FORM 485BPOS

Post-effective amendments [Rule 485(b)]

Filing Date: **1996-12-30**
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FILER

HERITAGE CAPITAL APPRECIATION TRUST

CIK:**771809**| Fiscal Year End: **0831**
Type: **485BPOS** | Act: **33** | File No.: **002-98634** | Film No.: **96687327**

Mailing Address
800 CARILLON PARKWAY
ST PETERSBURG FL
33733-8022

Business Address
880 CARILLON PKWY
P O BOX 12749
ST PETERSBURG FL 33733
8135738143

As Filed with the Securities and Exchange Commission on December 27, 1996
Registration No. 2-98634

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM N-1A

REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933 [ ]

Pre-Effective Amendment No. _____ [ ]

Post-Effective Amendment No. 14 [X]

and/or

REGISTRATION STATEMENT UNDER THE INVESTMENT COMPANY ACT OF 1940 [ ]
Amendment No. 13 [X]

(Check appropriate box or boxes.)

HERITAGE CAPITAL APPRECIATION TRUST
(Exact name of Registrant as specified in charter)

880 Carillon Parkway
St. Petersburg, FL 33716
(Address of Principal Executive Office) (Zip Code)

Registrant's Telephone Number, including Area Code: (813) 573-3800

STEPHEN G. HILL, PRESIDENT
880 Carillon Parkway
St. Petersburg, FL 33716
(Name and Address of Agent for Service)

Copy to:
CLIFFORD J. ALEXANDER, ESQ.
Kirkpatrick & Lockhart LLP
1800 Massachusetts Avenue, N.W.
Washington, D.C. 20036

It is proposed that this filing will become effective on January 2, 1997 pursuant to paragraph (b) of Rule 485.

Registrant has filed a declaration pursuant to Rule 24f-2 under the Investment Company Act of 1940, as amended, on or about October 30, 1996.

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HERITAGE CAPITAL APPRECIATION TRUST

CONTENTS OF REGISTRATION STATEMENT

This registration document is comprised of the following:

Cover Sheet

Contents of Registration Statement

Cross Reference Sheet

Prospectus

Statement of Additional Information

Part C of Form N-1A

Signature Page

Exhibits

HERITAGE CAPITAL APPRECIATION TRUST

FORM N-1A CROSS-REFERENCE SHEET

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PART A ITEM NO.		PROSPECTUS CAPTION
<S>	<C>	<C>
1.	Cover Page	Cover Page
2.	Synopsis	Total Trust Expenses
3.	Condensed Financial Information	Financial Highlights; Performance Information
4.	General Description of Registrant	Cover Page; About the Trust; Investment Objective, Policies and Risk Factors
5.	Management of the Fund	Management of the Trust
5A.	Management's Discussion of Fund Performance	Inapplicable
6.	Capital Stock and Other Securities	Cover Page; About the Trust; Management of the Trust; Choosing a Class of Shares; Dividends and Other Distributions; Taxes; Shareholder Information
7.	Purchase of Securities Being Offered	Net Asset Value; Purchase Procedures; Minimum Investment Required/Accounts With Low Balances; Systematic Investment Programs; Retirement Plans; Choosing a Class of Shares; What Class A Shares Will Cost; What Class C Shares Will Cost; Distribution Plans
8.	Redemption or Repurchase	Minimum Investment Required/ Accounts With Low Balances; How to Redeem Shares; Receiving Payment; Exchange Privilege
9.	Pending Legal Proceedings	Inapplicable
PART B ITEM NO.		STATEMENT OF ADDITIONAL INFORMATION CAPTION
10.	Cover Page	Cover Page
11.	Table of Contents	Table of Contents
12.	General Information and History	General Information

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PART B ITEM NO.		STATEMENT OF ADDITIONAL INFORMATION CAPTION
<S>	<C>	<C>
13.	Investment Objectives and Policies	Investment Information - Investment Objective, Investment Policies and Industry Classifications; Investment Limitations
14.	Management of the Fund	Management of the Trust
15.	Control Persons and Principal Holders of Securities	Five Percent Shareholders
16.	Investment Advisory and Other Services	Management of the Trust, Investment Adviser and Administrator; Subadvisers; Distribution of Shares; Administration of the Trust
17.	Brokerage Allocation	Brokerage Practices
18.	Capital Stock and Other Securities	General Information; Trust Information; Potential Liability
19.	Purchase, Redemption and Pricing of Securities Being Offered	Net Asset Value; Investing in the Trust; Redeeming Shares; Exchange Privilege
20.	Tax Status	Taxes
21.	Underwriters	Trust Information - Distribution of Shares
22.	Calculation of Performance Data	Performance Information
23.	Financial Statements	Financial Statements

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PART C

Information required to be included in Part C is set forth under the appropriate item, so numbered in Part C of this Registration Statement.

LOGO

Heritage Capital Appreciation Trust (the "Trust") is a mutual fund seeking long-term capital appreciation. The Trust invests principally in those equity securities that the Trust's portfolio manager believes are undervalued and therefore offer above-average potential for long-term appreciation. The Trust offers two classes of shares, Class A shares (sold subject to a front-end sales load) and Class C shares (sold subject to a contingent deferred sales load).

This Prospectus contains information that should be read before investing in the Trust and should be kept for future reference. A Statement of Additional Information dated January 2, 1997 relating to the Trust has been filed with the Securities and Exchange Commission and is incorporated by reference in this Prospectus. A copy of the Statement of Additional Information is available free of charge and shareholder inquiries can be made by writing to Heritage Asset Management, Inc. or by calling (800) 421-4184.

TRUST SHARES ARE NOT DEPOSITS OR OBLIGATIONS OF, OR GUARANTEED OR ENDORSED BY, THE FEDERAL DEPOSIT INSURANCE CORPORATION, THE FEDERAL RESERVE BOARD OR ANY OTHER AGENCY.

THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR BY ANY STATE SECURITIES COMMISSION NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION

PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

LOGO
Registered Investment Advisor--SEC

880 Carillon Parkway
St. Petersburg, Florida 33716
(800) 421-4184

Prospectus Dated January 2, 1997

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GENERAL INFORMATION

ABOUT THE TRUST

Heritage Capital Appreciation Trust (the "Trust") was established as a Massachusetts business trust under a Declaration of Trust dated June 21, 1985. The Trust is an open-end diversified management investment company designed for individuals, institutions and fiduciaries whose investment objective is long-term capital appreciation. Any dividend income will be incidental to this objective. The Trust offers two classes of shares, Class A shares ("A shares") and Class C shares ("C shares"). The Trust requires a minimum initial investment of $1,000, except for certain investment plans for which lower limits may apply. See "Investing in the Trust."

TOTAL TRUST EXPENSES

Shown below are Class A and Class C expenses incurred by the Trust during its 1996 fiscal year.

<TABLE>
<CAPTION>

<S>	CLASS A <C>	CLASS C <C>	<C>
SHAREHOLDER TRANSACTION EXPENSES			
Maximum sales load imposed on purchases (as a			

percentage of offering price)	4.75%	None	
Maximum contingent deferred sales load (as a percentage of original purchase price or redemption proceeds, as applicable)	None	1.00%	(declining to 0% at one year)
Wire redemption fee (per transaction)	$5.00	$5.00	
ANNUAL TRUST OPERATING EXPENSES			
Management fee (after fee waiver)	0.75%	0.75%	
12b-1 distribution fee	0.47%	1.00%	
Other expenses	0.32%	0.30%	
Total Trust operating expenses (after fee waiver)	1.54%	2.05%	

</TABLE>

The Trust's manager, Heritage Asset Management, Inc. (the "Manager"), voluntarily will waive its fees and, if necessary, reimburse the Trust to the extent that Class A annual operating expenses exceed 1.60% of the average daily net assets and to the extent that Class C annual operating expenses exceed 2.35% of the average daily net assets attributable to that class for the fiscal year ending August 31, 1997. To the extent that the Manager waives or reimburses fees with respect to one class, it will do so with respect to the other class on a proportionate basis. During fiscal 1996, the Manager waived 25% of its fee on the first $100 million of average daily net assets. Absent such fee waiver, the management fee would have been 1.00% for each class and total Trust operating expenses would have been 1.79% and 2.30% for A and C shares, respectively. Effective November 19, 1996 the Manager contractually agreed to reduce its fee to 0.75% on all Trust assets. Due to the imposition of Rule 12b-1 distribution fees, it is possible that long-term shareholders of the Trust may pay more in total sales charges than the economic equivalent of the maximum front-end sales load permitted by the rules of the National Association of Securities Dealers, Inc.

The impact of Trust operating expenses on earnings is illustrated in the example below assuming a hypothetical $1,000 investment, a 5% annual rate of return, and a redemption at the end of each period shown.

<TABLE>
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<S>	1 YEAR <C>	3 YEARS <C>	5 YEARS <C>	10 YEARS <C>
Total Operating Expenses -- A shares	$ 62	$94	$ 127	$222
Total Operating Expenses -- C shares	$ 31	$64	$ 110	$238

</TABLE>

The impact of Trust operating expenses on earnings is illustrated in the example below assuming a hypothetical $1,000 investment, a 5% annual rate of return, and no redemption at the end of each period shown.

<TABLE>
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<S>	1 YEAR <C>	3 YEARS <C>	5 YEARS <C>	10 YEARS <C>
Total Operating Expenses -- A shares	$ 62	$94	$ 127	$222
Total Operating Expenses -- C shares	$ 21	$64	$ 110	$238

</TABLE>

This is an illustration only and should not be considered a representation of future expenses. Actual expenses and performance may be greater or less than that shown above. The purpose of the above tables is to assist investors in understanding the various costs and expenses that will be borne directly or indirectly by shareholders. For a further discussion of these costs and expenses, see "Management of the Trust" and "Distribution Plans."

FINANCIAL HIGHLIGHTS

The following table shows important financial information for an A share and a C share of the Trust outstanding for the periods indicated, including net investment income, net realized and unrealized gain on investments, and certain other information. It has been derived from financial statements appearing in the Statement of Additional Information ("SAI"). The financial statements and the information in this table for the fiscal year ended August 31, 1996 have been audited by Price Waterhouse LLP, independent accountants, whose report thereon is included in the SAI, which may be obtained by calling the Trust at (800)421-4184. Information presented for the years ended August 31, 1995 and prior thereto was audited by other auditors who served as the Trust's independent accountants for those years.

<TABLE>
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	CLASS A						
	FOR THE YEARS ENDED AUGUST 31,						
	1996	1995*	1994	1993	1992	1991	1990
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
NET ASSET VALUE, BEGINNING OF PERIOD................	$15.53	$15.30	$15.62	$13.64	$12.55	$10.62	$ 14.48
INCOME FROM INVESTMENT OPERATIONS:							
Net investment income..............................	0.00(a)(f)	0.08(a)	0.02(a)	0.03(a)	0.15(a)	0.28(a)	0.29(b)
Net realized and unrealized gain (loss) on investments.....................................	1.81	1.37	1.05	3.29	1.19	1.97	(2.82)
Total from Investment Operations...................	1.81	1.45	1.07	3.32	1.34	2.25	(2.53)
LESS DISTRIBUTIONS:							
Dividends from net investment income................	(0.04)	(0.06)	(0.03)	(0.07)	(0.25)	(0.32)	(0.19)
Distributions from net realized gains...............	(1.72)	(1.16)	(1.36)	(1.27)	--	--	(1.14)
Total Distributions................................	(1.76)	(1.22)	(1.39)	(1.34)	(0.25)	(0.32)	(1.33)
NET ASSET VALUE, END OF PERIOD......................	$15.58	$15.53	$15.30	$15.62	$13.64	$12.55	$ 10.62
TOTAL RETURN(%)(E)..................................	12.79	10.85	7.07	25.72	10.78	21.73	(18.73)
RATIOS(%)/SUPPLEMENTAL DATA:							
Operating expenses net, to average daily net assets..	1.54(a)	1.62(a)	1.55(a)	1.56(a)	1.66(a)	1.86(a)	1.96(b)
Net investment income to average daily net assets...	(.02)	.49	.15	.24	1.09	2.38	2.54
Portfolio turnover rate.............................	54	66	65	55	57	80	45
Average commission rate on portfolio transactions (per share)......................................	$0.0600	--	--	--	--	--	--
Net assets, end of period (millions) ($):	70	73....	74	75	65	63	58

<CAPTION>

				CLASS C	
				FOR THE YEARS ENDED AUGUST 31,	
	1989	1988	1987	1996	1995+
<S>	<C<C>	<C>	<C>	<C>	<C>
NET ASSET VALUE, BEGINNING OF PERIOD................	$10.74	$13.31	$11.52	$15.50	$14.18
INCOME FROM INVESTMENT OPERATIONS:					
Net investment income..............................	0.14(b)	0.08(a)	0.08(b)	(0.03)(a)(f)	(0.01)(a)
Net realized and unrealized gain (loss) on investments.....................................	3.77	(1.39)	1.80	1.75	1.33
Total from Investment Operations...................	3.91	(1.31)	1.88	1.72	1.32
LESS DISTRIBUTIONS:					
Dividends from net investment income................	(0.06)	(0.11)	(0.05)	(0.04)	--
Distributions from net realized gains...............	(0.11)	(1.15)	(0.04)	(1.72)	--
Total Distributions................................	(0.17)	(1.26)	(0.09)	(1.76)	--
NET ASSET VALUE, END OF PERIOD......................	$14.48	$10.74	$13.31	$15.46	$15.50
TOTAL RETURN(%)(E)..................................	36.88	(8.75)	16.49	12.16	9.31(d)
RATIOS(%)/SUPPLEMENTAL DATA:					
Operating expenses net, to average daily net assets..	2.00(b)	2.00(a)	2.00(b)	2.05(a)	2.17(a)(c)
Net investment income to average daily net assets...	1.19	0.62	(.57)	(.57)	(0.33)(c)
Portfolio turnover rate.............................	60	103	48	54	66
Average commission rate on portfolio transactions					

(per share)	--	--	--	0.0600	--
Net assets, end of period (millions) ($):	62	43	55	1	.4

</TABLE>

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* Liberty Investment Management was retained as an additional investment subadviser to the Fund on February 27, 1995.

\+ For the period April 3, 1995 (first offering of C shares) to August 31, 1995.

(a) Excludes management fees waived by the Manager in the amount of less than $0.04, $0.04, $0.04, $0.04, $0.03, $0.01 and $0.01 per A share, respectively. The operating expense ratios including such items would be 1.79%, 1.87%, 1.81%, 1.81%, 1.84%, 1.87% and 2.06% (annualized) for A share, respectively. Excludes management fees waived by the Manager in the amount of less than $0.04 and $0.04 per C share. The operating expense ratio including such items would be 2.30% and 2.42% (annualized) for C shares.

(b) Includes management fees previously waived by the Manager and recovered during the year of less than $0.01 per share.

(c) Annualized.

(d) Not annualized.

(e) Does not reflect the imposition of a sales charge.

(f) Amounts calculated prior to reclassification of $23,981 relating to permanent book to tax differences. The effect of such reclassification would have no effect on net investment income for A shares and would have resulted in an increase in net investment income of $0.10 for C shares.

INVESTMENT OBJECTIVE, POLICIES AND RISK FACTORS

The Trust's investment objective is long-term capital appreciation. The Trust believes that this objective can best be achieved through the purchase of equity securities that, in the opinion of Liberty Investment Management (the "Subadviser"), represent companies with the potential for attractive long-term growth in earnings, cash flow and total worth of the business enterprise. The Trust prefers to purchase such securities at a price that represents a discount to the real worth of the company's businesses or, in other words, securities that appear, in the opinion of the Subadviser, to be undervalued in relation to the company's long-term growth fundamentals. Securities may be undervalued because of many factors, including: the market does not recognize the growth potential of the company; a stock market decline; poor economic conditions; tax-loss selling or actual or anticipated unfavorable developments affecting the issuer of the security. Any or all of these factors may provide buying opportunities at attractive prices relative to a company's long-term growth prospects. However, there can be no assurance that the Trust's investment objective will be achieved. Trust shares will fluctuate in value as a result of changes in the value of portfolio investments.

BECAUSE THE TRUST INVESTS PRIMARILY IN COMMON STOCKS, THE VALUE OF YOUR INVESTMENT WILL FLUCTUATE. YOU CAN LOSE MONEY BY INVESTING IN THE TRUST.

The Trust invests primarily in common stocks, but also may invest in preferred stocks and securities convertible into common stock. Securities rated in the lowest category of investment grade securities are considered to have speculative characteristics. The Trust may purchase securities traded on recognized securities exchanges and in the over-the-counter market. The Trust normally will invest at least 65% of its total assets in securities that the Subadviser believes have the potential to achieve capital appreciation. The Trust may invest its remaining assets in foreign securities and American Depository Receipts ("ADRs"), U.S. Government securities, repurchase agreements or other short-term money market instruments. The Trust also may invest up to 10% of its net assets in illiquid securities. The Trust may purchase and sell a security without regard to the length of time it will be or has been held.

Repurchase agreements are transactions in which the Trust purchases securities and simultaneously commits to resell the securities to the original seller (a member bank of the Federal Reserve System or securities dealers who are members of a national securities exchange or are market makers in U.S. Government securities) at an agreed upon date and price reflecting a market rate of interest unrelated to the coupon rate or the maturity of the purchased securities. Although repurchase agreements carry certain risks not associated with direct investments in securities, including possible decline in the market value of the underlying securities and delays and costs to the Trust if the other party to the repurchase agreement becomes bankrupt, the Trust intends to enter into repurchase agreements only with banks and dealers in transactions believed by the Subadviser to present minimal credit risks in accordance with guidelines established by the Trust's Board of Trustees (the "Board of Trustees" or the "Board").

For temporary defensive purposes during anticipated periods of general market decline, the Trust may invest up to 100% of its assets in money market instruments, including securities issued or guaranteed by the U.S. Government, its agencies or instrumentalities and repurchase agreements secured thereby, as well as bank certificates of deposit and banker's acceptances issued by banks having net assets of a least $1 billion as of the end of their most recent fiscal year, high grade commercial paper, and other long- and short-term debt instruments that are rated A or higher by Standard & Poor's or Moody's Investors Service, Inc. See Appendix A to the SAI for a description of the ratings of money market instruments.

THE TRUST'S ASSETS MAY BE INVESTED IN FOREIGN SECURITIES. INVESTING IN FOREIGN SECURITIES SUBJECTS THE TRUST TO GREATER RISKS THAN INVESTING IN DOMESTIC SECURITIES.

While the Trust may invest in foreign securities and ADRs, such investments may not exceed 10% of the Trust's portfolio. These investments may involve greater risks than normally are present in domestic investments. There generally is less publicly available information about foreign companies and there may be less governmental regulation and supervision of foreign stock exchanges, brokers and listed companies. In addition, such companies may use different accounting and financial standards (and certain currencies may become unavailable for transfer from a foreign country, resulting in the Trust's possible inability to convert proceeds realized upon the sale of portfolio securities of the affected foreign companies immediately into U.S. currency). Before investing in foreign securities, the Trust will consider possible political and financial instability abroad, as well as the liquidity and volatility of foreign investments. Fluctuations in monetary exchange rates will affect the dollar value of foreign investments. Solely to protect against such uncertainty, the Trust may enter into forward contracts to purchase or sell foreign currencies at a future date.

