

Edgar Filing: AMVESCAP PLC/LONDON/ - Form 11-K

AMVESCAP PLC/LONDON/  
Form 11-K  
June 28, 2006

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

FORM 11-K

ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE  
ACT OF 1934

(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES  
EXCHANGE ACT OF 1934 (No Fee Required)

For the fiscal year ended December 31, 2005.

Or

TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES  
EXCHANGE ACT OF 1934.

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission file number: 1-13908

A. Full title of the plan and the address of the plan, if different  
from that of the issuer named below:

AMVESCAP 401(k) Plan  
1360 Peachtree Street, N.E.  
Atlanta, Georgia 30309

B. Name of issuer of the securities held pursuant to the plan and the  
address of its principal executive office:

AMVESCAP PLC  
11 Devonshire Square  
London EC2M 4YR

AUDITED FINANCIAL STATEMENTS AND  
SUPPLEMENTAL SCHEDULE

AMVESCAP 401(k) Plan  
As of December 31, 2005 and 2004 and for the Year Ended December 31, 2005

AMVESCAP 401(k) Plan

Audited Financial Statements and Supplemental Schedule

As of December 31, 2005 and 2004 and for the  
Year Ended December 31, 2005

# Edgar Filing: AMVESCAP PLC/LONDON/ - Form 11-K

## Contents

Report of Independent Registered Public Accounting Firm.....	1
Audited Financial Statements	
Statements of Net Assets Available for Benefits.....	2
Statement of Changes in Net Assets Available for Benefits.....	3
Notes to Financial Statements.....	4
Supplemental Schedule	
Schedule H, Line 4i - Schedule of Assets (Held at End of Year).....	12

## Report of Independent Registered Public Accounting Firm

The Plan Administrator  
AMVESCAP 401(k) Plan

We have audited the accompanying statements of net assets available for benefits of the AMVESCAP 401(k) Plan as of December 31, 2005 and 2004, and the related statement of changes in net assets available for benefits for the year ended December 31, 2005. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of the Plan's internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan at December 31, 2005 and 2004, and the changes in its net assets available for benefits for the year ended December 31, 2005, in conformity with U.S. generally accepted accounting principles.

Our audits were performed for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying supplemental schedule of assets (held at end of year) as of December 31, 2005 is presented for purposes of additional analysis and is not a required part of the financial statements, but

Edgar Filing: AMVESCAP PLC/LONDON/ - Form 11-K

is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. This supplemental schedule is the responsibility of the Plan's management. The supplemental schedule has been subjected to the auditing procedures applied in our audits of the financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

/s/ Ernst & Young LLP

Atlanta, GA  
June 14, 2006

AMVESCAP 401(k) Plan

Statements of Net Assets Available for Benefits

	2005	Decem
	-----	
Investments, at fair value:		
Cash equivalents	1,266,238	
AMVESCAP PLC ordinary shares	3,612,324	
Non-employer common stock	238,513	
Mutual funds	187,051,966	
Collective trusts	92,338,918	
Participant loans	5,880,592	
	-----	
Total investments	290,388,551	
Receivables:		
Employer contributions	877,136	
Investment income	473	
Due from brokers for sales of securities	-	
	-----	
Total receivables	877,609	
Payables:		
Due to brokers for purchases of securities	-	
	-----	
Total payables	-	
	-----	
Net assets available for benefits	291,266,160	
	=====	

See accompanying notes.

AMVESCAP 401(k) Plan

# Edgar Filing: AMVESCAP PLC/LONDON/ - Form 11-K

## Statement of Changes in Net Assets Available for Benefits

For the Year Ended December 31, 2005

Additions:	
Contributions:	
Employers	11,862,659
Participants	21,268,953
Rollovers from qualified plans	12,794,914
	-----
Total contributions	45,926,526
Net appreciation in fair value of investments	15,046,293
Interest and dividends	5,027,314
	-----
Total additions	66,000,133
Deductions:	
Benefits paid to participants	(32,307,216)
Administrative expenses	(15,062)
	-----
Net increase	33,677,855
Net assets available for benefits:	
Beginning of year	257,588,305
	-----
End of year	291,266,160
	=====

See accompanying notes.

