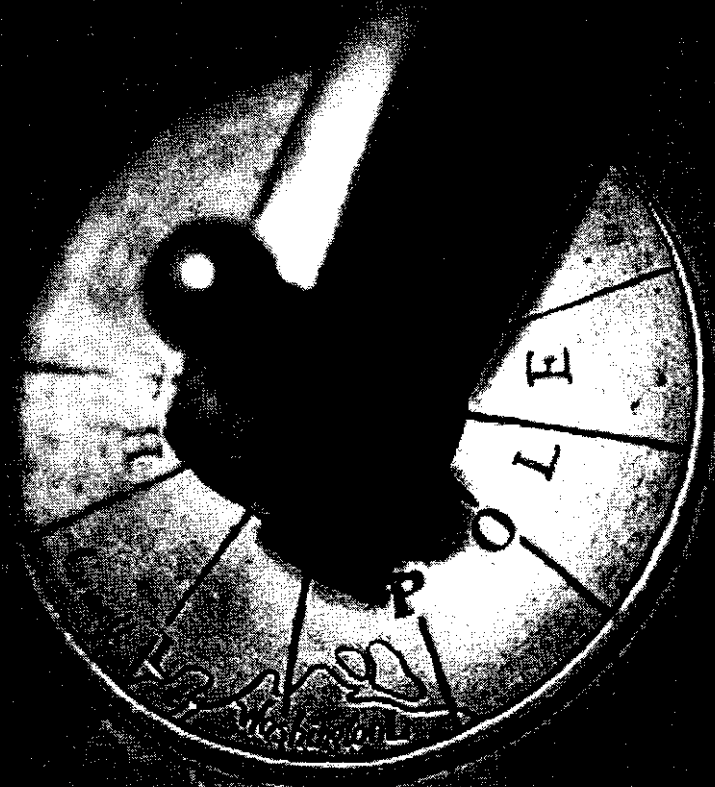



The Bankers Investment Trust PLC

Report and Accounts for the year ended
31 October 1999



its investment trusts



#E24RQ08X*

ED1	0007
COMPANIES HOUSE	23/02/00
A23	0287
COMPANIES HOUSE	01/02/00

Contents

Directors' Review

- 1 Objectives and Performance
- 1 Growth in Net Asset Value and Share Price
- 2 Directors and Management
- 3-4 Chairman's Statement
- 5 Highlights of the Year
- 5 Growth in Dividend
- 5 Comparative Performance

Portfolio Review

- 6 Largest Investments
- 6 Changes in Investments
- 7 Classification of Investments
- 8-9 United Kingdom
- 10-11 Europe
- 12-13 United States of America
- 14 Japan
- 15 Hong Kong
- 15 Other Countries
- 15 Fixed Interest

Financial Review

- 16 Statistical Record
- 16 Rates of Exchange
- 16 Distribution of Assets and Liabilities
- 17-19 Report of the Directors
- 19 Nominee Code
- 20 Group Statement of Total Return
- 21 Balance Sheets
- 22 Group Cash Flow Statement
- 23-33 Notes to the Accounts
- 34-35 Corporate Governance
- 36 Statement of Directors' Responsibilities in respect of the Accounts
- 36 Auditors' Report
- 37 Capital Gains Tax
- 38-39 Notice of Meeting
- 39 Notes and Annual General Meeting Venue
- 40-41 Investor Information and Analysis of Ordinary Shareholders
- Back cover Henderson ISA & Henderson Investors Investment Trust Share Plan

The Bankers Investment Trust PLC

Objectives

- To maximise shareholders' total return by means of a broadly diversified international portfolio.
- To achieve long term asset growth in excess of the FTSE All-Share Index.
- To achieve regular dividend growth in excess of the increase in the Retail Prices Index.

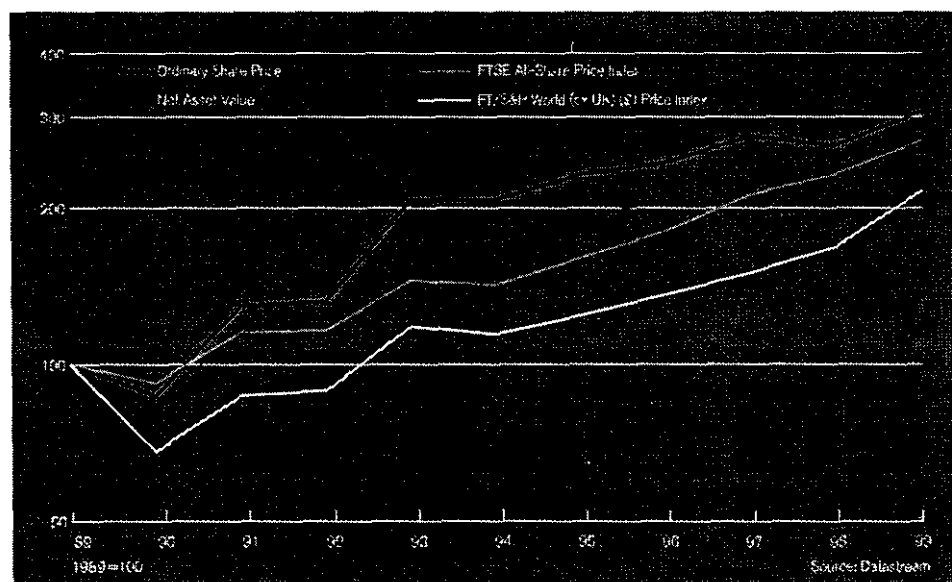
Performance

To 31 October 1999	1 year %	5 years %	10 years %	15 years %	20 years %
Net Asset Value total return*	18.7	95.4	272.0	730.0	2,695.3
Net Asset Value capital return*	16.5	76.3	196.0	495.9	1,588.1
Share Price total return*	19.4	65.0	290.5	872.4	3,459.9
Share Price capital return*	16.7	48.2	207.3	575.3	1,889.1
Net Dividend	5.8	53.8	159.7	426.3	733.3
FTSE All-Share total return Index*	18.7	117.1	266.4	745.6	2,247.9
FTSE All-Share capital return Index*	16.0	89.1	168.7	434.4	1,123.1
MSCI World Index (£) – total return*	28.0	114.2	178.1	578.1	1,920.4
S&P 500 Composite Index (£) – total return*	26.1	205.4	361.4	734.3	2,659.5
Retail Prices Index*	1.2	14.7	41.7	84.5	181.3

*Source: AITC Services Limited – total return assumes net dividends re-invested and excludes transaction costs. Capital return excludes all dividends and transaction costs.

Growth in Net Asset Value and Share Price

for the ten years to 31 October 1999



Directors



*Andrew Barker, Chairman (Age 54) is a director of Foreign & Colonial Investment Management and the National Provident Institution. He was formerly the Chairman of the Association of Investment Trust Companies. He joined the Board of the Company in 1979 and became Chairman in 1983.



*†Richard Brewster (Age 54) is a director of 3i UK Smaller Quoted Companies Trust plc and former Chief Executive of Jarvis Porter Group PLC and David S Smith (Holdings) PLC. He joined the Board of the Company in March 1991.

*John Crosland (Age 63) was formerly a director of Robert Fleming Holdings Limited and other companies. He joined the Board of the Company in 1984.

*†James Morley (Age 50) he is Group Finance Director at Arjo Wiggins Appleton plc. He was formerly Group Finance Director at Guardian Royal Exchange plc. He joined the Board of the Company in December 1994.

Michael Moule (Age 53) is a director of Henderson Investors Limited, Lowland Investment Company plc and Old Mutual South Africa Trust plc. He joined the Board of the Company as a non-executive director in 1982 and has been the manager since 1977.

*†Francis Sumner (Age 57) is a former partner of Norton Rose, a leading firm of solicitors. He is a director of several companies and the deputy Chairman of the Crown Agents. He joined the Board of the Company in April 1997.

* Independent director and Member of the Management Engagement Committee and Nominations Committee

† Member of the Audit Committee

Management



Michael Moule

James Robinson

David Gillott

The portfolio is managed by **Michael Moule** who is engaged full time in investment trust management. He is assisted by **James Robinson** the deputy manager, and by **David Gillott**, **Michael Wood-Martin** and **Tim Day**. **Wendy King** acts as the Company Secretary and is the representative of Henderson Secretarial Services Limited, the corporate secretary to the Company.



Michael Wood-Martin

Tim Day

Wendy King

Chairman's Statement

Results

During the year the Company's net asset value per share rose from 271.4p to 316.1p, an increase over the year of 16.5%. This compares with a rise in our main benchmark, the FTSE All-Share Index of 16.0%.

The change in our investment policy in the USA towards more growth oriented stocks and a reduction in special and scrip dividends led to a 6.4% decline in earnings. We propose a final dividend of 1.53p which brings the total for the year to 6.00p per ordinary share, compared to last year's dividend of 5.67p, an increase of 5.8%. This is the thirty-second consecutive annual increase in the dividend.

Investment Background

Economic growth almost everywhere has been significantly stronger than generally expected a year ago. The upshot has been significant growth with low inflation – a combination that sent equities rising again. Inflation, encouragingly, has remained low despite a tighter labour market and significant rises in commodity prices, including the oil price – up 152% during 1999. The USA, UK and Continental Europe have seen the first interest rate rises for some time but these have been viewed as pre-emptive moves, which should extend the economic cycle. Equity markets, this year, have continued to do well outperforming bonds for the second decade in a row and ending 1999 on a strong note despite the rise in bond yields. A very striking feature in the second half of the year has been the high concentration of investor interest in a few growth sectors, notably technology and telecommunications. We remained fully invested throughout the year. The main changes we made were to increase the focus on growth companies in the USA and to add to our UK and Japanese investments.

Share Buy-Backs

At an Extraordinary General Meeting and Separate Class Meetings held in June, shareholders granted the Board authority to buy-back for cancellation up to 23.25 million ordinary shares. By the end of October, 900,000 ordinary shares had been bought back at an average discount of

around 14% which enhanced net assets by about £400,000. The Board will be seeking to renew the authority to purchase up to 14.99% of the existing issued shares for cancellation at this year's Annual General Meeting. This is the maximum authority permitted by the London Stock Exchange. The timing of our purchases will be dependant on market conditions and the level of discount but subject to these provisos we shall be actively seeking to buy-back available shares.

Forecast Dividends & Accounting Policy

Dividends for the year to 31 October 2000 are forecast to be at least 6.20p per share subject, as always, to market conditions. A regular dividend of 1.55p per share will be paid at the end of May, August and November and a minimum of 1.55p will be paid as a final dividend at the end of February 2001.

In line with the recommended practice of the Association of Investment Trust Companies (AITC) from 1 November 1999, we have decided to change our accounting policy to reflect the relationship between management fees and interest costs on the one hand, and the long term split of total returns between revenue and capital from the portfolio on the other. The investment management fees and interest payable on loans and debentures, previously charged wholly to the revenue account, will in future be allocated 30% to revenue and 70% to capital reserve. This will provide flexibility to step up investment in lower yielding growth stocks, whilst at the same time allowing the Board to continue to increase dividends.

'its' Campaign

Investment trusts have much to offer investors with low charges, independent Boards, portfolio diversification and ability to gear. Investment trusts are excellent long term investments. Bankers has joined the AITC's *its* marketing campaign to promote the merits of investment trusts which complements the initiatives we are taking through our manager, Henderson Investors. Investment trust shareholders, we believe, should benefit from this industry-wide marketing campaign.

Chairman's Statement

continued

ISA Special Offer

We have arranged for our manager, to offer special terms for acquiring Bankers shares via an ISA. Until the end of the current tax year, investments in Bankers via the Henderson Investors ISA will be free of dealing charges. The enclosed brochure provides full details.

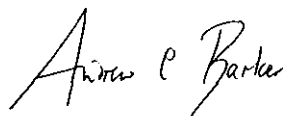
Outlook

Confidence in the gradual recovery of the global economy continues to improve, following the traumatic economic events in the autumn of 1998. The robust growth in the US economy continues unabated but we do expect a slowdown next year as the rise in long term and short term interest rates begins to take effect. The major European economies are still growing below trend but an acceleration in real growth to 3% is widely expected, and the weakness of the Euro and low levels of interest rates are providing a major stimulus.

Having avoided a recession, the UK economy is now in danger of growing too quickly and although price inflation remains low, asset inflation is becoming a concern leading to early increases in interest rates. Japan is a conundrum. With the Yen having risen to very high levels, economists are equally divided as to whether the recovery can be sustained. We are optimistic based on the current strength of consumer spending there and a renewed determination by their government to use measures to stimulate growth. Japan has also been helped by the size and speed of the recovery in the Asia Pacific region, where real growth of 5-6% is expected to continue in 2000, stimulated by strong export growth and a boom in technology hardware. With most of the world growing strongly in 2000, inflation is almost bound to increase, principally because of the rise in oil and commodity prices. However, excess global capacity and the deflationary implications of the internet should keep inflation down.

In this economic environment the outlook for corporate profits and hence the equity market would normally be quite promising but unfortunately markets are far from normal. We are currently experiencing a speculative hunger for technology stocks which is driving the market indices to overvalued levels. The average company, particularly in the USA, has been in a bear market since April 1998 and their valuations would normally be attractive. However, any bursting of the technology bubble may also have a major negative impact on the rest of the equity market. At these levels we are cautious about the outlook for stock markets. We will aim to steer a course which balances risk with reward and to find sustainable growth at reasonable prices.

This year the Annual General Meeting will be held at Drapers' Hall on 18 February at 12.00 noon. I warmly invite shareholders to attend. A map of the venue appears on page 39. Please indicate on your proxy card whether you will be attending.