The Trust's investment objective is fundamental and may not be changed without the vote of a majority of the outstanding voting securities of the Trust, as defined in the Investment Company Act of 1940, as amended (the "1940 Act"). All policies of the Trust described in this prospectus may be changed by the Board of Trustees without shareholder approval. The SAI contains more detailed information about the Trust's investment policies and risks.

NET ASSET VALUE

THE NET ASSET VALUE OF EACH CLASS OF TRUST SHARES IS CALCULATED DAILY AS OF THE CLOSE OF REGULAR TRADING ON THE NEW YORK STOCK EXCHANGE.

The net asset values of A shares and C shares are calculated by dividing the value of the total assets of the Trust attributable to that class, less liabilities attributable to that class, by the number of shares outstanding of that class. Shares are valued as of the close of regular trading on the New York Stock Exchange ("Exchange") each day it is open. Trust securities are stated at market value based on the last sales price as reported by the principal securities exchange on which the security is traded. If no sale is reported, market value is based on the most recent quoted bid price. In the absence of a readily available market quote, or if the Manager or the Subadviser has reason to question the validity of market quotations it receives, securities and other assets are valued using such methods as the Board of Trustees believe would reflect fair value. Short-term investments that will mature in 60 days or less are valued at amortized cost, which approximates market value. Securities that are quoted in a foreign currency will be valued daily in U.S. dollars at the foreign currency exchange rates prevailing at the time the Trust calculates its net asset value per share. The per share net asset value of A shares and C shares may differ as a result of the different daily expense accruals applicable to each class. For more information on the calculation of net asset value, see "Net Asset Value" in the SAI.

PERFORMANCE INFORMATION

Total return data of the A shares and C shares from time to time may be included in advertisements about the Trust. Performance information is computed separately for A shares and C shares in accordance with the methods described below. Because C shares bear the expense of a higher distribution fee attributable to the deferred sales load alternative, the performance of C shares likely will be lower than that of A shares.

Total return with respect to a class for the one-, five- and ten-year periods or, if such periods have not elapsed, the period since the establishment of that class through the most recent calendar quarter represents the average annual compounded rate of return on an investment of $1,000 in that class at the public offering price (in the case of A shares, giving effect to the maximum initial sales load of 4.75% and, in the case of C shares, giving effect to the deduction of any contingent deferred sales load ("CDSL") that would be payable). In addition, the Trust also may advertise the total return in the same manner, but without taking into account the initial sales load or CDSL. The Trust also may advertise total return calculated without annualizing the return and total return may be presented for other periods. By not annualizing the returns, the total return calculated in this manner simply will reflect the increase in net asset value per A share and C share over a period of time, adjusted for dividends and other distributions. A share and C share performance may be compared with various indices.

All data is based on the Trust's past investment results and does not predict future performance. Investment performance, which will vary, is based on many factors, including market conditions, the composition of the Trust's investment portfolio and the Trust's operating expenses. Investment performance also often reflects the risks associated with the Trust's investment objective and policies. These factors should be considered when comparing the Trust's investment results to those of other mutual funds and other investment vehicles. Additional performance information is contained in the Trust's annual report, which may be obtained, without charge, by contacting the Trust at (800) 421-4184. For more information on investment performance, see the SAI.

INVESTING IN THE TRUST

PURCHASE PROCEDURES

HOW TO BUY SHARES:
YOU MAY BUY SHARES
OF THE TRUST BY:

Shares of the Trust are offered continuously through the Trust's principal underwriter, Raymond James & Associates, Inc. (the "Distributor"), and through other participating dealers or banks that have dealer agreements with the Distributor. The Distributor receives commissions consisting of that portion of the sales load remaining after the dealer concession is paid to participating dealers or banks. Such dealers may be deemed to be underwriters pursuant to the Securities Act of 1933, as amended. For a discussion of the classes of shares offered by the Trust, see "Choosing a Class of Shares."

- CALLING YOUR REPRESENTATIVE

Shares of the Trust may be purchased through a registered representative of the Distributor, a participating dealer or a participating bank ("Representative") by placing an order for Trust shares with your Representative and remitting payment to the Distributor, participating dealer or bank within three business days.

All purchase orders received by the Distributor prior to the close of regular trading on the Exchange -- generally 4:00 p.m., Eastern time -- will be executed at that day's offering price. Purchase orders received by your Representative prior to the close of regular trading on the Exchange and transmitted to the Distributor before 5:00 p.m. Eastern time on that day also will receive that day's offering price. Otherwise, all purchase orders accepted after the offering price is determined will be executed at the offering price determined as of the close of regular trading on the Exchange on the next trading day. See "What Class A Shares Will Cost" and "What Class C Shares Will Cost."

- COMPLETING THE APPLICATION CONTAINED IN THIS PROSPECTUS AND SENDING YOUR CHECK; OR

You also may purchase shares of the Trust directly by completing and signing the Account Application found in this prospectus and mailing it, along with your payment, to Heritage Capital Appreciation Trust, Heritage Asset Management, Inc., P.O. Box 33022, St. Petersburg, FL 33733.

- SENDING A FEDERAL FUNDS WIRE

Shares may be purchased with Federal funds (a commercial bank's deposit with the Federal Reserve Bank that can be transferred to another member bank on the same day) sent by Federal Reserve or bank wire to:

State Street Bank and Trust Company
Boston, Massachusetts
ABA #011-000-028
Account #3196-769-8

Heritage Capital Appreciation Trust

The class of shares to be purchased

(Your Account Number Assigned by the Trust)

(Your Name).

To open a new account with Federal funds or by wire, you must contact the Manager or your Representative to obtain a Heritage Mutual Fund account number. Commercial banks may elect to charge a fee for wiring funds to State Street Bank and Trust Company. For more information on how to buy shares, see "Investing in the Trust" in the SAI.

MINIMUM INVESTMENT REQUIRED/ACCOUNTS WITH LOW BALANCES

AN INITIAL INVESTMENT MUST BE AT LEAST $1,000. A MINIMUM BALANCE OF $500 MUST BE MAINTAINED.

Except as provided under "Investment Programs", the minimum initial investment in the Trust is $1,000, and a minimum account balance of $500 must be maintained. These minimum requirements may be waived at the discretion of the Manager. In addition, initial investments in Individual Retirement Accounts ("IRAs") may be reduced or waived under certain circumstances. Contact the Manager or your Representative for further information.

Due to the high cost of maintaining accounts with low balances, it is currently the Trust's policy to redeem Trust shares in any account if the account balance falls below the required minimum value of $500, except for retirement accounts. The shareholder will be given 30 days' notice to bring the account balance to the minimum required or the Trust may redeem shares in the account and pay the proceeds to the shareholder. The Trust does not apply this minimum account balance requirement to accounts that fall below the minimum due to market fluctuation.

SYSTEMATIC INVESTMENT PROGRAMS

DOLLAR COST AVERAGING PLANS:

THE TRUST OFFERS INVESTORS A VARIETY OF CONVENIENT FEATURES AND BENEFITS, INCLUDING DOLLAR COST

AVERAGING.

A variety of systematic investment options are available for the purchase of Trust shares. These plans provide for systematic monthly investments of $50 or more through systematic investing, payroll or government direct deposit, or ex-

change from another Mutual Fund advised or administered by the Manager ("Heritage Mutual Fund"). You may change the amount to be automatically invested or may discontinue this service at any time without penalty. If you discontinue this service before reaching the required account minimum, the account must be brought up to the minimum in order to remain open. You will receive a periodic confirmation of all activity for your account. For additional information on these options, see the account application or contact the Manager at (800) 421-4184 or your Representative.

RETIREMENT PLANS

Shares of the Trust may be purchased as an investment for Heritage IRA plans. In addition, shares may be purchased as an investment for self-directed IRAs, defined contribution plans, Simplified Employee Pension Plans ("SEPs") and other retirement plans. For more detailed information on the Heritage IRA, please contact the Manager at (800) 421-4184 or your Representative and see "Investing in the Trust" in the SAI.

CHOOSING A CLASS OF SHARES

A SHARES HAVE A FRONT-END SALES LOAD AND LOWER ANNUAL EXPENSES THAN C SHARES. C SHARES HAVE A CONTINGENT DEFERRED SALES LOAD (CDSL) ON REDEMPTION WITHIN ONE YEAR OF PURCHASE.

The Trust offers and sells two classes of shares, A shares and C shares. The primary difference between the A shares and the C shares lies in their initial sales load and CDSL structures and in their ongoing expenses, including asset-based sales charges in the form of distribution fees. A shares may be purchased at a price equal to their net asset value per share next determined after receipt of an order, plus a sales load imposed at the time of purchase. C shares may be purchased at a price equal to their net asset value per share next determined after receipt of an order. A CDSL of 1% is imposed on C shares if you hold those shares for less than one year. C shares are subject to higher ongoing distribution fees than A shares. When you place an order for Trust shares, you must specify which class of shares you wish to purchase.

YOU CAN CHOOSE A SHARE CLASS THAT MEETS YOUR INVESTMENT OBJECTIVES. CONSULT WITH YOUR REPRESENTATIVE.

The alternative purchase plans offered by the Trust enable you to choose the class of shares that you believe will be most beneficial given the amount of your intended purchase, the length of time you expect to hold the shares and other circumstances. You should consider whether, during the anticipated length of your intended investment in the Trust, the accumulated continuing distribution and service fees plus the CDSL on C shares would exceed the initial sales load plus accumulated 12b-1 distribution fees on A shares purchased at the same time. Another factor to consider is whether the potentially higher yield of A shares due to lower ongoing charges will offset the initial sales load paid on such shares. Representatives may receive different compensation for sales of A shares than sales of C shares.

If you purchase sufficient shares to qualify for a reduced sales load, you may prefer to purchase A shares because similar reductions are not available on C shares. For example, if you intend to invest more than $1,000,000 in shares of the Trust, you should purchase A shares. Moreover, all A shares are subject to a lower 12b-1 fee and, accordingly, are expected to pay correspondingly higher dividends on a per share basis. If your purchase will not qualify for a reduced sales load, you still may wish to purchase A shares if you expect to hold your shares for an extended period of time because, depending on the number of years you hold the investment, the continuing distribution and service fees on C shares eventually would exceed the

initial sales load plus the continuing service fee on A shares during the life of your investment. However, because initial sales loads are deducted at the time of purchase, not all of the purchase payment for A shares is invested initially.

You might determine that it would be more advantageous to purchase C shares in order to have all of your purchase payment invested initially. However, your investment would remain subject to continuing distribution and service fees and, if you hold your shares for less than one year, be subject to a CDSL. For example, based on current fees and expenses for the Trust and the maximum sales load on A shares, you would have to hold A shares approximately eight years before the accumulated distribution and service fees on the C shares would exceed the initial sales load plus the accumulated service fees on the A shares.

WHAT CLASS A SHARES WILL COST

THE SALES LOAD ON
A SHARES WILL VARY
DEPENDING ON THE
AMOUNT YOU INVEST.

A shares are sold on each day on which the Exchange is open. A shares are sold at their next determined net asset value plus a sales load as described below.

<TABLE>
<CAPTION>

AMOUNT OF PURCHASE	SALES LOAD AS A PERCENTAGE OF OFFERING PRICE	SALES LOAD AS A PERCENTAGE OF NET AMOUNT INVESTED (NET ASSET VALUE)	DEALER CONCESSION AS PERCENTAGE OF OFFERING PRICE(1)
<S>	<C>	<C>	<C>
Less than $25,000................	4.75%	4.99%	4.25%
$25,000-$49,999..................	4.25%	4.44%	3.75%
$50,000-$99,999..................	3.75%	3.90%	3.25%
$100,000-$249,999................	3.25%	3.36%	2.75%
$250,000-$499,999................	2.50%	2.56%	2.00%
$500,000-$999,999................	1.50%	1.52%	1.25%
$1,000,000 and over..............	0.00%	0.00%	1.00%(2)

</TABLE>

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(1) During certain periods, the Distributor may pay 100% of the sales load to participating dealers. Otherwise, it will pay the dealer concession shown above.

(2) The Manager may pay from its own resources up to 1.00% of the purchase amount to the Distributor for purchases of $1,000,000 or more.

A shares may be sold at net asset value without any sales load to: the Manager and the Subadviser, current and retired officers and Trustees of the Trust; directors, officers and full-time employees of the Manager, Subadviser of any Heritage Mutual Fund, the Distributor and their affiliates; registered representatives of broker-dealers that are parties to dealer agreements with the Distributor (or financial institutions that have arrangements with such broker-dealers); directors, officers and full-time employees of banks that are parties to agency agreements with the Distributor; and all such persons' immediate relatives and their beneficial accounts. In addition, the American Psychiatric Association (the "APA Group") has entered into an agreement with the Distributor that allows its members to purchase A shares at a sales load equal to two-thirds of the percentages in the above table. The dealer concession also will be adjusted in a like manner. A shares also may be purchased without sales loads by investors who participate in certain broker-dealer wrap fee investment programs.

HERITAGE NET ASSET VALUE ("NAV") TRANSFER PROGRAM

YOU MAY QUALIFY FOR A
PURCHASE WITH NO
SALES LOAD UNDER THE
HERITAGE NAV
TRANSFER PROGRAM.

A shares of the Trust may be sold at net asset value without any sales load under the Manager's NAV Transfer Program. To qualify for the NAV Transfer Program, you must provide adequate proof that within 90 days prior to the purchase of a Heritage Mutual Fund you redeemed shares from a load or no-load mutual fund other than a Heritage Mutual Fund or any money market fund. To provide adequate proof you must complete a qualification form and provide a statement showing the value liquidated from the other mutual fund.

COMBINED PURCHASE PRIVILEGE (RIGHT OF ACCUMULATION)

YOU MAY QUALIFY FOR A
REDUCED SALES CHARGE
BY COMBINING
PURCHASES.

You may qualify for the sales load reductions indicated in the above sales load schedule by combining purchases of A shares into a single "purchase" if the resulting "purchase" totals at least $25,000. For additional information regarding the Combined Purchase Privilege, see the application or "Investing in the Trust" in the SAI.

STATEMENT OF INTENTION

A STATEMENT OF INTENTION ALLOWS YOU TO REDUCE THE SALES LOAD ON COMBINED PURCHASES OF $25,000 OR MORE OVER ANY 13-MONTH PERIOD.

You also may obtain the reduced sales loads shown under "What Class A Shares Will Cost" by means of a written Statement of Intention, which expresses your intention to invest not less than $25,000 within a period of 13 months in A shares of the Trust or A shares of any other Heritage Mutual Fund subject to a sales load ("Statement of Intention"). If you qualify for the Combined Purchase Privilege, you may purchase A shares of the Heritage Mutual Funds under a single Statement of Intention. In addition, if you own Class A shares of any other Heritage Mutual Fund subject to a sales load, you may include those shares in computing the amount necessary to qualify for a sales load reduction. The Statement of Intention is not a binding obligation upon the investor to purchase the full amount indicated. The minimum initial investment under a Statement of Intention is 5% of such amount. If you would like to enter into a Statement of Intention in conjunction with your initial investment in A shares of the Trust, please complete the appropriate portion of the Account Application found in this prospectus. Current Trust shareholders desiring to do so can obtain a Statement of Intention by contacting the Manager or the Distributor at the address or telephone number listed on the cover of this prospectus, or from their Representative.

For more information on "What Class A Shares Will Cost" and a further explanation of instances in which the sales load will be waived or reduced, see "Investing in the Trust" in the SAI.

WHAT CLASS C SHARES WILL COST

THE CONTINGENT DEFERRED SALES LOAD, IF APPLICABLE, IS BASED ON THE LOWER OF PURCHASE PRICE OR REDEMPTION PRICE.

A CDSL of 1% is imposed on C shares if, less than one year from the date of purchase, you redeem an amount that causes the current value of your account to fall below the total dollar amount of C shares purchased subject to the CDSL. The CDSL will not be imposed on the redemption of C shares acquired as dividends or other distributions, or on any increase in the net asset value of the redeemed C shares above the original purchase price. Thus, the CDSL will be imposed on the lower of net asset value or purchase price.

Redemptions will be processed in a manner intended to minimize the amount of redemption that will be subject to the CDSL. When calculating the CDSL, it will be assumed that the redemption is made first of C shares acquired as dividends, second of C shares that have been held for one year or more, and finally of C shares held for less than one year on a first-in first-out basis.

WAIVER OF THE CONTINGENT DEFERRED SALES LOAD. The CDSL currently is waived for: (1) any partial or complete redemption in connection with a distribution without penalty under Section 72(t) of the Internal Revenue Code of 1986, as amended (the "Code"), from a qualified retirement plan, including a Keogh Plan or IRA upon attaining age 70 1/2; (2) any redemption resulting from a tax-free return of an excess contribution to a qualified employer retirement plan or an IRA; (3) any partial or complete redemption following death or disability (as defined in Section 72(m)(7) of the Code) of a shareholder (including one who owns the shares as joint tenant with his spouse) from an account in which the deceased or disabled is named, provided the redemption is requested within one year of the death or initial determination of disability; (4) certain periodic redemptions under the Systematic Withdrawal Plan from an account meeting certain minimum balance requirements, in amounts representing certain maximums established from time to time by the Distributor (currently a maximum of 12% annually of the account balance at the beginning of the Systematic Withdrawal Plan); or (5) involuntary redemptions by the Trust of C shares in shareholder accounts that do not comply with the minimum balance requirements. The Distributor may require proof of documentation prior to waiver of the CDSL described in sections (1) through (4) above, including distribution letters, certification by plan administrators, applicable tax forms or death or physicians certificates.

For more information about C shares, see "Reinstatement Privilege" and "Exchange Privilege."

HOW TO REDEEM SHARES

THERE ARE SEVERAL WAYS FOR YOU TO SELL YOUR SHARES.

Redemptions of Trust shares can be made by:

CONTACTING YOUR REPRESENTATIVE. Your Representative will transmit an order to the Trust for redemption and may charge you a fee for this service.

TELEPHONE REQUEST. You may redeem shares by placing a telephone request to the Trust (800-421-4184) prior to the close of regular trading on the Exchange. If you do not wish to have telephone exchange/redemption privileges, you should so elect by completing the appropriate section of the Account Application. The Trust, Manager, Distributor and their Trustees, directors, officers and employees are not liable for any loss arising out of telephone instructions they reasonably believe are authentic. These parties will employ reasonable procedures to confirm that telephone instructions are authentic. To the extent that the Trust, Manager, Distributor and their Trustees, directors, officers and employees do not follow reasonable procedures, some or all of them may be liable for losses due to unauthorized or fraudulent transactions. For more information on these procedures, see "Redeeming Shares - Telephone Transactions" in the SAI. You may elect to have the funds wired to the bank account specified on the Account Application. Funds normally will be sent the next business day, and you will be charged a wire fee by the Manager (currently $5.00). For redemptions of less than $50,000, you may request that the check be mailed to your address of record, providing that such address has

not been changed in the past 30 days. For your protection, all other redemption checks will be transferred to the bank account specified on the Account Application.

WRITTEN REQUEST. Trust shares may be redeemed by sending a written request for redemption to "Heritage Capital Appreciation Trust, Heritage Asset Management, Inc., P.O. Box 33022, St. Petersburg, FL 33733". Signature guarantees will be required on the following types of requests: redemptions from any account that has had an address change in the past 30 days, redemptions greater than $50,000, redemptions that are sent to an address other than the address of record and exchanges or transfers into other Heritage accounts that have different titles. The Manager will transmit an order to the Trust for redemption.

