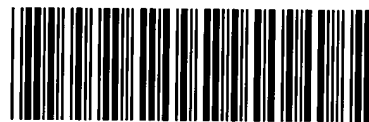


Company Registration No. 03508646

THESIS UNIT TRUST MANAGEMENT LIMITED

**Report and Financial Statements
30 April 2018**

WEDNESDAY



A7G9ZHYW

A15

10/10/2018

#112

COMPANIES HOUSE

Report and Financial Statements 2018

Contents

Officers and Professional Advisers	1
Strategic Report	2
Directors' Report	5
Statement of Directors' Responsibilities in Respect of the Directors' Report and the Financial Statements	7
Independent Auditor's Report to the Directors of Thesis Unit Trust Management Limited.....	8
Profit and Loss Account and Other Comprehensive Income	10
Balance Sheet	11
Statement of Changes in Equity.....	12
Notes to the Accounts	13

THESIS UNIT TRUST MANAGEMENT LIMITED

Report and Financial Statements 2018

Officers and Professional Advisers

Directors

D W Tyerman
S R Mugford
S E Noone
D K Mytnik
V R Smith

Secretary

Irwin Mitchell Secretaries Limited

Registered Office

Exchange Building
St John's Street
Chichester
West Sussex
PO19 1UP

Banker

Royal Bank of Scotland plc
PO Box 412
62-63 Threadneedle Street
London
EC2R 8LA

Solicitor

Irwin Mitchell LLP
Thomas Eggar House
Friary Lane
Chichester
West Sussex
PO19 1UF

Auditor

KPMG LLP
15 Canada Square
London E14 5GL

THESIS UNIT TRUST MANAGEMENT LIMITED

Strategic Report

The directors present the Strategic Report for the year ended 30 April 2018.

Business Review

Thesis Unit Trust Management Limited ("Tutman") is a wholly owned subsidiary of Thesis Asset Management Limited.

Tutman is regulated and authorised by the Financial Conduct Authority ("FCA") and has the permission necessary to act as an Authorised Fund Manager of collective investment schemes. The firm was also authorised by the FCA as an Alternative Investment Fund Manager under the AIFM on 20 July 2014.

Tutman is a leading provider of specialist ACD services to the wealth management and investment management communities. Tutman obtained the specific regulatory permissions to act as an Authorised Fund Manager of collective investment schemes in 1998 and managed 95 funds with £9.75 billion assets under management at 30 April 2018.

The Tutman business model applies the concept of open architecture and provides independent, bespoke and flexible solutions for clients. Tutman's role is both to create the chosen investment vehicle and then to manage it efficiently, compliantly and independently. In this role as coordinator and manager Tutman takes overall responsibility for the investment management and administration of the fund but outsources those activities to professional asset managers and fund administrators on whom it conducts regular due diligence reviews.

Key Performance Indicators

The primary driver of growth for the business is its funds under management figure as all revenue earned is calculated on an ad valorem basis. Growth in funds under management could be achieved both through additional investment received into existing funds or through the launch of additional funds for a sponsor.

For this reason, Tutman considers its key performance indicators to be the absolute value of funds under management, the number of funds under its management and also the number of sponsor relationships.

The appropriate figures are shown below.

	2018	2017
Funds under management	£9,749,343,652	£8,943,144,000
Number of funds managed	95	95
Number of sponsor relationships	51	53

During the year, 1 new fund was launched or transferred to the Company's control while 1 fund was closed. Several of the company's funds comprise a number of sub-funds. Where these pursue distinct investment objectives they are recognised as separate funds and included individually in the analysis above.

THESIS UNIT TRUST MANAGEMENT LIMITED

Strategic Report (continued)

Events During the Period

The Company operates as a wholly owned subsidiary of Thesis Asset Management Limited ("Thesis") and holds a 55% interest in the ordinary members' capital of Tutman LLP.

The Thesis group was the subject of a change of control during the year. Full details are provided in note 12 to the accounts.