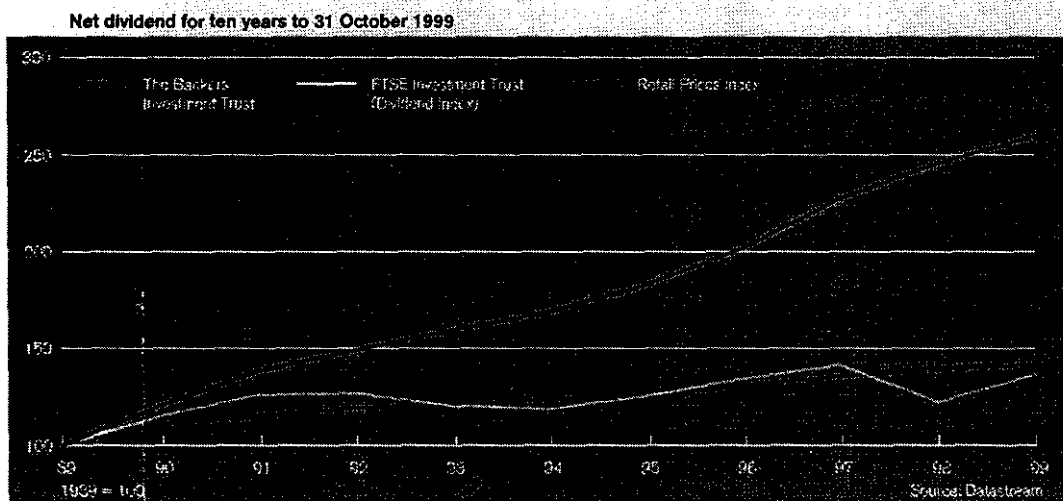


Andrew Barker, Chairman
7 January 2000

Highlights of the Year

	31 October 1999	31 October 1998	Change %
Assets			
Total assets less current liabilities	£513,827,000	£451,486,000	+13.8
Net asset value per ordinary share	316.1p	271.4p	+16.5
Ordinary share mid-market price	273.5p	234.3p	+16.7
Discount (Share Price to Net Asset Value)	13.5%	13.7%	
Indices			
FTSE All-Share Index	2,904.38	2,504.85	+16.0
Standard & Poor's Composite Index	1,362.92	1,098.67	+26.6*
FT/S&P World Europe (ex UK) Index (£)	306.80	270.96	+13.2
TOPIX (Tokyo First Section Index)	1,563.89	1,035.60	+72.1*
FT/S&P World (ex UK) Index (£)	307.82	239.10	+28.7
50/50 FTSE All-Share/ FT/S&P World (ex UK) (£)	244.70	200.00	+22.4
*£ adjusted			
Revenue			
Gross revenue	£16,457,000	£17,359,000	-5.2
Earnings per ordinary share	6.18p	6.60p	-6.4
Dividends per ordinary share	6.00p	5.67p	+5.8
Retail Prices Index	166.5	164.5	+1.2

Growth in Dividend



Comparative Performance

Value of £1,000 with net income reinvested (source: AITC Services Limited)

To 31 October 1999	1 Year	5 Years	10 Years
The Bankers Investment Trust PLC*	1,194	1,650	3,905
Average Investment Trust*	1,393	1,595	3,025
Average Unit Trust*	1,248	1,769	2,880
Building Society (Halifax 30 day)	1,030	1,215	1,751
Retail Prices Index	1,012	1,147	1,417

*Share price total return excluding transaction costs.

Largest Investments

at 31 October 1999

The 40 largest investments (convertibles and all classes of equity in any one Company being treated as one investment) were as follows:

	Market value 31 October 1999 £'000		Market value 31 October 1999 £'000
British Telecommunications	13,242	Unilever	3,387
BP Amoco	13,227	General Electric	3,374
Shell Transport & Trading	10,730	VNU	3,295
Glaxo Wellcome	10,058	Diageo	3,259
Vodafone AirTouch	7,641	France Telecom	2,946
Lloyds TSB	7,573	ABN-Amro	2,945
HSBC	6,521	Microsoft	2,877
Total Fina	6,423	Seguros Tranquilidade	2,873
Philips Electronics	6,033	Prudential	2,864
National Westminster	5,221	Novartis	2,822
Barclays	5,216	Cisco Systems	2,778
SmithKline Beecham	5,096	CGU	2,748
AstraZeneca	4,128	Alcatel	2,667
Henderson American Smaller Companies	3,913	Pharmacia Upjohn	2,631
Abbey National	3,808	NTT Mobile Communications	2,588
Cable & Wireless	3,555	Banco Santander	2,533
Siemens	3,554	Johnson & Johnson	2,528
Royal Bank of Scotland	3,505	ENI	2,502
Nestlé	3,500	Telefonos de Mexico	2,501
General Electric Co (USA)	3,419	Citigroup	2,479

These investments total £182,960,000 or 37.1% of the portfolio.

Changes in Investments

	Valuation 1998 £'000	Purchases £'000	Sales Proceeds £'000	Appreciation/ (Depreciation) £'000	Valuation 1999 £'000
United Kingdom	235,210	39,247	36,662	23,942	261,737
Europe	77,563	16,635	20,373	13,434	87,259
USA	67,313	75,508	78,332	6,767	71,256
Japan	20,862	15,181	14,594	19,370	40,819
Hong Kong	7,205	137	1,745	833	6,430
Australia	7,365	608	267	1,165	8,871
Far East	3,235	353	21	2,496	6,063
Latin America	4,307	-	3,453	2,459	3,313
Other Countries	7,980	1,360	6,246	575	3,669
Fixed Interest	13,495	-	9,251	(284)	3,960
	<u>444,535</u>	<u>149,029</u>	<u>170,944</u>	<u>70,757</u>	<u>493,377</u>

Classification of Investments

at 31 October 1999

	Total 1998 %	Total 1999 %	UK %	Europe %	USA %	Japan %	Hong Kong %	Other Countries %
Resources								
Mining	1.4	1.7	1.2	-	-	-	-	0.5
Oil & Gas	8.0	8.6	5.2	2.6	0.8	-	-	-
	<u>9.4</u>	<u>10.3</u>	<u>6.4</u>	<u>2.6</u>	<u>0.8</u>	-	-	<u>0.5</u>
Basic Industries								
Chemicals	2.9	2.8	1.0	1.4	0.2	-	-	0.2
Construction & Building Materials	1.6	1.4	1.0	0.4	-	-	-	-
Forestry & Paper	0.2	0.4	0.4	-	-	-	-	-
Steel & Other Metals	0.2	0.4	-	-	0.3	0.1	-	-
	<u>4.9</u>	<u>5.0</u>	<u>2.4</u>	<u>1.8</u>	<u>0.5</u>	<u>0.1</u>	-	<u>0.2</u>
General Industrials								
Aerospace & Defence	0.5	0.4	0.4	-	-	-	-	-
Diversified Industrials	0.9	0.4	-	-	-	-	0.2	0.2
Electronic & Electrical Equipment	5.1	5.4	0.7	2.5	0.6	1.1	0.1	0.4
Engineering & Machinery	3.6	2.6	2.0	-	0.6	-	-	-
	<u>10.1</u>	<u>8.8</u>	<u>3.1</u>	<u>2.5</u>	<u>1.2</u>	<u>1.1</u>	<u>0.3</u>	<u>0.6</u>
Cyclical Consumer Goods								
Automobiles	0.1	0.3	0.3	-	-	-	-	-
Household Goods & Textiles	0.9	0.2	-	-	-	0.2	-	-
	<u>1.0</u>	<u>0.5</u>	<u>0.3</u>	-	-	<u>0.2</u>	-	-
Non-Cyclical Consumer Goods								
Beverages	1.5	1.3	1.2	-	0.1	-	-	-
Food Producers & Processors	5.2	3.3	2.1	1.0	-	0.1	-	0.1
Health	1.7	1.5	0.4	-	0.9	0.2	-	-
Packaging	0.3	-	-	-	-	-	-	-
Personal Care & Household Products	0.7	1.2	0.3	0.4	0.5	-	-	-
Pharmaceuticals	6.5	5.9	4.0	1.1	0.8	-	-	-
Tobacco	1.6	1.3	0.7	0.4	-	0.2	-	-
	<u>17.5</u>	<u>14.5</u>	<u>8.7</u>	<u>2.9</u>	<u>2.3</u>	<u>0.5</u>	-	<u>0.1</u>
Cyclical Services								
Distributors	0.4	0.6	0.2	-	-	0.2	0.2	-
General Retailers	3.6	2.8	1.3	0.2	0.5	0.8	-	-
Leisure, Entertainment & Hotels	2.0	1.4	0.9	-	-	0.5	-	-
Media & Photography	2.9	4.0	2.1	0.7	0.8	0.4	-	-
Restaurants, Pubs & Breweries	1.7	1.5	1.0	-	0.3	0.2	-	-
Support Services	2.6	2.0	0.8	-	0.2	1.0	-	-
Transport	2.6	2.2	2.2	-	-	-	-	-
	<u>15.8</u>	<u>14.5</u>	<u>8.5</u>	<u>0.9</u>	<u>1.8</u>	<u>3.1</u>	<u>0.2</u>	-
Non-Cyclical Services								
Food & Drug Retailers	2.3	1.5	0.8	-	0.5	0.2	-	-
Telecommunications Services	7.2	10.4	5.2	1.9	1.2	1.1	-	1.0
	<u>9.5</u>	<u>11.9</u>	<u>6.0</u>	<u>1.9</u>	<u>1.7</u>	<u>1.3</u>	-	<u>1.0</u>
Utilities								
Electricity	2.2	1.7	1.5	-	-	-	0.2	-
Gas Distribution	0.6	0.5	0.5	-	-	-	-	-
Water	1.0	0.7	0.7	-	-	-	-	-
	<u>3.8</u>	<u>2.9</u>	<u>2.7</u>	-	-	-	<u>0.2</u>	-
Information Technology								
Information Technology Hardware	-	2.1	-	-	2.1	-	-	-
Software & Computer Services	0.3	1.5	0.3	-	1.2	-	-	-
	<u>0.3</u>	<u>3.6</u>	<u>0.3</u>	-	<u>3.3</u>	-	-	-
Financials								
Banks	10.7	12.9	7.6	3.4	1.2	0.3	-	0.4
Insurance	4.1	3.2	2.1	0.2	0.2	0.3	-	0.4
Life Assurance	3.6	3.1	1.6	1.0	-	-	0.3	0.2
Investment Companies	0.7	1.4	-	-	0.8	0.4	-	0.2
Real Estate	3.2	3.0	1.2	0.5	0.2	0.2	0.3	0.6
Speciality & Other Finance	1.4	2.6	1.3	-	0.5	0.8	-	-
	<u>23.7</u>	<u>26.2</u>	<u>13.8</u>	<u>5.1</u>	<u>2.9</u>	<u>2.0</u>	<u>0.6</u>	<u>1.8</u>
Equities	96.0	98.2	52.2	17.7	14.5	8.3	1.3	4.2
Convertibles	1.0	1.0	0.8	-	-	-	-	0.2
Fixed Interest	3.0	0.8	-	-	0.5	-	-	0.3
Totals 1999	<u>-</u>	<u>100.0</u>	<u>53.0</u>	<u>17.7</u>	<u>15.0</u>	<u>8.3</u>	<u>1.3</u>	<u>4.7</u>
Totals 1998	<u>100.0</u>	<u>-</u>	<u>53.9</u>	<u>18.4</u>	<u>15.7</u>	<u>4.7</u>	<u>1.6</u>	<u>5.7</u>

United Kingdom

UK equities recovered from the depressed levels of October 1998, and the FTSE All-Share Index rose by 16.0% over our financial year. Early fears of a recession were gradually replaced by economic optimism and from the middle of January we experienced a broad based recovery in depressed cyclicals and smaller companies. By late summer worries about inflation and rising bond yields had halted the rise in the leading stocks, and in September the unexpected increase in interest rates and a further rise in sterling immediately extinguished the rewarding eight month recovery in the broader equity market.

For the great majority of companies both in the UK and Europe there is a continual battle to maintain profit margins at a time of low nominal growth. Companies are having to focus on specific areas where they have a competitive edge, and we are consequently seeing an enormous rise in corporate activity. The necessity for global scale has become more important, and probable overseas acquisitions for BP Amoco and Vodafone AirTouch would elevate the capitalisation of each company to around 10% of the UK market.

In the portfolio a promising performance was impaired by the weakness in September and October. Additions to the portfolio included two large South African companies that have switched their domicile to London, Anglo American and South African Breweries. Sales were mainly related to corporate activity including bids for Asda, Hewetson, Hillsdown, GRE, Masthead and Wren.

