) A Property Fund which will be invested wholly or mainly in real or heritable estate, freehold or leasehold.
- (v) A Cash Fund which will be invested wholly or mainly in the money market.

The Series B Funds offer the same range of funds plus the following additional funds:

- (i) An Index Linked Fund which will be invested wholly or mainly in index-linked Government securities and index-linked debentures.
- (ii) An American Fund which will be invested wholly or mainly in ordinary stocks and shares of companies based on the American continent.
- (iii) A Japan Fund which will be invested wholly or mainly in ordinary stocks and shares quoted in the Japanese market.
- (iv) A European Fund which will be invested wholly or mainly in ordinary stocks and shares quoted on the European stock exchanges.
- (v) A Pacific Fund which will be invested wholly or mainly in ordinary stocks and shares quoted on stock exchanges of the Pacific basin as well as the Japan Fund.
- (vi) A Building Society Fund which will be invested wholly or mainly in deposits or shares of UK authorised building societies.
- (vii) An Ethical Fund which will be invested wholly or mainly in UK or overseas equities of companies which meet certain conditions as to the nature and conduct of their business.

Further Series B Funds have been set up which invest only in the shares of specified Investment Trust Companies. There are two such funds at present investing in respectively:

- (1) The Edinburgh Investment Trust
- (2) The Baillie Gifford Japan Trust

SCOTTISH EQUITABLE (MANAGED FUNDS) LIMITED

SCHEDULE 4 - continued

In addition to the above there are a number of "broker funds" which operate in the same way as the Mixed Fund but are used for the clients of particular intermediaries and where the "mix" of other funds in which they invest is chosen by the intermediary. The Ethical Fund is not available for investment by broker funds.

The Series C Funds are as follows:

- (i) A Cash Fund which will be invested wholly or mainly in the money market in short term deposits guaranteed not to fall in value.
- (ii) An Index Linked Fund which will be invested wholly or mainly in index-linked Government securities.
- (iii) A Fixed Interest Fund which will be invested wholly or mainly in Government stocks or debentures or other securities bearing interest at fixed rates.
- (iv) A UK Equity Fund which will be invested wholly or mainly in ordinary stocks and shares of United Kingdom companies.
- (v) An American Fund which will be invested wholly or mainly in ordinary stocks and shares of companies based on the American continent.
- (vi) A Japan Fund which will be invested wholly or mainly in ordinary stocks and shares quoted in the Japanese market.
- (vii) A European Fund which will be invested wholly or mainly in ordinary stocks and shares quoted on the European stock exchanges.
- (viii) A Pacific Fund which will be invested wholly or mainly in ordinary stocks and shares quoted on stock exchanges of the Pacific basin as well as the Japan Fund.
- (ix) A Technology Fund which will be invested wholly or mainly in ordinary stocks and shares quoted on stock exchanges internationally provided the companies are involved in specialised technology.
- (x) A Foreign Bond and Currency Fund which will be invested wholly or mainly in bonds and short term deposits in any currency.
- (xi) An International Fund which invests in the other equity funds.
- (xii) A Mixed Fund which invests in any of the other funds offered.
- (xiii) An Ethical Fund which invests wholly or mainly in ordinary stocks and shares of companies which meet certain conditions as to the nature and conduct of their business.

In addition to the above, there are a number of "broker funds" which operate in the same way as the Mixed Fund but are used for the clients of particular intermediaries and where the "mix" of other funds in which they invest is chosen by the intermediary. The Ethical Fund is not available for investment by broker funds.

Each Fund in each Series of Funds bears the costs incurred in the acquisition or realisation of each asset. The contracts linked to Series A and Series B Funds fall within the Pension Business Fund and are not liable to tax on the underlying fund. Contracts linked to Series C fall within the Life Fund and taxation is deducted from the income accruing to Series C Funds. For Series C Funds there is also a deduction from the value of the assets in determining unit prices to allow for any Capital Gains Tax incurred or potentially payable.

- (b) For Series A Funds the investment management charges are currently as follows. The charges may be altered at the Company's discretion.

- (i) Initial charge applied to all contributions

Mixed Fund	1.0%
Property Fund	1.5%
Equity Fund	1.0%
International Fund	1.0%
Fixed Interest Fund	0.5%
Cash Fund	Nil

If in any calendar year contributions exceed £500,000 reduced charges will apply.

SCOTTISH EQUITABLE (MANAGED FUNDS) LIMITED

SCHEDULE 4 - continued

(ii) Recurring charge levied on the value of each fund.

Mixed Fund - Dependent upon the value of the units held in the component funds

Property Fund	0.375%
Equity Fund	0.250%
International Fund	0.250%
Fixed Interest Fund	0.125%
Cash Fund	0.300%

The recurring charges are included in the unit price and are levied at $\frac{1}{12}$ th of the rates above on the value of the fund each month.