SYSTEMATIC WITHDRAWAL PLAN. Withdrawal plans are available that provide for regular periodic withdrawals of $50 or more on a monthly, quarterly, semiannual or annual basis. Under these plans, sufficient shares of the Trust are redeemed to provide the amount of the periodic withdrawal payment. The purchase of A shares while participating in the Systematic Withdrawal Plan ordinarily will be disadvantageous to you because you will be paying a sales load on the purchase of those shares at the same time that you are redeeming A shares upon which you may already have paid a sales load. Therefore, the Trust will not knowingly permit the purchase of A shares through a Systematic Investment Plan if you are at the same time making systematic withdrawals of A shares. The Manager reserves the right to cancel systematic withdrawals if insufficient shares are available for two or more consecutive months.

Please contact the Manager or your Representative for further information or see "Redeeming Shares" in the SAI.

YOU WILL NOT BE CHARGED A SALES LOAD ON A SHARES REDEEMED AND REINVESTED WITHIN 90 DAYS OF REDEMPTION.

REINSTATEMENT PRIVILEGE. A shareholder who has redeemed any or all of his A shares of the Trust may reinvest all or any portion of the redemption proceeds in A shares at net asset value without any sales load, provided that such reinvestment is made within 90 calendar days after the redemption date. A shareholder who has redeemed any or all of his C shares of the Trust and has paid a CDSL on those shares or has held those shares long enough so that the CDSL no longer applies, may reinvest all or any portion of the redemption proceeds in C shares at net asset value without paying a CDSL on future redemptions of those shares, provided that such reinvestment is made within 90 calendar days after the redemption date. A reinstatement pursuant to this privilege will not cancel the redemption transaction; therefore, (1) any gain realized on the transaction will be recognized for Federal income tax purposes, while (2) any loss realized will not be recognized for those purposes to the extent that the redemption proceeds are reinvested in shares of the Trust. See "Taxes." The reinstatement privilege may be utilized by a shareholder only once, irrespective of the number of shares redeemed, except that the privilege may be utilized without limitation in connection with transactions whose sole purpose is to transfer a shareholder's interest in the Trust to his defined contribution plan, IRA or SEP. Investors must notify the Fund if they intend to exercise the reinstatement privilege.

RECEIVING PAYMENT

THE SALES PRICE GENERALLY IS THE NEXT NAV COMPUTED AFTER THE RECEIPT OF YOUR REDEMPTION REQUEST.

If a request for redemption is received by the Trust in good order (as described below) before the close of regular trading on the Exchange, the shares will be redeemed at the net asset value per share determined at the close of regular trading on the Exchange on that day, less any applicable CDSL for C shares. Requests for

redemption received by the Trust after the close of regular trading on the Exchange will be executed at the net asset value determined at the close of regular trading on the Exchange on the next trading day, less any applicable CDSL for C shares.

Payment for shares redeemed by the Trust normally will be made on the business day after the redemption was made. If the shares to be redeemed recently have been purchased by personal check, the Trust may delay mailing a redemption check until the purchase check has cleared, which may take up to five business days. This delay can be avoided by wiring funds for purchases. The proceeds of a redemption may be more or less than the original cost of Trust shares.

A redemption request will be considered to be received in "good order" if:

- the number or amount of shares and the class of shares to be redeemed and shareholder account number have been indicated;

- any written request is signed by the shareholder and by all co-owners of the account with exactly the same name or names used in establishing the account;

- any written request is accompanied by certificates representing the shares that have been issued, if any, and the certificates have been endorsed for transfer exactly as the name or names appear on the certificates or an accompanying stock power has been attached; and

- the signatures on any written redemption request of $50,000 or more and on any certificates for shares (or an accompanying stock power) have been guaranteed by a national bank, a state bank that is insured by the Federal Deposit Insurance Corporation, a trust company, or by any member firm of the New York, American, Boston, Chicago, Pacific or Philadelphia Stock Exchanges. Signature guarantees also will be accepted from savings banks and certain other financial institutions that are deemed acceptable by the Manager, as transfer agent, under its current signature guarantee program.

The Trust has the right to suspend redemption or postpone payment at times when the Exchange is closed (other than customary weekend or holiday closings) or during periods of emergency or other periods as permitted by the Securities and Exchange Commission. In the case of any such suspension you may either withdraw your request for redemption or receive payment based upon the net asset value next determined after the suspension is lifted. If a redemption check remains outstanding after six months, the Manager reserves the right to redeposit those funds into your account. For more information on receiving payment, see "Redeeming Shares - Receiving Payment" in the SAI.

EXCHANGE PRIVILEGE

YOU MAY EXCHANGE SHARES OF ONE HERITAGE MUTUAL FUND FOR SHARES OF THE SAME CLASS OF ANY OTHER HERITAGE

MUTUAL FUND,
GENERALLY WITHOUT
PAYING ANY ADDITIONAL
SALES LOAD.

If you have held A shares or C shares for at least 30 days, you may exchange some or all of your shares for shares of the same class of any other Heritage Mutual Fund. All exchanges will be based on the respective net asset values of the Heritage Mutual Funds involved. All exchanges are subject to the minimum investment requirements and any other applicable terms set forth in the prospectus for the Heritage Mutual Fund whose shares are being acquired. Exchanges involving the redemption of shares recently purchased by check will be permitted only after the Heritage Mutual Fund whose shares have been tendered for exchange is reasonably assured that the check has cleared, normally five business days following the

purchase date. Exchanges of shares of Heritage Mutual Funds generally will result in the realization of a taxable gain or loss for Federal income tax purposes.

For purposes of calculating the commencement of the CDSL holding period for shares exchanged from the Trust to the C shares of any other Heritage Mutual Fund, except Heritage Cash Trust-Money Market Fund ("Money Market Fund"), the original purchase date of those shares exchanged will be used. Any time period that the exchanged shares were held in the Money Market Fund will not be included in this calculation. As a result, if you redeem C shares of the Money Market Fund before the expiration of the CDSL holding period, you will be subject to the applicable CDSL.

If you exchange A shares or C shares for corresponding shares of the Money Market Fund, you may, at any time thereafter, exchange such shares for the corresponding class of shares of any other Heritage Mutual Fund. If you exchange shares of the Money Market Fund acquired by purchase (rather than exchange) for shares of another Heritage Mutual Fund, you will be subject to the sales load, if any, that would be applicable to a purchase of that Heritage Mutual Fund.

A shares of the Trust may be exchanged for A shares of the Heritage Cash Trust -- Municipal Money Market Fund, which is the only class of shares offered by that fund. If you exchange shares of the Heritage Cash Trust -- Municipal Money Market Fund acquired by purchase (rather than exchange) for shares of another Heritage Mutual Fund, you also will be subject to the sales load, if any, that would be applicable to a purchase of that Heritage Mutual Fund. C shares are not eligible for exchange into the Heritage Cash Trust -- Municipal Money Market Fund.

Shares acquired pursuant to a telephone request for exchange will be held under the same account registration as the shares redeemed through such an exchange. For a discussion of limitation of liability of certain entities, see "How to Redeem Shares -- Telephone Request."

Telephone exchanges can be effected by calling the Manager at 800-421-4184 or by calling your Representative. In the event that you or your Representative are unable to reach the Manager by telephone, an exchange can be effected by sending a telegram to Heritage Asset Management, Inc. Due to the volume of calls or other unusual circumstances, telephone exchanges may be difficult to implement during certain time periods.

The exchange privilege is available only in states where shares of the Heritage Mutual Fund being acquired may be legally sold. Each Heritage Mutual Fund reserves the right to reject any order to acquire its shares through exchange or otherwise to restrict or terminate the exchange privilege at any time. In addition, each Heritage Mutual Fund may terminate this exchange privilege upon 60 days' notice. For further information on this exchange privilege and for a copy of any Heritage Mutual Fund prospectus, contact the Manager or your Representative and see "Exchange Privilege" in the SAI.

MANAGEMENT OF THE TRUST

BOARD OF TRUSTEES

HERITAGE ASSET
MANAGEMENT, INC.
SERVES AS MANAGER FOR
THE TRUST, SUBJECT TO
THE DIRECTION OF THE

BOARD OF TRUSTEES.

The business and affairs of the Trust are managed by or under the direction of its Board of Trustees. The Trustees are responsible for managing the Trust's business affairs and for exercising all the Trust's powers except those reserved to the shareholders. A Trustee may be removed by the other Trustees or by a two-thirds vote of the outstanding Trust shares.

INVESTMENT ADVISER, FUND ACCOUNTANT, ADMINISTRATOR AND TRANSFER AGENT

Heritage Asset Management, Inc. is the Trust's investment adviser, fund accountant, administrator and transfer agent. The Manager is responsible for reviewing and establishing investment policies for the Trust and determining the allocation of assets to the subadvisers as well as administering the Trust's noninvestment affairs. The Manager is a wholly owned subsidiary of Raymond James Financial, Inc., which, together with its subsidiaries, provides a wide range of financial services to retail and institutional clients. The Manager manages, supervises and conducts the business and administrative affairs of the Trust and the other Heritage Mutual Funds with net assets totaling approximately $2.6 billion as of November 30, 1996. The Manager's annual investment advisory and administration fee paid monthly by the Trust is equal to 0.75% of the Trust's average daily net assets.

The Manager voluntarily waives fee or reimburses expenses as explained under "Total Trust Expenses" and reserves the right to discontinue any voluntary waiver of its fees or reimbursements to the Trust in the future. The Manager also may recover advisory fees waived in the two previous years.

SUBADVISERS

THE MANAGER EMPLOYS SUBADVISERS FOR PROVIDING INVESTMENT ADVICE AND PORTFOLIO MANAGEMENT SERVICES TO THE TRUST.

The Manager has entered into an agreement with Liberty Investment Management, 2502 Rocky Point Drive, Tampa, Florida 33607, to provide investment advice and portfolio management services, including placement of brokerage orders, on behalf of the Trust. For these services, the Manager pays the Subadviser an annual fee of .25% of the Trust's average daily net assets, without regard to any reduction in fees actually paid to the Manager as a result of voluntary fee waivers by the Manager. The Subadviser provides investment advisory services to institutional clients, including employee benefit plans, endowments, foundations, other tax-exemption organizations and registered investment companies; the net assets for these clients totaled approximately $ billion as of November 30, 1996.

The Manager also has entered into a subadvisory agreement with Eagle Asset Management, Inc. ("Eagle"). However, the Manager has chosen not to allocate assets to Eagle at this time.

APPOINTMENT OF GOLDMAN SACHS ASSET MANAGEMENT

On January 2, 1997, Liberty sold certain assets, and the Trust's portfolio manager, Herbert E. Ehlers, and other key employees entered into employment agreements with GSAM. GSAM is an operating division of Goldman, Sachs Co. ("Goldman Sachs"). In order to retain Mr. Ehlers' services, at its November 18, 1996 meeting, the Board of Trustees approved the appointment of the Liberty Investment Management Division of GSAM as a subadviser to the Trust. This appointment is subject to shareholder approval at a Special Shareholder Meeting to be held on February 28, 1997, or any adjournment(s) thereof.

If approved by shareholders, GSAM would provide investment advice and portfolio management services with respect to Trust assets allocated to it by the Manager. GSAM intends to follow substantially the same investment approach employed by Liberty. For these services, Heritage (and not the Trust) would pay GSAM a monthly fee at an annual rate equal to 0.25% of the Trust's average daily net assets allocated to GSAM by Heritage. Goldman Sachs registered as an

investment adviser in 1981. As of November 30, 1996, GSAM, together with its affiliates, acts as investment adviser, administrator or distributor for assets in excess of $ billion.

BROKERAGE PRACTICES

The Subadviser may use the Distributor as broker for agency transactions in listed and over-the-counter securities at commission rates and under circumstances consistent with the policy of best price and execution. See "Brokerage Transactions" in the SAI.

PORTFOLIO MANAGEMENT

Herbert E. Ehlers serves as portfolio manager of the Trust. Mr. Ehlers has been responsible for the day-to-day management of the Trust's investment portfolio, subject to the general oversight of the Manager and the Board, since the Trust's inception in December 1985. On January 2, 1997, Mr. Ehlers became a Managing Director of Goldman Sachs. He also continues as the Chairman, Chief Executive Officer and Chief Investment Officer of the Subadviser, positions he has held since 1994. During 1995 he served as a portfolio manager of Eagle and from 1984 to 1994, Mr. Ehlers was President, Chief Investment Officer and a director of Eagle.

SHAREHOLDER AND ACCOUNT POLICIES

DIVIDENDS AND OTHER DISTRIBUTIONS

SEVERAL OPTIONS EXIST
FOR RECEIVING DIVIDENDS
AND OTHER
DISTRIBUTIONS.

Dividends from net investment income are declared and paid annually. The Trust distributes to shareholders along with its annual dividend substantially all net realized capital gains on portfolio securities and net realized gains from foreign currency transactions, if any, after the end of the year in which the gains are realized. Dividends and other distributions on shares held in retirement plans and by shareholders maintaining a Systematic Withdrawal Plan generally are declared and paid in additional Trust shares. Other shareholders may elect to:

- receive both dividends and other distributions in additional Trust shares;

- receive dividends in cash and other distributions in additional Trust shares;

- receive both dividends and other distributions in cash; or

- receive both dividends and other distributions in cash for investment in another Heritage Mutual Fund.

If you select none of these options, the first option will apply. In any case when you receive a dividend or other distribution in additional Trust shares, your account will be credited with shares valued at the net asset value of the shares determined at the close of regular trading on the Exchange on the day following the record date for the dividend or other distribution. Distribution options can be changed at any time by notifying the Manager in writing.

Dividends paid by the Trust with respect to its A shares and C shares are calculated in the same manner and at the same time and will be in the same amount relative to the aggregate net asset value of the shares in each class, except that dividends on C shares may be lower than dividends on A shares primarily as a result of the higher distribution fee and class-specific expenses applicable to C shares.

Trust's average daily net assets attributable to A shares. The Trust currently pays the Distributor a fee of up to 0.25% on A shares purchased after April 3, 1995. This fee is computed daily and paid monthly.

As compensation for services rendered and expenses borne by the Distributor in connection with the distribution of C shares and in connection with personal services rendered to Class C shareholders and the maintenance of Class C accounts, the Trust pays the Distributor a service fee of up to 0.25% and a distribution fee of up to 0.75% of the Trust's average daily net assets attributable to C shares. This fee is computed daily and paid monthly.

The above-referenced fees paid to the Distributor are made under Distribution Plans adopted pursuant to Rule 12b-1 under the 1940 Act. These Plans authorize the Distributor to spend such fees on any activities or expenses intended to result in the sale of A shares and C shares, including compensation (in addition to the sales load) paid to Representatives; advertising, salaries and other expenses of the Distributor relating to selling or servicing efforts; expenses of organizing and conducting sales seminars; printing of prospectuses, statements of additional information and reports for other than existing shareholders; and preparation and distribution of advertising material and sales literature and other sales promotion expenses. The Distributor has entered into dealer agreements with participating dealers and/or banks who also will distribute shares of the Trust.

If either Plan is terminated, the obligation of the Trust to make payments to the Distributor pursuant to the Plan will cease and the Trust will not be required to make any payment past the date the Plan terminates.

TAXES

THE TRUST IS NOT EXPECTED TO HAVE ANY FEDERAL TAX LIABILITY. HOWEVER, YOUR TAX OBLIGATIONS ARE DETERMINED BY YOUR PARTICULAR TAX CIRCUMSTANCES.

The Trust intends to qualify for treatment as a regulated investment company under the Code for its current taxable year. By doing so, the Trust (but not its shareholders) will be relieved of Federal income tax on that part of its investment company taxable income (generally consisting of net investment income, net short-term capital gain and net gains from certain foreign currency transactions) and net capital gain (the excess of net long-term capital gain over net short-term capital loss) that is distributed to its shareholders. Dividends from the Trust's investment company taxable income are taxable to shareholders as ordinary income, to the extent of the Trust's earnings and profits, whether received in cash or in additional Trust shares. Distributions of the Trust's net capital gain, when designated as such, are taxable to shareholders as long-term capital gains, whether received in cash or in additional Trust shares and regardless of the length of time the shares have been held. A portion of the dividends paid by the Trust, whether received in cash or in additional Trust shares, may be eligible for the dividends-received deduction allowed to corporations. The eligible portion may not exceed the aggregate dividends received by the Trust from U.S. corporations. However, dividends received by a corporate shareholder and deducted by it pursuant to the dividends-received deduction are subject indirectly to the alternative minimum tax.

ANY TIME YOU SELL OR EXCHANGE SHARES IT IS CONSIDERED A TAXABLE EVENT TO YOU.

Dividends and other distributions declared by the Trust in October, November or December of any calendar year and payable to shareholders of record on a date in any of these months will be deemed to have been paid by the Trust and received by the shareholders on December 31 of that year if they are paid by the Trust during the following January. Shareholders receive Federal income tax information regarding dividends and other distributions after the end of each year. The Trust is

required to withhold 31% of all dividends, capital gain distributions, and redemption proceeds payable to individuals and certain other non-corporate shareholders who do not provide the Trust with a correct taxpayer identification number. Withholding at that rate also is required from dividends and capital gain distributions payable to such shareholders who otherwise are subject to backup withholding. Any time you sell or exchange shares it is considered a taxable event to you.

The foregoing is only a summary of some of the important Federal income tax considerations generally affecting the Trust and its shareholders. See the SAI for a further discussion. There may be other Federal, state or local tax considerations applicable to a particular investor. You therefore are urged to consult your tax adviser.

SHAREHOLDER INFORMATION

YOU MAY VOTE ON MATTERS SUBMITTED FOR YOUR APPROVAL. EACH SHARE YOU OWN ENTITLES YOU TO ONE VOTE.

Each share of the Trust gives the shareholder one vote in matters submitted to shareholders for a vote. A shares and C shares of the Trust have equal voting rights, except that, in matters affecting only a particular class, only shares of that class are entitled to vote. As a Massachusetts business trust, the Trust is not required to hold annual shareholder meetings. Shareholder approval will be sought only for certain changes in the Trust's operation and for the election of Trustees under certain circumstances. Trustees may be removed by the Trustees or shareholders at a special meeting. A special meeting of shareholders shall be called by the Trustees upon the written request of shareholders owning at least 10% of the Trust's outstanding shares.

No dealer, salesman, or other person has been authorized to give any information or to make any representations other than those contained in this Prospectus in connection with the offer contained in this Prospectus, and, if given or made, such other information or representations must not be relied upon as having been authorized by the Trust or the Distributor. This Prospectus does not constitute an offering in any state in which such offering may not lawfully be made.

LOGO

Prospectus
January 2, 1997

Heritage Capital Appreciation Trust
P.O. Box 33022
St. Petersburg, FL 33733

Address Change Requested

Prospectus

INVESTMENT ADVISER/
SHAREHOLDER SERVICING AGENT
Heritage Asset Management, Inc.
P.O. Box 33022
St. Petersburg, FL 33733
(800) 421-4184

DISTRIBUTOR
Raymond James & Associates, Inc.
P.O. Box 12749
St. Petersburg, FL 33733
(813) 573-3800

LEGAL COUNSEL
Kirkpatrick & Lockhart LLP

8M HAM017

STATEMENT OF ADDITIONAL INFORMATION

HERITAGE CAPITAL APPRECIATION TRUST

This Statement of Additional Information ("SAI") dated January 2, 1997 should be read with the Prospectus of the Heritage Capital Appreciation Trust dated January 2, 1997. This SAI is not a prospectus itself. To receive a copy of the Prospectus, write to Heritage Asset Management, Inc. at the address below or call (800) 421-4184.

