

OPPORTUNITY

Traditional Values - Mutual Benefits



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Head Office relocation

Since our last newsletter we have relocated our Head Office to 9 Navigation Court, Calder Park, Wakefield WF2 7BJ.

The principal reason for the change was that our existing office space in Leeds was no longer viewed as being suitable for our present and future needs. As a result a detailed review of potential locations was carried out and Calder Park was considered to provide the best accommodation and value, with easy access from the M1 motorway. The move was successfully completed in June 2010.



ISA Changes

From 6 April 2011 the subscription limits for ISA's will change along with the way in which future increases will be made. The present Government confirmed the proposal to link annual increases to the change in the Retail Prices Index (RPI) in September before the start of a new tax year the following April. After applying the index the limit will be rounded to the nearest multiple of £120 to allow easy calculation for anyone who pays into their ISA on a monthly basis. If the change to RPI is negative, the limits will not be altered.

RPI in September 2010 was 4.6% therefore the limit for 2011/2012 will be increased to £10,680 from £10,200 with the maximum to a cash ISA up from £5100 to £5340.

Kingston Unity offers two types of ISA's, one linked to our with profit fund and the other is unit linked and tracks the UK Index fund. Both of these fall within the category of a Stocks and Shares ISA but the With Profit ISA attracts a bonus rate, which is variable depending upon investment performance of various assets, whilst the Tracker will vary up and down in relation to the performance of the equities that it tracks.

Our with profit ISA has been paying a return of 3.25% for the last xx months. Withdrawals are allowed if required but not on a frequent basis.

If you would like to know more about the way in which our ISA's work and whether they might be suitable for you please contact us, alternatively request a leaflet and key features or visit our website:
www.kingstonunity.co.uk.

New Staff

In June last year Jan Bell joined us and she is responsible for administration relating to existing policies along with other duties, one of which is the organisation of the AGM and Conference. Jan has in the past worked in Banking and for a firm of Financial Advisers.

Jan Bell



At the end of December Anne Merrie our Finance Administrator left to take up a new position and her replacement is Michelle Land. Michelle is a part qualified AAT technician and is hoping to complete her qualification, following further study, in 2012.

Michelle Land



Allan Beckett

Sadly we have to report the death of Allan Beckett in February this year. He was a committee member of Royal Albert Branch, having joined in 1992, and has served both as a Trustee and Chairman. He became a member of the Society Board in 2004 and was Vice Chairman at the time he had to resign his position due to ill health in May 2010. Allan was well respected by his friends and peers and his steady influence was always appreciated by his colleagues on the Board.

Branch Mergers

At the end of June last year the members of Hand and Heart Branch agreed to transfer engagements to Lord Nelson Branch and at the end of the year City of Ripon merged with Hearts of Oak.

Investment Bond

We reported last year on the launch of our new investment bond which gives access to our well performing With Profit Fund for lump sum investments. The main features are as follows:-

- Minimum Investment £1000 and maximum £100,000.
- Sum Assured on which bonus is calculated of 102% of the initial investment.
- Income facility available if required.
- Death benefit of 101% of the sum assured or the sum assured plus bonus whichever is the greater.
- Withdrawals allowed if required but may create a tax liability depending upon circumstances.
- Guaranteed Market Value Reduction (MVR) free dates on 5th anniversary and each subsequent 5 yearly anniversary.
- Bonus based on the sum assured declared annually subject to investment performance. Declared bonus rate for 2010 was 3.00% and the interim rate for 2011 is 3.5%.

For a limited period we are enhancing the sum assured from 102% to 103% of the initial investment.

For full details or additional information about the Bond please contact us or visit the website: www.kingstonunity.co.uk

What is the Kingston Unity with profit fund

In most cases when you save or invest with the Society it is done within our with profit fund so it may be helpful to have a bit of background information.

