

COMPANY REGISTRATION NUMBER 697641

**TU FUND MANAGERS LIMITED
FINANCIAL STATEMENTS
31 MARCH 2010**



TU FUND MANAGERS LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2010

CONTENTS	PAGE
Officers and professional advisers	1
The directors' report	2
Independent auditor's report to the shareholder	5
Profit and loss account	7
Group statement of total recognised gains and losses	8
Group balance sheet	9
Balance sheet	10
Group cash flow	11
Notes to the financial statements	12

TU FUND MANAGERS LIMITED
OFFICERS AND PROFESSIONAL ADVISERS

The board of directors	The Lord Christopher, CBE M Cornwall-Jones, OBE The Baroness Prosser, OBE D Sachon P Noon J Hannett J Nelson L Bayliss M Lawson L Harrison
Company secretary	M Colverd
Registered office	Congress House Great Russell Street London England WC1B 3LQ
Auditor	Shipleys LLP Chartered Accountants & Statutory Auditor 10 Orange Street Haymarket London WC2H 7DQ
Bankers	Lloyds TSB Plc PO Box 72 Bailey Drive Gillingham Business Park Kent ME8 0LS
Regulatory authority	Financial Services Authority 25 The Colonnade Canary Wharf London E14 5HS

TU FUND MANAGERS LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 31 MARCH 2010

The directors have pleasure in presenting their report and the financial statements of the group for the year ended 31 March 2010

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the group during the year continued to be the management of two unit trusts. The group is authorised and regulated by the Financial Services Authority.

The subsidiary company, TU Additions Limited commenced trading in June 2009. These are the first group accounts produced by TU Fund Managers Limited.

Notwithstanding market volatility during the financial year, funds under management increased by 22% to £66.4m (2009: £54.4m) and the year end financial position of the group was satisfactory. The directors do not anticipate any changes to the group's principal activity in the foreseeable future.

The group loss before tax and gift aid payment for the financial year was £31,416 (2009: profit £56,080). No gift aid payment was approved for payment to the TUUT Charitable Trust, the parent company of TU Fund Managers Limited (2009: £56,080) and the directors do not recommend the payment of a dividend (2009: £nil).

The directors consider the key performance indicators are those that communicate the financial performance and strength of the company as a whole, these being turnover, profitability and funds under management. The results and the change in funds under management have been reported above.

RESULTS AND DIVIDENDS

The loss for the year amounted to £27,033. The directors have not recommended a dividend.

FINANCIAL INSTRUMENTS

The group's principal financial instruments comprise authorised unit trust investments, bank balances, trade creditors and trade debtors. The main purpose of these instruments is to raise funds for and to finance the group's operations.

In respect of the authorised unit trust investments the group ensures that there is a ready market for the sale of units and actively monitors their price.

In respect of bank balances the liquidity risk is managed by maintaining a balance sufficient to meet the funds required for the group's operations. The group makes use of money market facilities where funds are available.

Trade debtors are managed in respect of credit and cash flow risk by ensuring that management fees are collected within 30 days of due date.

Trade creditors' liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

The group's Risk & Compliance Committee consider the wider business risk facing the group as well as the financial risks arising in the normal course of business and sets policies for managing each of these risks to minimise potential adverse effects on the group's performance.

TU FUND MANAGERS LIMITED

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 MARCH 2010

DIRECTORS

The directors who served the company during the year were as follows

The Lord Christopher, CBE
M Cornwall-Jones, OBE
The Baroness Prosser, OBE
D Sachon
P Noon
J Hannett
J Nelson
L Bayliss
M Lawson
L Harrison
A Tuffin, CBE
D Kiddie

(Appointed 19 January 2010)
(Retired 31 March 2010)
(Retired 31 March 2010)

The members of board committees were as follows

Executive Committee The Lord Christopher CBE, M Cornwall-Jones OBE, A Tuffin CBE, The Baroness Prosser OBE & D Sachon

Investment Committee M Cornwall-Jones OBE, D Kiddie & M Colverd

Risk & Compliance Committee D Sachon & M Lawson

RETIREMENT OF DIRECTORS

The following directors are to retire from the board in accordance with the Articles of Association and, being eligible, offer themselves for re-appointment