FTSE 100 and mid 250 Companies Indices from 31/10/98 - 31/10/99



Sterling Trade Weighted Index from 31/10/98 - 31/10/99

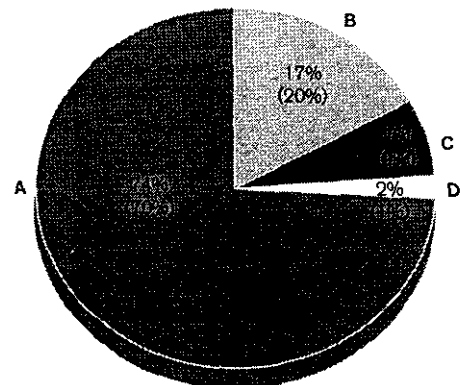


UK portfolio classified by market value of company (at 31 October 1999)

Market Capitalisation

- A** Over £2,700m (FTSE 100)
- B** £250m-£2,700m (FTSE mid 250)
- C** Under £250m (Smaller Co's)
- D** Convertibles

Last year's figures in brackets



United Kingdom

valuations at 31 October 1999 – individual investments shown are those in excess of £1,200,000

RESOURCES	£'000			£'000
Mining				
Billiton	2,104			2,324
Anglo American	2,019			2,018
Rio Tinto	1,874			1,414
Other Investments	126			1,348
Oil & Gas				1,278
BP Amoco	13,227			2,143
Shell Transport & Trading	10,730			
Other Investments	1,554			
TOTAL RESOURCES	31,634			
BASIC INDUSTRIES				
Chemicals				
BOC Group	2,345			
Ellis & Everard	1,399			
ICI	1,210			
Construction & Building Materials				
Wolseley	1,405			
Blue Circle	1,328			
Pilkington	1,274			
Other Investments	1,144			
Forestry & Paper				
Smith (DS)	1,719			
TOTAL BASIC INDUSTRIES	11,824			
GENERAL INDUSTRIALS				
Aerospace & Defence				
Rolls-Royce	1,944			
Electronic & Electrical Equipment				
General Electric	3,374			
Engineering & Machinery				
Invensys	1,615			
Glynwed International	1,435			
Cookson	1,323			
Morgan Crucible	1,312			
Tomkins	1,238			
Other Investments	3,119			
TOTAL GENERAL INDUSTRIALS	15,360			
CYCLICAL CONSUMER GOODS				
Automobiles				
Other Investments	1,252			
TOTAL CYCLICAL CONSUMER GOODS	1,252			
NON-CYCLICAL CONSUMER GOODS				
Beverages				
Diageo	3,259			
Allied Domecq	1,471			
South African Breweries	1,350			
Food Producers & Processors				
Unilever	3,387			
Cadbury Schweppes	2,393			
Perkins Foods	1,362			
Other Investments	2,976			
Health				
Smith & Nephew	1,960			
Personal Care & Household Products				
Reckitt & Colman	1,699			
Pharmaceuticals				
Glaxo Wellcome	10,058			
SmithKline Beecham	5,096			
AstraZeneca	4,128			
Other Investments	276			
Tobacco				
British American Tobacco	1,491			
Other Investments	2,124			
TOTAL NON-CYCLICAL CONSUMER GOODS	43,030			
CYCLICAL SERVICES				
Distributors				
Other Investments	1,177			
General Retailers				
Boots	1,813			
Marks & Spencer	1,400			
Great Universal Stores	1,386			
WH Smith	1,204			
Other Investments	704			
Leisure, Entertainment & Hotels				
Granada	2,116			
Hilton Group	1,484			
Other Investments	945			
Media & Photography				
Pearson				2,324
Taylor Nelson Sofres				2,018
Reuters				1,414
United News & Media				1,348
Reed International				1,278
Other Investments				2,143
Restaurants, Pubs & Breweries				
Bass				2,340
Scottish & Newcastle				1,247
Other Investments				1,131
Support Services				
Williams				1,525
Other Investments				2,519
Transport				
Railtrack				2,218
P & O				1,810
Powell Duffryn				1,555
Other Investments				5,045
TOTAL CYCLICAL SERVICES				42,144
NON-CYCLICAL SERVICES				
Food & Drug Retailers				
Tesco				1,448
Other Investments				2,317
Telecommunications Services				
British Telecommunications				13,242
Vodafone AirTouch				7,641
Cable & Wireless				3,555
Other Investments				1,061
TOTAL NON-CYCLICAL SERVICES				29,264
UTILITIES				
Electricity				
National Grid				1,909
Scottish & Southern Energy				1,848
Scottish Power				1,524
PowerGen				1,281
Other Investments				1,069
Gas Distribution				
BG				2,263
Water				
Anglian Water				1,354
Severn Trent				1,310
Other Investments				856
TOTAL UTILITIES				13,414
INFORMATION TECHNOLOGY				
Software & Computer Services				
Electronic Data Processing				1,274
Other Investments				345
TOTAL INFORMATION TECHNOLOGY				1,619
FINANCIALS				
Banks				
Lloyds TSB				7,573
HSBC				6,521
National Westminster				5,221
Barclays				5,216
Abbey National				3,808
Royal Bank of Scotland				3,505
Standard Chartered				1,675
Alliance & Leicester				1,510
Woolwich				1,473
Northern Rock				1,358
Insurance				
CGU				2,748
Allied Zurich				2,426
Royal & Sun Alliance				1,573
Atrium Underwriting				1,250
Other Investments				2,387
Life Assurance				
Prudential				2,864
Norwich Union				1,400
Britannic				1,320
Other Investments				2,202
Real Estate				
Slough Estates				2,109
Liberty International				1,467
Other Investments				2,290
Speciality & Other Finance				
ED & F Man				2,124
Gerrard Group				1,913
Other Investments				2,203
TOTAL FINANCIALS				68,136
CONVERTIBLES (various)				4,060
TOTAL UNITED KINGDOM				261,737

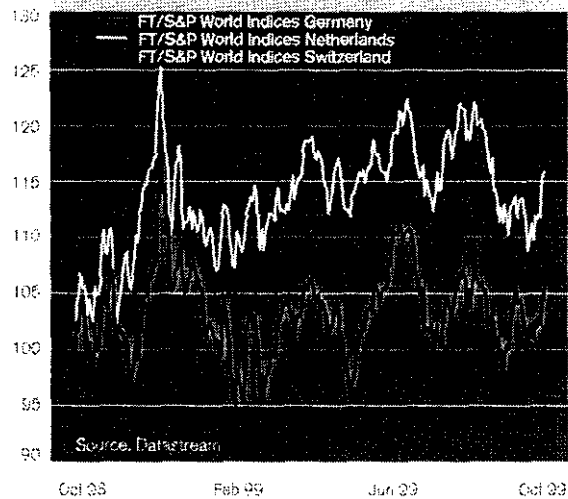
Europe

For domestic investors European equities rose by 24.3%, fractionally outperforming the USA. Most of the performance was squeezed into the first two months of our year where excitement generated by the forthcoming launch of the euro culminated in a buying spike for the leading equity markets. Like most block buster movies the pre-release euro hype was a lot more exciting than the event itself. The weakness in the euro has been contrasted with considerable strength in the pound and for sterling investors the FT/S&P Europe Index showed a return of only 13.2%.

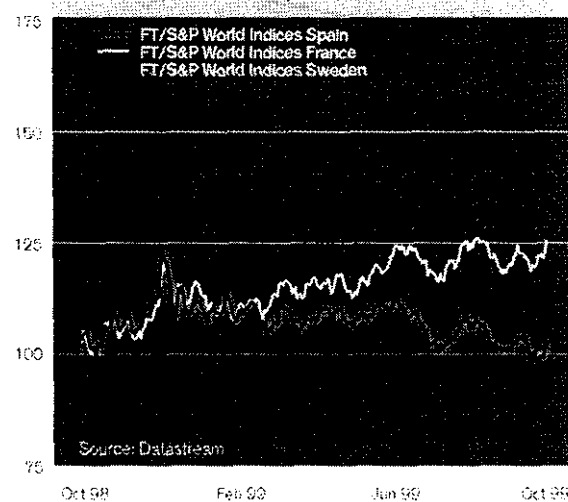
Economic and political progress in mainland Europe has been slow, however there are many signs that the recovery could be much more durable and long lasting despite some unhelpful interventionist measures by some of the left-ward leaning politicians. Nevertheless, businessmen seem more than willing to embrace free market capitalism reflected in a new issue boom, cross border mergers, subsidiary spin-offs and rapid consolidation in mature industries.

Country performance has tended to mirror the fortunes in each economy and amongst the larger countries French equities have been the best performers rising by just over 38% with Italy and Germany bringing up the rear reflecting deeper seated economic problems. The pressures of global indexation and the introduction of several new European indices featuring the largest 50 stocks has encouraged us to remain heavily weighted in the largest companies.

Frankfurt, Amsterdam and Zürich Share Indices
31/10/98 - 31/10/99 (£ adjusted)



Madrid, Paris and Stockholm Share Indices
31/10/98 - 31/10/99 (£ adjusted)

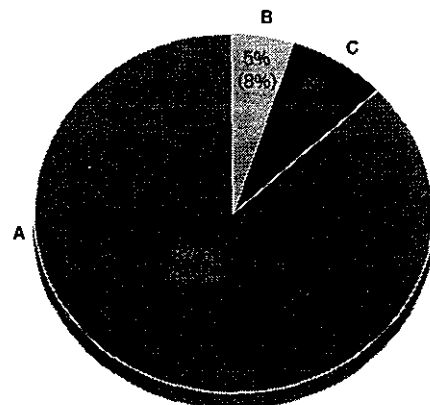


European portfolio classified by market value of company (at 31 October 1999)

Market Capitalisation

- A Over £2,500m
- B £700m - £2,500m
- C Under £700m

Last year's figures in brackets



Europe

valuations at 31 October 1999 – all investments are shown

EUROPE	£'000	EUROPE	£'000
France			
Total Fina	6,423	Portugal	
France Telecom	2,946	Seguros Tranquilidade	2,873
Alcatel	2,667	Espirito Santo	1,120
Rhone Poulenc	2,392		<u>3,993</u>
Unibail	2,315	Ireland	
Dexia France	2,226	Irish Life & Permanent	2,032
Cie De St Gobain	2,109	Bank of Ireland	1,428
Christian Dior	1,857		<u>3,460</u>
Societe Generale	1,724	Denmark	
Banque Nationale de Paris	1,284	Tele Danmark	1,851
Etam Développement	956	Codan Forsikring	1,216
Elf Gabon	636		<u>3,067</u>
	<u>27,535</u>	Sweden	
Netherlands			
Philips Electronics	6,033	Pharmacia Upjohn	<u>2,631</u>
VNU	3,295	Spain	
ABN-Amro	2,945	Banco Santander	<u>2,533</u>
KPN	2,313	Italy	
Akzo Nobel	2,098	ENI	<u>2,502</u>
Royal Dutch Petroleum	1,711	Norway	
Unilever NV	1,210	Norsk Hydro	<u>1,376</u>
	<u>19,605</u>	Eastern Europe	
Switzerland			
Nestlé	3,500	Henderson Central & East	
Novartis	2,822	European Fund	<u>210</u>
Credit Suisse	2,342	TOTAL EUROPE	
Richemont	1,865		<u>87,259</u>
UBS	1,595		
	<u>12,124</u>		
Germany			
Siemens	3,554		
Deutsche Telekom	2,239		
Bayer	1,993		
Fuchs Petrolub	437		
	<u>8,223</u>		

Geographical Distribution

	31 October 1999	31 October 1998		31 October 1999	31 October 1998
	%	%		%	%
France	31.5	25.5	Sweden	3.0	3.2
Netherlands	22.5	19.2	Spain	2.9	4.0
Switzerland	13.9	16.4	Italy	2.9	1.6
Germany	9.4	10.3	Norway	1.6	1.9
Portugal	4.6	5.8	Eastern Europe	0.2	0.2
Ireland	4.0	7.9			
Denmark	3.5	4.0		<u>100.0</u>	<u>100.0</u>

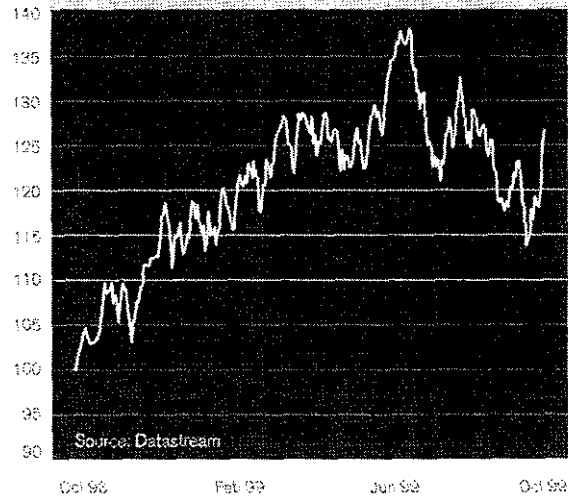
United States of America

The S&P 500 Composite Index registered a gain to local investors of 24% in the last twelve months, an impressive performance given the weakness in US bonds. However the gains were not apportioned equally. Technology stocks accounted for the lions share gaining 76%, whilst smaller companies as measured by the Russell 2000 gained a more modest 13%. In the current economic environment of robust economic growth and low inflation, superior earnings potential is highly valued.

1999 will see the US economy register another year of solid performance. The current business cycle has lasted twice as long as the average since 1945, although the strength has been more muted. Productivity has been key to this performance gaining 2.9% a year over the past four years, and this level is expected to continue with the benefits of technology seeping into the broader economy.

By far the most significant change in the portfolio occurred in the first quarter, when exposure to the technology sector was increased. Currently 25% of the US portfolio is invested in technology stocks with large positions in industry leaders such as Cisco Systems, Oracle, Lucent Technologies and IBM. We have also added a position in the Henderson American Smaller Companies unit trust. US smaller companies offer tremendous value after the greatest period of under performance in the past 70 years. Exposure via the unit trust gives the Bankers portfolio the benefits of stock diversification and a specialist manager.