Maximum Bid/Offer Difference	Mixed Fund - function of mix
	Property Fund 4.5%
	Equity Fund 3.0%
	International Fund 3.0%
	Fixed Interest Fund 1.5%
	Cash Fund Nil

For Series B Accumulation Units the Company deducts each day from each investment fund a sum equal to $\frac{1}{365}$ th of $\frac{3}{4}$ % of the fund's offer value. The difference between bid and offer values of any fund is not permitted to exceed 5% of the offer value. The figure of $\frac{3}{4}$ % may be increased but not to more than 1%. For Series B the price of an Initial Unit is that of the Accumulation Unit reduced by 7% p.a. in respect of each year since the date of establishment of the relevant fund.

For Series C units the Company deducts each day from each investment fund a sum equal to $\frac{1}{365}$ th of $\frac{3}{4}$ % of the fund's offer value. This figure of $\frac{3}{4}$ % may be altered at the Company's discretion. The difference between bid and offer values of any fund is not permitted to exceed 5% of the offer value.

Note:- (a) For Series B and C Funds designated as "broker funds" the figure of $\frac{3}{4}$ % p.a. as a periodic charge is increased in some funds. The maximum amount of increase is 1.5% p.a. and in some cases there is no increase. The Series C Broker Funds to which Managed Bonds are linked all have a total periodic charge of 1.5% p.a. In terms of an order granted under Section 68 of the Insurance Companies Act 1982 the details of broker funds are shown on a consolidated basis in Form 57.

(b) For the Series B and C Ethical Funds the figure of $\frac{3}{4}$ % p.a. as a periodic charge is also increased and is currently $1\frac{1}{2}$ % p.a.

(3) There are no contracts linked to Authorised Unit Trusts.

- Death benefits are provided in Performance Bonds and Managed Bonds linked to Series C Funds. The cost of this small additional death benefit above the value of the units has been assessed using A67-70 ultimate mortality and found to be equivalent to less than $\frac{1}{20}$ % of the value of the funds and is met from the $\frac{3}{4}$ % annual charge on the funds. For Mortgage Link linked portions the sums reinsured from Scottish Equitable Life Assurance Society are 1% of that part of the original sums assured relating to the linked portions and will not normally require a mortality reserve to be held after the first year in force. For the current in force sums at risk and taking account of the fact that all premiums are due monthly a mortality reserve assessed using A67-70 ultimate mortality would be less than £220 and could be met from the annual charge on the funds. For Passport for Life linked portions the sums reinsured from Scottish Equitable Life Assurance Society are 1% of that part of the original sums assured relating to the linked portions and will not normally require a mortality reserve to be held after the first year in force. For the current in force sums at risk and taking account of the fact that all premiums are due monthly a mortality reserve assessed using A67-70 ultimate mortality would be less than £15 and could be met from the annual charge on the funds. In all other contracts death benefits are not provided.

All other liabilities are in terms of units of the three series of funds and the answers below are given in that context.

SCOTTISH EQUITABLE (MANAGED FUNDS) LIMITED
SCHEDULE 4 - continued

- (a) The assets and liabilities are matched, all liabilities being in respect of property linked contracts. In so far as liabilities relate to "broker funds" the assets and liabilities are absolutely matched for each individual fund.
- (b) The net premium method is inappropriate and the valuation liability is the value of the units deemed allocated to each contract. The valuation prices per unit are not the published prices but are those derived on Form 50, being the total value of the underlying assets for each fund divided by the total number of units in force. These underlying values are determined in accordance with the basis of valuation stated in the notes to Form 49.
- (c) Negative reserves do not arise.
- (d) Bonus is not payable on any of the contracts.
- (e) There is no reserve for prospective liability for tax on unrealised capital gains.

For Series A and Series B Funds capital gains tax should not arise since the contracts are in the Pension Business Fund. For Series C Funds an allowance for potential capital gains tax on unrealised gains has been made in the published unit prices and the liability for realised gains is charged against the funds when it arises. The valuation prices for Series C units reflect the full underlying values of the assets as described at 5(b) and have not been reduced because of potential Capital Gains Tax on unrealised gains. This means that the valuation prices adopted effectively cover any potential liability for capital gains tax as well as the liability to the policyholders.

- (f) There are no investment performance guarantees.
- (g) There are no other guarantees or options.

6. Interest and mortality are not appropriate to the valuation of the liabilities.

7. There are no non-linked contracts in force.

8. (a) The valuation net liability is the value of the units allocated or deemed allocated to each contract.
- (b) In respect of contracts linked to Series A Funds the major expenses are incurred in respect of investment and the charges on the funds may be varied at the Company's discretion.