### AMVESCAP 401 (K) Plan

#### Notes to Financial Statements

December 31, 2005

#### 1. Plan Description

The following description of the AMVESCAP 401(k) Plan (the Plan) is provided for general information purposes only. More complete information regarding the Plan's provisions may be found in the Plan document and summary plan description.

#### General

The Plan, established and effective January 1, 2000, and restated and amended February 1, 2005, is a defined contribution plan for the benefit of qualifying employees of AVZ, Inc. (the Plan Sponsor); A I M Management Group Inc. (AIM); AMVESCAP Group Services, Inc.; INVESCO Institutional (N.A.), Inc. (INVESCO); and Atlantic Trust Group, Inc. (Atlantic Trust) (collectively, the Employers) and their beneficiaries to provide for retirement, death, and disability benefits. The ultimate parent company of the Employers is AMVESCAP PLC. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA).

## Edgar Filing: AMVESCAP PLC/LONDON/ - Form 11-K

Full-time or part-time salaried or hourly employees of the Employers are generally eligible to participate in the Plan on the first day of their employment, provided they are eligible employees, as defined. Nonresident aliens, collective bargaining unit employees, leased employees, and independent contractors are generally excluded from participating in the Plan.

### Plan Administration

Effective February 1, 2005, the AMVESCAP Benefits Plan Committee was named the administrator of the Plan (the Plan Administrator). AVZ, Inc. was the prior administrator of the Plan. AMVESCAP National Trust Company (ANTC) is the Plan's trustee and asset custodian, except for the ordinary shares of AMVESCAP PLC, individual brokerage accounts, and grandfathered assets held in participant-directed brokerage accounts, which are in the custody of State Street Bank. ANTC is a wholly owned subsidiary of AMVESCAP Retirement, Inc (ARI), a holding company whose ultimate parent company is AMVESCAP PLC.

AMVESCAP PLC sold the assets, liabilities and operations of ARI to Merrill Lynch on July 15, 2005, but the holding company has yet to be liquidated. Prior to the sale of ARI's assets, liabilities and operations, ARI provided record-keeping services for the Plan. Effective July 15, 2005, ARI's assets, liabilities and operations became part of the Princeton Retirement Group (PRG), a wholly owned subsidiary of Merrill Lynch & Co. Effective this date, PRG began providing record-keeping services for the Plan.

### AMVESCAP 401(k) Plan

#### Notes to Financial Statements (continued)

#### 1. Plan Description (continued)

##### Contributions

The Plan permits participants to make pretax elective deferrals of 1% to 75% of compensation, as defined, subject to certain limitations under the Internal Revenue Code (Code). Participants who attained the age of 50 during the year may make catch-up contributions for prior years in accordance with IRS guidelines. The Employers will not match these catch-up contributions.

The Employers are required to make matching contributions of 100% of the first 3% of compensation contributed by each participant, plus 50% of the next 2% of compensation contributed by each participant. The Employers may also elect to make a discretionary profit-sharing contribution to the Plan. Any discretionary profit-sharing contributions are allocated based on relative compensation to all eligible employees employed on the last day of the Plan year as well as those who separate from service during the Plan year due to death, disability, or retirement at age 59 1/2. No such discretionary contributions were made for the year ended December 31, 2005.

The Plan also accepts rollovers of distributions from other tax-qualified plans.

##### Participant Accounts

The Plan is a defined contribution plan under which separate accounts are maintained for each participant. Each participant's account is credited with

## Edgar Filing: AMVESCAP PLC/LONDON/ - Form 11-K

his/her elective deferrals, rollover contributions, employer matching contributions, and allocations of employer profit-sharing contributions, investment income and investment gains (losses). Investment gains (losses) are valued and allocated to participants' accounts daily based on their relative account balances in each investment option.

### Vesting

Eligible participants are immediately vested in all contributions to the Plan.