Standard & Poor's Composite Index from 31/10/98 - 31/10/99 (£ adjusted)



US Dollar Trade Weighted Index from 31/10/98 - 31/10/99



US portfolio classified by market value of company (at 31 October 1999)

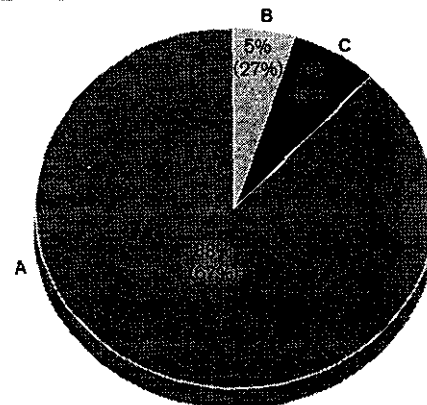
Market Capitalisation

A Over US\$10,000m

B US\$2,000m-US\$10,000m

C Under US\$2,000m

Last year's figures in brackets



United States of America

valuations at 31 October 1999 - all investments are shown

RESOURCES	£'000	CYCLICAL SERVICES (continued)	£'000
Oil & Gas		Restaurants, Pubs & Breweries	
Mobil	1,712	McDonald's	1,533
Williams	1,234	Support Services	
Texaco	1,152	Servicemaster	788
TOTAL RESOURCES	4,098	TOTAL CYCLICAL SERVICES	8,704
BASIC INDUSTRIES		NON-CYCLICAL SERVICES	
Chemicals		Food & Drug Retailers	
DU Pont (EI) de Numours	974	CVS	1,257
Steel & Other Metals		Safeway	1,022
Alcoa	1,270	Telecommunications Services	
TOTAL BASIC INDUSTRIES	2,244	MCI Worldcom	2,118
GENERAL INDUSTRIALS		SBC Communications	1,885
Electronic & Electrical Equipment		AT&T	1,312
General Electric Co	3,419	Williams Communications	460
Engineering & Machinery		TOTAL NON-CYCLICAL SERVICES	8,054
Illinois Tool Works	1,871	INFORMATION TECHNOLOGY	
United Technologies	907	Information Technology Hardware	
TOTAL GENERAL INDUSTRIALS	6,197	Cisco Systems	2,778
NON-CYCLICAL CONSUMER GOODS		IBM	2,425
Beverages		Lucent Technologies	2,412
Coca-Cola	644	Dell Computers	910
Health		Motorola	890
Johnson & Johnson	2,528	Intel	802
Medtronic	1,215	Software & Computer Services	
Abbott Laboratories	738	Microsoft	2,877
Personal Care & Household Products		Oracle Systems	1,319
Procter & Gamble	1,579	EMC Corp Massachusetts	787
Colgate-Palmolive	878	Ceridian	762
Pharmaceuticals		TOTAL INFORMATION TECHNOLOGY	15,962
Bristol Myers Squibb	1,592	FINANCIALS	
Warner Lambert	1,586	Banks	
Pfizer	793	Citigroup	2,479
TOTAL NON-CYCLICAL CONSUMER GOODS	11,553	Mellon Financial	1,778
CYCLICAL SERVICES		Wells Fargo	1,646
General Retailers		Insurance	
Wal-Mart Stores	1,734	American International	878
Payless Shoesource	885	Investment Companies	
Media & Photography		Henderson American Smaller Companies	3,913
Time Warner	1,080	Real Estate	
IMS Health	981	Kimco Realty	1,117
Interpublic	918	Specialty & Other Finance	
Gannett	785	American Express	948
		Associates First Capital	861
		FNMA	824
		TOTAL FINANCIALS	14,444
		TOTAL UNITED STATES	71,256

Japan

valuations at 31 October 1999 – individual investments shown are those in excess of £600,000.

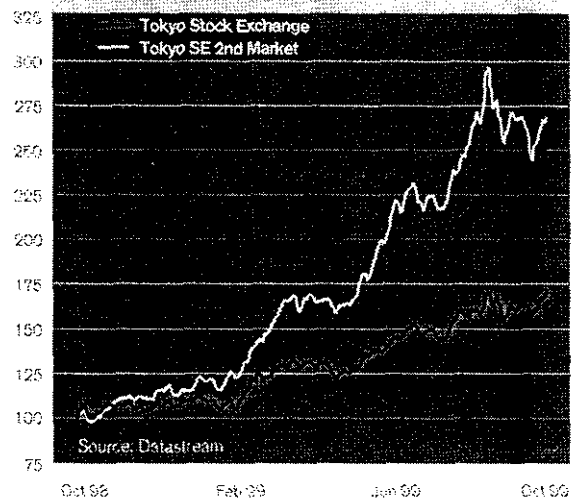
The Japanese stock market had a terrific twelve months. Equities rose sharply as the economy showed signs of recovery and as the government instigated a large bank rescue package. Economic growth surpassed forecasts as the production cycle, which had fallen to a very low level, turned more favourable. The government's bank package had a meaningful impact as it restored confidence in the financial system which led to spectacular rises in bank share prices. The yen strengthened reflecting a better economic environment and foreign investment into Japanese equities rose substantially.

Although the 51% gain in the main market was impressive, it was eclipsed by the 135% rise in the smaller companies index. Many newly listed high growth companies caught investors' attention pushing valuations, within the OTC market in particular, to extremes. While the growth theme gripped the market, the traditional sectors normally associated with economic recovery were left behind. Many such companies tend to be overcapitalised and with the outlook for pricing to remain subdued, this area was discarded.

To reflect the changing nature within the stock market the weighting in the service sector was raised. Purchases included three newly listed companies; Goodwill, United Arrows and MTI as all three have high growth potential. Elsewhere the defensiveness of the portfolio was reduced through the sale of Kao while the financial sector weighting was raised with the purchase of Bank of Tokyo Mitsubishi as the outlook for the banking industry became more favourable. The thrust of the portfolio remains towards the service sector as this area should be the locomotive for future economic growth.

The outlook for the economy is more favourable than last year as a steady period of expansion appears to be underway. Private sector demand is recovering and government policy will remain attentive towards economic prosperity. What is also encouraging is that corporate Japan is restructuring and unemployment is rising. This may result in a less powerful economic recovery than in the past but it should be more rewarding for shareholders as management pays more attention to the providers of capital.

Tokyo Share Indices
31/10/98 = 31/10/99 (£ adjusted)



JAPAN	£'000
NTT Mobile Communications	2,588
Secom	2,342
H.I.S.	2,331
Tokyo Broadcasting System	2,140
Henderson Japanese Smaller Companies	2,016
Takefuji	1,971
Nippon Telegraph and Telephone	1,784
Goodwill	1,752
Keyence	1,632
Kyocera	1,577
Daiwa Securities	1,560
Tokio Marine & Fire Insurance	1,514
Bank of Tokyo-Mitsubishi	1,261
Shimachu	1,190
Mitsui Fudosan	1,183
Toshiba	1,149
Laox	1,128
Pioneer	1,098
Kirin Brewery	1,046
Japan Tobacco	1,007
Ito-Yokado	974
Kawasumi Laboratories	877
Mobilephone Telecommunication	813
Tokyo Steel	703
United Arrows	621
Micro Portfolio	4,562
TOTAL JAPAN	40,819

Hong Kong

valuations at 31 October 1999 – all investments are shown

The Hong Kong economy has been one of the worst performing in the region principally because interest rates have had to remain high to support the local currency which is pegged to the US dollar. This has resulted in a severe liquidity squeeze manifest in falling property prices and retail sales have only just turned positive after falling 20% last year. The equity market having been supported by the government in 1998 has performed quite well on the back of improved prospects for China and a resumption in growth next year.

HONG KONG	£'000
AXA China Region	1,419
Amoy Properties	1,156
Hong Kong Electric	1,120
Jardine International Motor	831
Swire Pacific	808
Gold Peak Industries	573
New World Development	497
CDL Hotels	26
TOTAL HONG KONG	6,430

Other Countries

valuations at 31 October 1999 – individual investments shown are those in excess of £500,000

Most countries in the Asia Pacific region have seen a sharp recovery in both their currencies and equity markets as confidence has returned to the region assisted by the IMF and some very strong export led growth which in turn has helped the current accounts of the various countries to turn positive. Australia, which is seen as a safe haven was obviously eclipsed by many of the more volatile markets but nevertheless managed a very creditable performance with the currency rising by 4.5% and the equity market by 8.2%. The most spectacular recovery in the region was seen by South Korea where despite some well documented problems in the car industry the currency rose by 12.1% and the broad equity market by 138%. Our performance in South America was greatly assisted by a cash take-over of YPF a large Argentinian oil company. The major re-shaping of the US equity portfolio also encompassed the sale of our two Canadian holdings.

In contrast with the Far East and Latin America the rise in South African equities has been less spectacular and we have been more inclined to become involved in the four largest blue chips which have all changed domicile to London where they are part of the FTSE 100 Index.

OTHER COUNTRIES	£'000
Australia	
Telstra	2,163
National Australia Bank	1,787
OBE Insurance	1,731
Broken Hill	1,325
Orica	970
AMP	895
Central/South America	
Telefonos de Mexico	2,501
Five Arrows	756
Ghana	
Ashanti Goldfields*	1,107
Singapore	
DBS Land	1,851
Jardine Matheson	786
South Africa	
Anglogold	1,333
Illovo Sugar	704
Liberty International	507
South Korea	
Samsung Electronics	1,765
India	
Videsh Sanchar Nigam	802
Other Investments (in Central/South America, South Africa, India, Indonesia and Malaysia)*	933
TOTAL OTHER COUNTRIES	21,916

*Includes Convertibles.

Fixed Interest

valuations at 31 October 1999 – all investments are shown

Long dated government bonds started the year in buoyant form reflecting their safe haven status during troubled economic times. As confidence returned it became clear that the bond market would make little further progress. We therefore sold our UK gilt holdings in January and our European bonds were either redeemed or sold during the year.

FIXED INTEREST	£'000
United States	
US Treasury 3.625% Inflation Index 15/04/28	2,308
New Zealand	
FNMA 7% 2000	1,652
TOTAL FIXED INTEREST	3,960

Statistical Record

adjusted to present capital

Year ended 31 October	Earnings and dividends per 25p ordinary share					Market price per 25p ordinary share	Net asset value per 25p ordinary share	Indices of growth						
	Gross revenue £'000	Earned Net p	Total Div. Net p	Tax Credit p	Total Div. Gross p			Total assets less current liabilities £'000	Market price per 25p ordinary share p	Market price per 25p ordinary share	Net asset value	Dividend per 25p ordinary share (net)	FTSE All-Share Price Index	FT/S&P World Index (ex-UK) £
1989	8,141	2.55	2.31	0.77	3.08	178,076	89.0	106.8	100	100	100	100	100	100
1990	10,046	3.21	2.78	0.96	3.71	152,306	77.5	89.1	87	84	120	90	68	111
1991	10,564	3.44	3.20	1.07	4.27	209,189	114.5	123.9	129	116	139	115	87	113
1992	11,640	3.68	3.44	1.15	4.59	219,822	117.5	133.8	132	125	149	116	89	119
1993	12,364	4.23	3.68	0.92	4.60	311,910	184.5	183.5	207	172	159	145	116	121
1994	12,753	4.26	3.90	0.98	4.88	305,695	184.5	179.3	207	168	163	142	114	124
1995	14,609	4.96	4.22	1.06	5.28	326,573	206.5	200.4	292	188	183	160	124	127
1996	16,164	5.78	4.66	1.17	5.83	375,617	217.0	224.2	244	210	202	180	136	131
1997	16,735	6.14	5.25	1.31	6.56	433,278	243.5	261.4	274	245	227	212	150	136
1998	17,359	6.60	6.67	1.36	7.03	461,486	234.3	271.4	263	254	245	232	166	140
1999	16,457	6.18	6.00	0.67	6.67	513,827	273.5	316.1	307	296	260	269	216	142

Rates of Exchange

The principal exchange rates at 31 October were:

	1999	1998		1999	1998
US dollar	1.6409	1.6747	Deutschemark	3.054	2.774
Japanese yen	171.244	195.147	French franc	10.241	9.306
Euro	1.5612	-	Swiss franc	2.500	2.268
Hong Kong dollar	12.75	12.97	Dutch florin	3.441	3.128
Australian dollar	2.575	2.691	Spanish peseta	259.76	236.33
South African rand	10.0834	9.3948	Swedish kroner	13.518	13.091

Distribution of Assets and Liabilities

at 31 October 1999

	Equities £'000	Convertibles £'000	Fixed Interest £'000	Current Assets £'000	Total Assets £'000	%	Total Liabilities £'000	Currency Exposure of Net Assets £'000	%
United Kingdom	257,677	4,060	-	22,993	284,730	53.0	(32,393)	252,337	51.8
Europe	87,259	-	-	9,637	96,896	18.0	(794)	96,102	19.7
USA	71,256	-	2,308	10,421	83,985	15.6	(285)	83,700	17.2
Japan	40,819	-	-	-	40,819	7.6	(16,497)	24,322	5.0
Hong Kong	6,430	-	-	63	6,493	1.2	-	6,493	1.3
Australia	8,871	-	-	-	8,871	1.7	-	8,871	1.8
Far East	5,722	341	-	6	6,069	1.1	-	6,069	1.2
Latin America	3,313	-	-	-	3,313	0.6	-	3,313	0.7
Other Countries	2,996	673	1,652	933	6,254	1.2	-	6,254	1.3
Total	484,343	5,074	3,960	44,053	537,430	100.0	(49,969)	487,461	100.0
	99.4%	1.1%	0.8%	9.0%	110.3%		(10.3%)	100.0%	

Report of the Directors

The directors present their report and the audited accounts of the Group for the year to 31 October 1999.

Principal Activities and Business Review

A review of the business is given in the Chairman's Statement on pages 3 and 4 and in the Portfolio Review on pages 6 to 15.

Status

The Company operates as an investment trust in accordance with Section 842 of the Income and Corporation Taxes Act 1988. Inland Revenue approval of the Company's status as an investment trust has been received in respect of the year ended 31 October 1998. The directors are of the opinion that the Company has subsequently conducted its affairs in a manner which will enable it to continue to gain such approval. The Company has no employees.

On 28 June 1999, the Company gave notice to the Registrar of Companies of cessation of investment company status pursuant to Section 266(3) of the Companies Act 1985. Note 1a to the accounts on page 23 explains the effects of this.

The Portfolio

Total Group assets less current liabilities amounted to £513,827,000 at 31 October 1999 compared with £451,486,000 at 31 October 1998 and the net asset value per ordinary share increased by 16.5% from 271.4p to 316.1p. The percentage changes in the principal financial indices are shown on page 5 and the forty largest investments are shown on page 6.

