

**N.F.U. MUTUAL UNIT MANAGERS LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2016**

**Registered Number: 01837277**

**Registered Office:**  
Tiddington Road  
Stratford-upon-Avon  
CV37 7BJ

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**N.F.U. MUTUAL UNIT MANAGERS LIMITED**

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## **N.F.U. MUTUAL UNIT MANAGERS LIMITED**

### **STRATEGIC REPORT**

#### **FOR THE YEAR ENDED 31 DECEMBER 2016**

##### **PRINCIPAL ACTIVITIES**

The principal activity of the Company is the promotion and management of two third party Open Ended Investment Companies (OEICs). The company receives management fees for performing this function. The Company is an Authorised Corporate Director for the OEICs and creates and redeems shares within the OEICs as part of its day to day business, in its capacity as ACD.

##### **REVIEW OF THE BUSINESS**

In 2016 N.F.U. Mutual Unit Managers Limited (MUMCO) recorded a loss after tax for the financial year of £1.24m (2015 profit: £1.99m). This was primarily due to the Company incurring project costs of £5.34m (2015: £nil) for work conducted as part of a strategic programme for the Life business.

Turnover has maintained prior year levels.

##### **Balance sheet position**

The Balance Sheet remains healthy with net assets of £14.88m (2015: £16.12m). The current level of cash deposits is sufficient to meet the planned levels of additional expenditure to be incurred as part of the strategic Life programme.

The Directors consider that the level of reserves held is sufficient to meet the firm's financial liabilities.

##### **KEY PERFORMANCE INDICATORS**

KPI	<u>2016</u>	<u>2015</u>
	£m	£m
(Loss)/profit after taxation	(1.24)	1.99
Total purchases	136.96	145.11
Net purchases (less repurchases)	51.06	72.66
Total funds under management (fee generating)	802.69	698.58
- Class A, B & C shares		

**N.F.U. MUTUAL UNIT MANAGERS LIMITED**

**STRATEGIC REPORT (continued)**

**FOR THE YEAR ENDED 31 DECEMBER 2016**

**FUTURE OUTLOOK**

In 2017 it is planned that the Company will transfer its transaction accounting business to NFU Mutual Select Investments Limited, thereafter conducting solely institutional transactions. The financial effects of this transition will be a significant reduction in turnover and expenditure.

**PRINCIPAL RISKS AND UNCERTAINTIES**

**Financial Risk Management**

The Company is exposed to financial risk through its financial assets and financial liabilities. In particular, the key financial risk that is currently managed is equity risk incurred indirectly through its relationship with the Open Ended Investment Companies (OEICs).

**Equity Risk**

The Company's income is derived from a management service charge levied based on the fund values of the NFU Mutual OEIC and the NFU Mutual Portfolio Funds OEIC. It follows that if the values of these funds go down then the income level within the Company will diminish. The Management team is satisfied that the Company's reserves are sufficient to allow it to absorb any short-term falls in revenue caused by a reduction in fund values.

The Company holds a limited number of OEIC units thus reducing its exposure to market volatility and ultimately its financial position.

**Cash flow Risk**

The risk is that current assets are insufficient to meet obligations to third party creditors. This position is managed by ensuring that cash on short-term deposits is sufficient to cover the Company's obligations as they fall due.

**Interest Rate Risk**

Following the decision to hold only a limited amount of OEIC units on the Company's balance sheet the exposure to interest rate risk is limited and can therefore be considered immaterial.

**Credit Risk**

There is a risk that interest or principal will not be returned on the firm's cash deposits placed with financial institutions. We monitor the creditworthiness of financial instruments through credit ratings and other publicly available information in order to manage this risk to an acceptably low level.

On behalf of the Board



K. Arif  
Director

20 April 2017

**N.F.U. MUTUAL UNIT MANAGERS LIMITED**

**DIRECTORS' REPORT**

**FOR THE YEAR ENDED 31 DECEMBER 2016**

The directors present their report and audited financial statements of N.F.U. Mutual Unit Managers Limited ("the Company") for the year ended 31 December 2016.

