

Annual Report to the Trustees

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Rutherford Pension Plan

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1. Introduction

Pension Practitioner .Com provides administration services to the Trustees, and our responsibility is to ensure that the tax exempt privileges of the pension scheme are maintained. In addition, we also provide the following functions to you.

- Ensure that all pension scheme returns are submitted to HMRC
- Provide events reports, tax returns and notices to HMRC and the Regulator as may be required from time to time.
- Undertake an annual review of the scheme
- Provide the trustees with guidance on pension scheme rules
- Provide the trustees with member benefit statements

2. Disclosures to HMRC

The pension scheme return provided to HMRC must end after 6th April 2008 and before 5th April 2009. The accounts therefore relevant for the period are to the year ending 5th April 2009.

Pension Practitioner .Com has submitted the following disclosures:

Accounting Period 06 Apr 2008 - 05 Apr 2009

During this period, the aggregate of payments to and from the scheme greater than £100,000? Yes

At the end of this period, did the scheme have assets with a total value before pension liabilities greater than £400,000? No

Total value of assets before pension liabilities at the end of the period £225000

Receipts and Payments

Total amount of the pension contributions received £225000

Total amount of transfer-in payments £0

Total amount of transfer-out payments £0

Total amount paid out in lump sums and lump sum death benefits £0

Total amount paid out to purchase lifetime annuities and scheme pensions from an insurance company £0

Total amount borrowed £0

Connected Parties

At any time during the period from 06/04/2008 to 05/04/2009 did the scheme either directly or indirectly own assets that it had acquired from either:

a. a sponsoring employer or any person connected with that employer?
or

b. a person who was a director of or a person connected to a director of a close company that was also a sponsoring employer?
or

c. a person who was either a sole owner or partner or a person connected with the sole owner or partner of a business which was a sponsoring employer?
or

d. a member or person connected with a member?

Yes

Land or Interest in Land

Total cost or market value of any land or interest in land owned by the scheme at the end of the period	£225000
Specify whether this amount is	Market value
Total cost of any land, or interest in land, or premium paid to acquire a leasehold interest in land	£225000
Total sale proceeds of any land sold, or interest in land sold, or premiums received on disposal of a leasehold interest in land	£0
If any land or interest in land was disposed of without any consideration state the total cost or market value	£0
Specify whether this amount is	Market value
Were any disposals made to a connected party or connected parties?	No

Total amount of income received from land or interest in land £0

Was any part of the land or interest in land residential property as defined in Schedule 29A of Finance Act 2004? No

The market value of the property reflects market conditions.

No transactions arose under Sections 174A, 185A to 185I, 273ZA and Schedule 29A Finance Act 2004.

The acquisition arose through an in-specie contribution to the scheme.

There were no reportable events arising during the scheme year.

There were no tax payments due during the scheme year.

No enquiries at the date of this report have been raised by HMRC or the Regulator.

3. Investments

The scheme assets as at 5th April 2009 comprised of:

- 14/16 Speirs Wharf, Glasgow. G4 9TB - £135,000
- 24 Speirs Wharf, Glasgow. G4 9TB - £90,000
- trustee bank account

There were no other investment assets held by the pension scheme for the period

The scheme expenses represented less than .5% of the market value of the scheme's assets.

No scheme yield has been assessed given that the pension scheme had been effective for less than 12 months.

4. Scheme Rules

We have reviewed the rules of the scheme in light of the Finance Act 2009 and do not recommend any changes at this time.

The rules of the scheme adhere to HMRC requirements arising from the Finance Act 2004 and Pensions Act 2005.

The scheme is exempt from the requirements of the Pensions Regulator for the Trustees to undertake qualification in trustee knowledge and understanding.

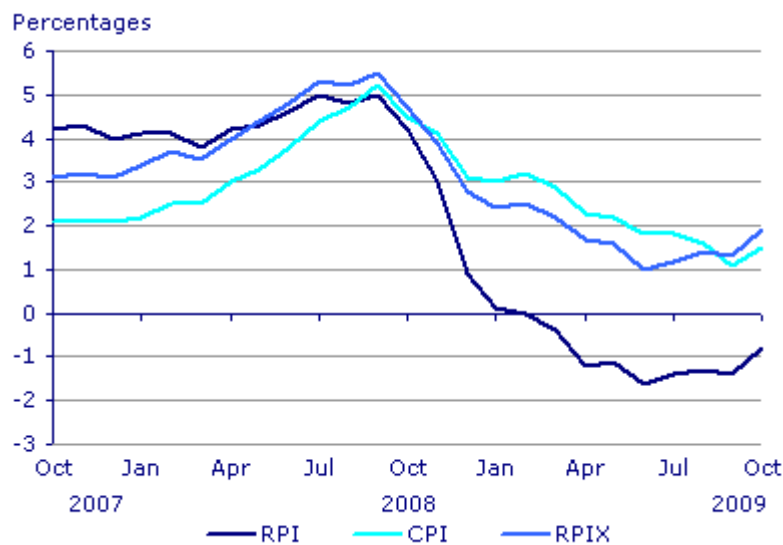
No audited accounts are required for this scheme.

Pension Practitioner .Com maintains an annual exemption of return to the Pension Regulator

5. Review of the Scheme

The assets of the scheme are wholly allocated to the sole beneficiary of the scheme.

The rate of return to the scheme will be reflective of the rental yield of the properties held by the scheme. By way of a benchmark evaluation, CPI Inflation for the same tax period was averaged at 2.6%. CPI inflation was 1.5%, RPI inflation was -0.8%.



Given that the property held by the pension scheme is with a connected party, it is important that the terms of the rent are adhered to and the rent payable is consistent with open market conditions. If the trustees do not charge or receive income to the scheme, a tax charge may be assessed by HMRC on the unrecovered portion.

The average bench mark return for a money purchase occupational scheme for the period was -3.6%.

It is important that any rent reviews are undertaken in accordance with the prevailing lease.

6. Appendices

Retirement Benefits Statement for Mr Neil Rutherford

Prepared on the basis that you are entitled to 100% of the value of the fund

In the event of your death before taking benefits from the scheme, as at 5th April 2009 your beneficiaries will be entitled to receive £225,000 tax free from the assets of the scheme.

In the event that you elected to take benefits from the scheme as at age 60, you could draw a tax-free lump sum of £70,376; this is based on a projected fund of £281.505.

The balance of the fund must be used to provide you with a pension which is taxed as earned income. The pension amount you may draw could be £9,826 p.a.

Notes:

The pension income stated is based pension rates as at January 2010, which are not guaranteed to continue.

This benefit statement is for illustrative purposes only and is not guaranteed.

1. It has been assumed that:

Investments increase by 7% p.a. until retirement

Fund costs are 0.5% of the value of the scheme

The pension is on a single life basis, increasing at a fixed rate of 3% p.a., payable monthly in advance

2. The figures are costed in today's terms, this means that inflation is compounded annually at 2.5%. The income has been discounted back allowing for this inflation rate

Should you require a more detailed calculation specific to your requirements, including a targeted benefits statement for retirement at a future date please contact Pension Practitioner .Com.