



WAY Fund Managers Limited

**Elite Income Plan
Cash Trust**

Interim Report and Unaudited Financial Statements
for the accounting period ended 31st July 2008

Issue date 30th September 2008

ELITE INCOME PLAN CASH TRUST

Manager's Report and Accounts
for the period ended 31st July 2008

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ELITE INCOME PLAN CASH TRUST

Manager

WAY Fund Managers Limited
Cedar House
3 Cedar Park
Cobham Road
Wimborne
Dorset BH21 7SB
Telephone: 01202 855 856

Independent Auditor

Grant Thornton UK LLP
30 Finsbury Square
London EC2P 2YU

Directors of the Manager

P Wilcox (Chairman)
D Pook (Chief Executive)
P Legg (Finance)
V Hoare (Operations)

Investment Adviser

UBS Wealth Management (UK) Limited
One Curzon Street
London W1J 5UB

Trustee

State Street Trustees Limited
One Canada Square
London E14 5AF

Registrar*

Northern Trust International Fund
Administration Services (UK) Limited
PO Box 55736
50 Bank Street
Canary Wharf
London E14 1BT

*With effect from 1st November 2008 the responsibility of the maintenance of the register of holders was transferred from Northern Trust International Administration Services (UK) Limited to the ACD, WAY Fund Managers Limited at the address of the ACD. All enquiries, changes of address or alteration to the register should now be addressed to WAY Fund Managers Limited. The ACD's address is also the address at which the register of holders may be inspected.

REPORT OF THE INVESTMENT ADVISER

for the period ended 31st July 2008

Investment Objective and Policy

The investment objective of the Trust is the generation of income through active management of a diversified portfolio of UK deposits, short-dated money market and other instruments.

Performance to 31st July 2008

	6 Months	12 Months
	%	%
Elite Income Plan Cash Trust	1.80	4.02
IMA Money Market Sector Average	1.66	3.65

Source: Lipper Hindsight, Total Return, excluding initial charges.

Performance Report

For the six months ended 31st July 2008 the Trust has achieved a total net return of 1.80%.

Investment Review

Throughout the review period the Trust's return has been achieved by placing weekly to six-monthly money market deposits with various banks and building societies. As a result of the Trust's investment policy, performance is dependent on the level of short-term interest rates set by the Monetary Policy Committee of the Bank of England in respect to the prevailing conditions of the UK economy.

The last six months have been a particularly testing time for financial markets. The banking sector has been recapitalising itself with asset sales and rights issues as the credit crunch continues to impact on all sectors of the economy. Selecting the right deposit taker has become more important than ever since Northern Rock, with the spreads over base rates continuing to widen. However, the higher rates may not be the most attractive as the level of risk is commensurately higher.

Inflation does not look to be a long term problem and should peak in the autumn. The Bank of England can then concentrate on returning the economy to growth by lowering interest rates, probably by the end of this year and definitely into next year. Forecasts are for interest rates in the UK to be down around 3.5% by the end of 2009 to avoid a serious economic slowdown.

House prices remain a crucial support to the UK economy and they continue to fall as the number of transactions and mortgage approvals also falls on a monthly basis. Expectations are for house prices to trough in the region of a 20% fall from 2007 peaks.

As at the accounting date for the Elite Income Plan Cash Trust, the assets of the Trust included one deposit, with Alliance & Leicester (20.59%), which, as it constituted greater than 20% of the Trust's assets, was in breach of Rule 5.2.11r(3) (Spreads) of the Financial Services Authority's Collective Investment Schemes Sourcebook. This position was caused by redemptions placed which reduced the overall size of the Trust.

REPORT OF THE INVESTMENT ADVISER
for the period ended 31st July 2008 - *continued*

With the agreement of the Trustee, the above breach was allowed to remain until the deposits matured, at which time the amounts of the deposits, in terms of their size against the size of the Trust, were suitably reduced individually below 20%. The Alliance & Leicester deposit matured on 15th September 2008.

The Manager believes, and the Trustee agrees, that no unitholders were disadvantaged by the Rule breaches.

The Rule breaches have been duly recorded by the Manager in their Breach Register.