Principal Risks and Uncertainties

Europe

The Company is continuing to evaluate the likely economic, political and regulatory risks arising from the June 2016 referendum in relation to the UK's membership of the EU on the Company's business strategy and business risks in the short, medium and long term. In the short term, there has been no significant impact on the Company's business activities, there will be no immediate change in its business strategy and there is no effect on the going concern position of the Company. Tutman will continue to monitor developments closely and will make appropriate changes to its business strategy once the consequences of the UK's prospective departure from the EU are more certain.

Market Risk

The Company's revenue together with a significant element of administrative expenses are calculated as a fixed proportion of the value of funds under management and are, therefore, highly correlated with the value of the underlying investments held by the funds. The majority of funds invest solely in liquid assets traded on recognised exchanges with just 11 funds using derivatives as part of their investment strategy. The limited number of illiquid assets is reviewed regularly as part of the active oversight programme.

All fund investments are actively managed, in accordance with their investment mandates, and the Company manages the cost base to maximise the proportion of expenditure that is variable and so correlated with income.

Regulatory Risk

The financial services sector in which the Company operates is heavily regulated. Failure to comply with regulatory rules could lead to fines or other intervention being imposed by the Company's regulator, the Financial Conduct Authority.

The Company monitors changes in regulation to determine the likely impact of its business and plans accordingly.

Competition Risk

The financial services sector in the UK is highly competitive. The loss of existing clients or failure to continue to attract fresh investment could have a significant impact on future profitability.

The Company mitigates this risk by monitoring changes in the marketplace to ensure its products and services remain relevant and competitive and by investment in its staff and resources to ensure that its investment and oversight processes and service levels remain high.

THESIS UNIT TRUST MANAGEMENT LIMITED

Strategic Report (continued)

Reputational Risk

The Company has a reputation for providing a high quality service to clients and there is a risk that any loss of reputation could lead to loss of existing mandates which would lead to financial loss.

Reputational risk could arise in a varied number of circumstances, including poor performance or service or from regulatory censure leading to adverse publicity.

Many of the Company's activities, including investment management, fund accounting, administration and registration services, are delivered through a number of outsourcing arrangements, though the Company retains primary responsibility for these functions. A key business risk, therefore, is to ensure that these functions are performed to the appropriate standards by its appointees.

The Company manages these risks through a number of channels, including a rolling program of formal compliance visits and regular monitoring by a dedicated team of industry professionals.

Remuneration Policy

The remuneration model for all staff comprises fixed remuneration of a basic salary and a defined contribution pension scheme and variable remuneration in the form of an annual bonus. Bonuses are calculated primarily by reference to the performance of each individual and of the Company. The performance of individuals is assessed primarily by reference to non-financial criteria, especially the effectiveness of their oversight monitoring of delegates appointed to perform investment advisory or fund administration services for the fund.

Throughout the current and prior financial years, all staff in the group were employed by Thesis Asset Management Limited. A number of staff are considered, however, to devote the whole of their time to the business of the Company or its subsidiary while the costs of a number of others are allocated between the entities within the group based on the expected amount of time devoted to each. The remuneration of these individuals is summarised below:

	2018			2017		
	Tutman Limited	TUTMAN LLP	Total	Tutman Limited	TUTMAN LLP	Total
	£	£	£	£	£	£
Fixed Remuneration	970,471	261,699	1,232,170	588,575	551,245	1,139,820
Variable Remuneration	131,386	35,332	166,718	81,935	76,868	158,803
Total	1,101,857	297,031	1,398,888	670,510	628,113	1,298,623

Headcount (FTE) 20.6

24.9

Approved by the Board of Directors
and signed on behalf of the Board on 16 August 2018

D W Tyerman
Director

Exchange Buildings
St John's Street
Chichester
West Sussex PO19 1UP

THESIS UNIT TRUST MANAGEMENT LIMITED

Directors' Report

The directors present their annual report and the audited financial statements of Thesis Unit Trust Management Limited for the year ended 30 April 2018.

