Carlton James Pension Practitioner Meeting Minutes   
Date of Meeting – 30 May 2017   
Who Attended - Robert Holmes, Adam Holmes, David Nicklin, Brad Davis, Gavin Mccloskey, Stacey Lunnon, Emily McAlister & Georgia Holmes *(taking minutes)*

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| R.H | Robert Holmes |
| A.H | Adam Holmes |
| D.N | David Nicklin |
| CJ | Carlton James |
| PP | Pension Practitioner |

**Previous Agenda**2016 meeting minutes discussed   
Attachment of trust account value of 1.4 million   
Discussions on transfers into Transact  
Discussion on average value of transfers – Averaging £300,000- largest being 1.27 million  
CJ Average transfers a year – approx. 15-20   
12 DB transfers in pipe line aiming for a further 15-20 transfers by end of 2017  
Discussions on fixed protection  
Gavin suggesting clients over life time allowance to go into DB schemes- simplifies transfer process but down side is costs. Investment strategies stay the same. *To be discussed further at later date*PP now have Origo - £150 for transfer but £18k annual fee. Other entities using Origo, direct to SSAS transfers proving slow but not as difficult  
David discussed Origo to help direct transfers into SSAS which may make process easier at a later date as a replacement to Transact if Transact is not an option – *to be discussed further*HMRC registration time scales from receipt of 15-point letter - estimated 8-12 weeks but proving inconsistent, internal issues making it difficult  
Name changes on SSAS – idea abandoned  
Scheme over/under payments – Adam to complete at later date  
PP to contact Leonard to provide P45/P60’s for event scheme report E.G Mersey & Varley   
Reviewed CJ drawdown form   
Stacey to suggest fund values to be added onto drawdown form – *R.H to add to form going further* (agreed crystallisation figure should not be added)  
Discussion on making sure tax is paid on drawdown direct from the source  
Going forward Stacey to request documents to support drawdown form to ensure P60, PAYE to be issued at the same time. Process to be chased –PP to chase Leonard on this as Gavin previously instructed  
PP to go direct to CJ with P60’s & P45’s then CJ send to clients   
Discussion on LKL – consider receiving scheme being a DB scheme which will allow over life time allowance. – to be reviewed with Gavin & D.N

**Reporting**

**1. Discuss if PP send out annual reports to clients?**Outcome: CJ unsure if trustee reports are being sent but CJ to suggest these do not need to be sent as A.H sends reports out to clients.   
Discussions Had:  
A.H to send annual client account statements to PP   
SMPI calculator - Gavin suggests this will be a good tool for CJ. This produces retirement fund calculations & will be integrated within Fintech  
CJ believes we may outgrow this but a system available for CJ use if required just needed member valuation  
Gavin to send over Calculations/Excel Sheet to R.H & A.H   
Stacey to send a copy of tax return to CJ and if anything missing in report provided by A.H Stacey can amend   
Discussion on PP’s newsletter and CJ clients to be added on newsletter list

**2.** **Discuss PP’s issuance of pension contributions receipts**

Outcome: PP to provide annual contribution receipts as and when requested   
Discussions Had:  
CJ send confirmation of receipt to client but unable to send contribution receipts  
Discussion on client accountants require original pension contributions receipts

Discussion on employer contribution on schemes  
Company Resolution if company contribution?  
Tony making records of all contributions and making all company resolutions going forward to be done when all contributions are made   
PP to put a resolution in place R.H to provide all details required for Tony to sort (R.H to associate company to the MGI 1 scheme & company resolution- use D.N wording)  
Anne Houlton employee contribution discussed – accountant did claim   
Accountants not accepting bank statement showing contribution

**3**. **Discuss actions taken when a direct approach is made to PP from a CJ Client**  
Outcome: PP confirmed they will hand CJ clients directly back if any approach is made to them from CJ client.   
Discussions Had:

PP confirmed no contact has been made with Neil Ryder and him trying to introduce clients

Discussion on white labelling PP applications to CJ – Gavin confirmed this can be done as this will allow us to create a pack to be sent to client and time saving for both parties   
Discussion on issues with brokers and application documents not being explained – CJ looking for a way to simplify process with one name central to all

Workplace pension needs to be involved in paperwork

PP to create list of all information they require to make this pack and CJ to formulate an application – then compare and review document   
CJ to create application pack subject to PP’s acceptance

**4.** **Discuss if PP get notified of any payments in/out of the bank accounts?**

Outcome: No notification is given to PP with payments in/out – CJ to provide PP with information if they are aware of any transfers that are coming in   
Discussions Had:  
Discussions on concerns of preference share issue returns as PP are not notified if payments are made in   
CJ to send SH01 chaser sheet to PP to keep on top of preference share issue dates