The contracts linked to Series B Funds are administered by the Scottish Equitable Life Assurance Society, who retain or receive from the Company most of the charges inherent in the underlying contracts in respect of the administration services provided.

The Performance Bond, Managed Bond, Mortgage Link and Passport for Life contracts linked to Series C Funds are administered by the Scottish Equitable Life Assurance Society who retain or receive from the Company most of the charges inherent in the underlying contracts in respect of the administration services provided. The Company retains an annual sum equivalent to 9/160% of the fund's offer value in respect of death claims.

9. All liabilities are in respect of property linked benefits.
10. There are no reinsurances on facultative or treaty bases.
11. Not applicable.
12. There is no distribution of profits to policyholders. The distribution of profits to shareholders is determined by the Directors in accordance with the Articles of Association of the Company.
- 13-16. Do not apply since no contracts participate in profits.
17. See Forms 56 and 57.
18. See Form 58.
19. See Form 60.

**VALUATION SUMMARY OF LINKED CONTRACTS - GLOBAL BUSINESS - ORDINARY LONG TERM
LIFE ASSURANCE BUSINESS - DIRECT BUSINESS AND REASSURANCE ACCEPTED**

**Form 56
OB**

Name of Contract	Valuation Basis		Number of Contracts	Amount of sums assured, annuities per annum, or other measure of benefit, including vested reversionary bonuses			Amount of Premiums		Category of Unit Link	Unit Liability	Non - Unit Liabilities		Amount of Mathematical Reserves
	Rate of Interest	Mortality Table		Guaranteed on Death	Current on Death	Guaranteed on Maturity	Office Premiums	Net Premiums			Mortality and expenses	Options and guarantees other than investment performance guarantees	
1	2	3	4	5	6	7	8	9	10	11	12	13	14
WITHOUT PROFIT				£000	£000	£000	£000	£000	INTERNAL LINKED FUND SERIES C	£000	£000	£000	£000
Performance Bond	—	A67-70 ult-2	243,140	—	224,786	—	—	—		212,655	1,123	—	213,778
Managed Bond	—	A67-70 ult-2	7,020	—	11,051	—	—	—		10,931	7	—	10,938
Mortgage Link	—	A67-70 ult-2	51,030	1,688	1,689	—	2,610	2,610		4,740	6	—	4,746
Passport for Life	—	A67-70 ult-2	204	93	83	—	137	137		92	—	—	92
Total Without Profits			301,394	—	—	—	2,747	2,747		228,418	1,136	—	229,554
Total Assurances			301,394	—	—	—	2,747	2,747		228,418	1,136	—	229,554
Reassurances			—	—	—	—	—	—		—	—	—	—
Net Total			—	—	—	—	2,747	2,747		228,418	1,136	—	229,554

NOTE: 1. Benefits on death under Performance Bond and Managed Bond are not guaranteed but are dependent on the value of the units deemed allocated at the time of death.

2. The liability for mortality and expenses is assessed at nil for all contracts with the cost being met within the amount that is charged as a management charge.
A small balance of accrued charges to date (in excess of amounts required to meet claims) is maintained and shown in column 12 above.

INSTRUCTIONS: see page 54.

VALUATION SUMMARY OF LINKED CONTRACTS - GLOBAL BUSINESS - ORDINARY LONG TERM
PENSION BUSINESS - DIRECT BUSINESS AND REINSURANCE ACCEPTED

Name of Contract	Valuation Basis		Number of Contracts	Amount of sums assured, annuities per annum, or other measure of benefit, including vested reversionary bonuses			Amount of Premiums		Category of Unit Link	Unit Liability	Non - Unit Liabilities		Amount of Mathematical Reserves
	Rate of Interest	Mortality Table		Guaranteed on Death	Current on Death	Guaranteed on Maturity	Office Premiums	Net Premiums			Mortality and expenses	Options and guarantees other than investment performance guarantees	
1	2	3	4	5	6	7	8	9	10	11	12	13	14
				£000	£000	£000	£000	£000		£000	£000	£000	£000
WITHOUT PROFIT													
Reflex Linked	—	—	50,130	—	—	—	2,294	2,294	INTERNAL LINKED FUND (SERIES B)	38,484	—	—	38,484
Reflex '85 - Linked Portions	—	—	373,591	—	—	—	16,309	16,309		172,079	—	—	172,079
Reflex Personal Pensions - Linked Portions	—	—	698,370	—	—	—	83,116	83,116		318,830	—	—	318,830
Exsel Plus - Linked Portions	—	—	40,728	—	—	—	51,501	51,501		420,078	—	—	420,078
Exsel Group-Linked Portions	—	—	74,814	—	—	—	47,974	47,974	INTERNAL LINKED FUND (SERIES A)	162,114	—	—	162,114
Group Pension Deferred Annuity Contracts	—	—	34	—	—	—	7,633	7,633		115,495	—	—	115,495
Total Without Profits	—	—	1,237,667	—	—	—	208,827	208,827		1,227,080	—	—	1,227,080
Total Pension Business	—	—	1,237,667	—	—	—	208,827	208,827		1,227,080	—	—	1,227,080
Reassurances	—	—	—	—	—	—	—	—		—	—	—	—
Net Total	—	—	—	—	—	—	208,827	208,827		1,227,080	—	—	1,227,080