Heritage Asset Management, Inc.
880 Carillon Parkway
St. Petersburg, Florida 33716

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GENERAL INFORMATION

Heritage Capital Appreciation Trust (the "Trust") was established as a Massachusetts business trust under a Declaration of Trust dated June 21, 1985. The Trust offers two classes of shares, Class A shares sold subject to a front-end sales load ("A shares") and Class C shares sold subject to a contingent deferred sales load ("CDSL") ("C shares").

INVESTMENT INFORMATION

Investment Objective

The Trust's investment objective, as described in the prospectus, is long-term capital appreciation.

Investment Policies

AMERICAN DEPOSITORY RECEIPTS. The Trust may invest in sponsored American Depository Receipts ("ADRs"). ADRs are receipts typically issued by a U.S. bank or trust company evidencing ownership of the underlying securities of foreign issuers and other forms of depository receipts for securities of foreign issuers. Generally, ADRs, in registered form, are denominated in U.S. dollars and are designed for use in the U.S. securities markets. Thus, these securities are not denominated in the same currency as the securities into which they may be converted. ADRs are considered to be foreign securities by the Trust for purposes of certain investment limitation calculations.

CONVERTIBLE SECURITIES. The Trust may invest in convertible securities. While no securities investment is without some risk, investments in convertible securities generally entail less risk than the issuer's common stock, although the extent to which such risk is reduced depends in large measure upon the degree to which the convertible security sells above its value as a fixed income security. The Trust's investment subadvisers, Liberty Investment Management and Eagle Asset Management, Inc. ("Eagle") (collectively, the "Subadvisers"), will decide whether to invest in convertible securities based upon a fundamental analysis of the long-term attractiveness of the issuer and the underlying common stock, the evaluation of the relative attractiveness of the current price of the underlying common stock, and the judgment of the value of the convertible security relative to the common stock at current prices. Convertible securities in which the Trust may invest include corporate bonds, notes and preferred stock that can be converted into common stock. Convertible securities combine the fixed-income characteristics of bonds and preferred stock with the potential for capital appreciation. As with all debt securities, the market value of convertible securities tends to decline as interest rates increase and, conversely, to increase as interest rates decline. While convertible securities

generally offer lower interest or dividend yields than nonconvertible debt securities of similar quality, they do enable the investor to benefit from increases in the market price of the underlying common stock.

FORWARD CURRENCY CONTRACTS. Because investments in foreign companies usually will involve currencies of foreign countries, and because the Trust temporarily may hold funds in bank deposits in foreign currencies during the completion of investment programs, the value of Trust assets as measured in U.S. dollars may be affected favorably or unfavorably by changes in foreign currency exchange rates and exchange control regulations, and the Trust may incur costs in connection with conversions between various currencies. The Trust will conduct its foreign currency exchange transactions on a spot (I.E., cash) basis at the spot rate prevailing in the foreign currency exchange market. In addition, in order to protect against uncertainty in the level of future exchange rates, the Trust may enter into contracts to purchase or sell foreign currencies at a future date (i.e., a "forward currency contract" or "forward contract") that is not more than 30 days from the date of the contract.

The Trust may enter into forward contracts to purchase or sell foreign currencies for a fixed amount of U.S. dollars or another foreign currency or basket of foreign currencies. Such transactions may serve as long hedges -- for example the Trust may purchase a forward contract to lock in the U.S. dollar price of a security denominated in a foreign currency that the Trust intends to acquire. Forward contract transactions also may serve as short hedges -- for example, the Trust may sell a forward contract to lock in the U.S. dollar equivalent of the proceeds from the anticipated sale of a security, or from a dividend or interest payment on a security, denominated in a foreign currency.

As noted above, the Trust may seek to hedge against changes in the value of a particular currency by using forward contracts on another foreign currency or a basket of currencies, the value of which the Subadvisers believe will have a positive correlation to the values of the currency being hedged. Use of a different foreign currency magnifies the risk that movements in the price of the forward contract will not correlate or will correlate unfavorably with the foreign currency being hedged.

The cost to the Trust of engaging in forward contracts varies with factors such as the currency involved, the length of the contract period and the market conditions then prevailing. Because forward contracts usually are entered into on a principal basis, no fees or commissions are involved. When the Trust enters into a forward contract, it relies on its counterparty to make or take delivery of the underlying currency at the maturity of the contract. Failure by the counterparty to do so would result in the loss of any expected benefit of the transaction.

Sellers or purchasers of forward contracts can enter into offsetting closing transactions by purchasing or selling, respectively, an instrument identical to the instrument bought or sold. Secondary markets generally do not exist for forward contracts, with the result that closing transactions generally can be made for forward contracts only by negotiating directly with the counterparty. Thus, there can be no assurance that the Trust will in fact be able to close out a forward contract at a favorable price prior to maturity. In addition, in the event of insolvency of the counterparty, the Trust might be unable to close out a forward contract at any time prior to maturity. In either event, the Trust would continue to be subject to market risk with respect to the position, and would continue to be required to maintain a position in the securities or currencies that are the subject of the hedge or to maintain cash or securities in a segregated account.

The precise matching of forward contract amounts and the value of the securities involved generally will not be possible because the value of such securities, measured in the foreign currency, will change after the foreign contract has been established. Thus, the Trust might need to purchase or sell foreign currencies in the spot (cash) market to the extent such foreign currencies are not covered by forward contracts. The projection of short-term currency market movements is extremely difficult, and the successful execution of a short-term hedging strategy is highly uncertain.

FOREIGN CURRENCY STRATEGIES - SPECIAL CONSIDERATIONS. The value of forward contracts depends on the value of the underlying currency relative to the U.S. dollar. Because foreign currency transactions occurring in the interbank market might involve substantially larger amounts than those involved in the use of forward contracts, the Trust could be disadvantaged by having to deal in the odd-lot market (generally consisting of transactions of less than $1 million) for the underlying foreign currencies at prices that are less favorable than for round lots.

There is no systematic reporting of last sale information for foreign currencies or any regulatory requirement that quotations available through dealers or other market sources be firm or revised on a timely basis. Quotation information generally is representative of very large transactions in the interbank market and thus might not reflect odd-lot transactions where rates might be less favorable. The interbank market in foreign currencies is a global, around-the-clock market.

Settlement of transactions involving foreign currencies might be required to take place within the country issuing the underlying currency. Thus, the Trust might be required to accept or make delivery of the underlying foreign currency in accordance with any U.S. or foreign regulations regarding the

maintenance of foreign banking arrangements by U.S. residents and might be required to pay any fees, taxes and charges associated with such delivery assessed in the issuing country.

LIMITATIONS ON THE USE OF FORWARD CURRENCY CONTRACTS. The Trust may enter into forward currency contracts or maintain a net exposure to such contracts only if (1) the consummation of the contracts would not obligate the Trust to deliver an amount of foreign currency in excess of the value of the position being hedged by such contracts or (2) the Trust maintains cash, U.S. Government securities or liquid securities in a segregated account in an amount not less than the value of its total assets committed to the consummation of the contract and not covered as provided in (1) above, as marked to market daily.

FOREIGN SECURITIES. The Trust may invest in foreign securities; however, such investment may not exceed 10% of the Trust's investment portfolio. Investing in securities issued by companies whose principal business activities are outside the United States may involve significant risks not present in domestic investments. For example, there generally is less publicly available information about foreign companies, particularly those not subject to the disclosure and reporting requirements of U.S. securities laws. Foreign issuers generally are not bound by uniform accounting, auditing and financial reporting requirements comparable to those applicable to domestic issuers. Investments in foreign securities also involve the risk of possible adverse changes in investment or exchange control regulations, expropriation or confiscatory taxation, limitation on the removal of funds or other assets of the Trust, political or financial instability or diplomatic and other developments that could affect such investments. Further, the economies of some countries may differ favorably or unfavorably from the economy of the United States.

It is anticipated that in most cases the best available market for foreign securities will be on exchanges or in over-the-counter markets located outside the United States. Foreign stock markets, while growing in volume and sophistication, generally are not as well developed as those in the United States, and securities of some foreign issuers (particularly those located in developing countries) may be less liquid and more volatile than securities of comparable U.S. companies. In addition, foreign brokerage commissions generally are higher than commissions on securities traded in the United States. In general, there is less overall governmental supervision and regulation of securities exchanges, brokers and listed companies than in the United States.

It is the Trust's policy not to invest in foreign securities when there are currency or trading restrictions in force or when, in the judgment of the Subadvisers, such restrictions are likely to be imposed. However, certain

currencies may become blocked (I.E., not freely available for transfer from a foreign country), resulting in the possible inability of the Trust to convert proceeds realized upon the sale of portfolio securities of the affected foreign companies into U.S. currency.

ILLIQUID SECURITIES. As stated in the prospectus, the Trust will not purchase or otherwise acquire any security if, as a result, more than 10% of its net assets (taken at current value) would be invested in securities that are illiquid by virtue of the absence of a readily available market or legal or contractual restrictions on resale.

PREFERRED STOCK. A preferred stock is a blend of the characteristics of a bond and common stock. It can offer the higher yield of a bond and has priority over common stock in equity ownership but does not have the seniority of a bond and its participation in the issuer's growth may be limited. Preferred stock has a preference over common stock in the receipt of dividends and in any residual assets after payment to creditors should the issuer be dissolved. Although the dividend is set at a fixed annual rate, in some circumstances it can be changed or omitted by the issuer.

U.S. GOVERNMENT SECURITIES. The Trust may invest in U.S. Government securities, including a variety of securities that are issued or guaranteed by the U.S. Government, its agencies or instrumentalities and repurchase agreements secured thereby. These securities include securities issued and guaranteed by the U.S. Government, such as Treasury bills, Treasury notes, and Treasury bonds; obligations backed by the "full faith and credit" of the United States, such as Government National Mortgage Association securities; obligations supported by the right of the issuer to borrow from the U.S. Treasury, such as those of the Federal Home Loan Banks; and obligations supported only by the credit of the issuer, such as those of the Federal Intermediate Credit Banks.

WARRANTS. The Trust may purchase warrants, which are instruments that permit the Trust to acquire, by subscription, the capital stock of a corporation at a set price, regardless of the market price for such stock. Warrants may be either perpetual or of limited duration. There is a greater risk that warrants might drop in value at a faster rate than the underlying stock. The Trust's investment in warrants is limited to 5% of its total assets, of which no more than 2% may not be listed on the New York or American Stock Exchange.

Industry Classifications

For purposes of determining industry classifications, the Trust relies upon classifications established by the Manager that are based upon classifications contained in the Directory of Companies Filing Annual Reports

with the Securities and Exchange Commission ("SEC") and in the Standard & Poor's Corporation Industry Classifications.

INVESTMENT LIMITATIONS

In addition to the limits disclosed in "Investment Policies" above and the investment limitations described in the prospectus, the Trust is subject to the following investment limitations that are fundamental policies of the Trust and may not be changed without the vote of a majority of the outstanding voting securities of the Trust. Under the Investment Company Act of 1940, as amended (the "1940 Act"), a "vote of a majority of the outstanding voting securities" of the Trust means the affirmative vote of the lesser of (1) more than 50% of the outstanding shares of the Trust or (2) 67% or more of the shares present at a shareholders meeting if more than 50% of the outstanding shares are represented at the meeting in person or by proxy.

DIVERSIFICATION. The Trust may not invest more than 5% of its total assets (valued at market value) in securities of any one issuer other than the U.S. Government or its agencies and instrumentalities, or buy more than 10% of the voting securities or more than 10% of all the securities of any one issuer.

BORROWING MONEY. The Trust may not borrow money except from banks and only if at the time of such borrowings the total loans to the Trust do not exceed 5% of the Trust's total assets, and such borrowings can only be made as a temporary measure for extraordinary or emergency purposes.

INVESTING IN COMMODITIES, MINERALS OR REAL ESTATE. The Trust may not invest in commodities, commodity contracts, oil, gas or other mineral programs, or real estate, except that it may purchase securities issued by companies that invest in or sponsor such interests.

UNDERWRITING. The Trust may not underwrite the securities of other issuers, except that the Trust may invest in securities that are not readily marketable without registration under the 1933 Act (restricted securities), if immediately after the making of such investment not more than 5% of the value of the Trust's total assets (taken at cost) would be so invested.

LOANS. The Trust may not make loans, except to the extent that the purchase of a portion of an issue of publicly distributed notes, bonds or other evidences of indebtedness or deposits with banks and other financial institutions may be considered loans. The Trust also may enter into repurchase agreements as permitted under its investment policies.

CONCENTRATION OF INVESTMENTS. The Trust may not purchase securities if as a result of such purchase more than 25% of the value of its total assets would be invested in any one industry.

ISSUING SENIOR SECURITIES. The Trust may not issue senior securities, except as permitted by its investment objective and policies and investment limitations.

The Trust has adopted the following additional restrictions that, together with certain limits described in the Trust's prospectus, are nonfundamental policies and may be changed by the Board of Trustees without shareholder approval in compliance with applicable law, regulation or regulatory policy.

INVESTING IN ILLIQUID SECURITIES. The Trust may not purchase any securities subject to restrictions on resale or purchase securities that are not readily marketable if, as a result thereof, more than 10% of the net assets of the Trust would be invested in such illiquid investments and in repurchase agreements maturing in more than seven days.

SELLING SHORT AND BUYING ON MARGIN. The Trust may not sell any securities short or purchase any securities on margin but may obtain such short-term credits as may be necessary for clearance of purchases and sales of securities.

INVESTING IN OTHER INVESTMENT COMPANIES. The Trust may not invest in securities issued by other investment companies, except in connection with a merger, consolidation, acquisition or reorganization or by purchase in the open market of securities of closed-end investment companies where no underwriter or dealer commission or profit, other than a customary brokerage commission, is involved and only if immediately thereafter not more than 5% of the Trust's total assets (taken at market value) would be invested in such securities.

INVESTING IN ISSUERS WHOSE SECURITIES ARE OWNED BY OFFICERS OF THE TRUST. The Trust may not purchase or retain the securities of any issuer if the officers and Trustees of the Trust or the Manager or Subadvisers who own individually more than 1/2 of 1% of the issuer's securities together own more than 5% of the issuer's securities.

OPTION WRITING. The Trust may not write put or call options.

PLEDGING. The Trust may not pledge any securities except that it may pledge assets having a value of not more than 10% of its total assets to secure permitted borrowing from banks.

UNSEASONED ISSUERS. The Trust may not invest more than 5% of the value of its total assets in securities of companies that, with their predecessors, have been in continuous operations for less than three years.

Except with respect to borrowing money, if a percentage limitation is adhered to at the time of the investment, a later increase or decrease in the percentage resulting from any change in value of net assets will not result in a violation of such restriction.

NET ASSET VALUE

The net asset values of the A shares and C shares are determined daily Monday through Friday, except for New Year's Day, Presidents' Day, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day, as of the close of regular trading on the New York Stock Exchange (the "Exchange"). Net asset value for each class is calculated by dividing the value of the total assets of the Trust attributable to that class, less all liabilities (including accrued expenses) attributable to that class, by the number of class shares outstanding, the result being adjusted to the nearest whole cent. A security listed or traded on the Exchange, or other domestic or foreign stock exchanges, is valued at its last sales price on the principal exchange on which it is traded prior to the time when assets are valued. If no sale is reported at that time or the security is traded in the over-the-counter market, the most recent bid price is used. Securities and other assets for which market quotations are not readily available, or for which market quotes are not deemed to be reliable, are valued at fair value as determined in good faith by the Board of Trustees. Securities in a foreign currency will be valued daily in U.S. dollars at the foreign currency exchange rates prevailing at the time the Trust calculates the daily net asset value of each class. Short-term investments having a maturity of 60 days or less are valued at cost with accrued interest or discount earned included in interest receivable.

The Trust is open for business on days on which the Exchange is open (each a "Business Day"). Trading in securities on European and Far Eastern securities exchanges and over-the-counter markets normally is completed well before the Trust's close of business on each Business Day. In addition, European or Far Eastern securities trading may not take place on all Business Days. Furthermore, trading takes place in various foreign capital markets on days that are not Business Days and on which the Trust's net asset value is not calculated. Calculation of A shares and C shares does not take place contemporaneously with the determination of the prices of the majority of the portfolio securities used in such calculation. The Trust calculates net asset value per share, and therefore effects sales and redemptions, as of the close of trading on the Exchange each Business Day. If events materially affecting the value of such securities occur between the time when their prices are determined

and the time when the Trust's net asset value is calculated, such securities will be valued at fair value by methods as determined in good faith by or under the direction of the Board of Trustees.

The Board of Trustees may suspend the right of redemption or postpone payment for more than seven days at times (1) during which the Exchange is closed other than for the customary weekend and holiday closings, (2) during which trading on the Exchange is restricted as determined by the SEC, (3) during which an emergency exists as a result of which disposal by the Trust of securities owned by it is not reasonably practicable or it is not reasonably practical for the Trust fairly to determine the value of its net assets, or (4) for such other periods as the SEC may by order permit for the protection of the holders of A shares and C shares.

PERFORMANCE INFORMATION

The performance data for each class of the Trust quoted in advertising and other promotional materials represents past performance and is not intended to indicate future performance. The investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Average annual total return quotes for each class used in the Trust's advertising and promotional materials are calculated according to the following formula:

$$P(1+T)^n = ERV$$

where:	P	=	a hypothetical initial payment of $1,000
	T	=	average annual total return
	n	=	number of years
	ERV	=	ending redeemable value of a hypothetical $1,000 payment made at the beginning of the 1, 5, 10 year period (or fractional portion thereof)

In calculating the ending redeemable value for A shares, the current maximum sales load of 4.75% is deducted from the initial $1,000 payment and all dividends and other distributions by the Trust are assumed to have been reinvested at net asset value on the reinvestment dates during the period. Based on this formula, the total return, or "T" in the formula above, is computed by finding the average annual compounded rates of return over the period that would equate the initial amount invested to the ending redeemable value. The average annualized total returns for A shares using this formula for the fiscal year ended August 31, 1996, the five years ended August 31, 1996 and for the ten years ended August 31, 1996 were ____%, ____% and ____%, respectively. The actual total return would be higher for shareholders who paid a sales load of less than 4.75%. The average annualized total return for C shares using this

formula for the fiscal year ended August 31, 1996, and for the period April 3, 1995 (first offering of C shares) to August 31, 1996, was _____% and _____%, respectively.

The A shares cumulative returns using this formula for the one year, five years and ten years ended August 31, 1996, were _____%, _____% and _____%, respectively. The C shares cumulative return using this formula for the one year ended August 31, 1996, and for the period April 3, 1995 (first offering of C shares) to August 31, 1996, was ____% and _____%, respectively. By not annualizing the performance and excluding the effect of the front-end sales load on A shares and the CDSL on C shares, total return calculated in this manner simply will reflect the increase in net asset value per share over a period of time, adjusted for dividends and other distributions. Calculating total return without taking into account the front-end sales load or CDSL results in a higher rate of return than calculating total return net of the sales load.