The Lord Christopher, CBE
M Cornwall-Jones, OBE
J Hannett

As permitted by the Companies Act 2006 the company has maintained insurance cover for the Directors against liabilities in relation to the company

POLICY ON THE PAYMENT OF CREDITORS

The company's policy is to agree terms with individual suppliers and to abide by those terms. The average number of creditor days outstanding at the year end amounted to 72 days (2009 53 days)

DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that year. In preparing those financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,

TU FUND MANAGERS LIMITED

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 MARCH 2010

- make judgements and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the directors are aware

- there is no relevant audit information of which the group's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

DONATIONS

During the year the company made the following contributions

	2010	2009
	£	£
Charitable	<u>£480</u>	<u>£56,280</u>

POST BALANCE SHEET EVENT

Since the year end and following uncertainty in the markets as a result of the General Election and Eurozone uncertainties the value of the investments held in unit trusts has fallen by £66,098 (as at 24 June 2010). The directors believe that the value of investments will rise in the longer term.

AUDITOR

Shipleys LLP are deemed to be re-appointed under section 487(2) of the Companies Act 2006

Registered office
Congress House
Great Russell Street
London
England
WC1B 3LQ

Signed by order of the directors



M COLVERD
Company Secretary

Approved by the directors on 21 July 2010

TU FUND MANAGERS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDER OF TU FUND MANAGERS LIMITED

YEAR ENDED 31 MARCH 2010

We have audited the group and parent company financial statements ("the financial statements") of TU Fund Managers Limited for the year ended 31 March 2010. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's shareholder, as a body, in accordance with Chapter 3 of Section 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's shareholder those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's shareholder as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

As explained more fully in the Directors' Responsibilities Statement set out on pages 3 to 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the group's and the parent company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by directors, and the overall presentation of the financial statements.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements

- give a true and fair view of the state of the group's and parent company's affairs as at 31 March 2010 and of the group's result for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

TU FUND MANAGERS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDER OF TU FUND MANAGERS LIMITED *(continued)*

YEAR ENDED 31 MARCH 2010

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent company financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit



GUY FISHER (Senior Statutory
Auditor)

For and on behalf of
SHIPLEYS LLP
Chartered Accountants
& Statutory Auditor

10 Orange Street
Haymarket
London
WC2H 7DQ

21 July 2010

TU FUND MANAGERS LIMITED
PROFIT AND LOSS ACCOUNT
YEAR ENDED 31 MARCH 2010

	Note	2010 £	2009 £
GROUP TURNOVER	2	691,561	835,798
Administrative expenses		(752,142)	(846,588)
Other operating income	3	14,324	16,811
OPERATING (LOSS)/PROFIT	4	£(46,257)	£6,021
Gift aid	7	—	(56,080)
		<u>£(46,257)</u>	<u>£(50,059)</u>
Interest receivable		16,814	52,024
Interest payable and similar charges	8	(1,973)	(1,965)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>£(31,416)</u>	—
Tax on loss on ordinary activities	9	4,383	—
LOSS FOR THE FINANCIAL YEAR	10	<u>£(27,033)</u>	<u>—</u>

All of the activities of the group are classed as continuing

The company has taken advantage of section 408 of the Companies Act 2006
not to publish its own Profit and Loss Account

The notes on pages 12 to 21 form part of these financial statements.

TU FUND MANAGERS LIMITED
GROUP STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
YEAR ENDED 31 MARCH 2010

	2010	2009
	£	£
Loss for the financial year attributable to the shareholder of the parent company	(27,033)	–
Unrealised profit/(loss) on revaluation of Investments brought forward	<u>220,025</u>	<u>(243,977)</u>
Total gains and losses recognised since the last annual report	<u>£192,992</u>	<u>£(243,977)</u>

The notes on pages 12 to 21 form part of these financial statements.