## 1. Plan Description (continued)

### Benefits

Benefits may be paid to a participant upon attainment of normal retirement age (59 1/2), death, disability, or termination of employment. The normal form of benefit is a lump-sum distribution. A participant may also elect to receive installment payments. Distributions may be made by payment of a lump sum or may be deferred by the participant if the accrued account balance exceeds \$5,000. Distribution amounts are determined based on the market value of the participant's account as of the date the record-keeper processes the distribution.

Any portion of a participant's account which is held in AMVESCAP PLC ordinary shares may be distributed in-kind at the election of the participant, with a minimum of 100 shares required to make this election.

Effective August 1, 2005, a participant is permitted an in-service withdrawal, on a quarterly basis, from the vested portion of his/her account if he/she has reached age 59 1/2. Prior to this change, participants were allowed annual in-service withdrawals of amounts in a rollover account or after-tax account (from prior plans) upon reaching normal retirement age.

### Loans to Participants

The Plan permits loans to participants up to the lesser of 50% of the participant's vested account balance or \$50,000, less certain amounts for loans outstanding during the prior year. For purposes of determining the maximum amount a participant may borrow, the outstanding principal balance of loans under any other plan of the Employers is also considered. A participant may have only one outstanding loan at a time from the Plan or the AMVESCAP Money Purchase Plan. A participant generally has up to five years to repay the principal and interest, unless the loan is for the purchase of a residence, in which case the repayment period is up to ten years. Loans are made for a minimum of \$500, and loan processing fees are charged directly to the participant's account. Interest rates on loans to participants are determined at the time the loan is made based on market rates, as determined by the Plan Administrator. Principal and interest is paid ratably through bi-monthly payroll deductions.

Effective July 15, 2005, participants whose employment terminated in connection with the sale of ARI to Merrill Lynch may rollover their loans to eligible retirement plans maintained by Merrill Lynch.

## 2. Investment Options

The Plan offers investment options that include mutual funds and collective trusts managed by INVESCO, AIM, and Atlantic Trust. Effective August 1, 2005, the Plan Administrator added additional fund options to the Plan. Participants can now elect model portfolios that provide a broader, balanced option approach. A participant can choose from five portfolios made up of Plan fund offerings based on various risk tolerance levels.

The Mutual Fund Window (MFW), which permits participants to establish an individual brokerage account through State Street Brokerage, was changed on August 1, 2005, to allow participants to invest 100% of their total account in various mutual funds through this MFW. Prior to this change, participants were allowed to invest up to 25% of their account through this individual brokerage account.

Effective August 1, 2005, the Plan does not allow new contributions into the AMVESCAP Stock Fund. Prior to this change, participants could invest no more than 10% of their total account into this stock fund. Under London Stock Exchange rules governing insider trading, "close periods" are designated at the close of each calendar quarter during which purchases and sales in the stock fund are restricted.

The separate investment options made available under the Plan may be changed, eliminated, or modified from time to time by the Plan Administrator. Participants make their investment elections in 1% increments with changes and transfers allowed on a daily basis.

## 3. Summary of Significant Accounting Policies

### Basis of Accounting

The Plan's financial statements are prepared on the accrual basis of accounting.

### Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires the Plan Administrator to use estimates that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from these estimates. However, in the opinion of the Plan Administrator, such differences would not be significant.

## 3. Summary of Significant Accounting Policies (continued)

### Risks and Uncertainties

The Plan provides for investment in securities, which, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility risks. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of the investment securities will occur in the near term, and such changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits.

### Investment Valuation

Investments in securities traded on securities exchanges are valued at the quoted market price on the last business day of the Plan year. Loans to participants are carried at the amounts outstanding, which approximate their

## Edgar Filing: AMVESCAP PLC/LONDON/ - Form 11-K

estimated fair values.

Investments in units of collective trust funds are valued at the net unit value of the respective collective trust funds as calculated each day by the trustee. Investments in shares of investment companies (mutual funds) are valued at the quoted market price in an active market on the last business day of the Plan year.

### Income Recognition

Dividend income is accrued on the ex-dividend date. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis.