In connection with communicating its total return to current or prospective shareholders, the Trust also may compare these figures to the performance of other mutual funds tracked by mutual fund rating services or to other unmanaged indexes that may assume reinvestment of dividends but generally do not reflect deductions for administrative and management costs. In addition, the Trust may from time to time include in advertising and promotional materials total return figures that are not calculated according to the formula set forth above for each class of shares. For example, in comparing the Trust's aggregate total return with data published by Lipper Analytical Services, Inc., CDA Investment Technologies, Inc. or with such market indices as the Dow Jones Industrial Average and the Standard & Poor's 500 Composite Stock Price Index, the Trust calculates its cumulative total return for each class for the specified periods of time by assuming an investment of $10,000 in shares of that class and assuming the reinvestment of each dividend or other distribution at net asset value on the reinvestment date. Percentage increases are determined by subtracting the initial value of the investment from the ending value and by dividing the remainder by the beginning value. The Trust does not, for these purposes, deduct from the initial value invested any amount representing front-end sales loads charged on A shares or CDSLs charged on C shares.

INVESTING IN THE TRUST

A shares and C shares are sold at their next determined net asset value on Business Days. The procedures for purchasing shares of the Trust are explained in the Trust's prospectus under "Investing in the Trust."

Systematic Investment Options:

1. Systematic Investing -- You may authorize the Manager to process a monthly draft from your personal checking account for investment into the Trust. The draft is returned by your bank the same way a canceled check is returned.

2. Payroll Direct Deposit -- If your employer participates in a direct deposit program (also known as ACH Deposits) you may have all or a portion of your payroll directed to the Trust. This will generate a purchase transaction each time you are paid by your employer. Your employer will report to you the amount sent from each paycheck.

3. Government Direct Deposit -- If you receive a qualifying periodic payment from the U.S. Government or other agency that participates in Direct Deposit, you may have all or a part of each check directed to purchase shares of the Trust. The U.S. Government or agency will report to you all payments made.

4. Automatic Exchange -- If you own shares of another Heritage mutual fund advised or administered by the Manager ("Heritage Mutual Fund"), you may elect to have a preset amount redeemed from that fund and exchanged into the corresponding class of shares of the Trust. You will receive a statement from the other Heritage Mutual Fund confirming the redemption.

You may change or terminate any of the above options at any time.

Retirement Plans

HERITAGE IRA. Individuals who earn compensation and who have not reached age 70 1/2 before the close of the year generally may establish a Heritage IRA. An individual may make limited contributions to a Heritage IRA through the purchase of shares of the Trust and/or other Heritage Mutual Funds. The Internal Revenue Code of 1986, as amended (the "Code"), limits the deductibility of IRA contributions to taxpayers who are not active participants (and whose spouses are not active participants) in employer-provided retirement plans or who have adjusted gross income below certain levels. Nevertheless, the Code permits other individuals to make nondeductible IRA contributions up to $2,000 per year (or $4,000, if such contributions also are made for a nonworking spouse and a joint return is filed). A Heritage IRA also may be used for certain "rollovers" from qualified benefit plans and from Section 403(b) annuity plans. For more detailed information on the Heritage IRA, please contact the Manager.

Trust shares may be used as the investment medium for qualified plans (defined benefit or defined contribution plans established by corporations, partnerships or sole proprietorships). Contributions to qualified plans may be made (within certain limits) on behalf of the employees, including owner-employees, of the sponsoring entity.

OTHER RETIREMENT PLANS. Multiple participant payroll deduction retirement plans also may purchase A shares of any Heritage Mutual Fund at a reduced sales load on a monthly basis during the 13-month period following such a plan's initial purchase. The sales load applicable to an initial purchase of A shares will be that normally applicable under the schedule of sales loads set forth in this prospectus to an investment 13 times larger than such initial purchase. The sales load applicable to each succeeding monthly purchase of A shares will be that normally applicable, under such schedule, to an investment equal to the sum of (1) the total purchase previously made during the 13-month period and (2) the current month's purchase multiplied by the number of months (including the current month) remaining in the 13- month period. Sales loads previously paid during such period will not be adjusted retroactively on the basis of later purchases. Multiple participant payroll deduction retirement plans may purchase C shares at any time.

Alternative Purchase Plans

A shares are sold at their next determined net asset value plus a front-end sales load on days the Exchange is open for business. C shares are sold at their next determined net asset value on days the Exchange is open for business, subject to a 1% CDSL if the investor redeems such shares within one year. The Manager, as the Trust's transfer agent, will establish an account with the Trust and will transfer funds to State Street Bank and Trust Company (the "Custodian"). Normally, orders will be accepted upon receipt of funds and will be executed at the net asset value determined as of the close of regular trading on the Exchange on that day plus any applicable sales load. See "Alternative Purchase Plans" in the prospectus. The Trust reserves the right to reject any order for Trust shares. The Trust's distributor, Raymond James & Associates, Inc. ("RJA" or the "Distributor"), has agreed that it will hold the Trust harmless in the event of loss as a result of cancellation of trades in Trust shares by the Distributor, its affiliates or its customers.

Class A Combined Purchase Privilege (Right of Accumulation)

Certain investors may qualify for the Class A sales load reductions indicated in the sales load schedule in the prospectus by combining purchases of A shares into a single "purchase," if the resulting purchase totals at least $25,000. The term "purchase" refers to a single purchase by an individual, or to concurrent purchases that, in the aggregate, are at least equal to the prescribed amounts, by an individual, his spouse and their children under the

age of 21 years purchasing A shares for his or their own account; a single purchase by a trustee or other fiduciary purchasing A shares for a single trust, estate or single fiduciary account although more than one beneficiary is involved; or a single purchase for the employee benefit plans of a single employer. The term "purchase" also includes purchases by a "company," as the term is defined in the 1940 Act, but does not include purchases by any such company that has not been in existence for at least six months or that has no purpose other than the purchase of A shares or shares of other registered investment companies at a discount; provided, however, that it shall not include purchases by any group of individuals whose sole organizational nexus is that the participants therein are credit card holders of a company, policy holders of an insurance company, customers of either a bank or broker-dealer, or clients of an investment adviser. A "purchase" also may include A shares purchased at the same time through a single selected dealer of any other Heritage Mutual Fund that distributes its shares subject to a sales load.

The applicable A sales load will be based on the total of:

(i) the investor's current purchase;

(ii) the net asset value (at the close of business on the previous day) of (a) all A shares held by the investor and (b) all A shares of any other Heritage mutual fund advised by the Manager ("Heritage Mutual Fund") held by the investor and purchased at a time when A shares of such other fund were distributed subject to a sales load (including Heritage Cash Trust shares acquired by exchange); and

(iii) the net asset value of all A shares described in paragraph (ii) owned by another shareholder eligible to combine his purchase with that of the investor into a single "purchase."

A shares of Heritage Income Trust-Intermediate Government Fund purchased from February 1, 1992 through July 31, 1992, without payment of a sales load will be deemed to fall under the provisions of paragraph (ii) as if they had been distributed without being subject to a sales load, unless those shares were acquired through an exchange of other shares that were subject to a sales load.

To qualify for the Combined Purchase Privilege on a purchase through a selected dealer, the investor or selected dealer must provide the Distributor with sufficient information to verify that each purchase qualifies for the privilege or discount.

Class A Statement of Intention

Investors also may obtain the reduced sales loads shown in the Trust's prospectus by means of a written Statement of Intention, which expresses the

investor's intention to invest not less than $25,000 within a period of 13 months in A shares of the Trust or any other Heritage Mutual Fund. Each purchase of A shares under a Statement of Intention will be made at the public offering price or prices applicable at the time of such purchase to a single transaction of the dollar amount indicated in the Statement. In addition, if you own Class A shares of any other Heritage Mutual Fund subject to a sales load, you may include those shares in computing the amount necessary to qualify for a sales load reduction.

The Statement of Intention is not a binding obligation upon the investor to purchase the full amount indicated. The minimum initial investment under a Statement of Intention is 5% of such amount. A shares purchased with the first 5% of such amount will be held in escrow (while remaining registered in the name of the investor) to secure payment of the higher sales load applicable to the shares actually purchased if the full amount indicated is not purchased, and such escrowed A shares will be involuntarily redeemed to pay the additional sales load, if necessary. When the full amount indicated has been purchased, the escrow will be released. To the extent an investor purchases more than the dollar amount indicated on the Statement of Intention and qualifies for a further reduced sales load, the sales load will be adjusted for the entire amount purchased at the end of the 13-month period. The difference in sales load will be used to purchase additional A shares of the Trust, subject to the rate of sales load applicable to the actual amount of the aggregate purchases. An investor may amend his/her Statement of Intention to increase the indicated dollar amount and begin a new 13-month period. In that case, all investments subsequent to the amendment will be made at the sales load in effect for the higher amount. The escrow procedures discussed above will apply.

REDEEMING SHARES

The methods of redemption are described in the section of the prospectus entitled "How to Redeem Shares."

Systematic Withdrawal Plan

Shareholders may elect to make systematic withdrawals from a Trust account of a minimum of $50 on a periodic basis. The amounts paid each period are obtained by redeeming sufficient shares from an account to provide the withdrawal amount specified. The Systematic Withdrawal Plan currently is not available for shares held in an Individual Retirement Account, Section 403(b) annuity plan, defined contribution plan, Simplified Employee Pension Plan or other retirement plans, unless the shareholder establishes to the Manager's satisfaction that withdrawals from such an account may be made without

imposition of a penalty. Shareholders may change the amount to be paid without charge not more than once a year by written notice to the Distributor or the Manager.

Redemptions will be made at net asset value determined as of the close of regular trading on the Exchange on the 10th day of each month or the 10th day of the last month of each period, whichever is applicable. Systematic withdrawals of C shares, if made within one year of the date of purchase, will be charged a CDSL of 1%. If the Exchange is not open for business on that day, the shares will be redeemed at net asset value determined as of the close of regular trading on the Exchange on the preceding Business Day, minus any applicable CDSL for C shares. The check for the withdrawal payment usually will be mailed on the next business day following redemption. If a shareholder elects to participate in the Systematic Withdrawal Plan, dividends and other distributions on all shares in the account must be reinvested automatically in Trust shares. A shareholder may terminate the Systematic Withdrawal Plan at any time without charge or penalty by giving written notice to the Manager or the Distributor. The Trust and its transfer agent and Distributor also reserve the right to modify or terminate the Systematic Withdrawal Plan at any time.

Withdrawal payments are treated as a sale of shares rather than as a dividend or a capital gain distribution. These payments are taxable to the extent that the total amount of the payments exceeds the tax basis of the shares sold. If the periodic withdrawals exceed reinvested dividends and other distributions, the amount of the original investment may be correspondingly reduced.

Ordinarily, a shareholder should not purchase additional A shares if maintaining a Systematic Withdrawal Plan of A shares because the shareholder may incur tax liabilities in connection with such purchases and withdrawals. The Trust will not knowingly accept purchase orders from shareholders for additional A shares if they maintain a Systematic Withdrawal Plan unless the purchase is equal to at least one year's scheduled withdrawals. In addition, a shareholder who maintains such a Plan may not make periodic investments under the Trust's Automatic Investment Plan.

Telephone Transactions

Shareholders may redeem shares by placing a telephone request to the Trust. The Trust, Manager, Distributor and their Trustees, directors, officers and employees are not liable for any loss arising out of telephone instructions they reasonably believe are authentic. In acting upon telephone instructions, these parties use procedures that are reasonably designed to ensure that such instructions are genuine, such as (1) obtaining some or all of the following information: account number, name(s) and social security number registered to the account, and personal identification; (2) recording all telephone

transactions; and (3) sending written confirmation of each transaction to the registered owner. If the Trust, Manager, Distributor and their Trustees, directors, officers and employees do not follow reasonable procedures, some or all of them may be liable for any such losses.

Redemptions In Kind

The Trust is obligated to redeem shares for any shareholder for cash during any 90-day period up to $250,000 or 1% of the Trust's net asset value, whichever is less. Any redemption beyond this amount also will be in cash unless the Board of Trustees determine that further cash payments will have a material adverse effect on remaining shareholders. In such a case, the Trust will pay all or a portion of the remainder of the redemption in portfolio instruments, valued in the same way as the Trust determines net asset value. The portfolio instruments will be selected in a manner that the Board of Trustees deem fair and equitable. A redemption in kind is not as liquid as a cash redemption. If a redemption is made in kind, a shareholder receiving portfolio instruments could receive less than the redemption value thereof and could incur certain transaction costs.

Receiving Payment

If a request for redemption is received by the Trust in good order (as described in the prospectus) before the close of regular trading on the Exchange, the shares will be redeemed at the net asset value per share determined at such close, minus any applicable CDSL for C shares. Requests for redemption received by the Trust after the close of regular trading on the Exchange will be executed at the net asset value determined as of such close on the next trading day, minus any applicable CDSL for C shares.

If shares of the Trust are redeemed by a shareholder through the Distributor or a participating dealer, the redemption is settled with the shareholder as an ordinary transaction. If a request for redemption is received before the close of regular trading on the Exchange, shares will be redeemed at the net asset value per share determined on that day, minus any applicable CDSL for C shares. Requests for redemption received after the close of regular trading on the Exchange will be executed on the next trading day. Payment for shares redeemed normally will be made by the Trust to the Distributor or a participating dealer by the third business day after the day the redemption request was made, provided that certificates for shares have been delivered in proper form for transfer to the Trust or, if no certificates have been issued, a written request signed by the shareholder has been provided to the Distributor or a participating dealer prior to settlement date.

Other supporting legal documents may be required from corporations or other organizations, fiduciaries or persons other than the shareholder of record making the request for redemption. Questions concerning the redemption of Trust shares can be directed to registered representatives of the Distributor or a participating dealer, or to the Manager.

EXCHANGE PRIVILEGE

Shareholders who have held Trust shares for at least 30 days may exchange some or all of their A shares or C shares for corresponding classes of shares of any other Heritage Mutual Fund. All exchanges will be based on the respective net asset values of the Heritage Mutual Funds involved. An exchange is effected through the redemption of the shares tendered for exchange and the purchase of shares being acquired at their respective net asset values as next determined following receipt by the Heritage Mutual Fund whose shares are being exchanged of (1) proper instructions and all necessary supporting documents as described in such fund's prospectus, or (2) a telephone request for such exchange in accordance with the procedures set forth in the Trust's prospectus and below.

A shares of Heritage Income Trust-Intermediate Government Fund ("Intermediate Government") purchased from February 1, 1992 through July 31, 1992, without payment of an initial sales load may be exchanged into A shares of the Trust without payment of any sales load. A shares of Intermediate Government purchased after July 31, 1992 without an initial sales load will be subject to a sales load when exchanged into A shares of the Trust, unless those shares were acquired through an exchange of other shares that were subject to an initial sales load.

Shares acquired pursuant to a telephone request for exchange will be held under the same account registration as the shares redeemed through such exchange. For a discussion of limitation of liability of certain entities, see "Telephone Transactions" above.

Telephone exchanges can be effected by calling the Manager at 800-421-4184 or by calling a registered representative of the Distributor, a participating dealer or participating bank ("Representative"). In the event that a shareholder or his Representative is unable to reach the Manager by telephone, a telephone exchange can be effected by sending a telegram to Heritage Asset Management, Inc. Telephone or telegram requests for an exchange received by the Trust before the close of regular trading on the Exchange will be effected at the close of regular trading on that day. Requests for an exchange received after the close of regular trading will be effected on the Exchange's next trading day. Due to the volume of calls or other unusual circumstances, telephone exchanges may be difficult to implement during certain time periods.

TAXES

In order to qualify for the favorable tax treatment as a regulated investment company ("RIC") under the Internal Revenue Code of 1986, as amended, the Trust must distribute annually to its shareholders at least 90% of its investment company taxable income (generally consisting of net investment income, net short-term capital gain and net gains from certain foreign currency transactions) ("Distribution Requirement") and must meet several additional requirements. These requirements include the following: (1) the Trust must derive at least 90% of its gross income each taxable year from dividends, interest, payments with respect to securities loans and gains from the sale or other disposition of securities or foreign currencies, or other income (including gains from forward contracts) derived with respect to its business of investing in securities or those currencies ("Income Requirement"); (2) the Trust must derive less than 30% of its gross income each taxable year from the sale or other disposition of securities, or foreign currencies or forward contracts thereon that are not directly related to the Trust's principal business of investing in securities, that are held for less than three months ("Short-Short Limitation"); (3) at the close of each quarter of the Trust's taxable year, at least 50% of the value of its total assets must be represented by cash and cash items, U.S. Government securities, securities of other RICs, and other securities, with those other securities limited, in respect of any one issuer, to an amount that does not exceed 5% of the value of the Trust's total assets and that does not represent more than 10% of the issuer's outstanding voting securities; and (4) at the close of each quarter of the Trust's taxable year, not more than 25% of the value of its total assets may be invested in securities (other than U.S. Government securities or the securities of other RICs) of any one issuer.

The Trust will be subject to a nondeductible 4% excise tax ("Excise Tax") to the extent it fails to distribute by the end of any calendar year substantially all of its ordinary income for that year and its capital gain net income for the one-year period ending on October 31 of that year, plus certain other amounts.

A redemption of Trust shares will result in a taxable gain or loss to the redeeming shareholder, depending on whether the redemption proceeds are more or less than the shareholder's adjusted basis for the redeemed shares (which normally includes any sales load paid on A shares). An exchange of Trust shares for shares of another Heritage Mutual Fund generally will have similar tax consequences. However, special rules apply when a shareholder disposes of Trust shares through a redemption or exchange within 90 days after purchase thereof and subsequently reacquires shares of the Trust or acquires shares of another Heritage Mutual Fund without paying a sales load due to the 30-day reinstatement or exchange privilege. In these cases, any gain on the disposition of the

original Trust shares will be increased, or loss decreased, by the amount of the sales load paid when those shares were acquired, and that amount will increase the adjusted basis of the shares subsequently acquired. In addition, if Trust shares are purchased (whether pursuant to the reinstatement privilege or otherwise) within 30 days before or after redeeming a portion of that loss will not be deductible and will increase the basis of the newly purchased shares.

If Trust shares are sold at a loss after being held for six months or less, the loss will be treated as long-term, instead of short-term, capital loss to the extent of any capital gain distributions received on those shares. Investors also should be aware that if shares are purchased shortly before the record date for a dividend or other distribution, the shareholder will pay full price for the shares and receive some portion of the price back as a taxable distribution.

Dividends and interest received by the Trust may be subject to income, withholding or other taxes imposed by foreign countries and U.S. possessions that would reduce the yield on its securities. Tax conventions between certain countries and the United States may reduce or eliminate these foreign taxes, however, and many foreign countries do not impose taxes on capital gains in respect of investments by foreign investors.

The Trust may invest in the stock of "passive foreign investment companies" ("PFICs"). A PFIC is a foreign corporation that, in general, meets either of the following tests: (1) at least 75% of its gross income is passive or (2) an average of at least 50% of its assets produce, or are held for the production of, passive income. Under certain circumstances, the Trust will be subject to Federal income tax on a portion of any "excess distribution" received on stock it holds in a PFIC or of any gain on disposition of the stock (collectively "PFIC income"), plus interest thereon, even if the Trust distributes the PFIC income as a taxable dividend to its shareholders. The balance of the PFIC income will be included in the Trust's investment company taxable income and, accordingly, will not be taxable to it to the extent that income is distributed to its shareholders.

If the Trust invests in a PFIC and elects to treat the PFIC as a "qualified electing fund," then in lieu of the foregoing tax and interest obligation, the Trust would be required to include in income each year its pro rata share of the qualified electing fund's annual ordinary earnings and net capital gain (the excess of net long-term capital gain over net short-term capital loss) -- which most likely would have to be distributed to satisfy the Distribution Requirement and avoid imposition of the Excise Tax -- even if those earnings and gain were not received by the Trust. In most instances it will be very difficult, if not impossible, to make this election because of certain requirements thereof.