NOTES: 1. Benefits cannot be determined in advance being dependent on the value of the units deemed allocated to each contract.

2. Reflex Linked includes linked portions of Reflex Plus contracts.

3. Under Reflex Linked contracts, Reflex '85 Linked Portions, Reflex Personal Pensions Linked Portions, Exsel Plus Linked Portions and Exsel Group Linked Portions the death benefit is the value of units deemed allocated to the contract.

4. The contracts linked to Series B Funds are all reinsurances accepted from Scottish Equitable Life Assurance Society. The Company's liability is expressed wholly in terms of accumulation units and Scottish Equitable Life Assurance Society retains a liability in respect of the difference at date of death between the value of any initial units deemed allocated to the contracts and the value of the equivalent accumulation units which are included in the above.

5. Under Reflex '85 and Exsel Group a policy count of 1 in each case plus £1,990,000 in total premiums relates to special schemes set up by master policy and counted as group in the analysis on Form 43.

INSTRUCTIONS: see page 54.

ANALYSIS OF UNIT LIABILITIES

FORM 57

Global Business

Fund - Ordinary Long Term - Direct Business and Reinsurance Accepted

OB

Name of Unit Link 1	Valuation Price per unit 2	Number of Units deemed allocated to contracts 3	Unit Liability 4
PENSION FUND			
INTERNAL LINKED FUNDS:			£000
SERIES A			
Equity Fund	811.68p	84,973	690
Fixed Interest Fund	424.95p	12,161	52
International Fund	548.75p	83,281	457
Property Fund	—	—	—
Cash Fund	304.47p	1,641,544	4,998
Mixed Fund	718.68p	15,208,236	109,298
TOTAL SERIES A			115,495
SERIES B			
UK Equity Fund	576.16p	6,441,952	37,118
Fixed Interest Fund	223.91p	2,260,918	5,062
Index Linked Fund	155.68p	1,176,488	1,832
International Fund	535.90p	13,970,257	74,867
Property Fund	204.60p	1,455,003	2,977
Cash Fund	245.10p	21,178,611	51,908
Building Society Fund	155.20p	885,982	1,375
Mixed Fund	501.10p	163,898,995	821,299
Edinburgh Investment Trust Fund	265.90p	1,389,980	3,696
Baillie Gifford Japan Trust Fund	188.80p	1,421,579	2,684
Ethical Fund	115.68p	4,129,504	4,777
American Fund	159.99p	1,633,703	2,613
Pacific Fund	224.33p	3,363,111	7,544
Japan Fund	211.62p	2,463,822	5,218
Europe Fund	216.03p	7,079,773	15,294
Broker Funds (consolidated total)	—	—	73,321
TOTAL SERIES B			1,111,585

There were no reinsurances.

Note: In respect of Reflex Linked, Reflex '85 Linked, Reflex Personal Pensions, Exsel Plus and Exsel Group Linked contracts the undernoted were the initial units of Series B deemed allocated, and the equivalent numbers of accumulation units plus the total accumulation units (inclusive of the units equivalent to initial units).

SERIES B - REFLEX LINKED	Initial Units Deemed Allocated	Equivalent Accumulation Units	Total Accumulation Units
UK Equity Fund	20,312	5,577	516,505
Fixed Interest Fund	10,629	3,071	142,827
Index Linked Fund	652	249	75,189
International Fund	45,362	13,437	889,564
Property Fund	2,009	443	143,988
Cash Fund	8,789	2,060	132,455
Building Society Fund	—	—	1,436
Mixed Fund	324,462	85,253	5,363,077
Edinburgh Investment Trust Fund	6,287	2,038	281,655
Baillie Gifford Japan Trust Fund	19,365	7,464	407,950
Ethical Fund	—	—	23,558
American Fund	1,824	296	37,026
Pacific Fund	3,520	543	127,970
Japan Fund	1,510	228	71,988
Europe Fund	2,482	550	184,000