TU FUND MANAGERS LIMITED

GROUP BALANCE SHEET

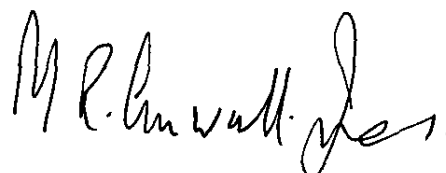
31 MARCH 2010

	Note	2010 £	2009 £
FIXED ASSETS			
Tangible assets	11	9,459	11,657
Investments	12	680,450	459,591
		<u>£689,909</u>	<u>£471,248</u>
CURRENT ASSETS			
Debtors	13	88,876	57,994
Investments	15	—	8,496
Cash at bank and in hand		1,114,438	1,145,463
		<u>£1,203,314</u>	<u>£1,211,953</u>
CREDITORS: Amounts falling due within one year	16	<u>(271,989)</u>	<u>(254,959)</u>
NET CURRENT ASSETS		<u>£931,325</u>	<u>£956,994</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>£1,621,234</u>	<u>£1,428,242</u>
CAPITAL AND RESERVES			
Called-up equity share capital	19	150,000	150,000
Revaluation reserve	20	(43,437)	(263,462)
Profit and loss account	20	1,514,671	1,541,704
SHAREHOLDER'S FUNDS	21	<u>£1,621,234</u>	<u>£1,428,242</u>

These financial statements were approved by the directors and authorised for issue on 21 July 2010, and are signed on their behalf by



The Lord Christopher, CBE
Chairman



M Cornwall-Jones, OBE
Vice Chairman

The notes on pages 12 to 21 form part of these financial statements.

TU FUND MANAGERS LIMITED

BALANCE SHEET

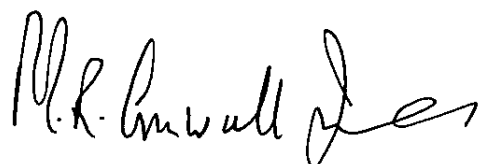
31 MARCH 2010

	Note	2010 £	2009 £
FIXED ASSETS			
Tangible assets	11	9,459	11,657
Investments	12	713,961	509,591
		<u>£723,420</u>	<u>£521,248</u>
CURRENT ASSETS			
Debtors	13	155,365	57,994
Investments	15	—	8,496
Cash at bank and in hand		1,014,438	1,145,463
		<u>£1,169,803</u>	<u>£1,211,953</u>
CREDITORS. Amounts falling due within one year	16	<u>(271,989)</u>	<u>(304,959)</u>
NET CURRENT ASSETS		<u>£897,814</u>	<u>£906,994</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>£1,621,234</u>	<u>£1,428,242</u>
CAPITAL AND RESERVES			
Called-up equity share capital	19	150,000	150,000
Revaluation reserve	20	(59,926)	(263,462)
Profit and loss account	20	1,531,160	1,541,704
SHAREHOLDER'S FUNDS		<u>£1,621,234</u>	<u>£1,428,242</u>

These financial statements were approved by the directors and authorised for issue on 21 July 2010, and are signed on their behalf by



The Lord Christopher, CBE
Chairman



M Cornwall-Jones, OBE
Vice Chairman

Company Registration Number 697641

The notes on pages 12 to 21 form part of these financial statements.

TU FUND MANAGERS LIMITED

GROUP CASH FLOW

YEAR ENDED 31 MARCH 2010

	2010	2009
	£	£
NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES		
	£2,552	£(127,436)
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		
Interest received	16,814	52,024
Interest paid	<u>(1,973)</u>	<u>(1,965)</u>
NET CASH INFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	£14,841	£50,059
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT		
Payments to acquire tangible fixed assets	–	(4,541)
Acquisition of investments	(834)	–
Payment to acquire other current asset investments	<u>8,496</u>	<u>(31,943)</u>
NET CASH INFLOW/(OUTFLOW) FOR CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT	£7,662	£(36,484)
EQUITY DIVIDENDS PAID	(56,080)	(41,225)
DECREASE IN CASH	<u>£(31,025)</u>	<u>£(155,086)</u>

RECONCILIATION OF OPERATING LOSS TO NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES

	2010	2009
	£	£
Operating (loss)/profit	(46,257)	6,021
Depreciation	2,198	5,381
(Increase)/decrease in debtors	(26,499)	37,053
Increase/(decrease) in creditors	73,110	(119,811)
Gift aid	–	(56,080)
Net cash inflow/(outflow) from operating activities	<u>£2,552</u>	<u>£(127,436)</u>