Going Concern

The Company has considerable financial resources, including a cash balance of £16,710,671 at 30 April 2018 (2017: £14,214,067) after deduction of an overdraft of £1,760 (2017: £1,164).

The Company is expected to continue to be cash flow positive in the year ahead. As a consequence the directors believe that the Company is well placed to manage its business risks successfully despite the current uncertain economic outlook. Accordingly, the directors have a reasonable expectation that the Company has adequate resources to pursue its business plans and they continue to adopt the going concern basis for preparing the financial statements.

Results and Dividends

The results for the year are set out in the profit and loss account on page 10. Profit for the year was £3,229,254 (2017: £203,088). The Directors do not propose a dividend for 2018 (2017: £nil).

Directors

The following directors held office throughout the year and to the date of signing of the financial statements, except as noted below.

D W Tyerman	
S R Mugford	
S E Noone	
S P Richards	Resigned 21 July 2017
A H Gilbert	Resigned 21 July 2017
A J Edwards	Resigned 21 July 2017
D K Mytnik	Appointed 12 April 2018
V R Smith	Appointed 18 April 2018

Disclosure of Information to Auditor

Each of the persons who were a director at the date of approval of this report confirms that:

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

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

THESIS UNIT TRUST MANAGEMENT LIMITED

Directors' Report (continued)

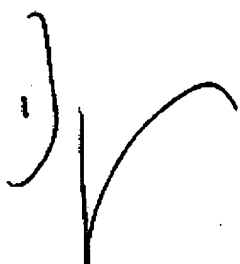
Auditor

KPMG LLP have expressed their willingness to continue in office as auditor. Pursuant to section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

Approved by the Board of Directors
and signed on behalf of the Board on 16 August 2018

X

D W Tyerman
Director



Exchange Buildings
St John's Street
Chichester
West Sussex PO19 1UP

X

THESIS UNIT TRUST MANAGEMENT LIMITED

Statement of Directors' Responsibilities in Respect of the Directors' Report and the Financial Statements

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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

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 of the profit or loss of 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 estimates that are reasonable and prudent; and
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Approved by the Board of Directors
and signed on behalf of the Board on 16 August 2018

D W Tyerman
Director

Exchange Buildings
St John's Street
Chichester
West Sussex PO19 1UP

Independent Auditor's Report to the Directors of Thesis Unit Trust Management Limited

Opinion

We have audited the financial statements of Thesis Unit Trust Management Limited ("the company") for the year ended 30 April 2018, which comprise the Profit and Loss Account and Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 April 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

Strategic report and directors' report

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

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

- 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; 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.

We have nothing to report in these respects.

Independent Auditor's Report to the Directors of Thesis Unit Trust Management Limited (continued)

Directors' responsibilities

As explained more fully in their statement set out on page 7, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members 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 members, as a body, for our audit work, for this report, or for the opinions we have formed



Ravi Lamba (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
Canary Wharf
London E14 5GL
21 August 2018

THESIS UNIT TRUST MANAGEMENT LIMITED**Profit and Loss Account and Other Comprehensive Income****Year Ended 30 April 2018**

		2018	2017
		£	£
	Note		
TURNOVER	2	64,606,577	61,725,288
Cost of sales		(59,430,901)	(58,091,914)
GROSS PROFIT		5,175,676	3,633,374
Operating and administrative expenses	3	(2,939,072)	(4,246,217)
OPERATING PROFIT		2,236,604	612,843
Income from investment in group undertaking		976,740	825,653
Interest receivable and similar income		15,911	38,763
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		3,229,254	251,573
Tax on profit on ordinary activities	6	-	(48,485)
PROFIT FOR THE FINANCIAL YEAR		3,229,254	203,088
Other comprehensive income		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		3,229,254	203,088

All activities derive from continuing operations in the current and prior year.

The notes on pages 13 to 19 form an integral part of the financial statements.