SERIES B - REFLEX '85 LINKED	Initial Units deemed Allocated	Equivalent Accumulation Units	Total Accumulation Units
UK Equity Fund	346,765	68,928	2,106,666
Fixed Interest Fund	30,930	6,137	549,607
Index Linked Fund	31,950	6,365	346,602
International Fund	420,130	84,816	2,705,225
Property Fund	49,418	9,324	422,607
Cash Fund	81,075	14,782	1,458,409
Building Society Fund	202	30	12,987
Mixed Fund	4,667,018	924,816	23,214,075
Edinburgh Investment Trust Fund	61,388	14,018	531,467
Baillie Gifford Japan Trust Fund	116,101	26,630	737,505
Ethical Fund	8,115	1,292	136,535
American Fund	56,464	14,243	579,887
Pacific Fund	112,290	27,762	1,029,955
Japan Fund	70,827	19,044	702,087
Europe Fund	220,257	51,906	1,749,939

SERIES B -REFLEX PERSONAL PENSIONS LINKED	Initial Units deemed allocated	Equivalent Accumulation Units	Total Accumulation Units
UK Equity Fund	—	—	1,256,809
Fixed Interest Fund	—	—	217,235
Index Linked Fund	—	—	128,985
International Fund	—	—	4,642,844
Property Fund	—	—	153,944
Cash Fund	—	—	3,002,431
Building Society Fund	—	—	306,836
Mixed Fund	—	—	40,062,479
Edinburgh Investment Trust Fund	—	—	173,210
Baillie Gifford Japan Trust Fund	—	—	61,175
Ethical Fund	—	—	2,527,412
American Fund	—	—	236,396
Pacific Fund	—	—	739,505
Japan Fund	—	—	574,666
Europe Fund	—	—	1,689,443

SERIES B - EXSEL PLUS LINKED	Initial Units deemed allocated	Equivalent Accumulation Units	Total Accumulation Units
UK Equity Fund	269,732	54,014	2,267,793
Fixed Interest Fund	89,342	12,119	1,151,654
Index Linked Fund	18,842	3,436	593,244
International Fund	412,650	88,015	5,035,843
Property Fund	70,841	13,890	673,292
Cash Fund	763,392	197,288	12,257,443
Building Society Fund	21,416	6,855	368,117
Mixed Fund	6,975,448	1,394,972	59,333,619
Edinburgh Investment Trust Fund	40,147	8,866	351,231
Baillie Gifford Japan Trust Fund	38,532	8,183	202,811
Ethical Fund	4,916	806	914,698
American Fund	95,664	21,918	721,980
Pacific Fund	157,533	39,178	1,342,313
Japan Fund	79,559	17,831	1,015,738
Europe Fund	288,855	72,870	3,192,620

SERIES B - EXSEL GROUP LINKED	Initial Units deemed Allocated	Equivalent Accumulation Units	Total Accumulation Units
UK Equity Fund	12,907	6,730	294,179
Fixed Interest Fund	4,673	2,437	159,595
Index Linked Fund	2,034	1,060	32,468
International Fund	21,071	10,986	696,781
Property Fund	2,099	1,095	61,172
Cash Fund	141,583	73,818	4,277,873
Building Society Fund	13,013	8,932	196,606
Mixed Fund	3,169,757	1,652,501	35,925,745
Edinburgh Investment Trust Fund	4,104	2,342	52,417
Baillie Gifford Japan Trust Fund	211	120	12,138
Ethical Fund	2,664	2,033	527,301
American Fund	3,881	2,504	58,414
Pacific Fund	10,816	6,980	123,368
Japan Fund	1,632	1,053	99,343
Europe Fund	21,127	13,634	263,771

In addition to the above funds broker funds exist with consolidated total values of the various classes of units as follows:

Contract	Value of initial units deemed allocated £000	Value of Equivalent Accumulation units £000	Value of Total Accumulation units £000
Reflex Linked	—	—	243
Reflex '85 Linked	2,545	1,000	11,420
Reflex Personal Pensions	—	—	16,244
Exsel Plus Linked	788	357	31,531
Exsel Group Linked	560	560	13,883

ANALYSIS OF UNIT LIABILITIES

Form 57

Global Business

Fund - Ordinary Long Term - Direct Business and Reinsurance Accepted

OB

Name of Unit Link 1	Valuation Price per Unit 2	Number of Units deemed Allocated to Contracts 3	Unit Liability 4
LIFE FUND INTERNAL LINKED FUNDS:- SERIES C			£000
UK Equity Fund	177.08p	5,120,688	9,066
Fixed Interest Fund	112.73p	1,102,055	1,242
Index Linked Fund	133.66p	230,070	308
International Fund	187.64p	8,263,363	15,506
American Fund	160.28p	975,301	1,564
Cash Fund	157.89p	3,962,368	6,256
Mixed Fund	183.17p	67,306,989	127,239
Technology Fund	247.46p	408,657	1,011
Foreign Bond & Currency Fund	171.64p	327,084	580
Japan Fund	187.13p	1,514,276	2,833
Europe Fund	201.62p	4,462,299	8,997
Pacific Fund	223.47p	1,378,426	3,080
Ethical Fund	95.06p	1,030,919	980
Broker Funds (consolidated total)	—	—	53,706
TOTAL SERIES C			228,418