This is an investment fund where your money is combined with that of other customers and then invested in a range of different assets (see the second part of this article). The objective is to ensure that on death or maturity you will receive the guaranteed benefit under the policy along with any annual bonus that has been added. Annual bonus is not guaranteed to be paid and may vary, including the possibility of none being paid in a particular year or years, depending upon the investment performance of the fund. Some of our policies may also have a terminal bonus added but again this depends on the fund's performance.

- **Annual bonus** – The rate of bonus is set by the Society's Board after consultation with the with profits Actuary, usually once every year. It is set by taking into account what the fund can afford both now and in the future to make sure that we can meet all the guaranteed amounts when they need to be paid. Once an annual bonus has been added it cannot be taken away providing the policy runs to maturity.
- **Interim bonus** – This type of bonus may be added if your policy matures during a period for which an annual bonus has not been declared.
- **Terminal bonus** – Any terminal bonus is again agreed by the Board following consultation with the with profits Actuary. This type of bonus is designed to ensure that the amount that you get back fairly represents the performance of the fund during the period of your investment.



Bonus Rates for 2010

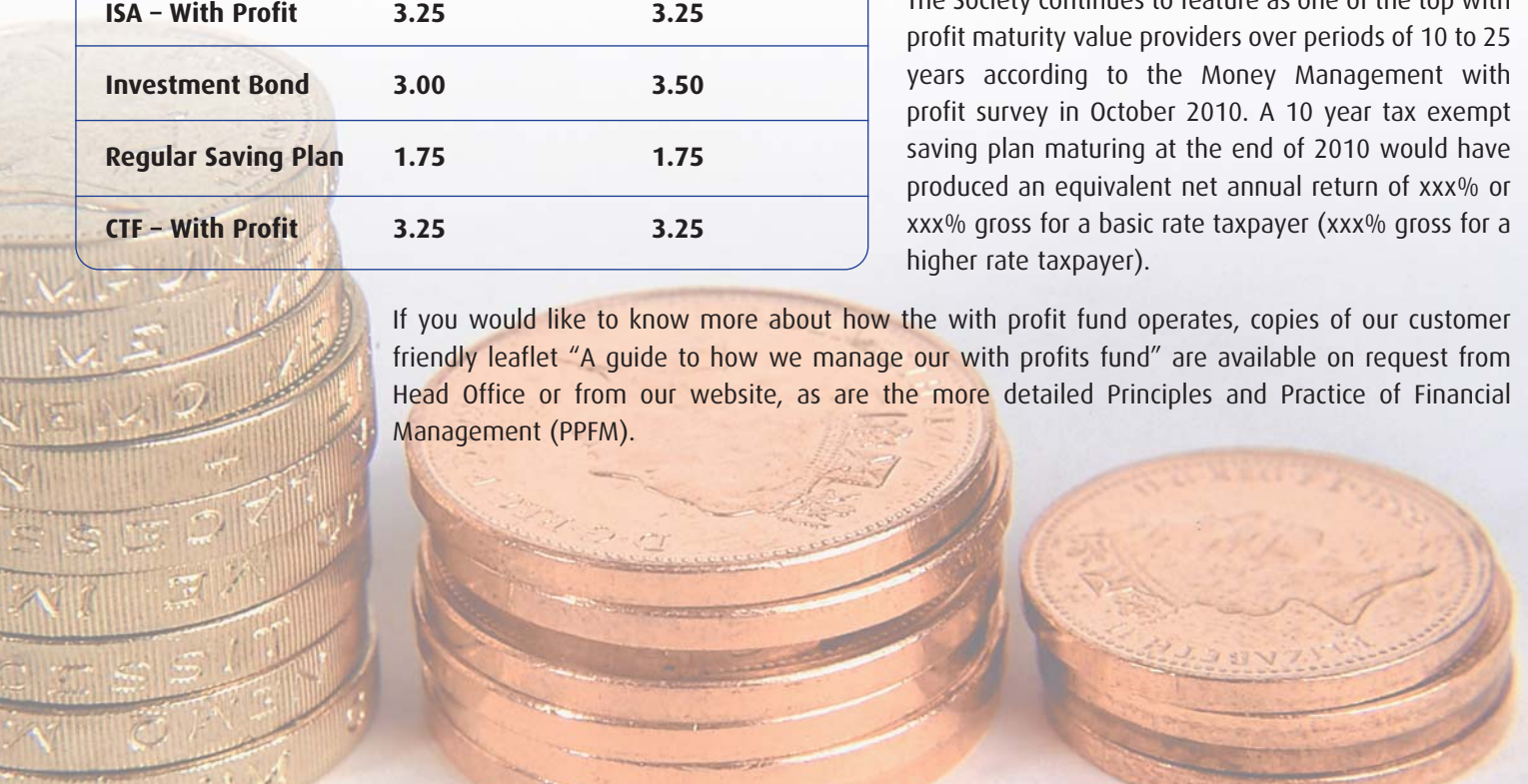
The following bonus rates have been declared for 2010 along with the interim rates for 2011