**PRINCIPAL ACTIVITIES**

See Strategic Report (page 3).

**DIVIDENDS AND TRANSFERS TO RESERVES**

The directors do not recommend the payment of a dividend (2015: £nil). The loss after tax for the financial year was £1,244,775 (2015 profit: £1,987,603) which will transfer to reserves.

**DIRECTORS**

The directors during the year and up to the date of signing of these financial statements were as follows:

K. Arif

A. Paterson – resigned 31 March 2016

P. A. Glover

T. McKeon – resigned 7 April 2017

A.C. Mason – appointed 8 June 2016

The Parent Company, The National Farmers Union Mutual Insurance Society Limited, has put in place deeds of indemnity for the benefit of the Directors and Company Secretary of the Parent Company and of its associated companies. The deeds of indemnity are qualifying third party indemnity provisions in accordance with the Companies Act 2006. The indemnity provisions were in force throughout the financial year and at the date the financial statements were approved.

**FUTURE OUTLOOK**

See page 3.

**INFORMATION GIVEN TO AUDITORS**

A resolution to reappoint PricewaterhouseCoopers LLP as auditors of the company will be proposed at the forthcoming Annual General Meeting.

Each of the directors at the date of approval of this report confirms that

- (a) so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- (b) the director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of S418 of the Companies Act 2006.

On behalf of the Board



K. Arif  
Director

20 April 2017

**N.F.U. MUTUAL UNIT MANAGERS LIMITED**

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

**FOR THE YEAR ENDED 31 DECEMBER 2016**

The directors are responsible for preparing the Annual 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 prepared the financial statements in accordance with United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice).

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 group and the company and of the profit or loss of the group and the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards, comprising FRS102, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and company 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 the company 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 the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the Board



K. Arif  
Director  
20 April 2017

## **N.F.U. MUTUAL UNIT MANAGERS LIMITED**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF N.F.U. MUTUAL UNIT MANAGERS LIMITED**

#### **Report on the financial statements**

##### ***Our opinion***

In our opinion, N.F.U. Mutual Unit Managers Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 31 December 2016 and of its loss 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.

##### ***What we have audited***

The financial statements, included within the Annual Report and Financial Statements ("the Annual Report"), comprise:

- the Balance Sheet as at 31 December 2016;
- the Profit and Loss Account for the year then ended;
- the Statement of Changes in Equity for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

##### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

In addition, in light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we are required to report if we have identified any material misstatements in the Strategic Report and the Directors' Report. We have nothing to report in this respect.

##### **Other matters on which we are required to report by exception**

##### ***Adequacy of accounting records and information and explanations received***

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

**N.F.U. MUTUAL UNIT MANAGERS LIMITED**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF N.F.U. MUTUAL UNIT MANAGERS LIMITED (Continued)**

***Directors' remuneration***

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

**Responsibilities for the financial statements and the audit**

***Our responsibilities and those of the directors***

As explained more fully in the Statement of Directors' Responsibilities set out on page 5, 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 and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

***What an audit of financial statements involves***

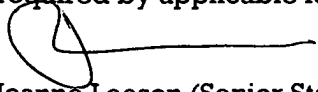
We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report. With respect to the Strategic Report and Directors' Report, we consider whether those reports include the disclosures required by applicable legal requirements.

  
Joanne Leeson (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors, Bristol  
20 April 2017



**N.F.U. MUTUAL UNIT MANAGERS LIMITED**

**PROFIT AND LOSS ACCOUNT**

**FOR THE YEAR ENDED 31 DECEMBER 2016**

	<u>Note</u>	<u>2016</u> £	<u>2015</u> £
TURNOVER	4	8,066,611	8,104,663
Administrative expenses		(9,673,601)	(5,884,645)
OPERATING (LOSS)/PROFIT		<u>(1,606,990)</u>	<u>2,220,018</u>
Interest receivable and similar income	5	51,147	66,057
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	6	<u>(1,555,843)</u>	<u>2,286,075</u>
Tax on (loss) / profit on ordinary activities	7	311,068	(298,472)
(LOSS)/PROFIT FOR THE FINANCIAL YEAR		<u><u>(1,244,775)</u></u>	<u><u>1,987,603</u></u>

The Company has no other comprehensive income other than in the profit above, and therefore no separate statement of other comprehensive income has been presented.