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

	2010	2009
	£	£
Decrease in cash in the period	<u>£(31,025)</u>	<u>£(155,086)</u>
Movement in net funds in the period	<u>£(31,025)</u>	<u>£(155,086)</u>
Net funds at 1 April 2009	22 1,145,463	1,296,008
Net funds at 31 March 2010	22 <u>£1,114,438</u>	<u>£1,145,463</u>

The notes on pages 12 to 21 form part of these financial statements.

TU FUND MANAGERS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2010

1 ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets and in accordance with applicable accounting standards

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the company and all group undertakings. These are adjusted, where appropriate, to conform to group accounting policies. Acquisitions are accounted for under the acquisition method and goodwill on consolidation is capitalised and written off over five years from the year of acquisition. The results of companies acquired or disposed of are included in the profit and loss account after or up to the date that control passes respectively. As a consolidated profit and loss account is published, a separate profit and loss account for the parent company is omitted from the group financial statements by virtue of section 408 of the Companies Act 2006.

Related parties transactions

The company is a wholly owned subsidiary of TUUT Charitable Trust. As the Trust does not produce consolidated financial statements, the company has not taken advantage of the exemption in FRS 8 from disclosing transactions with members of the group.

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year.

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Fixtures & Fittings	- 10 years straight line
Equipment	- 3 years straight line

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

TU FUND MANAGERS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2010

1. ACCOUNTING POLICIES *(continued)*

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Financial instruments

All investments are initially recorded at cost, being the fair value of the consideration given and including acquisition costs associated with the investment. All purchases and sales of investments are recognised using trade date accounting.

After initial recognition, investments, which are classified as held for trading and available-for-sale, are measured at fair value. Gains or losses on investments held for trading are recognised in the profit and loss account. Gains or losses on available-for-sale investments are recognised as a separate component of equity until the investment is disposed of or until its value is impaired, at which time the cumulative gain or loss previously reported in equity is included in the profit and loss account.

Investments classified as held-to-maturity are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in the profit and loss account when the investment is derecognised, or impaired, as well as through the amortisation process.

Investments are fair valued using quoted market prices, independent appraisals, discounted cash flow analysis or other appropriate valuation models at the balance sheet date.

2. TURNOVER

The turnover and loss before tax are attributable to the one principal activity of the group.

An analysis of turnover is given below.

	2010 £	2009 £
United Kingdom	<u>691,561</u>	<u>835,798</u>

TU FUND MANAGERS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2010

3. OTHER OPERATING INCOME

	2010	2009
	£	£
Other operating income	<u>14,324</u>	<u>16,811</u>

The other operating income relates to distributions received from fixed asset investments held in unit trusts

4. OPERATING (LOSS)/PROFIT

Operating (loss)/profit is stated after charging

	2010	2009
	£	£
Depreciation of owned fixed assets	2,198	5,381
Operating lease costs		
- Other	26,595	13,697
Auditor's remuneration - audit of the financial statements	25,828	22,154
Auditor's remuneration - other fees	<u>1,600</u>	<u>800</u>

The 2009 profit is stated after crediting an amount of £129,766 relating to the recovery of VAT

	2010	2009
	£	£
Auditor's remuneration - audit of the financial statements	<u>25,828</u>	<u>22,154</u>
Auditor's remuneration - other fees		
- Taxation services	<u>1,600</u>	<u>800</u>

TU FUND MANAGERS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2010

5. PARTICULARS OF EMPLOYEES

The average number of staff employed by the group during the financial year amounted to

	2010	2009
	No	No
Number of administrative staff	2	2
Number of management staff	2	2
	<u>4</u>	<u>4</u>

The aggregate payroll costs of the above were

	2010	2009
	£	£
Wages and salaries	214,306	309,491
Social security costs	24,912	30,580
Other pension costs	10,346	10,346
	<u>£249,564</u>	<u>£350,417</u>

The company operates a defined contribution pension scheme for its employees. The pension cost charge represents contributions payable by the company to the fund of £10,346 (2009 £10,346). Contributions totalling £1,921 (2009 £5,663) were due to the pension fund at the year end and are included in creditors.