Pursuant to proposed regulations, open-end RICs, such as the Trust, would be entitled to elect to "mark-to-market" their stock in certain PFICs. "Marking-to-market," in this context, means recognizing as gain for each taxable year the excess, as of the end of that year, of the fair market value of a PFIC's stock over the adjusted basis in that stock (including mark-to-market gain for each prior year for which an election was in effect).

The use of hedging strategies, such as purchasing and selling futures contracts and entering into forward contracts, involves complex rules that will determine for income tax purposes the character and timing of recognition of the gains and losses the Trust realizes in connection therewith. Gains from the disposition of foreign currencies (except certain gains therefrom that may be excluded by future regulations), and gains from forward contracts derived by the Trust with respect to its business of investing in securities or foreign currencies, will qualify as permissible income under the Income Requirement. However, income from the disposition of foreign currencies, and forward contracts thereon, that are not directly related to the Trust's principal business of investing in securities will be subject to the Short-Short Limitation if they are held for less than three months.

Investors are advised to consult their own tax advisers regarding the status of an investment in the Trust under state and local tax laws.

TRUST INFORMATION

Management Of The Trust

TRUSTEES AND OFFICERS. Trustees and officers are listed below with their addresses, principal occupations and present positions, including any affiliation with Raymond James Financial, Inc. ("RJF"), RJA, the Manager (also referred to herein as "Heritage"), and Eagle.

<TABLE>
<CAPTION>

Name	Position with The Trust	Principal Occupation During Past Five Years
<S>	<C>	<C>
Thomas A. James* 880 Carillon Parkway St. Petersburg, FL 33716	Trustee	Chairman of the Board since 1986 and Chief Executive Officer since 1969 of RJF; Chairman of the Board of RJA since 1986; Chairman of the Board of Eagle since 1984 and Chief Executive Officer of Eagle, 1994-1996.

</TABLE>

<TABLE>
<CAPTION>

Name	Position with The Trust	Principal Occupation During Past Five Years
<S>	<C>	<C>
Richard K. Riess*	Trustee	Chief Executive Officer of

880 Carillon Parkway St. Petersburg, FL 33716		Eagle since 1996, President, 1995 to present, Chief Operating Officer, 1988 to present, Executive Vice President, 1988-1993.
Donald W. Burton 614 W. Bay Street Suite 200 Tampa, FL 33606	Trustee	President of South Atlantic Capital Corporation (venture capital) since 1981.
C. Andrew Graham Financial Designs, Ltd. 1775 Sherman Street Suite 1900 Denver, CO 80203	Trustee	Vice President of Financial Designs Ltd. since 1992; Executive Vice President of the Madison Group, Inc., 1991-1992; Principal of First Denver Financial Corporation (investment banking) since 1987.
David M. Phillips World Trade Center Chicago 444 Merchandise Mart Chicago, IL 60654	Trustee	Chairman and Chief Executive Officer of CCC Information Services, Inc. since 1994 and of InfoVest Corporation (information services to the insurance and auto industries and consumer households) since 1982.
Eric Stattin 2587 Fairway Village Drive Park City, UT 84060	Trustee	Litigation Consultant/Expert Witness and private investor since 1988.
James L. Pappas University of South Florida College of Business Administration Tampa, FL 33620	Trustee	Lykes Professor of Banking and Finance since 1986 at University of South Florida; Dean of College of Busines Administration, 1987-1996.
Stephen G. Hill 880 Carillon Parkway St. Petersburg, FL 33716	President	Chief Executive Officer and President of the Manager since 1989 and Director since 1994; Director of Eagle since 1995.

</TABLE>

<TABLE>
<CAPTION>

Name	Position with The Trust	Principal Occupation During Past Five Years
<S>	<C>	<C>
Donald H. Glassman 880 Carillon Parkway St. Petersburg, FL 33716	Treasurer	Treasurer of the Manager since 1989; Treasurer of Heritage Mutual Funds since 1989.
Clifford J. Alexander 1800 Massachusetts Ave., N.W. Washington, DC 20036	Secretary	Partner, Kirkpatrick & Lockhart LLP (law firm).
Patricia Schneider 880 Carillon Parkway	Assistant Secretary	Compliance Administrator of the Manager.

St. Petersburg, FL
33716

Robert J. Zutz 1800 Massachusetts Ave., N.W. Washington, DC 20036	Assistant Secretary	Partner, Kirkpatrick & Lockhart LLP (law firm).

</TABLE>

* These Trustees are "interested persons" as defined in section 2(a)(19) of the 1940 Act.

The Trustees and officers of the Trust, as a group, own less than 1% of the Trust's shares outstanding. The Trust's Declaration of Trust provides that the Trustees will not be liable for errors of judgment or mistakes of fact or law. However, they are not protected against any liability to which they would otherwise be subject by reason of willful misfeasance, bad faith, gross negligence or reckless disregard of the duties involved in the conduct of their office.

The Trust currently pays Trustees who are not "interested persons" of the Trust $_________ annually and $________ per meeting of the Board of Trustees. Trustees also are reimbursed for any expenses incurred in attending meetings. Because the Manager performs substantially all of the services necessary for the operation of the Trust, the Trust requires no employees. No officer, director or employee of the Manager receives any compensation from the Trust for acting as a director or officer. The following table shows the compensation earned by each Trustee for the fiscal year ended August 31, 1996.

<TABLE>
<CAPTION>

COMPENSATION TABLE

Name of Person, Position	Aggregate Compensation From the Trust	Pension or Retirement Benefits Accrued as Part of the Trust's Expenses	Estimated Annual Benefits Upon Retirement	Total Compensation From the Trust and the Heritage Family of Funds Paid To Trustees
<S>	<C>	<C>	<C>	<C>
Donald W. Burton, Trustee	$_____	$0	$0	$______
C. Andrew Graham, Trustee	$_____	$0	$0	$______
David M. Phillips, Trustee	$_____	$0	$0	$______
Eric Stattin, Trustee	$_____	$0	$0	$______
James L. Pappas, Trustee	$_____	$0	$0	$______
Richard K. Riess, Trustee	$0	$0	$0	$0
Thomas A. James, Trustee	$0	$0	$0	$0

</TABLE>

Five percent shareholders

As of November 30, 1996, the following shareholders owned five percent or more of the Trust's C shares outstanding:

Raymond James & Associates Inc............. _.__%
Custodian - William J. Morrison
P.O. Box 12749
St. Petersburg, FL 33733

Raymond James & Associates Inc............. _.__%
Custodian - John A. Bollinger
P.O. Box 12749
St. Petersburg, FL 33733

Raymond James & Associates Inc............. __.__%
Custodian - Jerry Harris
P.O. Box 12749
St. Petersburg, FL 33733

Investment Adviser And Administrator; Subadvisers

The Trust's investment adviser and administrator, Heritage Asset Management, Inc., was organized as a Florida corporation in 1985. All the capital stock of the Manager is owned by RJF. RJF is a holding company that, through its subsidiaries, is engaged primarily in providing customers with a wide variety of financial services in connection with securities, limited partnerships, options, investment banking and related fields.

Under an Investment Advisory and Administration Agreement ("Advisory Agreement") dated November 13, 1985, as amended November 19, 1996, between the Trust and the Manager and subject to the control and direction of the Board of Trustees, the Manager is responsible for reviewing and establishing investment policies for the Trust as well as administering the Trust's noninvestment affairs. Under separate Subadvisory Agreements, Eagle Asset Management, Inc. ("Eagle") and Liberty, subject to direction by the Manager and Board of Trustees, may provide investment advice and portfolio management services to the Trust for a fee payable by the Manager. The Manager has chosen not to allocate assets to Eagle at this time.

At its November 18, 1996 meeting, the Board of Trustees approved the appointment of the Liberty Investment Management Division of Goldman Sachs Asset Management ("GSAM"), an operating division of Goldman, Sachs & Co. ("Goldman Sachs") as a subadviser. This appointment is subject to shareholder approval at a special shareholder meeting to be held on February 28, 1997, or any adjournment(s) thereof.

If approved by shareholders, GSAM would provide investment advice and portfolio management services with respect to Trust assets allocated to it by the Manager. GSAM intends to follow substantially the same investment approach employed by Liberty.

The Manager also is obligated to furnish the Trust with office space, administrative, and certain other services as well as executive and other personnel necessary for the operation of the Trust. The Manager and its affiliates also pay all the compensation of Trustees of the Trust who are employees of the Manager and its affiliates. The Trust pays all its other expenses that are not assumed by the Manager. The Trust also is liable for such nonrecurring expenses as may arise, including litigation to which the Trust may be a party. The Trust also may have an obligation to indemnify its Trustees and officers with respect to any such litigation.

The Advisory Agreement and the Subadvisory Agreements each were approved by the Board of Trustees of the Trust (including all of the Trustees

who are not "interested persons" of the Manager or Subadvisers, as defined under the 1940 Act) and by the shareholders of the Trust in compliance with the 1940 Act. Each Agreement will continue in force for a period of two years unless its continuance is approved at least annually thereafter by (1) a vote, cast in person at a meeting called for that purpose, of a majority of those Trustees who are not "interested persons" of the Manager, Subadvisers or the Trust, and by

(2) the majority vote of either the full Board of Trustees or the vote of a majority of the outstanding shares of the Trust. The Advisory and Subadvisory Agreements each automatically terminates on assignment, and each is terminable on not more than 60 days' written notice by the Trust to either party. In addition, the Advisory Agreement may be terminated on not less than 60 days' written notice by the Manager to the Trust and the Subadvisory Agreement may be terminated on not less than 60 days' written notice by the Manager or 90 days' written notice by the Subadvisers. Under the terms of the Advisory Agreement, the Manager automatically becomes responsible for the obligations of the Subadvisers upon termination of the Subadvisory Agreement. In the event the Manager ceases to be the manager of the Trust or the Distributor ceases to be principal distributor of Trust shares, the right of the Trust to use the identifying name of "Heritage" may be withdrawn.

The Manager and the Subadvisers shall not be liable to the Trust or any shareholder for anything done or omitted by them, except acts or omissions involving willful misfeasance, bad faith, gross negligence or reckless disregard of the duties imposed upon them by their agreements with the Trust or for any losses that may be sustained in the purchase, holding or sale of any security.

All of the officers of the Trust except for Messrs. Alexander and Zutz are officers or directors of the Manager. These relation- ships are described under "Management of the Trust."

ADVISORY AND ADMINISTRATION FEE. The annual investment advisory fee paid monthly by the Trust to the Manager is based on the Trust's average daily net assets as listed in the prospectus.

The Manager has voluntarily agreed to waive management fees to the extent that total annual operating expenses attributable to A shares exceed 1.60% of the average daily net assets or to the extent that total annual operating expenses attributable to C shares exceed 2.35%. To the extent that the Manager waives its fees for one class, it will waive its fees for the other class on a proportionate basis. The Manager has entered into an agreement with the Subadvisers to provide investment advice and portfolio management services to the Trust for an annual fee paid by the Manager equal to 50% of the fees payable to the Manager by the Trust, without regard to any reduction in fees actually paid to the Manager as a result of expense limitations. For the three fiscal years ended August 31, 1994, 1995 and 1996, the Manager earned $748,946, $711,510 and $_____________________ (of which $187,791, $177,878

and $__________ was waived), respectively, and paid the Subadvisers $280,978, $221,041 and $____________, respectively.

CLASS-SPECIFIC EXPENSES. The Trust may determine to allocate certain of its expenses (in addition to distribution fees) to the specific classes of the Trust's shares to which those expenses are attributable.

Brokerage Practices

While the Trust generally purchases securities for long-term capital gains, it may engage in short-term transactions under various market conditions to a greater extent than certain other mutual funds with similar investment objectives. Thus, the turnover rate may vary greatly from year to year or during periods within a year. The portfolio turnover rate is computed by dividing the lesser of purchases or sales of securities for the period by the average value of portfolio securities for that period. The Trust's annualized portfolio turnover rate was 66% and 54% for the fiscal years ended August 31, 1995 and 1996, respectively.

The Subadvisers are responsible for the execution of the Trust's portfolio transactions and must seek the most favorable price and execution for such transactions. Best execution, however, does not mean that the Trust necessarily will be paying the lowest commission or spread available. Rather, the Trust also will take into account such factors as size of the order, difficulty of execution, efficiency of the executing broker's facilities, and any risk assumed by the executing broker.

It is a common practice in the investment advisory business for advisers of investment companies and other institutional investors to receive research, statistical and quotation services from broker-dealers who execute portfolio transactions for the clients of such advisers. Consistent with the policy of most favorable price and execution, the Subadvisers may give consideration to research, statistical and other services furnished by brokers or dealers. In addition, the Subadvisers may place orders with brokers who provide supplemental investment and market research and securities and economic analysis and may pay to these brokers a higher brokerage commission or spread than may be charged by other brokers, provided that the Subadvisers determine in good faith that such commission is reasonable in relation to the value of brokerage and research services provided. Such research and analysis may be useful to the Subadvisers in connection with services to clients other than the Trust.

The Trust may use the Trust's Distributor as broker for agency transactions in listed and over-the-counter securities at commission rates and under circumstances consistent with the policy of best execution. Commissions paid to the Distributor will not exceed "usual and customary brokerage

commissions." Rule 17e-1 under the 1940 Act defines "usual and customary" commissions to include amounts that are "reasonable and fair compared to the commission, fee or other remuneration received or to be received by other brokers in connection with comparable transactions involving similar securities being purchased or sold on a securities exchange during a comparable period of time."

The Subadvisers also may select other brokers to execute portfolio transactions. In the over-the-counter market, the Trust generally deals with primary market-makers unless a more favorable execution can otherwise be obtained.

Aggregate brokerage commissions paid by the Trust for the three fiscal years ended August 31, 1994, 1995 and 1996 amounted to $108,520, $125,563 and $________, respectively. Those commissions were paid on brokerage transactions worth $69,736,476, $84,219,558 and $__________, respectively. Aggregate brokerage commissions paid by the Trust to the Distributor, an affiliated broker-dealer, amounted to $0, $3,090 and $________, respectively, for the fiscal years ended August 31, 1994, 1995 and 1996 or 0%, 2.5% and ___%, respectively, of the aggregate commissions paid. These commissions were paid on aggregate brokerage transactions of $0 (or 0%), $1,911,784 (or 2.3%) and $________ (or ____%), respectively, of the total aggregate brokerage transactions.

The Trust may not buy securities from, or sell securities to, the Distributor as principal. However, the Board of Trustees has adopted procedures in conformity with Rule 10f-3 under the 1940 Act whereby the Trust may purchase securities that are offered in underwritings in which the Distributor is a participant. The Board of Trustees will consider the possibilities of seeking to recapture for the benefit of the Trust expenses of certain portfolio transactions, such as underwriting commissions and tender offer solicitation fees, by conducting such portfolio transactions through affiliated entities, including the Distributor, but only to the extent such recapture would be permissible under applicable regulations, including the rules of the National Association of Securities Dealers, Inc. and other self-regulatory organizations.

Pursuant to Section 11(a) of the Securities Exchange Act of 1934, as amended, the Trust expressly consented to the Distributor executing transactions on an exchange on the Trust's behalf.

Distribution Of Shares

The Distributor and Representatives with whom the Distributor has entered into dealer agreements offer shares of the Trust as agents on a best efforts basis and are not obligated to sell any specific amount of shares. Pursuant to its Distribution Agreement with the Trust with respect to A shares and C shares, the Distributor bears the cost of making information about the Trust available through advertising, sales literature and other means,

the cost of printing and mailing prospectuses to persons other than shareholders, and salaries and other expenses relating to selling efforts. The Distributor also pays service fees to dealers for providing personal services to Class A and C shareholders and for maintaining shareholder accounts. The Trust pays the cost of registering and qualifying its shares under state and federal securities laws and typesetting of its prospectuses and printing and distributing prospectuses to existing shareholders.

As compensation for the services provided and expenses borne by the Distributor pursuant to the Distribution Agreement with respect to A shares, the Trust pays the Distributor the sales load described in the prospectus and a 12b-1 fee in accordance with the Class A Plan described below. The distribution fee is accrued daily and paid monthly, and the Trust may pay an amount up to .50% of the average daily net assets attributable to A shares. The Trust currently pays the Distributor a fee of up to 0.25% on A shares purchased after April 3, 1995. For the fiscal year ended August 31, 1996, these fees amounted to $________, all of which was paid to the Distributor.

As compensation for the services provided and expenses borne by the Distributor pursuant to the Distribution Agreement with respect to C shares, the Trust pays the Distributor a 12b-1 fee in accordance with the Class C Plan described below. The fee is accrued daily and paid monthly, and currently is equal on an annual basis of an amount up to .75% of average daily net assets. The service fee is accrued daily and paid monthly, and currently is equal on an annual basis of an amount up to .25% of average daily net assets. For the fiscal year ended August 31, 1996, these fees amount to $______, all of which was paid to the Distributor.

In reporting amounts expended under the Plans to the Board of Trustees, the Distributor will allocate expenses attributable to the sale of A shares and C shares to the applicable class based on the ratio of sales of shares of that class to the sales of all Trust shares. The fees paid by one class of shares will not be used to subsidize the sale of any other class of shares.

The Trust has adopted a Class A Distribution Plan (the "Class A Plan") which, among other things, permits it to pay the Distributor the above-described fee out of its net assets to finance activity that is intended to result in the sale and retention of A shares. As required by Rule 12b-1 under the 1940 act, the Class A Plan was approved by the shareholders of the Trust and the Board of Trustees, including a majority of the Trustees who are not interested persons of the Trust (as defined in the 1940 Act) and who have no direct or indirect financial interest in the operation of the Plan or the Distribution Agreement (the "Independent Trustees") after determining that there is a reasonable likelihood that the Trust and its Class A shareholders will benefit from the Class A Plan.

The Trust also has adopted a Class C Distribution Plan (the "Class C Plan") which, among other things, permits it to pay the Distributor the above-described fee out of its net assets to finance activity that is intended to result in the sale and retention of C shares. The Class C Plan was approved by the Board of Trustees, including a majority of the Independent Trustees after determining that there is a reasonable likelihood that the Trust and its Class C shareholders will benefit from the Class C Plan.

The Class A Plan and the Class C Plan each may be terminated by vote of a majority of the Independent Trustees or by vote of a majority of the outstanding voting securities of the Trust. The Board of Trustees review quarterly a written report of Plan costs and the purposes for which such costs have been incurred. A Plan may be amended by vote of the Board of Trustees, including a majority of the Independent Trustees cast in person at a meeting called for such purpose. Any change in a Plan that would materially increase the distribution cost to a class requires the approval of that class of shareholders.

The Distribution Agreement may be terminated at any time on 60 days' written notice without payment of any penalty by either party. The Trust may effect such termination by vote of a majority of the outstanding voting securities of the Trust or by vote of a majority of the Independent Trustees. For so long as either the Class A Plan or the Class C Plan is in effect, selection and nomination of the Independent Trustees shall be committed to the discretion of such disinterested persons.

The Distribution Agreement and each of the above-referenced Plans will continue in effect for successive one-year periods, provided that each such continuance is specifically approved (1) by the vote of a majority of the Independent Trustees and (2) by the vote of a majority of the entire Board of Trustees cast in person at a meeting called for that purpose.

