

# John P Sullivan Pension Scheme Trustee Report 2018



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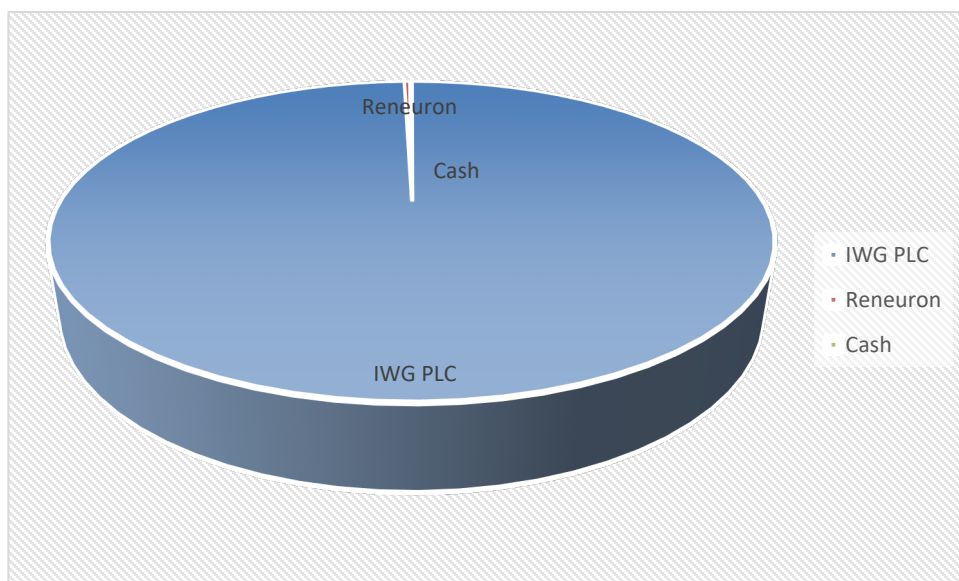
# 1. Introduction

I am pleased to enclose our annual trustee report for your scheme.

Your benefits statements will be accessed through the platform account. We launched recently a new platform for you to help you get value for money, and build retirement capital via Fintech. This is the first of its kind for the UK market for SSAS clients and it has taken us a number of years to develop. We hope that this will be of benefit to you. You can of course opt out of this online service, and keep everything as it is. I will contact you separately on this following this report.

I would also like to thank you for choosing us to act as the Practitioner for your pension scheme.

## 2. Fund Composition



The scheme holdings consist of quoted securities and a residual cash holding. A morning star report on these securities is available on request.

### 3. Scheme Tax Return and Reporting

Below is a copy of our tax report submission for the period ending 5 April 2018 and our supporting comments.

The scheme reporting is one of the most important aspects of scheme management as the data submitted may be reviewed by an Inspector in connection with scheme fund movements. It is particularly important that where transactions are undertaken which may involve the scheme connected to persons or businesses associated with either the scheme member or the employer that we report that information in the correct format.

It is important that clients notify us in advance of any transactions involving either a scheme member, a close connected company or someone connected to a scheme member, such as a relative or business partner.

Accounting Period	06 Apr 2017 - 05 Apr 2018
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During this period, was the aggregate of payments to and from the scheme greater than £100,000?	No
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Specify the aggregate of payments to and from the scheme	£0
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At the end of this period, did the scheme have assets with a total value before pension liabilities greater than £400,000?	No
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Total value of assets before pension liabilities at the end of the period	£367017
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#### Connected Parties

At any time during the period from 06/04/2017 to 05/04/2018 did the scheme either directly or indirectly own assets that it had acquired from either:	No
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a. a sponsoring employer or any person connected with that employer?

or

b. a person who was a director of or a person connected to a director of a close company that was also a sponsoring employer?

or

c. a person who was either a sole owner or partner or a person connected with the sole owner or partner of a business which was a sponsoring employer?

or

d. a member or person connected with a member?

There were no activities to report which fell under AFT reporting HMRC. Should the asset value of the fund increase beyond £400,000 additional reporting activities will apply.

The following activity references apply to this scheme which forms part of our reporting to HM Revenue Customs

<b>Payment</b>	<b>When the charge applies</b>
Short service refund lump sum charge	Payable when the scheme refunds contributions to a member who was a member for less than 2 years.
Lifetime allowance charge	This tax is due when the scheme pays a pension to a member and they've used up their lifetime allowance.
Special lump sum death benefit charge	A 45% tax due if the scheme pays certain sums
Serious ill-health lump sum charge	From 16 September 2016 the serious ill-health lump sum payment is treated as taxable income and will form part of the Real Time Information (RTI) reporting that pension scheme administrators have to do.
Authorised surplus payments charge	A 35% tax that is due if the scheme pays surplus scheme funds to an employer.
De-registration charge	A tax charge of 40% of the pension scheme value if HMRC removes the tax registration of the pension scheme.
Annual allowance charge	Where the member has given the scheme administrator a notice requiring them to pay the tax for the member.
Overseas transfer charge	A tax charge of 25% on taxable overseas transfers made from 9 March 2017.