### 3. Summary of Significant Accounting Policies (continued)

#### Net Appreciation (Depreciation) in Fair Value of Investments

Realized gains (losses) from the sales of investments and changes in unrealized appreciation (depreciation) are aggregated and reported in the accompanying statement of changes in net assets available for benefits as net appreciation in fair value of investments.

#### Administrative Expenses

Certain administrative functions are performed by officers or employees of the Employers. No such officer or employee receives compensation from the Plan. A majority of administrative expenses are paid by the Employers. Effective January 1, 2005, INVESCO no longer charges investment management fees related to the Plan's trust funds. Previously, such fees were paid by the Plan.

### 4. Investments

The fair market values of individual assets that represent 5% or more of the Plan's net assets as of December 31 are as follows:

#### 2005

INVESCO Stable Value Trust Fund	\$	34,058
INVESCO 500 Index Trust Fund		30,166
AIM Basic Value Fund - Institutional Share Class		25,324
AIM Small Cap Growth Fund - Institutional Share Class		25,199
AIM International Growth Fund - Institutional Share Class		24,957
AIM Dynamics Fund, Class A		19,282
AIM Large Cap Growth Fund - Institutional Share Class		18,504
AIM Diversified Dividend Fund, Class A		15,054

#### 2004

INVESCO Stable Value Trust Fund	\$	30,803
AIM Basic Value Fund, Class A		26,264
AIM International Growth Fund, Class A		19,754
AIM Dynamics Fund, Class A		19,644
AIM Small Cap Growth Fund, Class A		18,835
AIM Aggressive Growth Fund, Class A		13,210



## Edgar Filing: AMVESCAP PLC/LONDON/ - Form 11-K

### 4. Investments (continued)

Net appreciation (depreciation) in the fair value of investments (including investments purchased and sold, as well as held during the year) for the year ended December 31, 2005, is as follows for each investment type, as determined by the quoted market prices or trustee valuations:

AMVESCAP PLC ordinary shares	\$	836
Non-employer common stock		(6,
Mutual funds		10,925
Collective trusts		3,290
		-----
Net appreciation in fair value of investments	\$	15,046
		=====

### 5. Related-Party Transactions

A significant portion of the Plan's assets are invested in mutual and collective trust funds managed by the Employers and their affiliates, INVESCO, AIM, and Atlantic Trust. Such funds are charged management fees by the Employers and their affiliates. As discussed in Note 3, INVESCO no longer charges investment management fees related to the Plan's trust funds. Previously, such fees were paid by the Plan.

At December 31, 2005 and 2004, the Plan held 518,538 and 588,260 ordinary shares of AMVESCAP PLC common stock, respectively, which represents an ownership interest in AMVESCAP PLC of less than 1%.

### 6. Tax Status

The Plan has received a determination letter from the Internal Revenue Service dated January 9, 2003, stating that the Plan is qualified under Section 401(a) of the Code and, therefore, the related trust is exempt from taxation. Subsequent to this determination letter by the Internal Revenue Service, the Plan was restated and amended. Once qualified, the Plan is required to operate in conformity with the Code to maintain its qualification. The Plan Administrator believes the Plan is being operated in compliance with the applicable requirements of the Code and, therefore, believes that the Plan, as restated and amended, is qualified and the related trust is tax exempt.

### 7. Plan Termination

The Plan Administrator intends to continue the Plan. However, the Plan Administrator, through its board of directors or the board's designee, reserves the right to amend, modify, or terminate the Plan at any time subject to the provisions of ERISA. If the Plan is amended, participants will remain 100% vested and the benefits already credited to participants under the Plan will not be reduced unless required by the Internal Revenue Service. Because the Plan is not a defined benefit pension plan under ERISA, the Plan's benefits are not insured by the Pension Benefit Guaranty Corporation.