Revenue and Dividends

Group earnings per ordinary share amounted to 6.18p. Three interim dividends of 1.49p per ordinary share each have been paid, and the directors recommend a final dividend of 1.53p per ordinary share proposed to be paid on 28 February 2000 to ordinary shareholders on the register on 28 January 2000. This represents an increase of 5.8% compared with the previous year.

Directors

The names and biographies of the directors of the Company, holding office throughout the financial year, are

given on page 2 and all, with the exception of Mr M B Moule, are independent of the management company. Their interests in the ordinary shares of the Company were as follows:

	31 October 1999	1 November 1998
<i>With beneficial interest:</i>		
A C Barker	60,324	60,324
R D Brewster	4,228	4,228
J D Croeland	15,000	15,000
J Morley	7,500	2,500
M B Moule	17,000	17,000
F I Sumner	5,500	5,500

Between the year end and 7 January 2000 Mr J Morley's interest increased by 499 shares by purchases through the Henderson Investors Investment Trust Share Plan in which he saves monthly. There have been no other changes notified since the end of the financial year. No director had an interest at the beginning or end of the year in the Company's debenture stocks.

The directors retiring in accordance with the articles of association are Mr J Morley and Mr F Sumner and both offer themselves for re-appointment.

There were no contracts subsisting during or at the end of the year in which a director of the Company is or was materially interested and which is or was significant in relation to the Company's business. No director has a service contract with the Company.

Management Company

Investment management, UK custody, accounting, secretarial and administrative services are provided to the Company by wholly owned subsidiary companies of Henderson Investors Limited ("Henderson").

The annual management fee which was reviewed in 1997 remains unchanged. It is calculated at the composite rate of 0.45% of the average assets under management on the last day of October in each of the two preceding years. Investments in funds managed by Henderson are wholly excluded from the charge. The fee is payable quarterly in advance from 1 January each year.

Report of the Directors

continued

The management agreement may be terminated by either party, but in certain events the Company will be required to pay compensation to Henderson of one year's management charges. No compensation is payable if one or more years' notice of termination is given.

The Manager uses certain services which are paid for, or provided by, various brokers. In return it places business, which may include transactions relating to the Company, with these brokers.

Authority to Make Market Purchases of the Company's Own Shares

At an Extraordinary General Meeting held on 18 June 1999 and at a separate Class Meeting on 25 June 1999 the Company was authorised and sanctioned to make market purchases up to 23,252,640 of the Company's own issued ordinary shares and all of its preference stock for cancellation.

During the year the Company made market purchases for cancellation of 900,000 ordinary shares of 25p, representing 0.6% of the number of shares in issue as at 31 October 1998. The aggregate consideration paid by the Company for the shares was £2,426,000 excluding stamp duty. The purchases for cancellation were carried out as they enhanced the net asset value per share. As at 31 October 1999, the Company had valid authority outstanding until conclusion of this year's Annual General Meeting, to make market purchases of up to 22,352,640 ordinary shares of 25p each for cancellation. A further 550,000 ordinary shares were repurchased in January 2000 for an aggregate consideration of £1,618,000 excluding stamp duty.

At this year's Annual General Meeting a special resolution will be proposed to give the directors general authority to make market purchases of any of the Company's own issued ordinary shares up to a maximum of 23,035,285 shares for cancellation (equivalent to approximately 14.99% of the Company's issued share capital as at the date of this Annual Report). The directors will only exercise this authority when the cost of any purchase is such that the purchase would lead to an enhancement of shareholder value. Purchases of shares will be made within guidelines set from time to time by the Board. The maximum purchase price which may be paid for an

ordinary share shall not be more than 5% above the average middle market price for the shares as taken from the London Stock Exchange Daily Official List for the five business days preceding the date of purchase. The minimum price paid will not be below 25p per share being the nominal value of a share. Shareholders should note that, because any shares purchased by the Company will be cancelled, the number of ordinary shares in issue will be reduced accordingly.

The Company repurchased for cancellation all of its £1,430,000 preference stock in August 1999.

Authority to Allot Shares and Disapplication of Pre-emption Rights

The directors have not used the powers granted to them at the Annual General Meeting in February 1999 to allot new ordinary shares for cash on a non pre-emptive basis. Resolutions to renew the authority to issue shares for cash on a non pre-emptive basis up to 5% of the issued share capital will be proposed at this year's Annual General Meeting and are set out in full in the notice of meeting on pages 38 and 39.

Substantial Share Interests

The following shareholders had notified the Company of interests comprising 3% or more of the Company's issued ordinary share capital at 20 December 1999:

Company	%
Prudential Corporation	8.7
Merchant Investors Group	4.4

New Zealand Listing

The Company has a listing for its ordinary shares on the New Zealand Stock Exchange. Shareholders in New Zealand are now able to trade their shares more easily and, in addition, can receive dividends in New Zealand dollars. A branch register has been established and New Zealand shareholders may transfer their shares to the Auckland register by contacting the New Zealand Registrar at the address given on page 40.

Personal Equity Plan (PEP)

The Company has not been eligible for a PEP scheme at the higher rate as the Company's investment policy has been to maintain its flexibility to invest worldwide.

Report of the Directors

continued

Individual Savings Account (ISA)

The new ISA does not have the same investment restrictions as the PEP and the Company is fully qualifying. Thus, shareholders may invest up to £7,000 in the Company via an ISA in the tax year 1999/2000 and £5,000 per annum thereafter.

Donations

During the financial year the Company contributed £7,200 to charities. No political donations were made.

Payment of Suppliers

It is the Company's continuing payment policy for the financial year to 31 October 2000 to obtain the best terms for all business. In general, the Company agrees with its suppliers the terms on which business will take place and it is our policy to abide by these terms. There were no trade creditors at 31 October 1999.

Going Concern

The directors believe that it is appropriate to continue to adopt the going concern basis in preparing the accounts as the assets of the Company consist mainly of securities which are readily realisable and, accordingly, has adequate financial resources to continue in operational existence for the foreseeable future.

Year 2000 Statement

The directors of The Bankers Investment Trust PLC have been advised by Henderson plc, and its subsidiaries ("Henderson") which provide investment management, UK custodial, accounting, administrative and company secretarial services to the Company that the corporate action programme initiated by Henderson has been satisfactorily completed and that at the date of this document no material or significant problems affecting the Company have arisen from the Year 2000 date change. Costs relating to this project were borne by Henderson.

Registered Auditors

PricewaterhouseCoopers have expressed their willingness to continue in office as the Company's registered auditors. A resolution to re-appoint PricewaterhouseCoopers as auditors to the Company will be proposed at the Annual General Meeting.

By order of the Board


Wendy King FCIS

For and on behalf of
Henderson Secretarial Services Limited
Secretary
7 January 2000

Nominee Code

- The Bankers Investment Trust PLC undertakes to provide copies of shareholder communications to nominee operators who have indicated in advance a wish to receive them, for the purpose of distribution to their customers.
- Nominee operators are encouraged to advise investors that they are able to attend meetings and to speak at meetings when invited by the Chairman.
- Investors in the Henderson Investors Investment Trust Share Plan and Henderson Investors Selection ISA receive all shareholder communications, an invitation to the AGM and a Letter of Instruction to facilitate voting.

Group Statement of Total Return (incorporating the revenue account)

for the year ended 31 October 1999

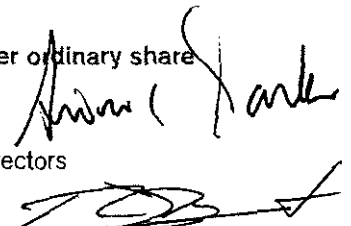
Notes	Year ended 31 October 1999			Year ended 31 October 1998		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
2	-	68,730	68,730	-	14,077	14,077
3	14,620	-	14,620	15,424	-	15,424
4	1,837	-	1,837	1,935	-	1,935
	16,457	68,730	85,187	17,359	14,077	31,436
5	(2,137)	-	(2,137)	(2,025)	-	(2,025)
6 & 7	(583)	-	(583)	(458)	-	(458)
	13,737	68,730	82,467	14,876	14,077	28,953
8	(2,437)	-	(2,437)	(2,440)	-	(2,440)
	11,300	68,730	80,030	12,436	14,077	26,513
9	(1,680)	-	(1,680)	(2,155)	-	(2,155)
	9,620	68,730	78,350	10,281	14,077	24,358
	(38)	-	(38)	(50)	-	(50)
	9,582	68,730	78,312	10,231	14,077	24,308
	(6,920)	-	(6,920)	(6,556)	-	(6,556)
	-	-	-	(1,551)	-	(1,551)
	(2,360)	-	(2,360)	(683)	-	(683)
	(9,280)	-	(9,280)	(8,790)	-	(8,790)
	302	68,730	69,032	1,441	14,077	15,518
10	6.18p	44.36p	50.54p	6.60p	9.07p	15.67p

The revenue columns of this statement represent the revenue accounts of the Group.

The notes on pages 23 to 33 form part of these accounts

Balance Sheets

at 31 October 1999

Notes		Group 1999 £'000	Group 1998 £'000	Company 1999 £'000	Company 1998 £'000
11	Fixed assets investments:				
	Listed at market value				
	In Great Britain	267,414	248,530	267,414	248,530
	Outside Great Britain	221,084	196,005	221,084	196,005
	Other quoted funds	4,879	-	4,879	-
11&12	Investment in Subsidiary Undertaking	-	-	595	473
	Total fixed asset investments	493,377	444,535	493,972	445,008
	Current assets				
13	Investments	42	334	-	-
14	Debtors	3,980	6,450	3,921	6,448
	Bank balances and short term deposits	40,031	28,608	40,009	28,608
		44,053	35,392	43,930	35,056
15	Creditors: amounts falling due within one year	(23,603)	(28,441)	(24,075)	(28,578)
	Net current assets	20,450	6,951	19,855	6,478
	Total assets less current liabilities	513,827	451,486	513,827	451,486
16	Creditors: amounts falling due after more than one year	(26,300)	(28,991)	(26,300)	(28,991)
17	Provisions for liabilities and charges	(66)	(71)	(66)	(71)
	Total net assets	487,461	422,424	487,461	422,424
	Capital and reserves				
20	Called up share capital	38,555	40,210	38,555	40,210
21	Share premium account	452	452	452	452
22	Other capital reserves	435,802	369,412	436,397	369,885
23	Revenue reserve	12,652	12,350	12,057	11,877
24	Shareholders' funds	487,461	422,424	487,461	422,424
19	Net asset value per ordinary share	316.1p	271.4p	316.1p	271.4p
	A C Barker				
	R D Brewster				
	Directors				

The accounts were approved by the directors on 7 January 2000.

Notes to the Accounts

1 Accounting policies

a Basis of accounting

The accounts have been prepared on the historical cost basis of accounting, modified to include the revaluation of fixed asset investments. The accounts have been prepared in accordance with applicable accounting standards and the Statement of Recommended Practice "Financial Statements of Investment Trust Companies" (SORP). All of the Group's operations are of a continuing nature.

As a result of the share buy-backs during the year, which were paid for out of capital profits, the Company ceased to be an investment company within the meaning of Section 266 of the Companies Act 1985. However, it continued to conduct its affairs as an investment trust for taxation purposes under Section 842 of the Income and Corporation Taxes Act 1988, and the Articles of the Company prohibit capital profits from being distributed by way of dividend. As such, the directors consider it necessary to continue to present the accounts in accordance with the SORP. Under the SORP, the financial performance of the Company is presented in a statement of total return in which the revenue column is the profit and loss account of the Company. The revenue column excludes net profit on disposals of investments of £16,241,000 (1998: £4,961,000) as calculated by reference to their previous carrying amounts. The Companies Act and FRS3 would ordinarily require this amount to be included in the profit and loss account. However, in the opinion of the directors, this would be misleading because it would obscure and distort both the revenue and capital performance of the Company, and would not show clearly the revenue profits emerging to be distributable by way of dividend. The directors therefore consider that these departures from the specific provisions of Schedule 4 of the Companies Act relating to the form and content of accounts for companies other than investment companies and these departures from accounting standards are necessary to give a true and fair view. The departures have no effect on total return or on the balance sheet.

b Basis of consolidation

The Group accounts consolidate the accounts of the Company and its wholly owned subsidiary undertaking, The Army & Navy Investment Company Limited.

c Valuation of fixed asset investments

UK listed investments are valued according to the prices issued by the London Stock Exchange being the closing mid-market prices for all investments other than FTSE 100 constituents and FTSE 100 reserve list constituents for which the last trade prices are used. Overseas listed investments are valued at their closing or mid-market prices. Unquoted investments are valued by the directors at cost unless circumstances indicate different valuations are warranted.

d Valuation of current asset investments

Current asset investments held by the Company's subsidiary undertaking are stated at the lower of cost and market value.

e Capital gains and losses

Realised and unrealised capital gains and losses, together with exchange differences arising on the translation of foreign currency assets and liabilities, are dealt with in other capital reserves.

f Income

Dividends receivable from equity shares are taken to the revenue account on an ex-dividend basis.

Income from fixed interest debt securities is recognised on a time apportionment basis and, if material, so as to reflect the effective yield on each such security.

The dealing profits of the subsidiary undertaking, which represent realised gains on the sale of current asset investments, are dealt with in the Group statement of total return as a revenue item.

Bank deposit interest is accounted for on an accruals basis.

g Expenses

All expenses are accounted for on an accruals basis. All administrative expenses, including the management fee, are charged to the revenue account. Expenses which are incidental to the purchase or sale of an investment are included within the cost or deducted from the proceeds of the investment.

Notes to the Accounts

continued

1 Accounting policies (continued)

h Foreign currency

Transactions denominated in overseas currencies during the year are translated into sterling at the appropriate daily exchange rate. Assets and liabilities denominated in overseas currencies at the balance sheet date are translated into sterling at the exchange rates ruling at that date.

i Deferred taxation

Deferred taxation is provided for at the anticipated tax rate on differences arising from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the accounts, to the extent that it is probable that a liability or asset will crystallise in the future.

j Financial instruments

Derivative instruments utilised by the Group include traded options. A derivative instrument is considered to be used for hedging purposes when it alters the market risk profile of an existing underlying exposure of the Group. The Company has taken advantage of the exemption allowed under FRS 13 and excluded short term debtors and creditors from disclosures under financial instruments where allowed.