Jonathan Arthur
UBS Wealth Management (UK) Limited
Investment Advisers to the Trust

August 2008

PERFORMANCE RECORD

Trust Size

	Net asset value (£)	Net asset value pence per unit	No. of units in issue
Date			
31st January 2007	4,997,715	112.54	4,440,745
31st January 2008	4,860,089	116.79	4,161,289
31st July 2008*	4,372,096	119.00	3,675,724

Unit Price Range

Calendar Period	Accumulation Units	
	Highest Offer (pence)	Lowest Bid (pence)
2003	109.70	102.80
2004	112.10	104.30
2005	115.10	106.60
2006	118.10	109.40
2007	122.50	112.30
2008*	125.10	116.50

Other Relevant Prices

Date		Accumulation Units	
		Offer Price (pence)	Bid Price (pence)
18th October 1999	Launch Date	100.00	95.00
31st July 2008	Accounts Date	125.10	119.00
30th Sept 2008	Latest Date	125.90	119.70

Net Income Accumulation

Calendar Year	Pence per unit	Per £1,000 invested on
		2nd January 2003
2003	2.0346	£ 18.82
2004	1.6406	15.18
2005	2.4388	22.56
2006	2.8209	26.09
2007	3.1079	28.75
2008*	4.3010	39.79

*1st January to 31st July 2008

Total Expense Ratio (TER)

This is a measure of the total costs associated with managing the Fund. Apart from the initial charge and transactions costs, all other expenses are included in the TER. The TER is an internationally accepted standard for comparison of costs for authorised funds

The TER of the Trust was 0.69% for the year end 31st January 2008.

Authorised Status

The Elite Income Plan Cash Trust is an Authorised Unit Trust Scheme as defined in Section 243 of the Financial Services and Markets Act 2000, and is a UCITS Scheme within the meaning of the Financial Services Authority's Collective Investment Schemes Sourcebook ("COLL").

Directors' Statement

This financial statements on pages 7 to 17 were approved by the Manager and signed on its behalf by:

D Pook (Chief Executive)
V Hoare (Operations Director)

WAY Fund Managers Limited
30th September 2008

STATEMENT OF TOTAL RETURN

(unaudited) for the period ended 31st July 2008

		31/07/08		31/07/07	
	Notes	£'000	£'000	£'000	£'000
Net gains on investments during the year	2		-		-
Income	3	123		132	
Expenses	4	(18)		(29)	
Finance costs: Interest	6	-		-	
Net income before taxation		105		103	
Taxation	5	(21)		(21)	
Net expense after taxation			84		82
Total return before distributions			84		82
Finance costs: Distributions	6		(5)		(1)
Change in net assets attributable to unitholders			79		81

STATEMENT OF CHANGE IN UNITHOLDERS' NET ASSETS

(unaudited) for the period ended 31st July 2008

	31/07/08		31/07/07	
	£'000	£'000	£'000	£'000
Net assets at the start of the year		4,860		4,998
Movement due to sales and repurchases of units				
Amount receivable on issue of units	363		720	
Less: Amounts payable on cancellation of units	(930)		(815)	
		(567)		(95)
Change in net assets attributable to unitholders (see above)		79		81
Net assets at the end of the year		4,372		4,984

PORTFOLIO STATEMENT
(unaudited) as at 31st July 2008

Holding	Interest Rate	Bid-Market Value	Percentage of total net assets
	%	£	%
Money Market Short Term			
Deposits 99.73% (95.17%)			
900,000 Alliance & Leicester 15/09/2008	5.60%	900,000	20.59
870,000 Anglo Irish Deposit 07/08/2008	5.21%	870,000	19.90
850,000 Barclays Deposit 29/08/2008	5.73%	850,000	19.44
870,000 Bristol & West Deposit 07/08/2008	5.25%	870,000	19.90
870,000 Britannia Deposit 07/08/2008	5.10%	870,000	19.90
		4,360,000	99.73
Investments as Shown in Balance Sheet			
99.73% (95.17%)			
		4,360,000	99.73
Net other assets		12,096	0.27
Total net assets		4,372,096	100.00

Note: Comparative figures shown in brackets relate to 31st January 2008

BALANCE SHEET

(unaudited) as at 31st July 2008

		31/07/08	31/01/08
	Notes	£'000	£'000
Assets			
Portfolio of Investments		<u>4,360</u>	4,625
Current Assets			
Debtors	8	24	11
Cash and bank balances		<u>92</u>	278
Total other assets		<u>116</u>	289
Total assets		<u>4,476</u>	<u>4,914</u>
Liabilities			
Creditors	9	27	(54)
Bank Overdrafts		<u>77</u>	-
Total liabilities		<u>104</u>	(54)
Net assets attributable to unitholders		<u>4,372</u>	<u>4,860</u>