A.H suggests on anniversary CJ will create a report similar to what has done for Mersey and Varley – Stacey to suggest if can be done before 5th April. R.H believes this may be too much administration – going forward this will be done every financial year   
Stacey to suggest metro bank can search all transactions and to be sent to CJ to complete report? A.H advise to continue as it is   
Payments out, PP are now keeping records but CJ mostly aware

**Specific Scheme Queries  
1. Discussion on P Varley & Mersey 55 Retirement Scheme to be handed back to PP permanently**   
Outcome: R.H to give CJ resignation letter then PP will notify the scheme members (Gavin to provide wording)  
Discussions Had:  
Discussion on resigning as financial advisors from P Varley and Mersey 55PP will pick up the ongoing reporting   
All investments are finished for clients CJ no longer wish to be involved  
CJ to provide final report - all differed pensions  
Discussion on mallets – SRA have been in contact and indemnity should cover investment, trying to prove this may be fraud so hopefully money is coming back   
  
**2. Discuss Joval Dairy Relief Services Ltd Pension Scheme sponsoring employer loan**Outcome: Joval Dairy Relief Services Limited made £10K contribution back to scheme from company bank account.  
Discussions Had:  
Joval Dairy Relief Services Ltd Pension Scheme - £10k Preference share issue in sponsoring employer name, this has been discussed with Tony and David. Client happy to redeem the preference share issue. Client has also made dividend returns over 5%   
Client ready to repay preference share issue/loan  
Issue £10k Value of scheme £60K – cannot be treated as a loan, has to be treated as payment to employer for initial and continuation administration payment. Gavin advised when fee is paid it needs to be taken as a pension contribution.  
Joval done accounts to 31st August 16, dividend returns previously made will need to be known as pension contributions. Repay £10K as pension contribution – and payments out was for scheme administrations Gavin to send copy of resolution and CJ need to do a resolution. This can be done through his personal account.

**3. Discuss CJ Resigning from the Magnolia Trustee Scheme**   
Outcome: RH to send resignation letter which will be sent to Karen (Gavin to provide wording)  
Discussions Had:  
Discussion on Karen Winter may prove issues in Magnolia scheme   
Karen has cash in fund that hasn’t been invested which CJ believe Karen may be unhappy with but, no investment instruction has been made- down to client as per trustee tool kit  
Discussed no dividend returns have been made on the scheme after they have confirmed they are making payment  
David holds email that advised she is getting personal benefits from PSI   
Discussion on appointing Independent trustee to the magnolia scheme – will link all together

Karen in breech that the scheme has not made any PSI repayments, PP may need to report this as an unauthorised payment

Resignation letter – just requires terms of business no set info   
PP Administrator to Magnolia and need to report to HMRC which ignites an enquiry- client will be made aware of this issue first

**4. LKL Trustee Scheme – PP different fee tariffs for both LKL Trustee Schemes. Has Gavin completed targeted benefit solution?**   
Outcome: Pending   
Discussions Had:  
Gavin discussed DB solution with LKL scheme but was not possible as unallocated funds already within existing scheme cannot be transferred to a DB  
No solution- R.H suggest £40K contribution to each child following PAYE rule. Individuals that are protected to go across but children and mum (Julie may be able to protect as over £1M) that are not protected say in money purchase scheme £120K to 4 kids £280K which is what CJ need to worry about but can be allocated from unallocated pot   
Simon 1.5 and George 1.8 – discussion on bringing Julie in at 1.25 – R.H seeking clarification from LKL  
Statutory requirement for liability on account – sponsoring employers responsibility  
Discussion on pension liabilities   
Gavin to finish report and send copy for CJ to review – *Report received amendments required*  
Discussion on clients converting to DB/ making unallocated contributions and they sell the business – falls on employer and will go back into scheme

**5. ‘Independent Trustee’ discuss to which scheme this will apply**  
Outcome: CJ needs to review schemes that this is required to and will let PP know at a later date   
Discussions Had:  
Discussion on fees being taken when the independent trust deed has not been sign, caused an issue with CJ client  
Discussion on not all schemes needing the independent trustee going forward – referred to list   
PP confirmed they can refund if required as one off fee – A.H advises Roseland may cause an issue   
CJ needs to review schemes that this is required to and will let PP know at a later date – A.H to action  
Discussion on colonial going into liquidation and Rod Thomas – Simon Welch  
PP can make claim if confirmed gone into liquidation