All units in Series C are of the accumulation type. The allocations of units to the contracts Performance Bond and Mortgage Link is as follows (Managed Bond links are all to Broker Funds).

Name of Unit Link	No. of units deemed allocated to		
	Performance Bond contracts	Mortgage Link contracts	Passport for Life contracts
UK Equity Fund	5,050,778	67,244	2,666
Fixed Interest Fund	1,099,805	2,250	0
Index Linked Fund	228,981	1,089	0
International Fund	8,076,766	179,752	6,845
American Fund	967,464	7,762	75
Cash Fund	3,960,335	2,033	0
Mixed Fund	65,065,646	2,203,182	38,135
Technology Fund	402,943	4,922	780
Foreign Bond & Currency Fund	337,699	191	94
Japan Fund	1,501,459	12,598	218
Europe Fund	4,443,775	17,868	656
Pacific Fund	1,363,553	14,546	325
Ethical Fund	1,030,030	888	0

In addition to the above funds broker funds exist with consolidated total values of units as follows:

Contract	Value of Units (£000)
Performance Bond	42,652
Managed Bond	10,931
Mortgage Link	123

INSTRUCTIONS:

- The total of column 4 shall equal the total of column 11 on Form 56.
- A separate line shall be used for each authorised unit trust and each different type of unit of each internal linked fund.

Valuation result and distribution of surplus

Form 58

Global business

Fund - Ordinary Long Term

OB

£000

Valuation result	Fund carried forward		1	1,456,633
	Bonus payments made to policyholders in anticipation of a surplus		2	—
	Transfers out of fund	Net transfers to (from) statement of other income and expenditure	3	—
		Net transfer to (from) other funds	4	—
	Net transfer out of Fund (3 + 4)		5	—
	Total (1 + 2 + 5)		6	1,456,633
	Mathematical reserves for non-linked contracts		7	—
	Mathematical reserves for linked contracts		8	1,456,633
	Total (7 + 8)		9	1,456,633
	Surplus including contingency and other reserves held towards the solvency margin (deficiency) (6 - 9)		10	—
Composition of Surplus	Balance of surplus brought forward unappropriated from last valuation		11	—
	Transfers into Fund	Net transfer from (to) statement of other income and expenditure	12	—
		Net transfer from (to) other Funds	13	—
	Net transfer into Fund (12 + 13)		14	—
	Surplus arising since the last valuation		15	—
	Total (11 + 14 + 15) (= 10)		16	—
Distribution of surplus	Bonus payments made to policyholders in anticipation of a surplus		17	—
	Allocated to policyholders by way of	cash bonuses	18	—
		reversionary bonuses	19	—
		other bonuses	20	—
		premium reductions	21	—
	Total allocated to policyholders (17 to 21)		22	—
	Net transfer out of Fund (=5)		23	—
	Total distributed surplus (22 + 23)		24	—
	Balance of surplus (including contingency and other reserves held towards the solvency margin) carried forward unappropriated		25	—
	Total (24 + 25) (= 10)		26	—
Percentage of distributed surplus allocated to policyholders of the Fund			27	—
Corresponding percentage at three immediately previous valuations	latest (date of valuation 31.12.90)		28	—
	earlier (date of valuation 31.12.89)		29	—
	earliest (date of valuation 31.12.88)		30	—

NOTE. The Company transacts only linked business which does not participate in profits.

INSTRUCTIONS: see page 56.