2	1999 £'000	1998 £'000
Total capital gains from investments		
Realised gains based on historical cost	42,069	8,328
Less: Amounts recognised as unrealised in previous years	(25,828)	(3,367)
	<hr/>	<hr/>
Realised gains based on carrying value at previous balance sheet date	16,241	4,961
Net movement in unrealised appreciation	54,516	9,353
Net movement on foreign exchange	(2,027)	(237)
	<hr/>	<hr/>
	68,730	14,077
	<hr/>	<hr/>
3	1999 £'000	1998 £'000
Income from fixed asset investments		
Franked:		
Listed	8,689	6,124
Listed special dividends	352	335
	<hr/>	<hr/>
	9,041	6,459
	<hr/>	<hr/>
Unfranked:		
Listed investments:		
Dividend income	4,096	4,667
Dividend income – special	92	–
Foreign income dividends	364	2,558
Special foreign income dividends	–	300
Interest income	1,010	1,084
Scrip dividends	17	356
	<hr/>	<hr/>
	5,579	8,965
	<hr/>	<hr/>
Total income from fixed asset investments	<hr/>	<hr/>
	14,620	15,424
	<hr/>	<hr/>

Notes to the Accounts

continued

4	Other interest receivable and similar income	1999 £'000	1998 £'000
	Dealing profits/(losses)	485	(61)
	Bank interest	1,281	1,978
	Underwriting commission	71	18
		<u>1,837</u>	<u>1,935</u>
5	Management fee (all charged to revenue)	1999 £'000	1998 £'000
	Management fee	2,020	1,863
	Irrecoverable VAT thereon	117	162
		<u>2,137</u>	<u>2,025</u>

A summary of the terms of the Management Agreement are given in the Report of the Directors on page 17.

6	Other administrative expenses	1999 £'000	1998 £'000
	Directors' fees (note 7)	98	98
	Auditors' remuneration:		
	For audit services (including £12,000 relating to the parent undertaking (1998: £11,000))	13	12
	For non-audit services	-	4
	Other expenses payable to the management company	66	27
	Bank charges	78	80
	AITC <i>its</i> Campaign	113	-
	Irrecoverable VAT	10	33
	Other expenses	205	204
		<u>583</u>	<u>458</u>

Other expenses payable to the management company relate to the share plan administration.

7 Directors' emoluments

The directors' fees stated in note 6 above are those actually paid by the Company. However, Mr M B Moule is paid by Henderson plc and its subsidiaries ("Henderson") part of which payment relates to the provision of services to The Bankers Investment Trust PLC. Under the Companies Act 1985, it is necessary to state the proportion of the emoluments he receives from Henderson which relate to the management of the Company even though the Company does not pay these emoluments and is not directly involved in their determination. The Company has been informed that the applicable proportion of the emoluments, paid by Henderson, (including performance related bonus) were £129,000 (1998: £174,000). This amount together with the amounts paid directly by the Company to the other directors, is included in the analysis below:

	1999 £'000	1998 £'000
Fees (paid by the Company)	45	45
Salaries and other benefits (paid by Henderson)	71	64
Performance related bonus (paid by Henderson)	58	110
	<u>174</u>	<u>219</u>
Fees paid to third parties (paid by the Company)	53	53
Pension contributions (paid by Henderson)	6	6

Notes to the Accounts

continued

7 Directors' emoluments (continued)

The pension contributions represent those paid by Henderson on behalf of Mr M B Moule to a defined benefit non-contributory pension scheme.

The performance related bonus for 1998 includes £74,000 in respect of a compulsory purchase of restricted shares in Henderson plc as a result of the takeover by AMP Limited.

The highest paid director's emoluments totalled £129,000 (1998: £174,000) and his accrued pension amounted to £39,290 per annum as at 31 October 1999 (1998: £36,650 per annum). This figure represents the pension that would be payable from normal pension age had the director left pensionable service as at 31 October 1999. It excludes allowance for increases between leaving service and retirement and any amounts attributable to voluntary contributions.

8 Interest payable	1999 £'000	1998 £'000
Bank currency loan and other interest	135	138
Interest on debentures repayable wholly or partly after five years	2,302	2,302
	<u>2,437</u>	<u>2,440</u>

9 Taxation	1999 £'000	1998 £'000
Tax credits attributable to franked investment income	1,026	1,269
UK corporation tax at 30.4% (1998: 31%)	631	861
(Over)/under provision in prior years	(12)	3
Deferred taxation	(5)	(1)
Less: relief for overseas withholding tax	(471)	(488)
	<u>1,169</u>	<u>1,644</u>
Overseas withholding tax	511	511
	<u>1,680</u>	<u>2,155</u>

10 Return per ordinary share

Revenue return per ordinary share is based on earnings attributable to ordinary shares of £9,582,000 (1998: £10,231,000), and on the weighted average number of ordinary shares in issue during the year of 154,950,329 (1998: 155,121,015).

Capital return per ordinary share is based on net capital gains for the year of £68,730,000 (1998: £14,077,000) and on the weighted average number of ordinary shares in issue, as shown above.

11 Fixed asset investments

Group	Total £'000
Valuation at 1 November 1998	444,535
Unrealised appreciation	111,859
Cost at 1 November 1998	332,676
Additions at cost	149,029
Disposals at cost	(128,875)
Cost at 31 October 1999	352,830
Unrealised appreciation	140,547
Valuation at 31 October 1999	<u>493,377</u>

Notes to the Accounts

continued

11 Fixed asset investments (continued)

Company	Subsidiary Undertaking £'000	Investments £'000	Total £'000
Valuation at 1 November 1998	473	444,535	445,008
Unrealised appreciation	473	111,859	112,332
Cost at 1 November 1998	-	332,676	332,676
Additions at cost	-	149,029	149,029
Disposals at cost	-	(128,875)	(128,875)
Cost at 31 October 1999	-	352,830	352,830
Unrealised appreciation	595	140,547	141,142
Valuation at 31 October 1999	595	493,377	493,972

12 Subsidiary undertaking

The Company has an investment in the issued ordinary share capital (which confers voting rights), fully paid, of £2 in its wholly owned subsidiary undertaking, The Army & Navy Investment Company Limited, which is registered in England and Wales and operates in the United Kingdom as an investment dealing company. It is stated in the Company's accounts at net asset value.

	Group 1999 £'000	Group 1998 £'000	Company 1999 £'000	Company 1998 £'000
13 Current asset investments				
Listed in Great Britain	42	302	-	-
Listed outside Great Britain	-	32	-	-
	42	334	-	-

The market value of these investments was £69,300 (1998: £347,000).

	Group 1999 £'000	Group 1998 £'000	Company 1999 £'000	Company 1998 £'000
14 Debtors				
Sales for future settlement	1,908	2,584	1,908	2,584
Advance corporation tax recoverable	535	1,546	479	1,546
Other taxes recoverable	270	489	270	489
Prepayments and accrued income	1,203	1,801	1,200	1,799
Other debtors	64	30	64	30
	3,980	6,450	3,921	6,448

Notes to the Accounts

continued

15 Creditors: amounts falling due within one year	Group	Group	Company	Company
	1999	1998	1999	1998
	£'000	£'000	£'000	£'000
Bank loans and overdrafts	16,497	12,013	16,497	12,013
Purchases for future settlement	1,748	10,924	1,748	10,924
Advance corporation tax payable	-	858	-	858
Corporation tax payable	136	-	26	-
Income tax payable	86	16	86	16
Amounts due to subsidiary undertaking	-	-	584	140
Dividends declared on ordinary shares	4,657	4,421	4,657	4,421
Accruals	376	194	375	191
Other creditors	103	15	102	15
	23,603	28,441	24,075	28,578

16 Creditors: amounts falling due after more than one year	Group and Company	
	1999	1998
	£'000	£'000
Bank loans repayable between one and two years	-	2,691
Debenture stocks (secured):		
4% perpetual debenture stock	1,300	1,300
10½% debenture stock 2016	10,000	10,000
8% debenture stock 2023	15,000	15,000
	26,300	28,991

The 4% perpetual debenture stock is secured by a first floating charge over the whole of the undertaking and all property and assets of the Company. The 10½% debenture stock 2016 and the 8% debenture stock 2023 are secured by second floating charges over the whole of the undertaking and all the property and assets of the Company, ranking pari passu in point of security immediately after the 4% perpetual debenture stock.

The 10½% debenture stock 2016 and the 8% debenture stock 2023 are redeemable at par on 31 October 2016 and 31 October 2023 respectively (except in so far as previously purchased and cancelled).

17 Provisions for liabilities and charges	Group and Company
	£'000
Deferred taxation: on short term timing differences	
At 1 November 1998	71
Transfer to revenue account	(5)
At 31 October 1999	66

Notes to the Accounts

continued

18 Financial instruments

(i) Management of risk

The Group's financial instruments comprise:

- Equity and non-equity shares and fixed interest securities that are held in accordance with the Group's investment objective as set out on page 1 of the report and accounts;
- Debenture stock, term loans and bank overdrafts, the main purpose of which is to raise finance for the Group's operations;
- Cash, liquid resources and short term debtors and creditors that arise directly from the Group's operations; and
- Derivative transactions which the Group enters into comprising traded options, the purpose of which is to manage market price risks arising from the Group's investment activities.

It is, and has been throughout the year under review, the Group's policy that no trading in financial instruments shall be undertaken.

The main risks arising from the Group's financial instruments are market price risk, interest rate risk, liquidity risk and foreign currency risk. The Board regularly reviews and agrees policies for managing each of these risks and they are summarised below. These policies have remained constant throughout the year under review.

Market price risk

Market risk arises mainly from uncertainty about the future prices of financial instruments used in the Group's operations. It represents the potential loss the Group might suffer through holding market positions in the face of price movements and movements in exchange rates. It is the Board's policy to hold an appropriate spread of investments in the portfolio in order to reduce the risk arising from factors specific to a particular country or sector. The allocation of assets to international markets and stock selection are other factors which act to reduce market risk. The investment manager actively monitors market prices throughout the year and reports to the Board, which meets regularly to consider investment strategy.

Interest rate risk

The Group finances its operations through its debenture stocks and term loans as well as bank overdrafts and any retained revenues arising from operations. The Group borrows in the desired currencies at both fixed and floating rates of interest and the Board imposes borrowing limits to ensure gearing levels are appropriate to market conditions and reviews these on a regular basis.

Liquidity risk

The Group's assets comprise mainly readily realisable securities which can be sold to meet funding commitments if necessary. The maturity of the Group's existing borrowings are set out in paragraph (ii) on page 30. Short term flexibility is achieved through the use of short term borrowing and overdraft facilities.

Foreign currency risk

The Group's total return and net assets can be significantly affected by currency translation movements as some of the Group's assets and revenue are denominated in currencies other than sterling. The fund manager mitigates the individual currency risks through the international spread of investments. Borrowings in foreign currencies will be limited to levels appropriate to the asset exposure to these currencies.

(ii) Interest rate risk profile of financial assets and financial liabilities

Financial assets

The majority of the Group's financial assets are equity shares and other investments which neither pay interest nor have a stated maturity date.

Notes to the Accounts

continued

18 Financial instruments (continued)

Financial liabilities

The interest rate profile of the Group's financial liabilities at 31 October 1999 was:

Currency	Total £'000	Floating rate financial liabilities £'000	Fixed rate financial liabilities £'000
Sterling	26,300	—	26,300
Yen	16,497	13,431	3,066
Total	42,797	13,431	29,366

Currency	Fixed rate financial liabilities	
	Weighted average interest rate %	Weighted average period for which interest rate is fixed
Sterling – with a redemption date	9.0	21 years
– without a redemption date	4.0	—
Yen	1.0	2 years

(iii) Maturity profile of the Group's financial liabilities

All of the Group's sterling financial liabilities at 31 October 1999 mature in more than five years. All of the Group's other financial liabilities mature within one year.

The Group had uncommitted short term loan facilities of £64,000,000 and uncommitted undrawn overdraft facilities of £10,000,000 as at 31 October 1999. The facilities are subject to regular review by the providers.

(iv) Currency exposure

A portion of the financial assets and financial liabilities of the Group are denominated in currencies other than sterling with the effect that the net assets and total return can be significantly affected by currency movements.

Currency	Investments denominated in overseas currencies £'000	Net Monetary assets/(liabilities) £'000
Euro	64,699	8,836
US dollar	82,123	10,258
Other non-sterling	77,296	(15,413)
Total	224,118	3,681

(v) Fair values of financial assets and financial liabilities

All of the financial assets of the Group are held at fair value.

Set out below is a comparison of book values and fair values of the Group's sterling fixed rate financial liabilities at 31 October 1999:

	Book value 1999 £'000	Fair value 1999 £'000
Long-term borrowings	26,300	34,400

The fair values shown above have been calculated by reference to prices available from the markets on which the instruments involved are traded. All other financial liabilities are held at fair value.

Notes to the Accounts

continued

19 Net asset value per ordinary share

The net asset value per ordinary share is based on net assets attributable to ordinary shares of £487,461,000 (1998: £420,994,000) and on the 154,221,015 ordinary shares in issue at 31 October 1999 (1998: 155,121,015).

