

**The Leadership Factor Limited Self
Administered Pension Scheme
Financial Statements
For
The Year Ended 31 May 2012**

Occupational Pensions Regulatory Authority Registration Number 012/106616

BEEVER AND STRUTHERS

Chartered Accountants
St. George's House
215 - 219 Chester Road
Manchester
M15 4JE

**The Leadership Factor Limited Self Administered
Pension Scheme**

Financial Statements

Year Ended 31 May 2012

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The Leadership Factor Limited Self Administered Pension Scheme

Trustees and their Advisers

Year Ended 31 May 2012

Principal Employer	The Leadership Factor Limited Taylor Hill Mill Huddersfield HD4 6JA
The Trustees	Mr S N Hill Mrs J Hill
Advisors	Thomsons Financial Planning Limited 1 King Street Manchester M2 6AW
Actuary	I.P.M Trustees Limited 3 Victoria Court Bank Square Morley Leeds LS27 9SE
Accountants	Beever and Struthers Chartered Accountants St. George's House 215 - 219 Chester Road Manchester M15 4JE

The Leadership Factor Limited Self Administered Pension Scheme

The Trustees' Report

Year Ended 31 May 2012

The Trustees have pleasure in presenting their report and the financial statements of the scheme for the year ended 31 May 2012.

Nature of the Scheme

The scheme is a defined benefit scheme and was formed to provide retirement benefits to employees of The Leadership Factor Ltd and their dependents. Benefits are also paid when employees die before retirement age while in the company's service.

Tax Status of the Scheme

The scheme has been approved by the Inland Revenue as an exempt approved scheme. The trustees are not aware of any matters which might prejudice the tax status of the scheme.

Changes to the Scheme Rules

There have been no changes to the scheme's rules during the period.

Trustees Meetings

There is no formal procedure in place for trustees meetings. They are called as required.

Statement of Trustees' Responsibilities

The Trustees are satisfied that the Trust is entitled to exemption from the provisions of the Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996 relating to the audit of the financial statements. They are, however, required to obtain accounts that have been prepared in accordance with the Statement of Recommended Practice, 'Financial Reports of Pension Schemes'.

The Trustees are responsible under pensions legislation for ensuring that there is prepared, maintained and from time to time revised a Schedule of Contributions showing the rates of contributions payable towards the scheme by or on behalf of the employer and the active members of the scheme and the dates on or before which such contributions are to be paid.

The Trustees are also responsible for keeping records in respect of contributions received in respect of any active member of the scheme and for monitoring whether contributions are made to the scheme by the Employer in accordance with the Schedule of Contributions. Where breaches of the Schedule occur, the Trustees are required by the Pensions Acts 1995 and 2004 to consider making reports to The Pensions Regulator and the members.

The Trustees also have a general responsibility for ensuring that adequate accounting records are kept and for taking such steps as are reasonably open to them to safeguard the assets of the scheme and to prevent and detect fraud and other irregularities, including the maintenance of an appropriate system of internal control.

The Leadership Factor Limited Self Administered Pension Scheme

The Trustees' Report *(continued)*

Year Ended 31 May 2012

Statement of investment principles

The trustees have prepared an investment statement in accordance with section 35 of the Pensions Act 1995. A copy of the statement is available on request.

There have been no changes to this statement since the preparation of the last annual report of the scheme.

Membership

	2012	2011
Active members as at 1 June 2011	2	2
Active members as at 31 May 2012	<u>2</u>	<u>2</u>
Total Membership	<u>2</u>	<u>2</u>

The adjustments relate to changes that were notified to the scheme administrator after the cut off date for last year's annual report.

Financial Development of the Scheme

The funds statement and net asset statement on pages 6 to 7 show that the value of the scheme's assets increased by £821,773 to £7,443,466 as at 31 May 2012. The increase was comprised of net withdrawals from dealings with members of £450,044 together with net returns on investments of £1,271,817.