6. DIRECTORS' REMUNERATION

The directors' aggregate remuneration in respect of qualifying services were

	2010	2009
	£	£
Remuneration receivable	—	82,075
	<u>—</u>	<u>82,075</u>

The directors have waived all fees in the year

7. GIFT AID

Gift aid payments relate to amounts donated to the TUUT Charitable Trust, a charity registered in England.

8. INTEREST PAYABLE AND SIMILAR CHARGES

	2010	2009
	£	£
Interest payable on bank borrowing	1,973	1,965
	<u>1,973</u>	<u>1,965</u>

TU FUND MANAGERS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2010

9. TAXATION ON ORDINARY ACTIVITIES

Analysis of charge in the year

	2010 £	2009 £
Deferred tax		
Origination and reversal of timing differences	<u>(4,383)</u>	<u>-</u>

Factors affecting current tax charge

The tax assessed on the loss on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 21% (2009 - 21%)

	2010 £	2009 £
Loss on ordinary activities before taxation	<u>(31,416)</u>	<u>-</u>
Loss on ordinary activities by rate of tax	(6,597)	-
Expenses not deductible for tax purposes	2,582	2,110
Capital allowances for period in excess of depreciation	(578)	(578)
Unrelieved tax losses	7,601	-
Exempt UK dividend income	(3,008)	(3,389)
Excess gift aid payment	-	1,857
Total current tax	<u>-</u>	<u>-</u>

10. LOSS ATTRIBUTABLE TO MEMBERS OF THE PARENT COMPANY

The loss dealt with in the financial statements of the parent company was £(10,544) (2009 - £Nil)

11. TANGIBLE FIXED ASSETS

Group	Fixtures & Fittings £	Office Equipment £	Total £
COST OR VALUATION			
At 1 April 2009 and 31 March 2010	<u>48,339</u>	<u>29,747</u>	<u>78,086</u>
DEPRECIATION			
At 1 April 2009	39,934	26,495	66,429
Charge for the year	949	1,249	2,198
At 31 March 2010	<u>£40,883</u>	<u>£27,744</u>	<u>£68,627</u>
NET BOOK VALUE			
At 31 March 2010	<u>7,456</u>	<u>2,003</u>	<u>9,459</u>
At 31 March 2009	<u>8,405</u>	<u>3,252</u>	<u>11,657</u>

TU FUND MANAGERS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2010

11. TANGIBLE FIXED ASSETS *(continued)*

Company	Fixtures & Fittings £	Office Equipment £	Total £
COST OR VALUATION			
At 1 April 2009 and 31 March 2010	<u>48,339</u>	<u>29,747</u>	<u>78,086</u>
DEPRECIATION			
At 1 April 2009	39,934	26,495	66,429
Charge for the year	949	1,249	2,198
At 31 March 2010	<u>£40,883</u>	<u>£27,744</u>	<u>£68,627</u>
NET BOOK VALUE			
At 31 March 2010	<u>7,456</u>	<u>2,003</u>	<u>9,459</u>
At 31 March 2009	<u>8,405</u>	<u>3,252</u>	<u>11,657</u>

12 INVESTMENTS

Group	Total £
COST OR VALUATION	
At 1 April 2009	459,591
Additions	834
Revaluations	220,025
At 31 March 2010	<u>680,450</u>
NET BOOK VALUE	
At 31 March 2010	<u>680,450</u>
At 31 March 2009	<u>459,591</u>

The company owns 100% of the ordinary share capital of the subsidiary undertaking, TU Additions Limited which trades as a financial intermediary and is registered and incorporated in England & Wales

TU FUND MANAGERS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2010

Company	Group companies £	Available for sale £	Total £
COST OR VALUATION			
At 1 April 2009	50,000	459,591	509,591
Additions	-	834	834
Revaluations	(16,489)	220,025	203,536
At 31 March 2010	<u>33,511</u>	<u>680,450</u>	<u>713,961</u>
NET BOOK VALUE			
At 31 March 2010	<u>33,511</u>	<u>680,450</u>	<u>713,961</u>
At 31 March 2009	<u>50,000</u>	<u>459,591</u>	<u>509,591</u>