Returns under Insurance Companies Legislation

Global business

Required minimum margin - Long Term business

CLASS	Relevant factor (note 5)	Classes I and II			Class III business with relevant factor of				Class VII Business with relevant factor of				Unallocated additional mathematical reserves with relevant factor of		Total for all classes	
		4%	4%	1%	Nil	Total	4%	4%	1%	Nil	Total	4%	1%	The financial year	The previous year	
1	Mathematical reserves before deduction for reinsurance (a) Reserves before distribution of surplus (b) Reserves for bonus allocated to policyholders (c) Reserves after distribution of surplus	—	—	1,111,595	229,554	1,341,139	—	—	—	115,495	115,495	—	—	1,456,634	1,022,988	
2	Mathematical reserves after deduction for reinsurance (a) Reserves before distribution of surplus (b) Reserves for bonus allocated to policyholders (c) Reserves after distribution of surplus	—	—	1,111,595	229,554	1,341,139	—	—	—	115,495	115,495	—	—	1,456,634	1,022,988	
3	Ratio of 2 (c) to 1 (c), or 0.85 if greater (see Note 1)	—	—	—	—	1.00	—	—	—	—	1.00	—	—			
4	Required margin of solvency - first result = 1 (c) x 3 x relevant factor	—	—	—	—	11,116	—	—	—	—	—	—	—	11,116	6,699	
5	Non negative capital at risk before reinsurance (see Note 2) (a) Temporary assurances with required margin of solvency of .001 (b) Temporary assurance with required margin of solvency of .0015 (c) All other contracts with required margin of solvency of .003 (d) Total for (a) + (b) + (c)	—	—	—	—	—	—	—	—	—	—	—	—	2,485 2,485	2,401 2,401	
6	Non negative capital at risk after reinsurance (all contracts): (see Note 2)	—	—	—	—	2,485	—	—	—	—	—	—	—	2,485	2,401	
7	Ratio of 6 to 5 (d), or 0.50 if greater	—	—	—	—	1.00	—	—	—	—	—	—	—			
8	Required margin of solvency - second result (see Note 3)	—	—	—	—	7	—	—	—	—	—	—	—	7	7	
9	Sum of first and second result = 4 + 8	—	—	—	—	11,123	—	—	—	—	—	—	—	11,123	6,695	
10	Required margin of solvency for Supplementary Accident and Sickness insurance	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
11	Total required margin of solvency for long term business = 9 + 10	—	—	—	—	—	—	—	—	—	—	—	—	11,123	6,695	
12	Minimum guarantee fund	—	—	—	—	—	—	—	—	—	—	—	—	561	558	
13	Required minimum margin (greater of 11 and 12)	—	—	—	—	—	—	—	—	—	—	—	—	11,123	6,695	

All monetary amounts in £000.
NOTES:- see page 56.

Instructions for completion of Forms 55 and 56

1. Information shall be shown separately and totalled within each section in the sequence specified below:

- (i) United Kingdom business
- (ii) overseas business.

The totals net of reinsurance ceded of United Kingdom business and overseas business are also to be shown together with a summary of global net total business.

Separate totals for column 5 on Form 55 and columns 5, 6 and 7 on Form 56 shall be shown for sums insured, for annuities per annum and for other measures of benefit.

2. The information shall be analysed and sub-totalled within each type of business in the sequence specified below:

- (i) life assurance business
- (ii) general annuity business
- (iii) pension business
- (iv) permanent health business
- (v) capital redemption business.

3. The information shall be further analysed and sub-totalled within each basis of participation in profits in the sequence specified below:

- (i) with participation in profits
- (ii) without participation in profits.

4. Within each subdivision required under paragraphs 2 and 3 above the appropriate types of insurance from the following list shall be shown separately:

- (i) whole life assurance
- (ii) endowment assurance
- (iii) pure endowment assurance
- (iv) term assurance
- (v) other assurance (to be specified)
- (vi) miscellaneous assurance
- (vii) deferred annuity
- (viii) annuity in payment
- (ix) other annuity (to be specified)
- (x) miscellaneous annuity
- (xi) group pension
- (xii) group life
- (xiii) other group (to be specified)
- (xiv) permanent health insurance
- (xv) capital redemption assurance
- (xvi) annuity certain.

And particulars shall also be shown of any subsidiary provisions within general business class 1 or 2 which, by virtue of section 1(2) and (3) of the Insurance Companies Act 1982 are to be taken to be included in long term business of any class (Supplementary Accident and Sickness Insurance - see Form 61).

5. A further subdivision into each separate category of contract is required as follows:

Form 55 - each category of contract which is valued on a different valuation basis;

Form 56 - each category of contract which provides different guarantees or options, and each category of unit link. For the purpose of determining the category of the unit link, all authorised unit trusts may be considered to be one category and all internal linked funds may be considered to be one category.

Reserves for tax on capital gains or for investment performance guarantees may be shown on separate lines in the mathematical reserves column, where they are calculated on an aggregate basis, or in additional columns of non-unit liabilities, where they are calculated on an individual basis.