**6. Paul Davey safe guarding benefits at £1M. Is valuation assessment book value or paid returns value?**  
Outcome: Paul can only be protected at a maximum of 1M  
Discussions Had:  
You can have fixed protection at any time, individual protection has to be at April 16 but unable to make any more contribution. Missed Individual protection, can only get fixed protection – expected at end of year 17

**Preference Share Issues**

**1. Discuss what to do when SH01’s have not been submitted online**  
Outcome: CJ have already discussed with Tony   
Discussions Had:  
Discussion on Joe Bloggs not making dividend repayments, needs to be settled up

CJ provide chaser letters and repayment schedule to all Preference Share issue clients   
Discussion on preference share issues that involve other members cash, independent trustee will take over this responsibility to enforce this debt and acting on behalf capacity as members and take legal action  
Discussed on subscription agreement wording with yearly returns can be secured 6%  
  
**2. Review Joe Bloggs Property Limited SSAS Preference Share Issue**Outcome: CJ to call Joe Bloggs to confirm current company situation and update PP with outcome   
Discussions Had:  
Discussion on what point we report if no payments are made – does not need to be paid if company has not made any money but client has to provide if shareholders have taken dividends  
Discussion on what to do if preference share issue company has been sold – client should have redeemed pension investment  
Discussed Magnolia Trustee Scheme PSI - client has a personal guarantee, not a trustee but if appoint PP as independent trustee they can pursue on behalf of other trustees  
If only member of scheme it becomes unauthorised payment will have to pay 55% tax   
If member does not sign trust deed for PP to become trustee it will still be unauthorised payment

**Client / Scheme Charges****1. Nomination of Beneficiary’s discussion, in relation to trust & costs**   
Outcome: R.H and D.N discussing solutions  
Discussions Had:  
Requirement with pension freedom/death benefits, a more detailed beneficiary is required (Letter of wishes)  
Widens tax planning and makes more efficient   
Death pre 75 – fund does not have to settle, trustees have a meeting to settle the tax efficiently   
Can’t control beneficiary if death before 75   
PP going to run a programme to speak to their clients – makes more sense for CJ high net worth clients to have this as Protection Practitioner have access to new software   
£22.50 Each – detailed nomination of beneficiary and pension trust for software  
PP go on as the practitioner and CJ as the advisor so we all have control as the trustees  
PP and CJ to discuss further the charges further. David suggests £250 to SSAS clients   
Discussion on if clients that don’t have a NOB, the funds will be left to wife/ex wife or estate if no wife  
Discussion on how PP market this   
D.N would like to deal with NOB and CJ/D.N to put something together to get clients on board D.N to send over letter of instruction this with details for client to phone D.N with any issues   
D.N suggest way forward for IHT bill – offset cost from the planning as long as all documentation is covered from estate planning   
CJ to think of cost – R.H to suggest trial client   
  
**2. Discuss application charges pre-transfer in**  
Outcome: PP confirm they will wait until cash is in scheme going forward  
Discussions Had:  
Discussion on fees being taken before Transfer, where there is cash in scheme but the membership fee is taken from other members funds

**Transact****1.Review Transact transfer changes letter**Outcome: PP to send email to Transact to advise no in specie transfers are in Titan scheme

**Investment Trust**  
**1. Discuss Qnups/None Pension Trust**  
Outcome: No action required. David, Tony & Robert already in discussion  
Discussions Had:  
Anybody can join the pension scheme. Goes through a recognisable process to get the feel on the pension scheme. Personal benefits of 30% can go in as cash or in specie. Property can be included but not residential.  
Some can accept residential subject to UK   
Hold over relief would apply   
No life time allowance is applied  
No tax reduction going in but returns are reduced   
No IHT   
If taken out – income tax   
Discussion on not paying income tax in Dubai, if resident   
If you haven’t retired can you transfer? – Gavin advised you can apply for flexible drawdown and apply to Qnups  
You can put tax free payment into Qnups but you will be taxed on income if in UK   
Cannot transfer SSAS to Qnups but can make contribution but will be taxed on way in the investment returns are exempt

Qnups can buy and borrow asset from SSAS for cash – they will receive payment   
PSI distribution can be made, they can buy it and make a low level return to scheme, won’t be hit with 55% tax charge if over life time allowance  
Book value to be applied for Qnups to be applied   
Pension scheme has to sell investment to Qnups   
Discussion on cash investors going into Qnups   
Can get a loan of 30% - recourse when you come to retire – can be taken at any time but repayable at 50   
Controllable with tax   
Can’t touch until your 50 years of age   
   