The financial statements have been prepared and audited in accordance with regulations made under Sections 41(1) and (6) of the Pensions Act 1995.

Further details of the financial developments of the scheme may be found in the audited financial statements on pages 6 to 10.

Contributions

Contributions received from members and participating employers were in accordance with the Scheme Rules, the rates recommended by the Actuary and the Schedule of Contributions.

**The Leadership Factor Limited Self Administered
Pension Scheme**

The Trustees' Report *(continued)*

Year Ended 31 May 2012

Signed on behalf of the Trustees

Mr S N Hill
Trustee

Mrs J Hill
Trustee

Approved by the Trustees on

**The Leadership Factor Limited Self Administered
Pension Scheme**

**Chartered Accountants' Report to the Trustees on the
Unaudited Financial Statements of The Leadership
Factor Limited Self Administered Pension Scheme**

Year Ended 31 May 2012

In accordance with our terms of engagement, we have compiled the financial statements of the trust for the year ended 31 May 2012 in accordance with the Statement of Recommended Practice 'Financial reports of Pension Schemes', produced by the Pension Research Accountants Group, which comprise the Fund Account, Net Asset Statement and the related notes from the accounting records and information and explanations you have given to us.

This report is made to the Trust's Trustees, as a body, in accordance with the terms of our engagement. Our work has been undertaken so that we might compile the financial statements that we have been engaged to compile, report to the Trust's Trustees that we have done so, and state those matters that we have agreed to state to them in this 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 Trust and the Trust's Trustees, as a body, for our work or for this report.

We have carried out this engagement in accordance with technical guidance issued by the Institute of Chartered Accountants in England and Wales and have complied with the ethical guidance laid down by the Institute relating to members undertaking the compilation of financial statements.

You have acknowledged on the net asset statement as at 31 May 2012 your duty to ensure that the trust has kept adequate accounting records and to prepare financial statements. You consider that the trust is exempt from the statutory requirement for an audit for the year.

We have not been instructed to carry out an audit of the financial statements. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the financial statements.

St. George's House
215 - 219 Chester Road
Manchester
M15 4JE

BEEVER AND STRUTHERS
Chartered Accountants

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The Leadership Factor Limited Self Administered Pension Scheme

Fund Account

Year Ended 31 May 2012

	Note	2012 £	£	2011 £	£
Contributions and benefits					
Benefits payable	2	(450,000)		—	
Administrative expenses	3	(44)		(70)	
			<u>(450,044)</u>		<u>(70)</u>
Net withdrawals from dealings with members			(450,044)		(70)
Returns on investments					
Investment income	4	66,332		26,385	
Change in market value of investments	5	1,205,485		2,420,991	
Net returns on investments			<u>1,271,817</u>		<u>2,447,376</u>
Net increase in the fund during the year			821,773		2,447,306
Net assets of the scheme as at 1 June 2011			<u>6,621,693</u>		<u>4,174,387</u>
Net assets of the scheme as at 31 May 2012			<u><u>7,443,466</u></u>		<u><u>6,621,693</u></u>

The notes on pages 8 to 10 form part of these financial statements.

The Leadership Factor Limited Self Administered Pension Scheme

Net Assets Statement

As at 31 May 2012

		2012		2011	
	Note	£	£	£	£
Investments	5				
Managed & unitised funds		6,359,312		4,981,530	
Properties		<u>195,000</u>		<u>195,000</u>	
			6,554,312		5,176,530
 Current assets					
Cash at bank	6		891,253		1,447,263
 Current liabilities					
Liabilities: Amounts Falling due Within One Year	7		(2,099)		(2,100)
 Net assets of the scheme at 31 May 2012			<u>7,443,466</u>		<u>6,621,693</u>

These financial statements were approved by the Trustees on the and are signed on their behalf by:

.....
Mr S N Hill

.....
Mrs J Hill

Scheme Registration Number: 012/106616

The notes on pages 8 to 10 form part of these financial statements.