### 8. Differences Between Financial Statements and Form 5500

The following is a reconciliation of net assets available for benefits per the

Edgar Filing: AMVESCAP PLC/LONDON/ - Form 11-K

financial statements to the Form 5500:

	December 31 2005	
Net assets available for benefits per the financial statements	\$ 291,266,160	\$ 2
Amounts allocated to withdrawn participants	1,349,690	
Net assets available for benefits per the Form 5500	\$ 289,916,470	\$ 2

The following is a reconciliation of benefits paid to participants per the financial statements to the Form 5500:

	Year
Benefits paid to participants per the financial statements	\$ 3
Add amounts allocated to withdrawing participants as of end of year	
Benefits paid to participants per the Form 5500	\$ 3

Amounts allocated to withdrawn participants are recorded on the Form 5500 for benefit claims that have been processed and approved for payment prior to year-end but not yet paid.

Supplemental Schedule

AMVESCAP 401 (k) Plan  
 EIN: 58-2287224 Plan Number: 010  
 Schedule H, Line 4i - Schedule of Assets  
 (Held at End of Year)  
 December 31, 2005

(a)	(b)	(c)
Identity of Issue, Borrower, Lessor or Similar Party		Description of Investment

Edgar Filing: AMVESCAP PLC/LONDON/ - Form 11-K

	SSgA	Cash
	AMVESCAP PLC	Money Market Fund
*	INVESCO Institutional Retirement Trust	Ordinary shares of common stock
*	INVESCO Institutional Retirement Trust	Stable Value Trust Fund
*	INVESCO Institutional Retirement Trust	International Equity Trust Fund
*	INVESCO Institutional Retirement Trust	500 Index Trust Fund
*	INVESCO Institutional Retirement Trust	Equity Real Estate Securities Trust Fund
*	INVESCO Institutional Retirement Trust	Structured Small Cap Value Equity Trust F
*	INVESCO Institutional Retirement Trust	Core Fixed Income Trust Fund
*	AIM Advisors, Inc.	Dynamics Fund, Class A
*	AIM Advisors, Inc.	Diversified Dividend Fund, Class A
*	AIM Advisors, Inc.	Large Cap Growth Fund - Institutional Sha
*	AIM Advisors, Inc.	Small Cap Growth Fund - Institutional Sha
*	AIM Advisors, Inc.	Int'l. Growth Fund - Institutional Share
*	AIM Advisors, Inc.	Basic Value Fund - Institutional Share CL
*	AIM Advisors, Inc.	Weingarten Fund, Class A
*	AIM Advisors, Inc.	Global Equity Fund, Class A
*	AIM Advisors, Inc.	High Yield - Investor Class
*	AIM Advisors, Inc.	Energy Fund, Class A
*	AIM Advisors, Inc.	Select Equity Fund, Class A
*	AIM Advisors, Inc.	Global Aggressive Growth Fund, Class A
*	AIM Advisors, Inc.	Mid Cap Growth Fund - Institutional Share
*	Atlantic Whitehall Funds	S&P Mid Cap Index SL Fund
	SSgA	Russell 1000 Value Index SL Fund
	SSgA	Russell 1000 Growth Index SL Fund
	SSgA	Passive Bond Market Index SL Fund
	SSgA	Treasury Inflation Protected Fund
	SSgA	Russell 2000 Growth Index SL Fund
	SSgA	Russell Daily EAFE Fund
	SSgA	Russell REIT Index
	PIMCO	Real Return Fund - Institutional Share CL
	Artisan	Mid Cap Value Fund - Investor Shares
	AllianceBernstein	International Value Fund - Advisor Shares
	Lasso	Long & Short Strategic Opportunities Fund
	Various non-Employer Stock and Mutual Funds	Various publicly traded self-directed inv
*	Participant loans	Promissory notes, with interest ranging from 4.86% to 10.5% and varying maturi

\*Party in Interest

Note: Column (d) cost information is not applicable

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the trustees (or other persons who administer the employee benefit plan) have duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

AMVESCAP 401(k) Plan

By: AMVESCAP Benefits Plan Committee

Edgar Filing: AMVESCAP PLC/LONDON/ - Form 11-K

Plan Administrator

Date: June 27, 2006

By:   /s/ Robert F McCullough  

-----  
Name: Robert F. McCullough

Title: Chairman

EXHIBIT INDEX

Exhibit 23.1

Consent of Ernst & Young LLP