For the fiscal years ended August 31, 1994, 1995 and 1996, the Distributor received $157,275, $82,837 and $_________, respectively, as compensation for the sale of A shares, of which it retained $27,316, $11,855 and $________, respectively. For the fiscal periods ended August 31, 1995 and 1996, the Distributor received $________ and $________, respectively, as compensation for the sale of C shares, of which it retained $__________ and $________, respectively.

Administration Of The Trust

Administrative, Fund Accounting And Transfer Agent Services.

The Manager, subject to the control of the Board of Trustees, will manage, supervise and conduct the administrative and business affairs of the Trust; furnish office space and equipment; oversee the activities of the Subadvisers and Custodian; and pay all salaries, fees and expenses of officers and Trustees of the Trust who are affiliated with the Manager. The Manager also will provide certain shareholder servicing activities for customers of the Trust.

The Manager also is the fund accountant and transfer and dividend disbursing agent for the Trust. The Trust pays the Manager the Manager's cost plus ten percent for its services as fund accountant and transfer and dividend disbursing agent. For the three fiscal years ended August 31, 1994, 1995 and 1996, the Manager earned $57,272, $59,519 and $________, respectively, from the Trust for its services as transfer agent. For the period March 1, 1994 (commencement of Manager's engagement as fund accountant) to August 31, 1994 and the fiscal years ended August 31, 1995 and 1996, the Manager earned $13,511, $32,742 and $_______, respectively, from the Trust for its services as fund accountant.

CUSTODIAN. State Street Bank and Trust Company, P.O. Box 1912, Boston, Massachusetts 02105, serves as custodian of the Trust's assets and provides portfolio accounting and certain other services.

LEGAL COUNSEL. Kirkpatrick & Lockhart LLP of 1800 Massachusetts Avenue, N.W., Washington, D.C. 20036, serves as counsel to the Trust.

INDEPENDENT ACCOUNTANTS. Price Waterhouse LLP, 400 North Ashley Street, Suite 2800, Tampa, Florida 33602, are the independent public accountants for the Trust. The Financial Statements and Financial Highlights of the Trust for the fiscal year ended August 31, 1996 that appear in this SAI have been audited by Price Waterhouse LLP, and are included herein in reliance upon the report of said firm of accountants, which is given upon their authority as experts in accounting and auditing. The Financial Highlights for the fiscal years ended prior thereto and the Statement of Changes in Net Assets for the year ended August 31, 1995 were audited by other independent public accountants.

Potential Liability

Under certain circumstances, shareholders may be held personally liable as partners under Massachusetts law for obligations of the Trust. To protect its shareholders, the Trust has filed legal documents with Massachusetts that expressly disclaim the liability of its shareholders for acts or obligations

of the Trust. These documents require notice of this disclaimer to be given in each agreement, obligation or instrument the Trust or its Trustees enter into or sign. In the unlikely event a shareholder is held personally liable for the Trust's obligations, the Trust is required to use its property to protect or compensate the shareholder. On request, the Trust will defend any claim made and pay any judgment against a shareholder for any act or obligation of the Trust. Therefore, financial loss resulting from liability as a shareholder will occur only if the Trust itself cannot meet its obligations to indemnify shareholders and pay judgments against them.

APPENDIX A

COMMERCIAL PAPER RATINGS

The rating services' descriptions of commercial paper ratings in which the Trust may invest are:

Description Of Moody's Investors Service, Inc. Commercial Paper Ratings

PRIME-1. Issuers (or supporting institutions) rated Prime-1 (P-1) have a superior ability for repayment of senior short-term debt obligations. P-1 repayment ability will often be evidenced by many of the following characteristics: leading market positions in well-established industries; high rates of return on funds employed; conservative capitalization structure with moderate reliance on debt and ample asset protection; broad margins in earnings coverage of fixed financial charges and high internal cash generation; well established access to a range of financial markets and assured sources of alternate liquidity.

PRIME-2. Issuers (or supporting institutions) rated Prime-2 (P-2) have a strong ability for repayment of senior short-term debt obligations. This will normally be evidenced by many of the characteristics cited above, but to a lesser degree. Earnings trends and coverage ratios, while sound, may be more subject to variation. Capitalization characteristics, while still appropriate, may be more affected by external conditions. Ample alternate liquidity is maintained.

Description Of Standard & Poor's Commercial Paper Ratings

A-1. This designation indicates that the degree of safety regarding timely payment is very strong. Those issues determined to possess extremely strong characteristics are denoted with a plus sign (+) designation.

A-2. Capacity for timely payment of issues with this designation is satisfactory. However, the relative degree of safety is not as high as for issues designated "A-1."

The Report of Independent Accountants and Financial Statements are incorporated herein by reference from the Trust's Annual Report to Shareholders for the fiscal year ended August 31, 1996, filed with the Securities and Exchange Commission on October 29, 1996, Accession No. 0000950144-96-007378.

HERITAGE CAPITAL APPRECIATION TRUST

PART C. OTHER INFORMATION

Item 24. Financial Statements and Exhibits

(a) Financial Statements:

Included in Part A of the Registration Statement:

Financial Highlights - Class A Shares for each of the ten years ended August 31, 1996; Class C Shares for the fiscal period April 3, 1995 (commencement of operations) to August 31, 1995 and the one year ended August 31, 1996.

Included in Part B of the Registration Statement:

Investment Portfolio - August 31, 1996 Statement of Assets and Liabilities - August 31, 1996
Statement of Operations - for the year ended August 31, 1996
Statement of Changes in Net Assets for the years ended August 31, 1996 and August 31, 1995
Notes to Financial Statements
Report of Price Waterhouse LLP, Independent Accountants, dated October 11, 1996

(b) Exhibits:

(1) Declaration of Trust*

(2) (a) Bylaws*

(b) Amended and Restated Bylaws*

(3) Voting trust agreement -- none

(4) (a) Specimen security for Class A Shares***

(b) Specimen security for Class C Shares***

(5) (a)(i) Investment Advisory and Administration Agreement*

(a)(ii) Amended and Restated Investment Advisory and Administration Agreement (filed herewith)

(b)(i) Subadvisory Agreement between Heritage Asset Management, Inc. and Eagle Asset Management, Inc.*

(b)(ii) Subadvisory Agreement between Heritage Asset Management, Inc. and Liberty Investment Management, Inc., d/b/a Liberty Investment Management*

(6) Distribution Agreement*

(7) Bonus, profit sharing or pension plans -- none

(8) Custodian Agreement*

(9) (a) Transfer Agency and Service Agreement*

(b) Fund Accounting and Pricing Service Agreement*

(10) Opinion and consent of counsel**

(11) Accountants' consent (filed herewith)

(12) Financial statements omitted from prospectus -- none

(13) Letter of investment intent*

(14) Prototype retirement plan***

(15) (a) Class A Plan pursuant to Rule 12b-1*

(b) Class C Plan pursuant to Rule 12b-1*

(16) Performance Computation Schedule (filed herewith)

(17) (a) Financial Data Schedule Relating to Class A (filed herewith)

(b) Financial Data Schedule Relating to Class C (filed herewith)

(18) Plan pursuant to Rule 18f-3 (filed herewith)

----

* Incorporated by reference from Post-Effective Amendment No. 12 to the Registration Statement of the Trust, SEC File No.

2-98634, filed previously on December 27, 1995.

** Incorporated by reference to the Trust's Rule 24f-2 Notice, filed previously on October 30, 1996.

*** To be filed by subsequent amendment.

Item 25. Persons Controlled by or under Common Control with REgistrant

None.

Item 26. Number of Holders of Securities

TITLE OF CLASS	Number of Record Holders November 30, 1996
Shares of Beneficial Interest	
Class A Shares	4,384
Class C Shares	89

Item 27. INDEMNIFICATION

Article XI, Section 2 of the Trust's Declaration of Trust provides that:

(a) Subject to the exceptions and limitations contained in Section (b) below:

(i) every person who is, or has been, a Trustee or officer of the Trust (hereinafter referred to as "Covered Person") shall be indemnified by the Trust to the fullest extent permitted by law against liability and against all expenses reasonably incurred or paid by him in connection with any claim, action, suit or proceeding in which he becomes involved as a party or otherwise by virtue of his being or having been a Trustee or officer and against amounts paid or incurred by him in the settlement thereof;

(ii) the words "claim," "action," "suit," or "proceeding" shall apply to all claims, actions, suits or proceedings (civil, criminal or other, including appeals), actual or threatened while in office or thereafter, and the words "liability" and "expenses" shall include, without limitation, attorneys' fees, costs, judgments, amounts paid in settlement, fines, penalties and other liabilities.

(b) No indemnification shall be provided hereunder to a Covered Person:

(i) who shall have been adjudicated by a court or body before which the proceeding was brought (A) to be liable to the Trust or its Shareholders by reason of willful misfeasance, bad faith, gross negligence or reckless disregard of the duties involved in the conduct of his office or (B) not to have acted in good faith in the reasonable belief that his action was in the best interest of the Trust; or

(ii) in the event of a settlement, unless there has been a determination that such Trustee or officer did not engage in willful misfeasance, bad faith, gross negligence or reckless disregard of the duties involved in the conduct of his office (A) by the court or other body approving the settlement; (B) by at least a majority of those Trustees who are neither interested persons of the Trust nor are parties to the matter based upon a review of readily available facts (as opposed to a full trial-type inquiry); or (C) by written opinion of independent legal counsel based upon a review of readily available facts (as opposed to a full trial-type inquiry); provided, however, that any Shareholder may, by appropriate legal proceedings, challenge any such determination by the Trustees, or by independent counsel.

(c) The rights of indemnification herein provided may be insured against by policies maintained by the Trust, shall be severable, shall not be exclusive of or affect any other rights to which any Covered Person may now or hereafter be entitled, shall continue as to a person who has ceased to be such Trustee or officer and shall inure to the benefit of the heirs, executors and administrators of such a person. Nothing contained herein shall affect any rights to indemnification to which Trust personnel, other than Trustees and officers, and other persons may be entitled by contract or otherwise under law.

(d) Expenses in connection with the preparation and presentation of a defense to any claim, action, suit, or proceeding of the character described in paragraph (a) of this Section 2 may be paid by the Trust from time to time prior to final disposition thereof upon receipt of an undertaking by or on behalf of such Covered Person that such amount will be paid over by him to the Trust if it is ultimately determined that he is not entitled to indemnification under this Section 2; provided, however, that:

(i) such Covered Person shall have provided appropriate security for such undertaking,

(ii) the Trust is insured against losses arising out of any such advance payments or

(iii) either a majority of the Trustees who are neither interested persons of the Trust nor parties to the matter, or independent legal counsel in a written opinion, shall have determined, based upon a review of readily available facts (as opposed to a trial-type inquiry or full investigation), that there is reason to believe that such Covered Person will be found entitled to indemnification under this Section 2.

Paragraph 8 of the Investment Advisory and Administration Agreement ("Advisory Agreement") between the Trust and provides that, Heritage shall not be liable for any error of judgment or mistake of law or for any loss suffered

by the Trust in connection with the matters to which this Advisory Agreement relates except a loss resulting from the willful misfeasance, bad faith or gross negligence on its part in the performance of its duties or from reckless disregard by it of its obligations and duties under this Advisory Agreement. Any person, even though also an officer, partner, employee, or agent of Heritage, who may be or become an officer, director, employee or agent of the Trust shall be deemed, when rendering services to the Trust or acting in any business of the Trust, to be rendering such services to or acting solely for the Trust and not as an officer, partner, employee, or agent or one under the control or direction of Heritage even though paid by it.

Paragraph 9 of the Subadvisory Agreements ("Subadvisory Agreements") between Heritage and Eagle Asset Management, Inc. ("Eagle") and Heritage and Liberty Investment Management, Inc. ("Liberty") ("Subadvisers") provides that, in the absence of willful misfeasance, bad faith or gross negligence on the part of the Subadvisers, or reckless disregard of its obligations and duties thereunder, the Subadvisers shall not be subject to any liability to the Trust, or to any shareholder of the Trust, for any act or omission in the course of, or connected with, rendering services thereunder.

Paragraph 7 of the Distribution Agreement ("Distribution Agreement") between the Trust and Raymond James and Associates, Inc. ("Raymond James") provides as follows, that the Trust agrees to indemnify, defend and hold harmless Raymond James, its several officers and directors, and any person who controls Raymond James within the meaning of Section 15 of the 1933 Act from and against any and all claims, demands, liabilities and expenses (including the cost of investigating or defending such claims, demands or liabilities and any counsel fees incurred in connection therewith) which Raymond James, its officers or Trustees, or any such controlling person may incur under the 1933 Act or under common law or otherwise arising out of or based upon any alleged untrue statement of a material fact contained in the Registration Statement, Prospectus or Statement of Additional Information or arising out of or based upon any alleged omission to state a material fact required to be stated in either thereof or necessary to make the statements in either thereof not misleading, provided that in no event shall anything contained in this Distribution Agreement be construed so as to protect Raymond James against any liability to the Trust or its shareholders to which Raymond James would otherwise be subject by reason of willful misfeasance, bad faith, or gross negligence in the performance of its duties, or by reason of its reckless disregard of its obligations and duties under this Distribution Agreement.

Item 28. I. Business and Other Connections of Investment Adviser

Heritage is a Florida corporation that offers investment management services and is a registered investment adviser. Information as to the officers and directors of Heritage is included in its current Form ADV filed with the Securities and Exchange Commission ("SEC") and is incorporated by reference herein.

II. Business and Other Connections of Subadvisers

Eagle, a Florida corporation, is a registered investment adviser. All of its stock is owned by Raymond James Financial, Inc. ("RJF"). Eagle is engaged primarily in the investment advisory business. Information as to the officers and directors of Eagle is included in its current Form ADV filed with the SEC and is incorporated by reference herein.

Liberty, a Florida corporation, is a registered investment adviser. Information as to the officers and directors of Liberty is included in its current Form ADV filed with the SEC and is incorporated by reference herein.

Item 29. Principal Underwriter

(a) Raymond James is the principal underwriter for each of the following investment companies: Heritage Cash Trust, Heritage Capital Appreciation Trust, Heritage Income-Growth Trust and Heritage Income Trust.

(b) The directors and officers of the Registrant's principal underwriter are:

<TABLE>
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Name	Positions & Offices with Underwriter	Position with Registrant
<S>	<C>	<C>
Thomas A. James	Chief Executive Officer, Director	Trustee
Robert F. Shuck	Executive Vice President, Director	None
Thomas S. Franke	President, Chief Operating Officer, Director	None
Lynn Pippenger	Secretary/Treasurer, Chief Financial Officer, Director	None
Dennis Zank	Executive Vice President of Operations and Administration, Director	None

</TABLE>

Item 30. Location of Accounts and Records

The books and other documents required by Rule 31a-1 under the Investment Company Act of 1940 are maintained in the physical possession of the Trust's Custodian through February 28, 1994, except that: Heritage maintains some or all of the records required by Rule 31a-1(b)(1), (2) and (8); and the Subadviser will maintain some or all of the records required by Rule 31a-1(b)(2), (5), (6), (9), (10) and (11). Since March 1, 1994, all required records are maintained by Heritage.

Item 31. Management Services

Not applicable.

Item 32. Undertakings

The Trust hereby undertakes to furnish each person to whom a prospectus is delivered with a copy of its latest annual report(s) to Shareholders, upon request and without charge.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, as amended, and the Investment Company Act of 1940, as amended, the Registrant certifies that it meets all of the requirements for effectiveness of this amendment to its Registration Statement pursuant to Rule 485(b) under the Securities Act of 1933 and has duly caused this Post-Effective Amendment No. 14 to its Registration Statement on Form N-1A to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of St. Petersburg and the State of Florida, on the 27th day of December, 1996. No other material event requiring prospectus disclosure has occurred since the latest of the three dates specified in Rule 485(b)(2).

HERITAGE CAPITAL APPRECIATION TRUST

/s/ Stephen G. Hill
By: ________________________________
Stephen G. Hill, President

Attest:

/s/ Donald H. Glassman

Donald H. Glassman, Treasurer

Pursuant to the requirements of the Securities Act of 1933, as amended, this Post-Effective Amendment No. 14 to the Registration Statement has been signed below by the following persons in the capacities and on the dates indicated.

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SIGNATURE	TITLE	DATE
<S>	<C>	<C>
/s/ Stephen G. Hill Stephen G. Hill	President	December 27, 1996
Richard K. Riess* Richard K. Riess	Trustee	December 27, 1996
Thomas A. James* Thomas A. James	Trustee	December 27, 1996
C. Andrew Graham* C. Andrew Graham	Trustee	December 27, 1996
David M. Phillips* David M. Phillips	Trustee	December 27, 1996
James L. Pappas* James L. Pappas	Trustee	December 27, 1996
Donald W. Burton* Donald W. Burton	Trustee	December 27, 1996
Eric Stattin* Eric Stattin	Trustee	December 27, 1996

/s/ Donald H. Glassman ---------------------- Donald H. Glassman	Treasurer	December 27, 1996

</TABLE>

*By /s/ Donald H. Glassman

Donald H. Glassman, Attorney-In-Fact

INDEX TO EXHIBITS

Exhibit Number		Description	Page
1		Declaration of Trust*	
2	(a)	Bylaws*	
	(b)	Amended and Restated Bylaws*	
3		Voting trust agreement -- none	
4	(a)	Specimen security for Class A Shares***	
	(b)	Specimen security Class C Shares***	
5	(a)(i)	Investment Advisory and Administration Agreement*	
	(a)(ii)	Amended and Restated Investment Advisory and Administration Agreement (filed herewith)	
	(b)(i)	Subadvisory Agreement between Heritage Asset Management, Inc. and Eagle Asset Management, Inc.*	
	(b)(ii)	Subadvisory Agreement between Heritage Asset Management, Inc. and Liberty Investment Management, Inc., d/b/a Liberty Investment Management*	
6		Distribution Agreement*	
7		Bonus, profit sharing or pension plans -- none	
8		Custodian Agreement*	
9	(a)	Transfer Agency and Service Agreement*	
	(b)	Fund Accounting and Pricing Service Agreement*	
10		Opinion and consent of counsel**	
11		Accountants' consent (filed herewith)	
12		Financial statements omitted from prospectus -- none	
13		Letter of investment intent*	
14		Prototype retirement plan***	
15	(a)	Class A Plan pursuant to Rule 12b-1*	
	(b)	Class C Plan pursuant to Rule 12b-1*	
16		Performance Computation Schedule (filed herewith)	
17	(a)	Financial Data Schedule Relating to Class A (filed herewith)	

(b Financial Data Schedule Relating to Class C (filed herewith)

18 Plan pursuant to Rule 18f-3 (filed herewith)

----

* Incorporated by reference from Post-Effective Amendment No. 12 to the Registration Statement of the Trust, SEC File No. 2-98634, filed previously on December 27, 1995.

** Incorporated by reference to the Trust's Rule 24f-2 Notice, filed previously on October 30, 1996.

*** To be filed by subsequent amendment.

WARNING: THE EDGAR SYSTEM ENCOUNTERED ERROR(S) WHILE PROCESSING THIS SCHEDULE.

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HERITAGE CAPITAL APPRECIATION TRUST
AMENDED AND RESTATED
INVESTMENT ADVISORY AND ADMINISTRATION AGREEMENT

Agreement made as of November 22, 1985, as amended and restated on November 19, 1996, between Heritage Capital Appreciation Trust, a Massachusetts business trust ("Trust"), and Heritage Asset Management, Inc. ("Manager").