THEESIS UNIT TRUST MANAGEMENT LIMITED

Balance Sheet

30 April 2018

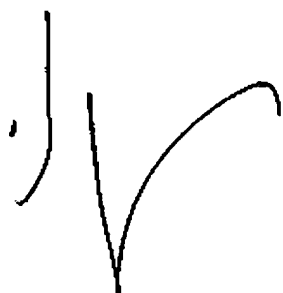
			2018 £	2017 £
	Note			
FIXED ASSETS				
Investments in subsidiaries	7		4,521,917	288,750
CURRENT ASSETS				
Debtors	8	27,450,555	33,908,467	
Cash at bank and in hand		16,712,431	14,215,231	
		<u>44,162,986</u>	<u>48,123,698</u>	
CREDITORS: amounts falling due within one year	9	<u>(37,600,854)</u>	<u>(44,790,820)</u>	
NET CURRENT ASSETS			<u>6,562,132</u>	<u>3,332,878</u>
NET ASSETS			<u>11,084,049</u>	<u>3,621,628</u>
CAPITAL AND RESERVES				
Called up share capital	10	5,673,167	1,440,000	
Profit and loss account		<u>5,410,882</u>	<u>2,181,628</u>	
TOTAL SHAREHOLDERS' FUNDS			<u>11,084,049</u>	<u>3,621,628</u>

The notes on pages 13 to 19 form an integral part of the financial statements.

These financial statements of Thesis Unit Trust Management Limited, (registered number 03508646) were approved by the Board of Directors and authorised for issue on 16 August 2018.

Signed on behalf of the Board of Directors.

D W Tyerman
Director





THESIS UNIT TRUST MANAGEMENT LIMITED

Statement of Changes in Equity

	Note	Called Up Share Capital £	Profit and Loss Account £	Total £
Balance at 1 May 2017		1,440,000	2,181,628	3,621,628
Total comprehensive income				
Result for the year		-	3,229,254	3,229,254
Other comprehensive income		-	-	-
Issue of share capital		4,233,167	-	4,233,167
Balance at 30 April 2018	10	5,673,167	5,410,882	11,084,049

	Note	Called Up Share Capital £	Profit and Loss Account £	Total £
Balance at 1 May 2016		1,440,000	1,978,540	3,418,540
Total comprehensive income				
Result for the year		-	203,088	203,088
Other comprehensive income		-	-	-
Balance at 30 April 2017	10	1,440,000	2,181,628	3,621,628

The notes on pages 13 to 19 form an integral part of the financial statements.

THESIS UNIT TRUST MANAGEMENT LIMITED

Notes to the Accounts

1. Accounting Policies

Basis of Preparation

Thesis Unit Trust Management Limited is a company limited by shares and incorporated and domiciled in the UK.

The financial statements have been prepared in accordance with Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and the Republic of Ireland ("FRS102") as issued in August 2014. The presentation currency of the financial statements is sterling. The financial statements are prepared on the historical cost basis.

The Company has taken advantage of the provisions of s400 of the Companies Act 2006 not to prepare group accounts as its results, and those of TUTMAN LLP, are fully included in the accounts of its ultimate parent, Regit Topco Limited, a company incorporated in Jersey.

The Company's ultimate parent undertaking, Regit Topco Limited, includes the Company in its consolidated financial statements. The consolidated financial statements of Regit Topco Limited are prepared in accordance with FRS102 and are available to the public from Exchange Building, St John's Street, Chichester, West Sussex, PO19 1UP. In these financial statements the Company is considered a qualifying entity and has applied the exemptions available under FRS102 in respect of the following disclosures:

- Reconciliation of the number of shares from the beginning to the end of the period;
- Cash flow statement and related notes; and
- Key Management Personnel compensation

The particular accounting policies adopted are described below and have been applied consistently throughout the current and prior year.

Going Concern

The Company is expected to continue to be cash flow positive in the year ahead. As a consequence the directors believe that the Company is well placed to manage its business risks successfully despite the current uncertain economic outlook. Accordingly, the directors have a reasonable expectation that the Company has adequate resources to pursue its business plans and they continue to adopt the going concern basis for preparing the financial statements.