**2. Hudspiths Liability to Pension, discuss proposed changes**  
Outcome: No action required   
Discussions Had:  
Discussion on Hudspiths changes due to the banking issues and distribution of payments being an issue  
Hudspiths have now gone to Glenmuir to open discretionary asset trust  
£495 annual charge for each investor – you are allowed up to 3 accounts for each individual (fee taken from returns)

Discussion on if new process will cause issues for pensions - Gavin confirmed cannot use trust for pensions  
126 clients invested into Hudspiths   
Discussion on current Hudspiths process  
Discussed Hudspiths account with metro bank now being closed   
Gavin discussed Gsesnds which may solve some of Hudspiths pension issues   
Statutory Trusts – can have a Barclays workplace pension account (working on behalf of trustees) where the money can be distributed back into scheme. Relationship will be with PP not Hudspiths so Barclays should accept account.   
Hudspiths bank accounts – Cayman and Switzerland   
Gavin suggests money to be sent from Switzerland account to Barclays account R.H advises it should be able to send to metro bank account as accounts. Hudspiths pension accounts are compounded   
Discussion on trust offering for client – PII issues so wouldn’t be able to happen  
Cayman payments to metro bank may be issue but Switzerland account should work need to be a direct payment to scheme   
Glenmuir have confirmed with CJ it is fine for pensions, if trustee dies a beneficial member will be looking to Transact from another trustee entity  
For non-pension clients- regulated broker – R.H to look into this   
Gavin suggested ETI as can appoint custodian who can make funds to the investors

Discussion on how quick Robert can provide the business to PP – estimated 3 months   
Discussion on new forex product AlgoFX trader, FCA regulated. Identical returns to Hudspiths Compounding product and no contract term  
60%-70% per year to investor  
Cash calls can be withdrawn monthly and top ups can be at any time  
Aglofx Trader is sat with custodian at all times so no pension issues

**Other Matters**  
**1. Discuss Fintech/ Capita**  
Discussion on Fintech - Financial technology – widely used for payment solutions. (Payment Driven)  
Discussion on Basecap  
No systems are fit for purpose at this current time   
Smart Pensions systems – Gavin connected to relevant people – 5 degrees who can adapt banking tech for pension space.

Objective is to integrate SSAS books into one fintech system – fintech automates a lot of functions on reporting for PP and run activity. PP believe there are many benefits e.g. payment drawdown   
You can provide banking details through a phone app but with good security   
Will help CJ track and manage clients- allows you to give online authority for PP/CJ to find a members life time allowance   
Will only work if you administrator a large number of schemes  
Would need to look into white labelling to see how information is presented   
Never been used with pensions, PP will be the first doing it   
Gavin to send wireframes over to CJ to see how it looks   
Value and investment products can be placed onto the data  
Discussion if Fintech can be used for Qunups – yes   
 **2. How many schemes can a company have as a maximum?**Outcome: You can have unlimited schemes under a company however agreed to cap at 2

**3. Discuss legislative changes and investment strategies**  
Discussions Had:  
Members make own member choices – pension regulator had issues with people who were investing into assets that didn’t matter   
CJ are fine with the legislative changes and investment strategies does not affect   
Discussions on AIB being an option for pension scheme banking for PP - AIB scheme admin creates pension scheme accounts and that has a pre-authorised account/account number. Metro bank could be an issue further down the line as they can’t provide the live feed as don’t have the technology. AIB will allow CJ to see feed through the gateway instead of chasing PP

**Further Discussions:**  
Compared Emily & Adam’s trustee sheet  
Current member trustees – funds in scheme (excluding transact)  
Average return on scheme is 28%   
Book value £22M   
117 active members – no target, growing naturally, looking for higher amounts but lower member numbers, £100,000+ transfers nothing lower   
Discussion on CJPC broker network – ‘Word of Mouth’ marketing   
Discussion on Neil Ryder clients with low value – CJPC turning people away   
Discussion on schemes recently registered and incoming members   
Discussion on transim schemes, members who are looking to go into schemes  
PP discussed current members in Carlton James Retirement Fund – combination of members, client usually suggests going into own scheme. Henry Jodrell example coming into Carlton James Retirement Fund initially and his aim is to have his own scheme, all activity gets started while scheme gets set up in the background to save time  
Discussion on up-coming schemes and member schemes looking at 80 members going into the upcoming schemes  
Discussion on Paul Davey being biggest introducer and his process – Brokers update client and keeps relationship up but proving difficult with certain brokers   
Direct to CJ, 4 Major introducers with about 2 dozens below direct broker   
Discussion on Heather Dunne and IFA involvement CJ full in control  
If under scheme valuation heather has to decline proving to cause issues  
David to do trustee tool kit 1-11 members before we look into the independent trustee further