| | 2010 Declared % | 2011 Interim % |
|----------------------------|-----------------|----------------|
| Tax Exempt Savings | 2.25 | 2.25 |
| ISA – With Profit | 3.25 | 3.25 |
| Investment Bond | 3.00 | 3.50 |
| Regular Saving Plan | 1.75 | 1.75 |
| CTF – With Profit | 3.25 | 3.25 |

In addition for tax exempt savings plan policies maturing in 2011 we will continue to add a terminal bonus of 5% of the existing bonuses.

The Society continues to feature as one of the top with profit maturity value providers over periods of 10 to 25 years according to the Money Management with profit survey in October 2010. A 10 year tax exempt saving plan maturing at the end of 2010 would have produced an equivalent net annual return of xxx% or xxx% gross for a basic rate taxpayer (xxx% gross for a higher rate taxpayer).

If you would like to know more about how the with profit fund operates, copies of our customer friendly leaflet "A guide to how we manage our with profits fund" are available on request from Head Office or from our website, as are the more detailed Principles and Practice of Financial Management (PPFM).



How is the With Profit fund invested

The with profit fund is invested in a range of different assets such as shares, property, fixed interest type investments for example Government and corporate bonds and cash. We vary the proportions held in each particular asset class depending upon:

- The level of guarantees on the fund.
- The current and future financial position to ensure that we meet the reasonable expectations of our customers. We aim to maximise the investment return whilst providing a safe route to meeting commitments.

We operate the fund within an investment matrix agreed by the Actuary and review the percentage of assets held in a particular class formally each year and more frequently when there is volatility in the market. You can find out the split of where the assets are held at a specific time by contacting head office.

The overall aim is to provide a better return over in the longer term than those available from a typical Bank or Building Society deposit based account but without the volatility risk of direct investment that might be associated for example with the Stock Market.

Could you be an
ambassador
for **Kingston Unity**
and benefit from
some additional
income?

We want more people to know about what Kingston Unity has to offer and would like to recruit Agents to promote our products to friends, relatives, work colleagues or members of clubs or associations. You will not be required to provide any advice but you will receive an introducers fee for any new business that comes from your recommendations.

Previous experience is not essential as we will provide you with initial training but you will need enthusiasm and drive to be successful.

If you would like to discuss the role on an informal basis to see whether it might be right for you, contact:

Andrew Townsley or Sarah Bostwick at Head Office on 01924 240164.



KINGSTON UNITY
THE FRIENDLY SOCIETY
TRADITIONAL VALUES - MUTUAL BENEFITS

9 Navigation Court, Calder Park,
Wakefield, WF2 7BJ

Tel: 01924 240164
www.kingstonunity.co.uk

Product Information request

- Tax Exempt Savings Plan
- Tax Exempt Savings Plan with life cover
- Regular Savings Plan
- Investment Bond
- Individual Savings Account – with profit
- Individual Savings Account – Tracker
- Child Trust Fund – with profit
- Child Trust Fund – Stakeholder (Tracker)
- Branch Schemes

For further details, please tick the appropriate box in the product information panel and return it to Head Office or Branch Secretary.