Basic Financial Instruments

Investments

Investments held as fixed assets, including investments in subsidiaries, are stated at cost less provision for any impairment in value.

Trade and Other Debtors/Creditors

Trade and other debtors are recognised on the balance sheet when the Company becomes a party to the contractual provisions of the instrument at transaction price less attributable transaction costs. Subsequent to initial recognition, they are measured at cost less any impairment losses.

Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition, they are measured at amortised cost.

THESIS UNIT TRUST MANAGEMENT LIMITED

Notes to the Accounts (continued)

1. Accounting Policies (continued)

Cash and Cash Equivalents

Cash and cash equivalents comprise cash balances and call deposits.

Other Financial Instruments

The Company did not hold any non-basic financial instruments during the period.

Related Parties

The Company is a wholly owned subsidiary of Thesis Asset Management Limited. The ultimate parent undertaking of both is Regit Topco Limited, a company incorporated in Jersey and which prepares consolidated financial statements. The Company has taken advantage of the exemption contained in paragraph 33.1A of FRS102 and has therefore not separately disclosed transactions or balances with entities which form part of the Regit Topco Limited Group.

Presentation of Unsettled Trades

The Company acts as an authorised corporate director or manager for OEICS and unit trusts respectively and, on a matched bargain basis, trades as principal when investors buy or sell units in one of the funds. The directors consider that it is appropriate to present the gross amount of any unsettled trades on the balance sheet as this provides a fairer presentation of the result and of the financial position of the Company.

Any cash balances arising in respect of such trades are held in operating accounts and included on the balance sheet within Cash at bank and in hand.

Turnover

Turnover is the amount derived from fees and commissions in the provision of services falling within the Company's ordinary activities, and is recognised on an accruals basis. Income derived from unit dealing is recognised on a receivable basis.

Income accruals are made primarily in respect of the annual management fees charged to each fund. These are charged to the funds monthly in arrears and an accrual is made at each period end, based on the rate applicable to each fund and the most recent valuation of the fee earned since the last charging date.

All turnover is derived from operations in the UK from investment management activities.

All income excludes value added tax.

Operating and Administrative Expenses

Throughout the current and prior years, the Company was part of a group. Operating and administrative expenses, including staff costs and premises, were incurred by Thesis Asset Management Limited and an appropriate recharge was made to the Company.

THESIS UNIT TRUST MANAGEMENT LIMITED

Notes to the Accounts (continued)

1. Accounting Policies (continued)

Interest Receivable and Interest Payable

Interest payable and similar charges include interest payable, unwinding of the discount on provisions and net foreign exchange losses recognised in the profit and loss account. Interest receivable and similar income includes interest receivable on funds invested and net foreign exchange gains.

Interest income and interest payable are recognised in profit or loss as they accrue, using the effective interest method. Dividend income is recognised in the profit and loss account on the date the entity's right to receive payments is established. Foreign currency gains and losses are reported on a net basis.

Taxation

Taxation comprises current and deferred tax. Taxation is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income.

Current UK corporation tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred taxation is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense. Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date.

Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

2. Turnover

All turnover is derived from operations in the UK as set out below.

	2018 £	2017 £
Fund management fees	64,589,262	61,698,189
Income derived from unit dealing	17,315	27,099
Turnover	64,606,577	61,725,288
Fund administration and investment charges	(59,027,439)	(56,363,645)
Charge for services provided by subsidiary undertaking	(403,462)	(1,728,269)
Gross Profit	5,175,676	3,633,374

THESIS UNIT TRUST MANAGEMENT LIMITED

Notes to the Accounts (continued)

3. Operating and Administrative Expenses

	2018	2017
	£	£
Staff costs	1,135,799	670,510
Establishment costs	90,444	51,697
Other expenses	1,712,829	3,524,010
	<u>2,939,072</u>	<u>4,246,217</u>

Included within other expenses is fees payable to the firm's auditor for the audit of these financial statements of £13,900 (2017: £12,060). Amounts receivable by the company's auditor and its associates in respect of services to the company and its associates, other than the audit of the company's financial statements, have been disclosed on a consolidated basis in the consolidated financial statements of the ultimate parent, Regit Topco Limited.