The movements during the year of the assets attributable to the ordinary shares were as follows:

	£'000
Total net assets at 1 November 1998	422,424
Less: Cumulative preference stock at par	(1,430)
Net assets attributable to ordinary shares at 1 November 1998	420,994
Total net return on ordinary activities after taxation	78,350
Dividends appropriated in the year:	
preference stock	(38)
ordinary shares	(9,280)
Repurchase of 900,000 ordinary shares (see note 20)	(2,448)
Expenses in respect of share buy-back	(117)
Net assets attributable to ordinary shares at 31 October 1999	487,461

20 Called up share capital

	1999 £'000	1998 £'000
Authorised:		
Nil (1998: £1,430,000) 3½% (formerly 5% gross) cumulative preference stock	-	1,430
186,280,000 ordinary shares of 25p each	46,570	46,570
	46,570	48,000
Allotted, issued and fully paid:		
Nil (1998: £1,430,000) 3½% (formerly 5% gross) cumulative preference stock	-	1,430
154,221,015 (1998: 155,121,015) ordinary shares of 25p each	38,555	38,780
	38,555	40,210

During the year the Company repurchased for cancellation all of its own preference stock (amounting to £1,430,000) and 900,000 of its own issued ordinary shares, leaving a balance of 154,221,015 ordinary shares for the purposes of the calculation of the net asset value per ordinary share. Details of these purchases are given in the Report of the Directors on page 18.

21 Share premium account

	1999 £'000	1998 £'000
At 31 October	452	452

22 Other capital reserves

(a) Group	Capital redemption reserve £'000	Unrealised appreciation £'000	Other realised reserves £'000	Total £'000
At 1 November 1998	-	110,834	258,578	369,412
Transfer on disposal of assets	-	(25,828)	25,828	-
Net gains on fixed asset investments	-	54,516	16,241	70,757
Net loss on foreign exchange	-	(748)	(1,279)	(2,027)
Purchase of own shares	1,655	-	(3,878)	(2,223)
Costs associated with purchase of own shares	-	-	(117)	(117)
At 31 October 1999	1,655	138,774	295,373	435,802

Notes to the Accounts

continued

22 Other capital reserves (continued)

(b) Company	Capital redemption reserve £'000	Unrealised appreciation £'000	Other realised reserves £'000	Total £'000
At 1 November 1998	-	111,307	258,578	369,885
Transfer on disposal of assets	-	(25,828)	25,828	-
Net gains on fixed asset investments	-	54,638	16,241	70,879
Net loss on foreign exchange	-	(748)	(1,279)	(2,027)
Purchase of own shares	1,655	-	(3,878)	(2,223)
Costs associated with purchase of own shares	-	-	(117)	(117)
At 31 October 1999	1,655	139,369	295,373	436,397

23 Revenue reserve

	Group £'000	Company £'000
At 1 November 1998	12,350	11,877
Net revenue retained for the year	302	180
At 31 October 1999	12,652	12,057

As permitted by Section 230 of the Companies Act 1985, the Company has not presented its own revenue account. The net revenue on ordinary activities after taxation of the Company amounted to £9,498,000 (1998: £10,286,000).

24 Non-equity interests

	1999 £'000	1998 £'000
Shareholders' funds are analysed between equity and non-equity interests as follows:		
Equity	487,461	420,994
Non-equity	-	1,430
	487,461	422,424

During the year the Company repurchased for cancellation all of its own preference stock (amounting to £1,430,000) (see note 20).

25 Capital commitments

As at 31 October 1999 there were capital commitments relating to underwriting for the Group of £2,392,000 (1998: £nil) and for the Company of £2,392,000 (1998: £nil).

26 Group reconciliation of movement in shareholders' funds

	1999 £'000	1998 £'000
Net revenue on ordinary activities after taxation	9,620	10,281
Dividends	(9,318)	(8,840)
	302	1,441
Increase in capital reserves	68,730	14,077
Purchase of 900,000 own ordinary shares	(2,448)	-
Purchase of 1,430,000 own preference stock	(1,430)	-
Costs associated with purchase of own shares	(117)	-
Net increase in shareholders' funds	65,037	15,518
Shareholders' funds at 1 November	422,424	406,906
Shareholders' funds at 31 October	487,461	422,424

Notes to the Accounts

continued

27	Reconciliation of operating revenue to net cash inflow from operating activities	1999 £'000	1998 £'000
	Net revenue before interest payable and taxation	13,737	14,876
	Net sales of trading stock	292	40
	Decrease/(increase) in prepayment and accrued income	598	(210)
	Increase in other debtors	(34)	(42)
	Increase in other creditors	261	30
	Tax on franked investment income deducted at source	(1,026)	(1,269)
	UK income tax deducted at source	(372)	(574)
	Overseas withholding tax suffered	(739)	(784)
	Scrip dividends included in investment income	(17)	(356)
	Net cash inflow from operating activities	12,700	11,711

28	Analysis of changes in net debt	1 November 1998 £'000	Cash flow £'000	Non-cash movements £'000	Exchange movements £'000	31 October 1999 £'000
	Net cash:					
	Cash at bank and overdrafts	28,608	11,621	–	(198)	40,031
	Less: deposits treated as liquid resources	(21,432)	(1,252)	–	38	(22,646)
		<u>7,176</u>	<u>10,369</u>	<u>–</u>	<u>(160)</u>	<u>17,385</u>
	Liquid resources:					
	Deposits included in cash	21,432	1,252	–	(38)	22,646
	Debt:					
	Debts falling due within one year	(12,013)	13	(2,660)	(1,837)	(16,497)
	Debts falling due after more than one year	(28,991)	–	2,660	31	(26,300)
		<u>(41,004)</u>	<u>13</u>	<u>–</u>	<u>(1,806)</u>	<u>(42,797)</u>
	Net debt	<u>(12,396)</u>	<u>11,634</u>	<u>–</u>	<u>(2,004)</u>	<u>(2,766)</u>

29 Transactions with the Management Company

Under the terms of an agreement dated 17 January 1995 the Company has appointed wholly owned subsidiary companies of Henderson plc ("Henderson") to provide investment management, accounting, secretarial and administrative services. Details of the management fee arrangements for these services are given in the Report of the Directors on page 17. The total fees paid or payable under this agreement to Henderson in respect of the year ended 31 October 1999 was £2,020,000, excluding VAT (1998: £1,863,000), of which £170,000 is included in accruals at 31 October 1999 (1998: prepayment of £284,000).

In addition to the above services, Henderson has provided the Company with share plan administration services during the year. The total fees paid or payable for these services for the year ended 31 October 1999 amounted to £62,000, excluding VAT (1998: £27,000), of which £62,000 was outstanding at 31 October 1999 (1998: £9,000).

Corporate Governance

The Company is committed to high standards of corporate governance. The Board has put in place a framework for corporate governance which it believes is appropriate for an investment trust company and which enables the company to comply with the Principles of Good Governance and Code of Best Practice ("the Combined Code") prepared by the Committee on Corporate Governance, published in June 1998.

The Board considers that the Company has complied with the provisions contained within the Combined Code throughout the accounting period to 31 October 1999 except where disclosed below and this statement describes how the relevant principles of governance are applied to the Company.

The Board

The Board currently consists of six non-executive directors, five of whom are independent of the Company's investment manager. Their biographies, on page 2, demonstrate a breadth of investment, commercial and professional experience, with an international perspective.

The Board meets eleven times a year and between these meetings there is regular contact with the investment manager. Matters specifically reserved for decision by the full Board have been defined and a procedure adopted for directors, in the furtherance of their duties, to take independent professional advice at the expense of the Company. The directors have access to the advice and services of the Corporate Company Secretary through its appointed representative who is responsible to the Board for ensuring that Board procedures are followed.

When a director is appointed they are offered an induction seminar which is held by the investment manager. Directors are also provided, on a regular basis, with key information on the Company's policies, regulatory and statutory requirements and internal controls. Changes affecting directors' responsibilities are advised to the Board as they arise.

The Chairman is a non-executive Director. A senior non-executive Director has not been identified as the Board considers that all the Directors have different qualities and areas of expertise on which they may lead where issues arise and to whom concerns can be conveyed.

The Board has contractually delegated to external agencies, including the Manager ("Henderson"), the management of the investment portfolio, the custodial services (which include the safeguarding of the assets), the day to day accounting, company secretarial, administration and registration services. Each of these contracts was entered into after full and proper consideration by the Board of the quality and cost of services offered including the financial control systems in operation in so far as they relate to the affairs of the Company. The Board receives and considers reports regularly from the Manager and ad hoc reports and information are supplied to the Board as required. In addition, the Chairman or any independent director attends meetings of all the Chairmen of the investment trusts managed by the Manager, which is a forum to discuss industry matters, and he reports back to the Board.

The Board has established a management engagement committee and a nominations committee both with defined terms of reference and duties to review and discuss the terms of the management contract with the Manager and to make recommendations on the appointment of new directors. Both committees consist of all the independent non-executive directors. An annual review of the management contract is carried out. There is also an audit committee with defined terms of reference and duties which consists of three independent non-executive directors. This committee is responsible for the review of the annual accounts and the interim report, the terms of appointment of the auditors together with their remuneration as well as any non-audit services provided by the auditors. It also meets with representatives of the Manager and receives reports on the quality and effectiveness of the accounting records and management information maintained on behalf of the Company.

All non-executive directors are appointed for an initial term of three years, subject to re-election and the Companies Act provisions and, in accordance with the existing Articles of Association, stand for election at the first Annual General Meeting following their appointment.

In the recent past the composition of the Board has, under the provisions of the Company's Articles relating to retirement by rotation, meant that directors have retired by rotation every three years. The Articles of Association were

Corporate Governance

continued

amended at the last AGM and provide that in addition to retirement by rotation any director who has held office at the time of the two preceding annual general meetings and has not retired by rotation under the Articles of Association will do so at the third annual general meeting. The names of the directors retiring by rotation at this year's Annual General Meeting are given on page 17.

Directors' Remuneration

Under the London Stock Exchange's Listing Rule 21.20 (i), where an investment trust company has no executive directors the Code principles relating to directors' remuneration do not apply.

Relations with Shareholders

The Board is conscious that the Annual General Meeting is an event which all shareholders are encouraged to attend and participate in. The Annual General Meeting is attended by the Chairman of the Board and the Chairman of the Audit and Management Engagement and Nominations Committees. Proxy votes on the resolutions proposed will be displayed at the meeting. After the formal business of the meeting the investment manager will make a presentation. The Company has adopted a nominee share code which is set out on page 19.

The Board believes that it is valuable to report to shareholders as soon as possible after the Company's year end. The preliminary results were released on 20 December 1999 and the Annual General Meeting, of which twenty working days' notice has been given in accordance with the requirement of Code Provision C.2.4, will be held on 18 February 2000.

The Notice of Meeting sets out the business of the Annual General Meeting and the special resolutions to be proposed for each substantive issue.

Accountability and Audit

A statement of going concern is on page 19 and the Directors' statement of responsibilities in respect of the Accounts is on page 36.

The auditors report is set out on page 36.

As permitted by the London Stock Exchange and until guidance for directors, issued by the Turnbull Committee in September 1999 becomes effective on the scope, extent, nature and review of internal controls to which Code

principle D.2 and provision D.2.1 relate, the Company has complied with Code provision D.2.1 on internal control by reporting on internal financial controls in accordance with the guidance for directors on internal control and financial reporting that was issued in December 1994.

The directors are responsible for the internal financial control systems of the Company and for reviewing their effectiveness. These aim to ensure the maintenance of proper accounting records, the reliability of the financial information upon which business decisions are made and which is used for publication of information and that the assets of the Company are safeguarded. The financial controls operated by the Board include the authorisation of the investment strategy and regular reviews of the financial results and investment performance. As stated above, the Board has contractually delegated to external agencies the services the Company requires. The Manager has established an internal control framework to provide reasonable assurance on the effectiveness of internal financial controls operated on behalf of its clients. The effectiveness of the internal financial controls is assessed by the Manager's compliance and risk management services and internal controls framework departments on an ongoing basis.

These systems of internal financial control are designed to provide reasonable, but not absolute, assurance against material misstatement or loss. By the procedures set out above the directors have kept under review the effectiveness of the internal financial controls throughout the year.

Exercise of Voting Powers

The Company has approved a corporate governance voting policy which, in summary, is based on the governance recommendations of the Codes of Best Practice from Cadbury and Greenbury with the intention of voting in accordance with best practice whilst maintaining a primary focus on financial returns.

Statement of Directors' Responsibilities in respect of the Accounts

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Company and of the Group and of the revenue of the Group for that period. In preparing those accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and

- prepare the accounts on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The directors are responsible for ensuring that proper accounting records are kept which disclose with reasonable accuracy at any time the financial position of the Company and of the Group and to enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the Company and of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors' Report to the members of The Bankers Investment Trust PLC

We have audited the financial statements on pages 20 to 33.

Respective responsibilities of directors and auditors
The Company's directors are responsible for preparing the Annual Report, including as described above the financial statements. Our responsibilities, as independent auditors, are established by statute, the Auditing Practices Board, the Listing Rules of the London Stock Exchange and our profession's ethical guidance.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the Company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law or the Listing Rules regarding directors' remuneration and transactions is not disclosed.

We read the other information contained in the Annual Report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

We review whether the statement on pages 34 and 35 reflects the Company's compliance with those provisions of the Combined Code specified for our review by the London Stock Exchange, and we report if it does not. We are not required to form an opinion on the effectiveness of the Company's corporate governance procedures or its internal controls.

Basis of audit opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Group's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the affairs of the Company and the Group at 31 October 1999 and of the total return and cash flows of the Group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

PricewaterhouseCoopers

PricewaterhouseCoopers
Chartered Accountants and Registered Auditors
London
7 January 2000.

Capital Gains Tax

To help holders of shares and stocks in the Company to calculate their Capital Gains Tax ("CGT") position, the values, for CGT purposes of the Company's shares and stocks on 31 March 1982, the start of indexation allowance for inflation, were as follows:

	31 March 1982
Ordinary shares of 25p each	21.625p*
3½% (formerly 5% gross) cumulative preference stock	£32.50
4% perpetual debenture stock	£26.25
Retail Prices Index (rebased to 100 January 1987)	79.4

*Adjusted for 1 for 1 capitalisation issues in 1984 and 1987.
Source: Dun & Bradstreet.

