NIGEL HOBAN

PCLS WORKING CALCULATIONS EXPLAINED

Fund value as at March 2013 amounts to £888,253.

Lump sum of £50,000 taken means £200,000 of the fund crystallised ie 200,000 of 25%.

Lump sum of £25,000 taken means £100,000 of the fund crystallised ie £100,000 of 25%.

Last available scheme valuation prior to lump sum payments being drawn gives a figure of £888,253.

We have therefore added the two lump sum payments together for crystallisation purposes and this produces the following

£300,000 crystallised represents 33.77% of the fund ie £300,000/£888,253.

The balance of the fund is uncrystallised being 66.23%.

If we apply 66.23% of the fund against the valuation as at August 2013, this would give a figure of £562,471 and the lump sum payable is £140,617 ie 25% of the remaining uncrystallised pot.

I would suggest that an adjustment is considered and at the next pension scheme annual returns request a value of the fund as at July 2014.

GMC