4. Directors' Remuneration

The directors are remunerated by Thesis Asset Management Limited or, in the case of Vincent Smith and Daniel Mytnik by Thesis Holdings Limited. The directors did not receive any fees or any other benefits for their services to the Company either this year or last. Total remuneration paid to the directors was £779,848 (2017: £725,770).

5. Staff Numbers and Costs

The company had no employees during the current or previous years.

6. Tax on Profit on Ordinary Activities

(a) Analysis of tax charge on ordinary activities

	2018	2017
	£	£
Current tax on profit for the year	-	(50,219)
Adjustment in respect of prior years	-	1,734
	<u>-</u>	<u>(48,485)</u>
Deferred tax	-	-
Total tax	<u>-</u>	<u>(48,485)</u>

THESIS UNIT TRUST MANAGEMENT LIMITED

Notes to the Accounts (continued)

6. Tax on Profit on Ordinary Activities (continued)

(b) Factors affecting tax charges for the current period

The tax assessed for both the current and previous years is lower than that resulting from applying the standard rate of corporation tax in the UK of 19.0% (2017: 19.9%).

The differences are explained below:

	2018 £	2017 £
Profit on ordinary activities before taxation	3,229,253	251,573
United Kingdom corporation tax at 19.0% (2017: 19.9%)	(613,558)	(50,063)
Effects of:		
Group relief surrendered for nil consideration	613,650	-
Expenses not deducted for tax purposes	(92)	(156)
Adjustment in respect of prior period	-	1,734
Current tax charge for the year	-	(48,485)

A reduction in the UK corporation tax rate from 20% to 19% (effective 1 April 2017) was substantively enacted on 26 October 2015 and resulted in a weighted average tax rate of 19.9% for 2017.

(c) Factors that may affect future current and total tax charges

Further reductions to 17% (effective 1 April 2020) were substantively enacted on 6 September 2016.

7. Investments

	2018 £	2017 £
Opening Investment in subsidiary undertakings at cost	288,750	68,750
Investment in subsidiary undertakings during the year	4,233,167	220,000
Closing Investment in subsidiary undertakings	4,521,917	288,750

Tutman has invested in one subsidiary undertaking, TUTMAN LLP ("the LLP"). The LLP is a Limited Liability Partnership and is incorporated in Great Britain and registered in England and Wales under the Limited Liability Partnerships Act 2000. Its registered address is Exchange Buildings, St John's Street, Chichester, West Sussex PO19 1UP.

At 30 April 2017, Tutman held a 55% interest in the ordinary members' capital of the LLP. On 21 July 2017, Tutman increased its investment, acquiring 44% of the 45% minority investment held by three members of the management team. The consideration for this acquisition was £4,233,167.

The principal activity of TUTMAN LLP is the management of unit trusts and Open-Ended Investment Companies (OEICs). For this purpose it is authorised and regulated by the Financial Conduct Authority ("FCA"). TUTMAN LLP also provides services to the Company to support the management of its existing clients.

During the year, TUTMAN LLP recorded a profit before members' remuneration of £1,203,856 (2017: £1,501,187) and had net assets of £1,516,737 (2017: £1,121,605).

THESIS UNIT TRUST MANAGEMENT LIMITED

Notes to the Accounts (continued)

8. Debtors

	2018 £	2017 £
Trade debtors	25,814,236	33,771,162
Accrued income	999	1,672
Amounts owed by group undertakings	1,635,320	135,633
	<u>27,450,555</u>	<u>33,908,467</u>

Within trade debtors there is £19,163,154 (2017: £27,801,583) owed to the Company in respect of the creation or liquidation of units in OEICS and unit trusts for which the Company acts as authorised corporate director or manager respectively.