The notes on pages 11 to 16 form an integral part of these financial statements.

**N.F.U. MUTUAL UNIT MANAGERS LIMITED**

**BALANCE SHEET**

**FOR THE YEAR ENDED 31 DECEMBER 2016**

	<u>Note</u>	<u>2016</u> £	<u>2015</u> £
<b><u>CURRENT ASSETS</u></b>			
Debtors	8	2,291,694	2,651,795
Investments		-	38,042
Cash at bank and in hand		<u>22,196,394</u>	<u>20,586,519</u>
		24,488,088	23,276,356
Creditors: Amounts falling due within one year	9	<u>(9,612,207)</u>	<u>(7,155,700)</u>
NET ASSETS		<u>14,875,881</u>	<u>16,120,656</u>
 <b><u>CAPITAL AND RESERVES</u></b>			
Called up share capital	10	566,666	566,666
Share premium account		28,238,314	28,238,314
Retained earnings		<u>(13,929,099)</u>	<u>(12,684,324)</u>
TOTAL EQUITY		<u>14,875,881</u>	<u>16,120,656</u>

The financial statements on pages 8 to 16 were approved and authorised for issue by the board of directors on 20 April 2017 and were signed on its behalf by:



K. Arif  
DIRECTOR

20 April 2017

N.F.U. MUTUAL UNIT MANAGERS LIMITED  
Company Number: 01837277

The notes on pages 11 to 16 form an integral part of these financial statements.

**N.F.U. MUTUAL UNIT MANAGERS LIMITED**

**STATEMENT OF CHANGES IN EQUITY**

**FOR THE YEAR ENDED 31 DECEMBER 2016**

	<u>Called Up Share Capital</u> £	<u>Share Premium Account</u> £	<u>Retained Earnings</u> £	<u>Total Equity 2016</u> £	<u>Total Equity 2015</u> £
<b>Balance at 1 January</b>	566,666	28,238,314	(12,684,324)	16,120,656	14,133,053
<i>(Loss)/Profit for the financial year</i>	-	-	(1,244,775)	(1,244,775)	1,987,603
<b>Balance at 31 December</b>	<b>566,666</b>	<b>28,238,314</b>	<b>(13,929,099)</b>	<b>14,875,881</b>	<b>16,120,656</b>

# **N.F.U. MUTUAL UNIT MANAGERS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED 31 DECEMBER 2016**

#### **1 ACCOUNTING POLICIES**

N.F.U. Mutual Unit Managers Limited is a private company limited by shares and incorporated in the United Kingdom. The registered address is: Tiddington Road, Stratford upon Avon, CV37 7BJ.

These financial statements have been prepared on the going concern basis, under the historical cost convention, as modified by the fair valuing of stocks and shares, and in compliance with the Companies Act 2006 and applicable accounting standards and accounting policies in the United Kingdom, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" (FRS102). Accounting policies have been applied consistently to all years presented unless otherwise stated.

##### **a) Going Concern basis of preparation**

The Company made a loss on ordinary activities before taxation in the year of £1,555,843 (2015: profit £2,286,075) and is dependent on the continuing support of its Parent company (The National Farmers Union Mutual Insurance Society Limited). The Parent company has undertaken to provide support to ensure that the Company is able to pay its debts as they fall due, an arrangement formalised in a signed letter of support. The Directors have taken account of this parental support in concluding that it remains appropriate to use the going concern concept in the preparation of the financial statements.

##### **b) Turnover**

Turnover consists of dealing charges on the sale of units within the OEICs less any discounts, and fees receivable for managing the Open Ended Investment Companies in the United Kingdom. Any holding profit or loss made on the manager's box along with any distribution income is accounted for as turnover. Income receivable is recognised on an accruals basis and relates entirely to services provided in the UK.