The Leadership Factor Limited Self Administered Pension Scheme

Notes to the Financial Statements

Year Ended 31 May 2012

1. Accounting Policies

Basis of Accounting

The financial statements have been prepared in accordance with the Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996 and with the guidelines set out in the Statement of Recommended Practice, Financial Reports of Pension Schemes.

The financial statements summarise the transactions of the scheme and deal with the net assets at the disposal of the trustees. They do not take account of obligations to pay pensions and benefits which fall due after the end of the scheme year. The actuarial position of the scheme, which does take account of such obligations is dealt with in the statements by the actuary and these financial statements should be read in conjunction with them.

Accruals Basis

The financial statements have been prepared on an accruals basis.

Interest and dividends, together with imputed tax credits (where applicable) are accounted for on an accruals basis.

Rents receivable are shown net of property outgoings other than management costs on an accruals basis.

Contributions are included when payable, according to the schedule of contributions agreed with the employer company.

Valuation Basis

All investments are valued at market value, which is the mid market value on the last day of the period as follows:

- 1) Unit trust or managed fund investments are stated at the mid-point of the latest prices quoted by the managers prior to 31 May 2008
- 3) Unlisted securities are valued by the investment managers, having due regard to latest dealings, professional valuation, asset values and other appropriate financial information.
- 4) Investment properties are included in the Net Asset Statement at the lower of cost or valuation. No depreciation is charged on the property since all properties are maintained for their investment potential.

2. Benefits Payable

	2012	2011
	£	£
Lump sum commutation of pensions	<u>450,000</u>	<u>—</u>

The Leadership Factor Limited Self Administered Pension Scheme

Notes to the Financial Statements

Year Ended 31 May 2012

3. Administrative Expenses

	2012 £	2011 £
Bank interest payable	<u>44</u>	<u>70</u>

4. Investment Income

	2012 £	2011 £
Dividends from equities	44,862	–
Net rents from properties	19,403	25,000
Interest on cash deposits	2,067	1,385
	<u>66,332</u>	<u>26,385</u>

5. Investments

	Value brought forward £	Purchases at cost £	Sales proceeds £	Change in market value £	Value carried forward £
Managed & unitised funds	4,981,530	172,297	–	1,205,485	6,359,312
Properties	195,000	–	–	–	195,000
	<u>5,176,530</u>	<u>172,297</u>	<u>–</u>	<u>1,205,485</u>	<u>6,554,312</u>

The change in market value of investments during the year comprises all increases and decreases in the market value of investments held at any time during the year, including profits and losses realised on sales of investments during the year.

6. Cash at Bank

	2012 £	2011 £
Bank deposit account	<u>891,253</u>	<u>1,447,263</u>

The cash balances above are designated to members.

The Leadership Factor Limited Self Administered Pension Scheme

Notes to the Financial Statements

Year Ended 31 May 2012

7. Creditors

	2012	2011
	£	£
Accrued expenses	<u>2,099</u>	<u>2,100</u>

The accrued expenses are not designated to members.

8. Related Party Transactions

Mr S N Hill and Mrs J Hill are both directors and shareholders of The Leadership Factor Limited. Rental income due for the year comprises £19,403(2011 - £25,000) received from The Leadership Factor Limited. No payments were outstanding at the year end. The rent payable reflects a commercial charge for the property.

9. Status of Scheme

The assets of the pension fund are allocated into 3 separate schemes, as follows:-

	Value bought forward £	Purchases at cost £	Sales proceeds £	Change in market value £	Value carried forward £
Mr S N Hill	3,463,638	11,326	–	917,795	4,392,991
Mrs J Hill	2,314,730	–	–	133,255	1,703,701
Retirement plan	845,425	160,971	–	154,434	1,348,873
	<u>6,623,793</u>	<u>172,297</u>	<u>–</u>	<u>1,205,485</u>	<u>7,445,565</u>