13. DEBTORS

	Group		Company	
	2010 £	2009 £	2010 £	2009 £
Trade debtors	61,517	37,486	61,517	37,486
Amounts owed by group undertakings	-	-	70,872	-
Other debtors	3,281	6,586	3,281	6,586
Deferred taxation (Note 14)	4,383	-	-	-
Prepayments and accrued income	19,695	13,922	19,695	13,922
	<u>£88,876</u>	<u>£57,994</u>	<u>£155,365</u>	<u>£57,994</u>

The amount owed by group undertakings includes £50,000 in respect of a subordinated loan. The loan is due for payment after 5 years and bears no interest.

14. DEFERRED TAXATION

The movement in the deferred taxation asset during the year was

	Group		Company	
	2010 £	2009 £	2010 £	2009 £
Provision for year	4,383	-	-	-
Asset carried forward	<u>£4,383</u>	-	-	-

The group's asset for deferred taxation consists of the tax effect of timing differences in respect of

Group	2010		2009	
	Provided £	Unprovided £	Provided £	Unprovided £
Tax losses available	<u>4,383</u>	-	-	-

TU FUND MANAGERS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2010

15. INVESTMENTS

	Group		Company	
	2010	2009	2010	2009
	£	£	£	£
Other investments	<u>—</u>	<u>8,496</u>	<u>—</u>	<u>8,496</u>

16. CREDITORS: Amounts falling due within one year

	Group		Company	
	2010	2009	2010	2009
	£	£	£	£
Trade creditors	98,536	70,705	98,536	70,705
Amounts owed to undertakings in which the company has a participating interest	—	—	—	50,000
Dividends payable	—	56,080	—	56,080
Other creditors	42,099	63,062	42,099	63,062
Accruals and deferred income	131,354	65,112	131,354	65,112
	<u>£271,989</u>	<u>£254,959</u>	<u>£271,989</u>	<u>£304,959</u>

17. COMMITMENTS UNDER OPERATING LEASES

At 31 March 2010 the group had annual commitments under non-cancellable operating leases as set out below

Group	Land and buildings	
	2010	2009
	£	£
Operating leases which expire		
Within 2 to 5 years	<u>27,025</u>	<u>27,025</u>

At 31 March 2010 the company had annual commitments under non-cancellable operating leases as set out below

Company	Land and buildings	
	2010	2009
	£	£
Operating leases which expire		
Within 2 to 5 years	<u>27,025</u>	<u>27,025</u>

TU FUND MANAGERS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2010

18. RELATED PARTY TRANSACTIONS

Transactions with unit trusts

The company acts as a manager for two authorised unit trusts (2009 two) The aggregate total of transactions for creations was £763,938 (2009 £815,575) and liquidations was £5,844,394 (2009 £2,219,599) The assets of the trusts are held independently by the trustees, HSBC Bank Plc

The amounts received in respect of gross management charges for the unit trusts were £664,118 (2009 £686,388) The amount outstanding at the year end in relation to annual management charge was £Nil (2009 £Nil) The company paid audit fees on behalf of the parent, TUUT Charitable Trust, of £4,830 (2009 £5,329)

Transactions with group company

The company paid expenses on behalf of the subsidiary, TU Additions Limited of £20,872 (2009 £nil) The company paid expenses on behalf of the parent, the TUUT Charitable Trust of £4,830 (2009 £4,700)

19. SHARE CAPITAL

Authorised share capital:

	2010 £	2009 £
150,000 Ordinary shares of £1 each	<u>150,000</u>	<u>150,000</u>

Allotted, called up and fully paid:

	2010		2009	
	No	£	No	£
150,000 Ordinary shares of £1 each	<u>150,000</u>	<u>150,000</u>	<u>150,000</u>	<u>150,000</u>

20 RESERVES

Group	Revaluation reserve £	Profit and loss account £
Balance brought forward	(263,462)	1,541,704
Loss for the year	-	(27,033)
Other gains and losses		
- Revaluation of available for sale assets	<u>220,025</u>	-
Balance carried forward	<u>£(43,437)</u>	<u>£1,514,671</u>