SUMMARY OF MATERIAL PORTFOLIO CHANGES

(unaudited) for the period ended 31st July 2008

Purchases	Costs	Note	Sales	Proceeds
	£			£
Bristol & West Deposit	11,610,000		Anglo Irish Deposit	11,690,000
Anglo Irish Deposit	11,610,000		Bristol & West Deposit	11,640,000
Britannia Deposit	11,560,000		Britannia Deposit	11,615,000
Alliance & Leicester	2,700,000		Alliance & Leicester	2,700,000
Barclays Deposit	2,500,000		Barclays Deposit	2,600,000
Alliance & Leicester	230,000		Alliance & Leicester	230,000
Total for the period	<u>40,210,000</u>		Total for the period	<u>40,475,000</u>

Note: The summary of material portfolio changes identifies those purchases or sales exceeding 2% of the net assets of the Scheme at the start of the accounting period, subject to a minimum disclosure of the 20 largest purchases and sales. Where the purchases or sales are less than the minimum disclosure of 20, it represents all the purchases or sales for the year.

NOTES TO THE FINANCIAL STATEMENTS

(unaudited) as at 31st July 2008

1. Accounting Policies

Basis of accounting

The financial statements have been prepared under the historical cost basis, as modified by the revaluation of investments, and in accordance with the Statement of Recommended Practice for Financial Statements of Authorised Funds issued by the IMA in December 2005.

Income and Expenses

Deposit and bank interest are accounted for on an accruals basis. All expenses, other than those relating to the purchase and sale of investments, are charged against income.

Accumulation Policy

When appropriate the Scheme will distribute any surplus income as an accumulation. For the purpose of distributions, transactions charges are allocated to the Capital account.

Valuations

Cash deposits have been valued at 12:00 on 31st July 2008 net of any accrued interest which is included in the balance sheet as income.

Taxation

Any relevant tax is excluded in the property of the Scheme.

The charge for taxation is based on income for the period.

Deferred taxation is provided on a full provision basis on timing differences arising from the different treatment of items for accounting and taxation purposes. Potential future liabilities and assets are recognised where the transactions or events giving rise to them occurred before the balance sheet date.

2. Net gains on investments

The net gains on investments during the period comprise:

	2008	2007
	£'000	£'000
Non-derivative securities	-	-
Net gains on investments	-	-

NOTES TO THE FINANCIAL STATEMENTS
(unaudited) as at 31st July 2008 - continued

3. Income

	2008	2007
	£'000	£'000
Bank interest	2	3
Deposit interest	121	129
	123	132

4. Expenses

	2008	2007
	£'000	£'000
Payable to the Manager or associates of the Manager:		
Manager's periodic charge	12	23
Registration fees	2	2
	14	25

Payable to the Trustee or associates of the Trustee:

Trustee's fee	1	-
Security transaction charges	1	1
	2	1

Other expenses:

Audit fees	2	2
	2	2
Total expenses	18	28

NOTES TO THE FINANCIAL STATEMENTS

(unaudited) as at 31st July 2008 - continued

5. Taxation

	2008	2007
	£'000	£'000
a) Analysis of charge in period:		
Income tax	<u>21</u>	21
Current tax charge (note 5b)	21	21
Deferred tax (note 5c)	<u>-</u>	-
Total Taxation	21	21
b) Factors affecting taxation charge for the period:		
Net income before taxation	<u>106</u>	103
Tax effect at 20% (2007: 20%)	21	21
Effects of:		
Interest distributions	-	(21)
Income tax	<u>-</u>	21
Current tax charge (note 5a)	21	21
c) Deferred tax		
Provision at the start of the period	-	-
Deferred tax charge in the period	-	-
Provision at the end of the period	<u>-</u>	-

6. Finance Costs

Distributions and Interest

The distributions take account of income received on the creation of units and income deducted on the cancellation of units, and comprise:

	2008	2007
	£'000	£'000
Interim accumulation	-	-
Add: Income deducted on cancellation of units	9	7
Deduct: Income received on issue of units	(4)	(6)
Net distribution for the period	<u>5</u>	1
Interest	<u>-</u>	-
Total finance costs	5	1