The Finance Act 1998 included provisions, which made considerable changes to the way that chargeable gains are calculated for non-corporate shareholders in respect of disposals made on or after 6 April 1998. From that date pooling no longer applies and disposals are matched against shares acquired in the following order:

- same date acquisitions;
- acquisitions within the following 30 days;
- previous acquisitions on or after 6 April 1998 (using the 'last in first out' basis);
- any shares held in the pool as at 5 April 1998;
- any shares held in the pool as at 5 April 1982;
- any shares acquired before 6 April 1965; and
- any shares acquired subsequent to the disposal.

For disposals on or after 6 April 1998 indexation is still allowed but only up to April 1998. The Finance Act

changes apply a taper relief to the amount of the chargeable gain on these disposals. The taper is 5% for each complete year of ownership after the first two complete years, with a maximum reduction of 40% after ten complete years.

In calculating the tapering relief, assets held before 17 March 1998 qualify for an extra year.

The way that chargeable gains are calculated for companies is currently under review by the Inland Revenue and for the time being pooling remains.

The special rules that previously applied to shareholders disposing of shares who had purchased their shares through the Henderson Investors Investment Trust Share Plan on a monthly basis, were withdrawn by the Inland Revenue for savings commenced on or after 6 April 1998.

When savings commenced before 6 April 1998, the simplified basis will still apply for acquisitions during the investment trust's accounting period ended before 6 April 1999, which in the case of the Company is 31 October 1998.

The calculation of the tax on chargeable gains will depend on personal circumstances. The above information is of a general nature and is not exhaustive. If you are in any doubt about your personal tax position, you are recommended to contact your professional adviser.

Notice of Meeting

Notice is hereby given that the one hundred and twelfth Annual General Meeting of The Bankers Investment Trust PLC will be held at Drapers' Hall, Throgmorton Avenue, London EC2 on Friday 18 February 2000 at 12 noon for the transaction of the following business:

- 1 To receive the report of the directors and the audited accounts for the year ended 31 October 1999.
- 2 To declare a final ordinary dividend.
- 3 To re-appoint Mr J Morley as a director.
- 4 To re-appoint Mr F Sumner as a director.
- 5 To re-appoint PricewaterhouseCoopers as registered auditors to the Company and to authorise the directors to determine their remuneration.

Special Business

To consider, and if thought fit, pass the following resolutions:

As an Ordinary Resolution

- 6 THAT the Board be and it is hereby generally and unconditionally authorised to exercise all powers of the Company to allot relevant securities (within the meaning of Section 80 of the Companies Act 1985) up to an aggregate nominal amount of £1,920,887 (being 5% of the issued share capital at 7 January 2000) PROVIDED THAT this authority shall expire at the conclusion of the next Annual General Meeting of the Company after the passing of this resolution, save that the Company may before such expiry make an offer or agreement which would or might require relevant securities to be allotted after such expiry and the Board may allot relevant securities in pursuance of such an offer or agreement as if the authority conferred hereby had not expired.

As Special Resolutions

- 7 THAT, subject to resolution 6 being passed, the Board be and it is hereby empowered pursuant to Section 95 of the Companies Act 1985 to allot equity securities (within the meaning of Section 94 of the said Act) for cash pursuant to the authority conferred by resolution 6 as if sub-section (1) of Section 89 of the said Act did not apply to any such allotment, PROVIDED THAT this power shall be limited:

(a) to the allotment of equity securities in the Company whether by way of a rights issue, open offer or otherwise to ordinary shareholders where the equity securities respectively attributable to the interests of all ordinary shareholders are proportionate to the respective numbers of ordinary shares held by them subject to such exclusions or other arrangements as the Board may deem necessary or expedient in relation to fractional entitlements or local or practical problems under the laws of, or the requirements of, any regulatory body or any stock exchange in any territory or otherwise howsoever;

(b) to the allotment (otherwise than pursuant to subparagraph (a) above) of equity securities up to an aggregate nominal value of £1,920,887 (being 5% of the issued share capital at 7 January 2000); and

(c) to the allotment of equity securities at a price not less than net asset value per share

and shall expire upon the renewal of this power at the conclusion of the next Annual General Meeting of the Company after the passing of this resolution, save that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Board may allot equity securities in pursuance of such an offer or agreement as if the power conferred hereby had not expired.

- 8 THAT the Company be and it is hereby generally and unconditionally authorised to make market purchases (within the meaning of section 163 of the Companies Act 1985) of ordinary shares of 25p each in the capital of the Company ("Shares") PROVIDED THAT:

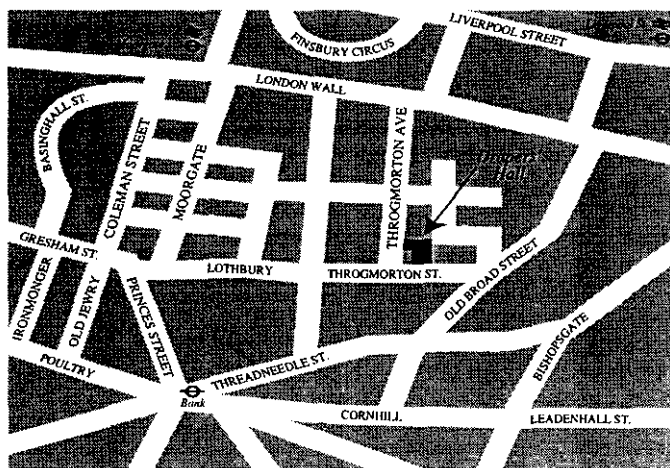
(a) the maximum number of Shares which may be purchased is 23,035,285 Shares representing 14.99% of the Company's issued ordinary share capital;

(b) the maximum price (exclusive of expenses) which may be paid for a Share shall not exceed 105% of the average of the middle market quotations for the Shares as taken from the London Stock Exchange Daily Official List for the five business days preceding the date of purchase;

(c) the minimum price (exclusive of expenses) which may be paid for a Share shall be 25p, being the nominal value per Share; and

(d) this authority shall expire at the conclusion of the next Annual General Meeting of the Company save that the Company may, before such expiry, enter into a contract to purchase Shares under which such purchases will or may be completed or executed wholly or partly after the expiration of this authority and may make a purchase of Shares in pursuance of any such contract.

Annual General Meeting Venue



Drapers' Hall is located in the City of London, in Throgmorton Avenue close to the London Stock Exchange. It is a few minutes walk from Liverpool Street Station, Bank and Moorgate Underground Stations. Please use the Throgmorton Street entrance.

By order of the Board

W J King
W J King FCIS

For and on behalf of

Henderson Secretarial Services Limited

Secretary

7 January 2000

Registered office:

3 Finsbury Avenue

London

EC2M 2PA

Notes

- A member entitled to attend and vote at the meeting may appoint one or more proxies to attend and, on a poll, vote on his behalf. A proxy need not be a member of the Company.
- A form of proxy is enclosed and to be valid must be lodged with the Registrar of the Company not less than forty-eight hours before the time fixed for the meeting.
- The completion of the form of proxy will not preclude shareholders from attending and voting in person at the meeting.
- Pursuant to Regulation 34 of the Uncertificated Securities Regulations 1995, only those shareholders registered in the Register of Members of the Company at 12.00 noon on 16 February 2000 shall be entitled to attend or vote at the Annual General Meeting in respect of the number of shares registered in their name at that time. Changes in entries on the relevant register of securities after 12.00 noon on 16 February 2000 shall be disregarded in determining the rights of any person to attend or vote at the meeting.
- This notice is sent for information only to debenture stock holders who are not entitled to attend or vote at the meeting.
- The Register of Directors' Interests kept by the Company in accordance with Section 325 of the Companies Act 1985 will be open for inspection at the Annual General Meeting.

Investor Information

Directors

Andrew C Barker (Chairman)
Richard D Brewster
John D Crosland
James Morley
Michael B Moule
Francis I Sumner

Audit Committee

Richard D Brewster (Chairman)
James Morley
Francis I Sumner

Management Engagement Committee and Nominations Committee

Andrew C Barker (Chairman)
Richard D Brewster
John D Crosland
James Morley
Francis I Sumner

Investment Manager

Henderson Investors Limited
an **AMP** Company regulated by IMRO and
the Personal Investment Authority
is represented by Michael Moule

Secretary

Henderson Secretarial Services Limited
represented by Wendy King FCIS

Registered Number

Registered in England No. 26351C

Registered Office

3 Finsbury Avenue,
London EC2M 2PA
Telephone: 020 7638 5757
Fax: 020 7377 5742

Registrars

Lloyds TSB Registrars Scotland,
117 Dundas Street,
Edinburgh EH3 5ED
Telephone: 0870 601 5366

New Zealand Registrars

Computershare Services PLC,
Level 3,
277 Broadway,
Newmarket,
Auckland,
New Zealand
Telephone: (New Zealand) 09 522 0022

Auditors

PricewaterhouseCoopers,
Southwark Towers,
32 London Bridge Street,
London SE1 9SY

Solicitors

Norton Rose,
Kempson House,
PO Box 570,
Camomile Street,
London EC3A 7AN

Bankers

Bank of New York Europe Limited,
67 Lombard Street,
London EC3P 3DL

The Chase Manhattan Bank,

125 London Wall,
London EC2Y 5AJ

Stockbrokers

Cazenove & Co.,
12 Tokenhouse Yard,
London EC2R 7AN

New Zealand Stockbrokers

Craig & Co. Limited,
Farming House,
102-104 Spring Street,
P.O. Box 13155,
Tauranga,
New Zealand



The Company is a member of
the Association of Investment Trust Companies

Investor Information

Results

Half year announced June

Full year announced December

The Report and Accounts are posted to shareholders in January and the AGM is held in London in February.

Share Price Information

The market price of the Company's ordinary shares is quoted daily at www.henderson.com and in the Financial Times, The Times, The Daily Telegraph, The Independent, The Guardian and the Evening Standard.

The Financial Times also provides on a daily basis an estimate of the net asset value and of the discount/premium.

History

The Company was incorporated in 1888. Since seven of the nine original directors were bankers by profession, the name The Bankers' Investment Trust, Limited was considered appropriate. The Company has paid dividends on the equity capital every year since incorporation except in the years 1892 and 1893.

Dividends

Ordinary shares:

First interim paid end May

Second interim paid end August

Third interim paid end November

Final paid end February

Debenture stock interest:

4% debenture stock paid on 5 January and 5 July

10½% debenture stock 2016 and 8% debenture stock

2023 paid on 30 April and 31 October.

Performance Details

Details of the performance of the Company is updated daily on the Henderson Investors website:

www.henderson.com

Investing in Bankers

Ordinary shares of Bankers may be bought or sold directly through a stockbroker, accountant, other independent financial adviser or through a number of banks or building societies who are also providing this service. Alternatively, shares may be bought directly through the Henderson Investors Investment Trust Share Plan and the Henderson Investors Selection ISA.

Analysis of Ordinary Shareholders

as at 31 October 1999

Category	Number of shareholders	%	Number of shares held	%
*Individuals	16,173	81.6	55,022,368	35.7
Individuals (Nominee Accounts)	3,043	15.3	47,356,493	30.7
Insurance	12	0.1	29,368,321	19.0
Pension Funds	15	0.1	10,407,507	6.8
Other Institutions	576	2.9	12,066,326	7.8
	19,819	100.0	154,221,015	100.0

Source: Lloyds TSB Registrars Scotland and Fulcrum Research Limited.

*Includes shareholders who have invested through the Henderson Investors Investment Trust Share Plan. The Share Plan shareholders decreased from 8,955 to 8,115 during the financial year.

Henderson Investors Selection ISA

You can invest directly in **The Bankers Investment Trust PLC** through the Henderson Investors Selection ISA. The ISA offers the following:

- Tax free income and tax free growth
- Fixed annual management charge of £30 (+VAT)
- Regular savings from £100 per month or lump sum investments from £2,000
- Quarterly income withdrawal facility
- Half yearly valuations, reports and complimentary newsletters
- Both Mini and Maxi ISAs available for investment by lump sum or regular savings

Henderson Investors Investment Trust Share Plan

The Henderson Investors Investment Trust Share Plan offers a simple and flexible way of investing in **The Bankers Investment Trust PLC**. The Share Plan offers the following:

- Regular savings from £50 per month/quarter, or lump sum investments from £500 and additional 'top-up' from £100
- A Share Exchange Service whereby you can sell existing UK company shares, unit trusts or gilts and reinvest the proceeds in the Company at a cost of £15 per holding (or class of share)
- An income reinvestment facility. Alternatively, you can have dividends paid to your bank or building society account
- All paperwork and documentation is simplified and reduced to a minimum
- Half yearly valuations with consolidated tax certificate and complimentary newsletters

Further Information

Please consult our website www.henderson.com or write to Henderson Investors, FREEPOST, Newbury RG14 2ZZ. No stamp is required.

Alternatively, please contact your professional adviser for further information or call our Investor Services Department on freephone **0800 106 106** quoting the reference **REPORT**. Please call 020 7452 1315 if you are telephoning from abroad.

Please remember that the value of an investment and the income from it can fall as well as rise as a result of market and currency fluctuations and you may not get back the amount originally invested.

Tax assumptions may change if the law changes and the value of tax relief will depend upon individual circumstances.

Henderson Investors is the name under which Henderson Investors Limited and Henderson Investment Funds Limited (both regulated by IMRO and the Personal Investment Authority) and Henderson Administration Limited (regulated by IMRO), provide investment products and services.

3 Finsbury Avenue, London EC2M 2PA.

The Bankers Investment Trust PLC is managed by



An **AMP** Company

Printed by CPD Print and Design Limited H19201/1999