##### **c) Investments**

These investments are cash deposits from investors held and managed for the sale and repurchase of units.

##### **d) Debtors**

Debtors are amounts due from customers and other receivables arising from trading and services performed in the ordinary course of business. If collection is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets. Debtors are recognised initially at fair value and subsequently measured at amortised cost less provision or impairment.

##### **e) Deposits with Credit Institutions**

Deposits with credit institutions represent deposits with qualifying credit institutions subject to time restrictions or penalties for early withdrawal.

## **N.F.U. MUTUAL UNIT MANAGERS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS (Continued)**

#### **FOR THE YEAR ENDED 31 DECEMBER 2016**

f) **Cash at bank and in hand**

This comprises cash on hand, demand deposits and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

g) **Called up share capital**

Ordinary shares are classified as equity. Excess amounts received over par is accounted for as share premium and recognised as equity.

h) **Retained earnings**

Retained earnings represent accumulated comprehensive income and loss for the year and prior periods.

i) **Creditors**

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade creditors are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Creditors are recognised initially at fair value and subsequently measured at amortised cost.

j) **Current and Deferred Taxation**

The tax expense for the period comprises current and deferred tax where applicable. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company generates taxable income. A taxation credit is recognised where losses are utilised within the Group. The Company will receive cash in respect of these losses.

k) **Administrative Expenses**

Administrative expenses are recognised on an accruals basis in the period to which the services or goods received relate.

l) **Interest Receivable and similar income**

Interest receivable represents interest earned on cash at bank and on short term deposits and is recognised on an accruals basis.

## **N.F.U. MUTUAL UNIT MANAGERS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS (Continued)**

#### **FOR THE YEAR ENDED 31 DECEMBER 2016**

##### m) Exemptions for qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with. The Company has taken advantage of the exemption, under FRS 102 paragraph 1.12(b), from preparing a statement of cash flows, on the basis that it is a qualifying entity and its ultimate parent company, The National Farmers Union Mutual Insurance Society Limited, includes the company's cash flows in its own consolidated financial statements. The National Farmers Union Mutual Insurance Society Limited's consolidated financial statements are publicly available (see note 11).

In accordance with FRS 102 33.1A, the Company does not disclose transactions with members of The National Farmers Union Mutual Insurance Society Limited Group that are wholly owned. The Company does however disclose transactions with related parties which are not wholly owned within the same group.

## **2 RELATED PARTY DISCLOSURES**

### Dealings with OEIC funds

The Company managed nine (nine) Open Ended Investment Company (OEIC) funds during the year, for which it received total management fees of £7,888,191 (2015: £7,859,174).

In its capacity as Authorised Corporate Director of the OEICs the Company creates and redeems shares within the OEICs as part of its day to day business. These transactions are not included in turnover since they are client monies and relate to client investments in the OEICs and do not represent income to the Company. The amounts paid over to the trustees of the OEIC in order to satisfy customer demands were as follows:

	<u>2016</u>	<u>2015</u>
	£	£
Amounts paid to the trustees for creation of shares.	<u>117,892,148</u>	<u>111,105,693</u>
The amounts outstanding at 31 December with open ended investment companies	<u>321,372</u>	<u>1,407,891</u>

## **3 DIRECTORS' EMOLUMENTS AND EMPLOYEE INFORMATION**

The directors received no emoluments for their services to the Company for year ended 31 December 2016 (2015: nil). The Directors are remunerated by the Parent Company in respect of the services for the entire Group. The Directors' services in respect of the Company were incidental in comparison to their services within the Group, and therefore nil emoluments have been apportioned to the Company (2015: nil). There were no employees during the year (2015: nil).