NOTES TO THE FINANCIAL STATEMENTS

(unaudited) as at 31st July 2008 - continued

7. Movement between net income and distributions

	2008	2007
	£'000	£'000
Net income	85	-
Security transaction charges	1	-
	86	-

8. Debtors

	31/07/08	31/01/08
	£'000	£'000
Sales awaiting settlement	10	-
Accrued income	14	11
	24	11

9. Creditors

	31/07/08	31/01/08
	£'000	£'000
Accrued expenses	6	7
Income tax withheld	21	47
	27	54

10. Equalisation

Equalisation is the accrued income included in the price of units purchased during the distribution period (Group 2 units) which is refunded as part of a unitholders' first accumulation, so as to provide the same accumulation for all units of the same type. As a repayment of capital it is not liable to Income Tax and should be deducted from the cost of units for Capital Gains Tax purposes.

NOTES TO THE FINANCIAL STATEMENTS

(unaudited) as at 31st July 2008 - continued

11. Related parties

WAY Fund Managers Limited, together with State Street Trustees Limited are regarded as controlling parties by virtue of having the ability to act in concert in respect of the operations of the Trust.

WAY Fund Managers Limited, a related party, acts as principal on all the transactions of units in the Trust. The aggregate monies received through issues and cancellations are disclosed in the statement of change in unitholders' net assets, amounts due to/from WAY Fund Managers Limited in respect of unit transactions at the period end are disclosed in the balance sheet.

Amounts paid to WAY Fund Managers Limited in respect of Manager's periodic charges are disclosed in note 4. £1,936 (31/01/08: £2,116) was due at the period end.

Amounts paid to State Street Trustees Limited in respect of trustee services, safe custody charges and security transaction charges are disclosed in note 4. £1,279 (31/01/08: £959) was due at the period end.

Cash balances on deposit with State Street Trustees Limited are disclosed in the balance sheet together with interest due.

Neither WAY Fund Managers Limited nor State Street Trustees Limited entered into any other transactions with the Trust during the period.

12. Units

The Trust issues Accumulation units only. The Manager's periodic charge is currently charged at 0.5% per annum of net assets. The net asset value per unit and number of units in issue are given in the performance record on page 5.

13. Financial Instruments and Risk

In pursuing its investment objective set out on page 3 the Trust may hold a number of financial instruments. These comprise:

- cash deposits;
- cash and short-term debtors and creditors that arise directly from its operations; and
- unitholders' funds which represent investors' monies which are invested on their behalf.

All of the Trust's financial assets and liabilities are denominated in Sterling.

NOTES TO THE FINANCIAL STATEMENTS

(unaudited) as at 31st July 2008 - continued

13. Financial Instruments and Risk - continued

Interest rate risk profile of the Trust's financial assets and financial liabilities at 31st July 2008

	Floating rate financial assets* 31/07/08 £'000	Fixed rate financial assets** 31/07/08 £'000	Total 31/07/08 £'000
Portfolio	-	4,360	4,360
Cash at bank	92	-	92
Total financial assets	92	4,360	4,452
Financial liabilities	-	-	-
	92	4,360	4,452

Interest rate risk profile of the Trust's financial assets and financial liabilities as at 31st January 2008

	Floating rate financial assets* 31/01/08 £'000	Fixed rate financial assets** 31/01/08 £'000	Total 31/01/08 £'000
Portfolio	-	4,625	4,625
Cash at bank	278	-	278
Total financial assets	278	4,625	4,903
Financial liabilities	-	-	-
	278	4,625	4,903

Short term debtors and creditors have been excluded from the above interest rate risk profiles as they are non interest-bearing.

* The Trust's net cash holdings of £15,459 (31/01/2008: £277,741) are held in floating rate deposit accounts whose rates are determined by reference to LIBOR or international equivalent borrowing rate.

** At 31st July 2008, the weighted average interest rate of the Trust's fixed rate financial assets was 4.77% (31/01/2008: 5.62%). The weighted average period for which the rate is fixed as at 31st July 2008 is 2.28 months (31/01/2008: 1.32 months).

NOTES TO THE FINANCIAL STATEMENTS

(unaudited) as at 31st July 2008 - continued

13. Financial Instruments and Risk - continued

- *Liquidity risk* - the Trust's assets comprise mainly realisable securities, which can be readily sold. The main liability of the Trust is the redemption of any units that investors wish to sell.
- *Fair value* - there is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.
- *Derivatives and other financial instruments* - The Trust does not hold any derivatives that could impact the value of the Trust significantly.