TU FUND MANAGERS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2010

20. RESERVES *(continued)*

Company	Revaluation reserve £	Profit and loss account £
Balance brought forward	(263,462)	1,541,704
Loss for the year	-	(10,544)
Other gains and losses		
- Revaluation of available for sale assets	<u>203,536</u>	-
Balance carried forward	<u>£(59,926)</u>	<u>£1,531,160</u>

21. RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS

	2010 £	2009 £
Loss for the financial year	(27,033)	-
Other net recognised gains and losses	<u>220,025</u>	<u>(243,977)</u>
Net addition/(reduction) to shareholder's funds	£192,992	£(243,977)
Opening shareholder's funds	<u>1,428,242</u>	<u>1,672,219</u>
Closing shareholder's funds	<u>1,621,234</u>	<u>1,428,242</u>

22. NOTES TO THE CASH FLOW STATEMENT

ANALYSIS OF CHANGES IN NET FUNDS

	At 1 Apr 2009 £	Cash flows £	At 31 Mar 2010 £
Net cash			
Cash in hand and at bank	<u>1,145,463</u>	<u>(31,025)</u>	<u>1,114,438</u>
Net funds	<u>£1,145,463</u>	<u>£(31,025)</u>	<u>£1,114,438</u>

23. ULTIMATE PARENT COMPANY

The ultimate parent undertaking and the ultimate controlling party is the TUUT Charitable Trust a charity registered in England

TU FUND MANAGERS LIMITED
MANAGEMENT INFORMATION
YEAR ENDED 31 MARCH 2010

**The following pages do not form part of the statutory financial statements
which are the subject of the independent auditor's report on pages 5 to 6**

TU FUND MANAGERS LIMITED
DETAILED PROFIT AND LOSS ACCOUNT
YEAR ENDED 31 MARCH 2010

	2010 £	2009 £
TURNOVER	683,092	835,798
OVERHEADS		
Administrative expenses	<u>(722,801)</u>	<u>(846,588)</u>
	(39,709)	(10,790)
OTHER OPERATING INCOME		
Sundry Income FII	<u>14,324</u>	<u>16,811</u>
OPERATING (LOSS)/PROFIT	£(25,385)	£6,021
Gift aid	<u>—</u>	<u>(56,080)</u>
	(25,385)	(50,059)
Bank interest receivable and other income	<u>16,814</u>	<u>52,024</u>
	(8,571)	1,965
Bank interest payable and similar charges	<u>(1,973)</u>	<u>(1,965)</u>
LOSS ON ORDINARY ACTIVITIES	£(10,544)	—

TU FUND MANAGERS LIMITED

NOTES TO THE DETAILED PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 MARCH 2010

	2010	2009
	£	£
ADMINISTRATIVE EXPENSES		
Personnel costs		
Directors fees	–	82,075
Wages and salaries	214,103	227,178
Childcare vouchers	203	238
Employers national insurance contributions	24,912	30,580
Staff pension contributions	10,346	10,346
	<u>249,564</u>	<u>350,417</u>
Establishment expenses		
Rent	26,595	13,697
Service charge	17,415	17,580
Rates and water	11,276	23,620
Insurance	7,887	8,606
	<u>63,173</u>	<u>63,503</u>
General expenses		
Travel and subsistence	4,557	4,565
Computer costs	4,086	4,911
Printing, stationery and postage	14,398	17,591
Sundry Expenses	2,962	2,452
Donations	480	200
Advertising	40,584	69,504
Entertainment	1,721	1,355
Investment Management Charges	286,301	269,459
Legal and professional fees	8,834	13,020
Consultancy Fees	–	107
Accountancy fees	21,633	21,169
Auditors remuneration	22,310	22,954
Depreciation of fixtures and fittings	949	1,489
Depreciation of office equipment	1,249	3,892
	<u>410,064</u>	<u>432,668</u>
	<u>£722,801</u>	<u>£846,588</u>
INTEREST RECEIVABLE		
Bank interest receivable and other income	<u>16,814</u>	<u>52,024</u>