**N.F.U. MUTUAL UNIT MANAGERS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**FOR THE YEAR ENDED 31 DECEMBER 2016**

4 **TURNOVER**

	<u>2016</u>	<u>2015</u>
	£	£
Turnover comprises the following:		
Dealing charges and other income	219,788	327,786
Management fee	7,888,191	7,859,174
Discount on initial charges	(41,368)	(82,297)
	<u>8,066,611</u>	<u>8,104,663</u>

The Company acts as the principal in the sale of shares in its authorised OEICs. However, in substance the Company is acting as an agent on behalf of the OEICs, and as a result the sale of shares is not recognised as revenue by the Company. The gross sales of shares during the year were £136,963,545 (2015: £145,108,684).

All business is written in the U.K.

5 **INTEREST RECEIVABLE AND SIMILAR INCOME**

	<u>2016</u>	<u>2015</u>
	£	£
Deposit Interest	<u>51,147</u>	<u>66,057</u>

6 **(LOSS) / PROFIT ON ORDINARY ACTIVITIES  
BEFORE TAXATION**

	<u>2016</u>	<u>2015</u>
	£	£
The (loss) / profit on ordinary activities is stated after charging:		
Fees payable to the company's auditor for the audit of N.F.U. Mutual Unit Managers Limited	10,250	10,000

In accordance with SI 2008/489 the company has not disclosed the fees payable to the company's auditor for 'Other services' as this information is included in the consolidated financial statements of The National Farmers Union Mutual Insurance Society Limited.

**N.F.U. MUTUAL UNIT MANAGERS LIMITED****NOTES TO THE FINANCIAL STATEMENTS (Continued)****FOR THE YEAR ENDED 31 DECEMBER 2016****7 TAX ON (LOSS) / PROFIT ON ORDINARY ACTIVITIES**

	<u>2016</u>	<u>2015</u>
	£	£
The taxation credit /(debit) on the (loss) / profit for the year:		
UK Corporation tax credit / (charge )	311,068	(462,852)
Other	-	(105)
Adjustment in respect of prior years	-	164,485
Total UK corporation tax credit / (debit)	<u>311,068</u>	<u>(298,472)</u>

The tax assessed for the year is the same as (2015: lower than) the standard rate of corporation tax in the UK of 20% (2015:20.25%).

The differences are explained below:

	<u>2016</u>	<u>2015</u>
	£	£
(Loss)/Profit on ordinary activities before taxation	<u>(1,555,843)</u>	<u>2,286,075</u>
(Loss) / Profit on ordinary activities multiplied by standard rate of Corporation tax in UK 20% (2015: 20.25%)	311,068	(462,852)
Tax on franked and unfranked investment income (not taxable)	-	(73)
Tax already suffered on franked and unfranked investment income	-	(32)
Adjustment in respect of prior years	-	164,485
Current tax credit / (charge) for the year	<u>311,068</u>	<u>(298,472)</u>

**8 DEBTORS**

	<u>2016</u>	<u>2015</u>
	£	£
Trade debtors	1,219,014	1,927,686
Amounts owed from group undertakings	311,168	-
Prepayments and accrued income	761,512	724,109
	<u>2,291,694</u>	<u>2,651,795</u>

Amounts owed by group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.



**N.F.U. MUTUAL UNIT MANAGERS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**FOR THE YEAR ENDED 31 DECEMBER 2016**

9 **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<u>2016</u>	<u>2015</u>
	£	£
Trade creditors	930,318	1,821,347
Amounts owed to group undertakings	7,895,053	4,602,947
Corporation Tax	-	462,751
Accruals and deferred income	786,836	268,655
	<u>9,612,207</u>	<u>7,155,700</u>

Amounts owed to group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

10 **CALLED UP SHARE CAPITAL**

	<u>2016</u>	<u>2015</u>
	£	£
566,666 (2015: 566,666) Allotted and fully paid shares of £1 each	<u>566,666</u>	<u>566,666</u>

11 **ULTIMATE PARENT UNDERTAKING**

The directors consider the immediate and ultimate Parent Company, and controlling party is The National Farmers Union Mutual Insurance Society Limited, a Company incorporated in England and Wales, and the only group to consolidate these financial statements. Copies of the consolidated financial statements of the immediate and ultimate Parent Company can be obtained from the Secretary at the following address:

Tiddington Road,  
Stratford-upon-Avon  
CV37 7BJ