6. Special reserves (including reserves calculated on an aggregate basis for tax on capital gains and investment performance guarantees) or adjustments shall be shown on separate lines in the mathematical reserves column and the particulars of such reserves or adjustments shall be specified.
7. Any contract which consists of a combination of different types of insurance shall be treated as a number of separate contracts each dealing with one of the different types of insurance so combined and the amount by which the total number of contracts shown in column 4 of any valuation summary exceeds the actual number of contracts to which that valuation summary relates shall be stated:
- Provided that, in relation to any category of such combined contract, any types of insurance included in the combination which in the aggregate account for less than 10 per cent of the total mathematical reserves under that category of contract need not be separately distinguished.
8. Non-linked contracts the nature of which or the method of valuation of which makes it impossible or inappropriate to give the information required in columns 7 to 11 of Form 55 shall be shown separately and the reason for the impossibility or the inappropriateness stated.
9. Linked contracts the nature of which or the method of valuation of which makes it impossible or inappropriate to give the information in the exact form required by Form 56 shall be shown on a separate valuation summary with appropriately modified column headings and the reason for the modification stated.
10. Contracts of any description may be grouped together under any 'miscellaneous' heading provided that mathematical reserves for business shown under all such headings in any one valuation summary do not exceed 5 per cent of the total mathematical reserves for all business shown in that valuation summary.
11. Contracts with deferred participation in profits and contracts with an option to convert to another category of contract shall be included in the category in which they fall at the date to which the investigation relates.
12. Contracts on more than one life may be included with single life contracts.
13. Contracts subject to limited premiums may be included with contracts under which premiums are payable throughout.
14. Life annuities guaranteed for a term certain or which provide for a refund of the balance of the purchase money on early death may be included with other life annuities.
15. In the case of contracts with variable benefits the benefits shall be taken as at the date to which the investigation relates and, where such benefits are included as approximate amounts only, that fact shall be stated.
16. In relation to group deferred annuity contracts under which premiums have not ceased, a statement of how the amount of annual office premiums has been arrived at shall be given.

17. Where for group life and pension schemes the mathematical reserves at the valuation date are based on those in respect of the business in force at the last scheme revision date, any adjustment on account of changes after that date shall be shown separately.
18. It is to be stated in relation to each category of contract where it is appropriate, whether the amount of the sum assured or deferred annuity shown in the valuation summary is the full sum assured or annuity which would come into payment on the maturity date or the amount accrued or actually purchased at the date to which the investigation relates and, where it is the amount accrued or actually purchased at the date, an estimate of the full prospective sum assured or annuity for that category shall be given.

Instructions for completion of Form 58

1. The entry at line 1 shall be equal to the entry at line 16 in the revenue account for the relevant fund/part of fund.
2. Where interim, mortuary or terminal bonuses are determined in advance of a valuation and are paid in anticipation of surplus arising at the valuation, the amounts of such bonus actually paid in the period up to the valuation date shall be entered in lines 2 and 17. To the extent that it is the practice of the company to make specific provision for the cost of such bonuses payable on future claims out of surplus arising at a valuation, such amounts shall be treated as amounts allocated to policyholders at the valuation in question and included in line 20, and the actual amounts paid shall not appear at lines 2 and 17 at future valuations. An appropriate note shall be appended identifying the various items where necessary.
3. Where policies have been transferred from one fund/part of fund to another, the associated transfer of reserves shall not be included as a "transfer" in this Form. Where any other transfer has been made, only one positive figure shall be inserted in either line 5 or line 14 (depending on the direction of the net transfer) leaving the other line blank. Corresponding entries shall be made in either the block comprising lines 3 and 4 or the block comprising lines 12 and 13, as applicable.
4. Where the entry in line 4 or line 13 represents more than one transaction, each transfer shall be separately identified in the form or in a note.
5. In the case of a company which makes allocations to eligible policyholders generally at intervals of more than one year, bonus payments made to policyholders in anticipation of a surplus, transfers to or from other income and expenditure or to or from other funds or parts of funds shall include the amounts of all such bonus payments and transfers made since the date of the last general allocation. In that case the word "valuation" in lines 11 and 15 shall be replaced by "general allocation", and line 11 shall show the balance of the surplus brought forward unappropriated from the date of the last general allocation and line 15 shall show the total amount of the surplus arising since that date. When the bonus payments or transfers relate to a period of more than one year that fact shall be stated in a note.
6. Line 27 is line 22 as a percentage of line 24. Line 27 shall not be completed in years where there is no general allocation.

Notes in respect of Form 60

1. For a pure reinsurer, the factor of 0.85 shall be replaced by 0.50.
2. After distribution of surplus
3. Line 8 equals line 7 x [5(a) x .001 + 5(b) x .0015 + 5(c) x .003] for Classes I and II, or line 7 x 5(d) x .003 for Class III and Class VII.
4. Any additional mathematical reserves referred to in the note to Form 14 shall be included on this Form.
5. The appropriate factor specified in regulations 5(2)(a) and 6(3) and (4) of the Insurance Companies Regulations 1981.