9. Creditors – Amounts Falling Due Within One Year

	2018 £	2017 £
Bank loans and overdraft	1,760	1,164
Trade creditors	19,164,069	27,894,525
Corporation tax	-	50,218
Amount owed to group undertakings	73,219	630,108
Other creditors including taxation and social security	1,161	4,339
Accruals and deferred income	18,360,645	16,210,466
	<u>37,600,854</u>	<u>44,790,820</u>

Within trade creditors there is £19,164,069 (2017: £27,760,203) owed by the Company in respect of the creation or liquidation of units in OEICS and unit trusts for which the Company acts as authorised corporate director or manager respectively.

10. Share Capital

	2018 £	2017 £
5,673,167(2017: 1,440,000) allotted, called up and fully paid		
Ordinary shares of £1 each	<u>5,673,167</u>	<u>1,440,000</u>

On 28 July 2017, 4,233,167 ordinary shares of £1 each were issued at par.

11. Parent Company

The immediate parent company, and immediate controlling entity, is Thesis Asset Management Limited. The largest group of which the Company is a member and for which consolidated financial statements are drawn up is that of Regit Topco Limited, a company incorporated in Jersey. The smallest group of which the Company is a member and for which consolidated financial statements are drawn up is that of Regit Holdco Limited, a company incorporated in Jersey.

THEESIS UNIT TRUST MANAGEMENT LIMITED

Notes to the Accounts (continued)

12. Controlling Party

As at 30 April 2017, the voting ordinary shares of Thesis Asset Management Limited were held by Thomas Eggar Trust Corporation Limited on behalf of certain current and retired members of Rhealisation LLP and its subsidiary, Rhealisation Enterprises Limited.

On 20 June 2017 an announcement was made that Regit Bidco Limited, a Jersey registered company formed by a consortium of investors, including existing members of the management team, intended to make an offer to acquire a controlling 100% interest in the shares of Thesis.

As part of the transaction, the minority investment in Tutman LLP held by three members of the management team, David Tyerman, Sarah Noone and Stephen Mugford, was also acquired and settled partly in cash and partly by the issue of shares in Regit Topco Limited, the parent company of the bidding entity.

The offer was recommended by the independent directors of the board of Thesis and became unconditional on 21 July 2017 following acceptance by a sufficient proportion of the shareholders. Each of the non-executive directors resigned from the Board on that date.

Regit Bidco Limited subsequently changed its name to Thesis Holdings Limited on 29 September 2017.

The ultimate controlling party is Regit Topco Limited, a company incorporated in Jersey.

The registered address of both Jersey companies is 47 Esplanade, St Helier, Jersey JE1 0BD.

13. Related Party Transactions

All directors, including non-executive directors and those individuals who serve only on the boards of parent or subsidiary companies, are considered to be related parties. In addition, Vincent Smith is a director of J Leon & Company. That business has trading relationships with the Company and through its subsidiary, JLC Tigerco Limited, is an investor in Regit Topco Limited, the Company's ultimate parent. The Company considers J Leon and its directors also to be related parties. The Company earned fees of £231,189 (2017: £212,625) from this relationship, of which £17,143 was outstanding at the year end (2017 £19,154).

As at 30 April 2018, the Company had an Interest of 99% in Tutman LLP. The remaining 1% was held by Thesis Asset Management Limited. As the LLP is not a wholly owned subsidiary, disclosure of transactions with the Company is required by paragraph 33.1A of FRS102 even though all amounts are eliminated on consolidation within the group accounts of Regit Topco Limited.

Under the terms of a Management Contract between the Company and TUTMAN LLP dated 17 July 2012, TUTMAN LLP provided services to the Company to assist it in the performance of its responsibilities as authorised corporate director or manager of a number of Open Ended Investment Companies or Unit Trusts. This contract was terminated on 21 July 2017.

	2018 £	2017 £
Amounts payable to TUTMAN LLP under the terms of a Management Contract dated 17 July 2012	403,462	1,728,269
	<hr/>	<hr/>
	2018 £	2017 £
Amounts due to TUTMAN LLP at 30 April	-	141,370
	<hr/>	<hr/>