WHEREAS, the Trust is engaged in business as an open-end, diversified management investment company and is so registered under the Investment Company Act of 1940, as amended ("1940 Act"); and

WHEREAS, the Trust desires to retain the Manager as investment adviser and administrator to furnish administrative, investment advisory and portfolio management services to the Trust and the Manager is willing to furnish such services;

NOW, THEREFORE, in consideration of the premises and mutual covenants herein contained, it is agreed between the parties hereto as follows:

1. APPOINTMENT. The Trust hereby appoints Heritage Asset Management, Inc. as investment adviser and administrator of the Trust for the period and on the terms set forth in this Agreement. Heritage Asset Management, Inc. accepts such appointment and agrees to render the services herein set forth for the compensation herein provided. In all matters relating to the performance of this Agreement, the Manager will act in conformity with the Declaration of Trust, Bylaws and current Prospectus and Statement of Additional Information of the Trust and with the instructions and directions of the Trust's Board of Trustees and will conform to and comply with the requirements of the 1940 Act and all other applicable federal or state laws and regulations.

2. DUTIES AS INVESTMENT ADVISER. Subject to the supervision of the Trust's Board of Trustees, the Manager will provide a continuous investment program for the Trust's portfolio, including investment research and management with respect to all securities, investments and cash equivalents in the portfolio. The Manager will determine from time to time what securities and other investments will be purchased, retained or sold by the Trust. The Manager will provide the services under this Agreement in accordance with the Trust's investment objective, policies and restrictions as stated in the Trust's current Prospectus and Statement of Additional Information ("Prospectus").

The Manager will place orders pursuant to its investment determinations for the Trust either directly with the issuer or through any brokers or dealers.

In the selection of brokers or dealers and the placement of orders for the purchase and sale of portfolio investments for the Trust, the Manager shall use its best efforts to obtain for the Trust the most favorable price and execution available, except to the extent it may be permitted to pay higher brokerage commissions for brokerage and research services as described below. In using its best efforts to obtain the most favorable price and execution available, the Manager, bearing in mind the Trust's best interests at all times, shall consider all factors it deems relevant, including by way of illustration, price, the size of the transaction, the nature of the market for the security, the amount of the commission, the timing of the transaction taking into account market prices and trends, the reputation, experience and financial stability of the broker or dealer involved and the quality of service rendered by the broker or dealer in other transactions. Subject to such policies as the Trustees of the Trust may determine, the Manager shall not be deemed to have acted unlawfully or to have breached any duty created by this Agreement or otherwise solely by reason of its having caused the Trust to pay a broker or dealer that provides brokerage and research services to the Manager an amount of commission for effecting a portfolio investment transaction in excess of the amount of commission another broker or dealer would have charged for effecting that transaction if the Manager determines in good faith that such amount of commission was reasonable in relation to the value of the brokerage and research services provided by such broker or dealer, viewed in terms of either that particular transaction or the Manager's overall responsibilities with respect to the Trust and to other clients of the Manager as to which the Manager exercises investment discretion. In no instance will portfolio securities be purchased from or sold to the Manager or any affiliated person of the Manager. The Trust agrees that any entity or person associated with the Manager that is a member of a national securities exchange is authorized to effect any transaction on such exchange for the account of the Trust that is permitted by Section 11(a) of the Securities Exchange Act of 1934 and the Trust consents to the retention of compensation for such transactions.

The Manager will provide the Board of Trustees of the Trust on a regular basis with economic and investment analyses and reports and make available to the Board upon request any economic, statistical and investment services normally available to institutional or other customers of the Manager.

Any of the foregoing functions may be delegated by the Manager, at the Manager's expense, to Eagle Asset Management, Inc. or another appropriate party, subject to such approval by the Board of Trustees and shareholders as may be required by the 1940 Act. The Manager shall oversee the performance of delegated functions by any such party and shall furnish to the Trust quarterly evaluations and analyses concerning the performance of delegated responsibilities by those parties.

3. DUTIES AS ADMINISTRATOR. The Manager will assist in administering the Trust's affairs subject to the supervision of the Trust's Board of Trustees and the following understandings:

(a) The Manager will supervise all aspects of the Trust's operation except as hereinafter set forth provided, however, that nothing herein contained shall be deemed to relieve or deprive the Board of Trustees of the Trust of its responsibility for and control of the conduct of the Trust's affairs.

(b) The Manager will investigate and, with appropriate approval of the Trust's Board of Trustees, select necessary service companies to conduct certain operations of the Trust, including the Trust's custodian, transfer agent, dividend disbursing agent, accountant and attorney.

(c) The Manager will provide the Trust with such administrative and clerical services as are deemed necessary or advisable by the Trust's Board of Trustees, including the maintenance of certain of the Trust's books and records which are not maintained by the Trust's Custodian or Subadviser.

(d) The Manager will arrange, but not pay, for the periodic updating of Prospectuses and supplements thereto, proxy material, tax returns and reports to the Trust's shareholders and the Securities and Exchange Commission.

(e) The Manager will provide the Trust with, or obtain for it, adequate office space and all necessary office equipment and services, including telephone service, heat, utilities, stationery supplies and similar items.

(f) The Manager will make itself available to receive and will transmit purchase and redemption requests to the Trust's transfer agent as promptly as practicable and will hold itself available to respond to shareholder inquiries.

4. SERVICES NOT EXCLUSIVE. The services furnished by the Manager hereunder are not to be deemed exclusive and the Manager shall be free to furnish similar services to others so long as its services under this Agreement are not impaired thereby.

5. BOOKS AND RECORDS. In compliance with the requirements of Rule 31a-3 under the 1940 Act, the Manager hereby agrees that all records which it maintains for the Trust are the property of the Trust and further agrees to surrender promptly to the Trust any of such records upon the Trust's request. The Manager further agrees to preserve for the periods prescribed by Rule 31a-2 under the 1940 Act the records required to be maintained by Rule 31a-1 under the 1940 Act.

6. EXPENSES. During the term of this Agreement, the Trust will bear all expenses not specifically assumed by the Manager incurred in its operations and the offering of shares. That is, the Trust will pay (a) brokerage commissions relating to securities purchased or sold by the Trust or any losses incurred in connection therewith; (b) fees payable to and expenses incurred on behalf of the Trust by the Manager; (c) expenses of organizing the Trust; (d) filing fees and expenses relating to the registration and qualification of the Trust's shares

under federal or state securities laws and maintaining such registrations and qualifications; (e) distribution fees; (f) fees and salaries payable to the Trust's directors and officers who are not officers or employees of the Manager or interested persons (as defined in the 1940 Act) of any investment adviser or underwriter of the Trust; (g) taxes (including any income or franchise taxes) and governmental fees; (h) costs of any liability, uncollectible items of deposit and other insurance or fidelity bonds; (i) any costs, expenses or losses arising out of any liability of or claim for damage or other relief asserted against the Trust for violation of any law; (j) legal, accounting and auditing expenses, including legal fees of special counsel for the independent directors; (k) charges of custodians, transfer agents and other agents; (1) costs of preparing share certificates; (m) expenses of setting in type and printing prospectuses and supplements thereto for existing shareholders, reports and statements to shareholders and proxy material; (n) any extraordinary expenses (including fees and disbursements of counsel) incurred by the Trust; and (o) fees and other expenses incurred in connection with membership in investment company organizations.

The Trust may pay directly any expense incurred by it in its normal operations and, if any such payment is consented to by the Manager and acknowledged as otherwise payable by the Manager pursuant to this Agreement, the Trust may reduce the fee payable to the Manager pursuant to paragraph 7 hereof by such amount. To the extent that such deductions exceed the fee payable to the Manager on any monthly payment date, such excess shall be carried forward and deducted in the same manner from the fee payable on succeeding monthly payment dates.

In addition, if the expenses borne by the Trust in any fiscal year exceed the applicable expense limitations imposed by the securities regulations of any state in which shares are registered or qualified for sale to the public, the Manager will reimburse the Trust for any excess up to the amount of the fee payable to it during that fiscal year pursuant to paragraph 7 hereof.

7. COMPENSATION. For the services provided and the expenses assumed pursuant to this Agreement, effective from the date of this Agreement, the Trust will pay the Manager an annual fee, computed daily and paid monthly, at the rate of 0.75% of the Trust's average daily net assets.

8. LIMITATION OF LIABILITY OF THE MANAGER. The Manager shall not be liable for any error of judgment or mistake of law or for any loss suffered by the Trust in connection with the matters to which this Agreement relates except a loss resulting from the willful misfeasance, bad faith or gross negligence on its part in the performance of its duties or from reckless disregard by it of its obligations and duties under this Agreement. Any person, even though also an officer, partner, employee, or agent of the Manager, who may be or become an officer, director, employee or agent of the Trust shall be deemed, when rendering services to the Trust or acting in any business of the Trust, to be rendering such services to or acting solely for the Trust and not as an officer, partner, employee, or agent or one under the control or direction of the Manager even though paid by it.

9. DURATION AND TERMINATION. This Agreement shall become effective upon its execution, and shall remain in full force and effect continuously thereafter until terminated as follows:

(a) The Trust may at any time terminate this Agreement by providing not more than 60 days' written notice delivered or mailed by registered mail, postage prepaid, to the Manager; or

(b) If (i) the Trustees of the Trust or the shareholders by the affirmative vote of a majority of the outstanding shares of the Trust, and (ii) a majority of the Trustees of the Trust who are not interested persons of the Trust or of the Manager or of the Subadviser, by vote cast in person at a meeting called for the purpose of voting on such approval, do not specifically approve at least annually the continuance of this Agreement, then this Agreement shall automatically terminate at the close of business on the second anniversary of its execution, or upon the expiration of one year from the effective date of the last such continuance, whichever is later; provided, however, that if the continuance of this Agreement is submitted to the shareholders of the Trust for their approval and such shareholders fail to approve such continuance of this Agreement as provided herein, the Manager may continue to serve hereunder in a manner consistent with the 1940 Act and the rules and regulations thereunder; or

(c) The Manager may at any time terminate this Agreement by not less than 60 days' written notice delivered or mailed by registered mail, postage prepaid to the Trust.

Action by the Trust under paragraph (a) above may be taken either (i) by vote of a majority of its Trustees, or (ii) by the affirmative vote of a majority of the outstanding shares of the Trust.

This Agreement will automatically and immediately terminate in the event of its assignment. Termination of this Agreement pursuant to this Section 9 shall be without the payment of any penalty. (As used in this Agreement, the terms "majority of the outstanding voting securities," "interested person" and "assignment" shall have the same meanings as such terms have in the 1940 Act.)

10. AMENDMENT OF THIS AGREEMENT. No provision of this Agreement may be changed, waived, discharged or terminated orally, but only by an instrument in writing signed by the party against which enforcement of the change, waiver, discharge or termination is sought, and no amendment of this Agreement shall be effective until approved by vote of the holders of a majority of the Trust's outstanding voting securities.

11. NAME OF TRUST. The Trust may use the name "Heritage" or "Heritage Capital Appreciation Trust" only for so long as this Agreement or any extension, renewal or amendment hereof remains in effect, including any similar agreement with any organization which shall have succeeded to the business of the Manager. At such time as such an agreement shall no longer be in effect, the Trust will

(to the extent that it lawfully can) cease to use any name derived from Heritage Capital Appreciation Trust, Raymond, James & Associates, Inc. or Heritage Asset Management, Inc. or any successor organization.

12. MISCELLANEOUS. The captions in this Agreement are included for convenience of reference only and in no way define or delimit any of the provisions hereof or otherwise affect their construction or effect. If any provision of this Agreement shall be held or made invalid by a court decision, statute, rule or otherwise, the remainder of this Agreement shall not be affected thereby. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed by their officers designated below as of the day and year first above written.

Dated: November 22, 1985, as amended and restated on November 19, 1996

Attest: HERITAGE CAPITAL APPRECIATION TRUST

By: /s/ Mitchell B. Birner

By: /s/ Donald H. Glassman

Donald H. Glassman

Attest: HERITAGE ASSET MANAGEMENT, INC.

By: /s/ Stephen G. Hill

Stephen G. Hill

By: /s/ Mitchell B. Birner

CONSENT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

We hereby consent to the use in the Statement of Additional Information constituting part of this Post-Effective Amendment No. 14 to the registration statement on Form N-1A (the "Registration Statement") of our report dated October 11, 1996, relating to the financial statements and financial highlights of The Heritage Capital Appreciation Trust, which appears in such Statement of Additional Information, and to the incorporation by reference of our report into the Prospectus which constitutes part of this Registration Statement. We also consent to the reference to us under the heading "Independent Accountants" in such Statement of Additional Information and to the reference to us under the heading "Financial Highlights" in such Prospectus.

Price Waterhouse LLP
400 North Ashley Street, Suite 2800
Tampa, Florida 33602
December 23, 1996

TOTAL RETURN CALCULATIONS

Heritiage Capital Appreciation Trust

YEAR ENDED: August 31, 1996

CLASS A SHARES

NAV on August 31, 1995	15.53
December 27, 1995 dividend	1,7666
December 27, 1995 NAV	14.21
Dividend Factor (Percentage share increase)	0.1243209008
NAV on August 31, 1996	15.58
NAV restated for dividend ((1+0.124320900774) * 15.58)	17.52
Total Return ((17.5169 - 15.53)/15.53)	12.79%

CLASS C SHARES

NAV on August 31, 1995	15.50
December 27, 1995 dividend	1,7622
December 27, 1995 NAV	14.15
Dividend Factor (Percentage share increase)	0.1245371025
NAV on August 31, 1996	15.46
NAV restated for dividend ((1+0.124537102473) * 15.46)	17.39
Total Return ((17.3853 - 15.5)/15.5)	12.16%

HERITAGE CASH TRUST
HERITAGE CAPITAL APPRECIATION TRUST
HERITAGE INCOME-GROWTH TRUST
HERITAGE INCOME TRUST
HERITAGE SERIES TRUST

Multiple Class Plan Pursuant to Rule 18f-3

The investment companies listed on Appendix A attached hereto (each a "Fund" and collectively, the "Funds") hereby adopt this Multiple Class Plan pursuant to Rule 18f-3 under the Investment Company Act of 1940, as amended (the "1940 Act"). This Plan describes the classes of shares of interest of the Funds on or after August 9, 1996.

A. CLASSES OFFERED.

1. CLASS A. Class A shares are offered to investors of each of the Funds subject to an initial sales charge. The maximum sales charge varies between 0.00% and 4.75% of the amount invested and may decline based on discounts for volume purchases. The initial sales charge may be waived for certain eligible purchasers or under certain circumstances. If no initial sales charge is imposed on a purchase of shares, a contingent deferred sales load ("CDSL") of up to 1% may be imposed on any redemption of those shares within two years of the purchase (consistent with the disclosure in the Fund's prospectus).

Class A shares also are subject to an annual service fee ranging from 0.15% to 0.25% and a distribution fee ranging from 0.00% to 0.25% of the average daily net assets of the Class A shares paid pursuant to a plan of distribution adopted pursuant to Rule 12b-1. Class A shares require an initial investment of $1,000, except for certain retirement accounts and investment plans for which lower limits may apply.

2. CLASS C. Class C shares are offered to investors of each of the Funds subject to a CDSL on redemptions of shares held less than one year. The Class C CDSL is equal to 1% of the lower of: (1) the net asset value of the shares at the time of purchase or (2) the net asset value of the shares at the time of redemption. Class C shares held longer than one year and Class C shares acquired through reinvestment of dividends or capital gains distributions on shares otherwise subject to a Class C CDSL are not subject to the CDSL. The CDSL for Class C shares of the Funds may be waived under certain circumstances.

Class C shares are subject to an annual service fee ranging from 0.15% to 0.25% of average daily net assets and a distribution fee ranging from 0.00% to 0.75% of average daily net assets of the Class C shares of the Fund, each paid pursuant to a plan of distribution adopted pursuant to Rule 12b-1. Class C shares require an initial investment of $1,000, except for certain retirement accounts and investment plans for which lower limits may apply.

3. EAGLE CLASS. The Eagle International Equity Portfolio of Heritage Series Trust offers the Eagle Class of Shares. Eagle Class shares are offered to all investors without the imposition of an initial sales charge or a contingent deferred sales load. Eagle Class shares require an initial investment of $50,000, except for investors who already maintain an account with Eagle Asset Management, Inc. for which a $25,000 minimum initial investment applies. Eagle Class shareholders incur an annual service fee of .25% of average daily net assets and a distribution fee of .75% of average daily net assets of the Eagle Class shares of the Portfolio, each paid pursuant to a plan of distribution adopted pursuant to Rule 12b-1 under the 1940 Act ("Rule 12b-1"). All of the shares of the Portfolio issued pursuant to a Portfolio prospectus effective prior to the Implementation Date and that are outstanding on the Implementation Date will be designated as Eagle Class shares.

B. EXPENSE ALLOCATIONS OF EACH CLASS. Certain expenses may be attributable to a particular class of shares of the Portfolio ("Class Expenses"). Class Expenses are charged directly to the net assets of the particular class and, thus are borne on a pro rata basis by the outstanding shares of that class.

In addition to the distribution and service fees described above, each class also may pay a different amount of the following other expenses: (1) 12b-1 fees, (2) transfer agent fees identified as being attributable to a specific class, (3) stationery, printing, postage, and delivery expenses related to preparing and distributing materials such as shareholder reports, prospectuses, and proxy statements to current shareholders of a class, (4) Blue Sky registration fees incurred by a specific class of shares, (5) Securities and Exchange Commission registration fees incurred by a specific class of shares, (6) expenses of administrative personnel and services required to support the shareholders of a specific class, (7) trustees' fees or expenses incurred as a result of issues relating to a specific class of shares, (8) accounting expenses relating solely to a specific class of shares, (9) auditors' fees, litigation expenses, and legal fees and expenses relating to a specific class of shares, and (10) expenses incurred in connection with shareholders meetings as a result of issues relating to a specific class of shares.

C. EXCHANGE FEATURES. If an investor has held Class A or Class C shares for at least 30 days, the investor may exchange those shares for shares of the corresponding class of any other mutual fund for which Heritage Asset Management, Inc. serves as investment adviser ("Heritage mutual unds"). All exchanges are subject to the minimum investment requirements and any other applicable terms set forth in the prospectus for the Heritage mutual funds whose shares are being acquired. Class C shares, however, are not eligible for exchange into the Heritage Municipal Money Market Fund.

These exchange privileges may be modified or terminated by the Portfolio, and exchanges may be made only into funds that are registered legally for sale in the investor's state of residence.

D. ADDITIONAL INFORMATION. This Multiple Class Plan is qualified by and subject to the terms of the then current prospectus for the applicable classes; provided, however, that none of the terms set forth in any such prospectus shall be inconsistent with the terms of the classes contained in this Plan. The prospectuses for the Eagle Class and for the Class A and Class C contain additional information about those classes and the Portfolio's multiple class structure.

Dated: August 9, 1996, as amended on November 18, 1996

APPENDIX A

Heritage Cash Trust:
Money Market Fund -- Class A and Class C shares

Heritage Capital Appreciation Trust -- Class A and Class C shares

Heritage Income-Growth Trust -- Class A and Class C shares

Heritage Income Trust:
High Yield Bond Fund -- Class A and Class C shares
Intermediate Term Government Fund -- Class A and Class C shares

Heritage Series Trust:
Small Cap Stock Fund -- Class A and Class C shares
Value Equity Fund -- Class A and Class C shares
Growth Equity Fund -- Class A and Class C shares
Eagle International Equity Portfolio -- Class A, Class C and Eagle Class shares

Dated: August 9, 1996