14. Contingent liabilities

There were no contingent liabilities at the period end.

15. Portfolio Transaction Costs

As the Trust only invests in short-term market deposits, there are no associated transaction costs. Portfolio transaction costs are generally referred to as brokerage fees, commissions, stamp duty reserve taxes and interest charges for purchases or sales of securities held in the portfolio. These costs exclude security transaction charges which are paid to the Trustee as shown in note 4.

GENERAL INFORMATION

Trust Deed

The Trust was established by a Trust Deed made between the Manager and the Trustee dated 30th September 1999.

Prospectus

Copies of the Trust's Prospectus are available free of charge from the Manager upon request.

Unit Type

The Trust issues Accumulation units only.

Pricing and Dealing

A buying price (the price at which you have bought the units in the Trust and being the higher) and a selling price (the price at which you can sell the units back to the Manager and being the lower) are always quoted for the Trust. The buying price includes the Manager's initial charge.

Dealing in all unit trusts operated by WAY Fund Managers Limited may be carried out between 09:00 and 17:00 hours on any business day. Investors and advisers may sell units over the telephone. Units can only be bought in writing enclosing settlement in full. Prices are quoted on a 'forward' basis. This means that all deals are based on a price that is calculated at the next valuation point (which is 12:00 hours on each business day) following receipt of instructions. Instructions received before 12:00 hours will be priced at 12:00 hours that day, whilst those deals taken later in the day will receive the next dealing price which is fixed at 12:00 hours on the following business day.

In the case of large deals of £15,000 and over, the Manager has the discretion to quote a "special price" within the limits laid down under the Regulations. The "special price" will be a price between the offer (full buying) price and the cancellation price (the price at which units are liquidated from the Trust).

The minimum initial lump sum investment in the Trust is £5,000 and the minimum amount you may sell back to the Manager at any one time is £1,000, providing you maintain a balance of £5,000. At its absolute discretion, the Manager may accept a lower minimum amount for the purchase and sale of units.

GENERAL INFORMATION - continued

A contract note in respect of any purchase will be issued immediately. Unit certificates will not be issued. Instructions to sell your units may be required to be given in writing to WAY Fund Managers Limited, Cedar House, 3 Cedar Park, Cobham Road, Wimborne, Dorset BH21 7SB. A contract note confirming the instruction to sell will be issued immediately. Following receipt of a correctly completed Form of Renunciation, a cheque in settlement will be sent direct to you or your bank/building society within one business day.

Management Charges, Spreads and Yields

The initial charge on the Trust is 5.25% and the annual management fee is 0.5%. The Collective Investment Schemes Sourcebook permits these to be increased subject to 60 days notice in writing to unitholders. As at 30th September 2008, the difference between the bid and the offer prices was 4.92%.

As at 30th September 2008 the gross estimated yield was 4.18%. This yield is calculated and published daily.

Certain other expenses are met by the Trust, all of which are detailed in the Prospectus.

Reports

Reports, in their "short-form", will be sent to all unitholders on an annual and half-yearly basis. The "long-form" accounts are available free of charge on request from the Manager.

Publication of Prices

The price of units in the Trust is currently quoted daily on the web pages of Financial Express at www.fundlistings.com.

Stamp Duty Reserve Tax

Stamp Duty Reserve Tax ("SDRT") is a 0.5% tax that is payable by the Trustee of a unit trust when unitholders sell their units in that unit trust. This may have an effect on you as the unitholder depending on how the unit trust manager will be treating this particular charge. Subject to limits contained within the Trust's Prospectus, any SDRT liability incurred by Elite Income Plan Cash Trust will be charged to the Trust, which could mean that less of your money will be invested for potential capital and income growth.

GENERAL INFORMATION - continued

Capital Gains Tax

As an authorised unit trust, the Trust is exempt from UK Capital Gains tax. An individual's first £9,600 of net gains on disposals in the 2008/2009 tax period are exempt from tax. Gains in excess of £9,600 will be taxed according to how long the investment has been held for periods after 6th April 1998.

Important Information

It is important to remember that the price of units, and the income from them, can fall as well as rise and is not guaranteed and that investors may not get back the amount originally invested. Past performance is not a guide to future performance. Changes in the rate of exchange of currencies, particularly where overseas securities are held, may also affect the value of your investment. The issue of units may be subject to an initial charge and this is likely to have an impact on the realisable value of your investment, particularly in the short term. You should always regard unit trust investment as long term.