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### **Arms Length Transactions**

Arms length transactions is any person, body or firm that falls outside of the connected part definition given above. It is possible to change from connected party to arms length and vice versa. If you are unsure of the arms length status of the scheme's holdings please let us know.

The arms length holdings were submitted as quoted securities and cash at bank  
There were no event reports arising in the scheme year which are updated as:

<b>Event report number</b>	<b>Details of events to be reported</b>
1	The scheme made or is treated as having made an unauthorised payment.
2	Payments of lump sum death benefit(s) of more than 50% of the lifetime allowance.
3	Payment of benefits to a member under age 55 who is a scheme employer, director of a scheme employer (or associated company) or connected to such a person.
4	Payment of a serious ill-health lump sum to a member who is a scheme employer, director of a scheme employer (or associated company) or connected to such a person.
5	The scheme stops paying out an ill-health pension.
6	<p>A member's benefits are tested against the lifetime allowance (a benefit crystallisation event) and:</p> <ul style="list-style-type: none"> <li>- they have an enhanced lifetime allowance, enhanced protection, fixed protection, fixed protection 2014 or individual protection 2014</li> <li>- their total benefits are more than the lifetime allowance</li> </ul> <p>The Event Report does not currently include fixed protection 2016 (FP2016) and individual protection 2016 (IP2016), so you will not be able to use the 2016 to 2017 or 2017 to 2018 Event Reports to report reference numbers of your members relying on FP2016 or IP2016 from 6 April 2016.</p> <p>If your members have relied on fixed protection 2016 or individual protection 2016.</p>
7-8A	<p>Payment of a stand-alone lump sum (100% lump sum) and the member had either:</p> <ul style="list-style-type: none"> <li>- protected lump sum rights of more than £375,000 with either primary protection or enhanced protection</li> <li>- scheme specific lump sum protection and the lump sum is more than 7.5% of the lifetime allowance</li> </ul>
9	A transfer to a qualifying recognised overseas pension scheme (QROPS) where the transfer was requested before 6 April 2012.
10	The scheme becomes or stops being an investment regulated pension scheme.

11	<p>The scheme changes its rules to either:</p> <ul style="list-style-type: none"> <li>- require the scheme to make an unauthorised payment</li> <li>- allow the scheme to have investments other than insurance policies</li> </ul>
12	A scheme treated as 2 schemes by HMRC before 6 April 2006 changes any of its rules.
13	The scheme's structure changes.
14	<p>The number of members at the end of the tax year has changed band compared to the band at the end of the previous tax year. The bands are:</p> <ul style="list-style-type: none"> <li>- 1 member</li> <li>- 2 to 11 members</li> <li>- 12 to 50 members</li> <li>- 51 to 10,000 members</li> <li>- more than 10,000 members</li> </ul>
18	The scheme administrator is subject to a scheme sanction charge because of investment in taxable property.
19	The scheme changes its country of establishment.
20	The scheme becomes or stops being an occupational pension scheme.
20A	The scheme becomes or stops being a Master Trust scheme. This must be reported within 30 days of this event.
21	The scheme administrator has automatically issued a 'standard' pension savings statement
22	The scheme administrator has automatically issued a 'money purchase' pension savings statement



## 4. Online Platform

We have developed a new online platform for you. This will allow you to manage your SSAS. You will be able to login and access your account and investments, we have called this platform: retirement capital.

We are launching the platform in 3 phases.

Phase 1 is available in now and it will provide you with helpful information including:

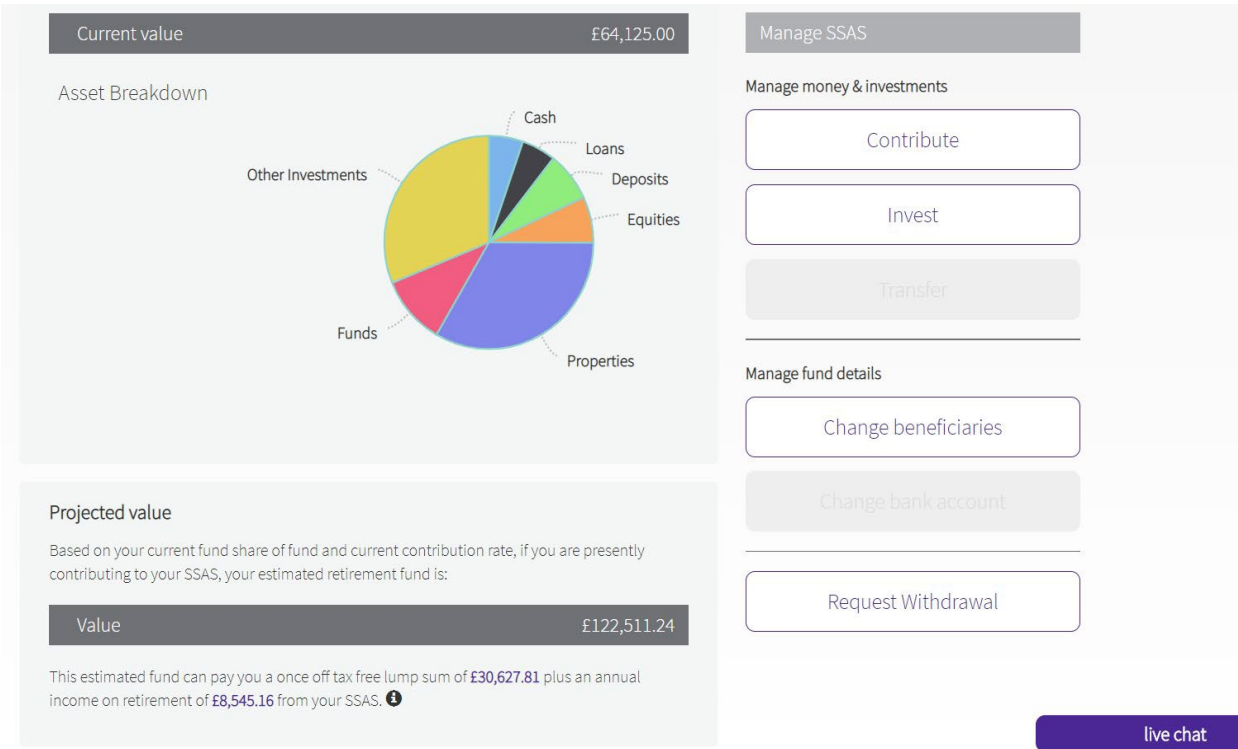
1. Contribute (your available annual allowance will automatically be updated)
2. Take pension benefits – you can set up pension and lump sum instructions via your dashboard.
3. Invest into your business – this can be set up as a pension scheme loan.
4. Secure the best deposit rates for your SSAS – the latest rates of deposit accounts are available depending on your chosen investment and term.
5. View and change your beneficiaries
6. See an immediate forecast of your benefits, with lump sum and pension income.
7. A nice pie chart of your holdings
8. Immediate cash value of your pension account (for AIB accounts)
9. Valuation of other assets
10. Online support and live chat
11. Tax reporting and scheme management

Phase 2 will build on these key functionalities and will include online bank instruction, document storage, stocks and share trading. We will also build on retirement and phased income calculation tools in phase 3.

Integrated share trading and dealing will be delivered by the spring of 2019, and we are working with our development team on share dealing integration at this time.

The key feature of this platform is that it brings together all the features of your SSAS under one roof, securely and in a user friendly way so you have a holistic picture of your S. This platform will allow you to access and manage your pension fund in a way which suits you, with access to a range of options which are unique to your small self administered scheme.

Certain investments can be integrated onto your dashboard, this includes funds which offer an API feed. Below is a snap shot of how your account could look



Your investments are broken down with online functionality that will appear like this. The tabs allow you to undertake certain instructions.

Your Holdings

Portfolio	£ 64125.00	
Cash	£ 3400.00	Manage Cash
Loan	£ 3375.00	Manage Loan
Property	£ 21350.00	Manage Property
Funds	£ 6700.00	Manage Funds
Deposits	£ 4800.00	Manage Deposits
Share portfolio	£ 4500.00	
Other Investments	£ 20000.00	

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live chat

You can make a number of investments from your cash account. Investment funds can be linked into your cash trustees account. We will organise this with you once we activate your online account. We also offer an “in field” search functionality for commercial property with Zoopla.

Available cash


£3,400.00

Select in which type of asset you would like to invest in:




Use your SSAS as a loan to your company. A tax effective way for business funding.

Loan




Property in your name or that of your business, can be sold to your SSAS (part or all). Subject to valuation. The lease income is tax deductible.

Property



Select one or more funds to grow your investments.

Funds



Invest in savings deposits for a fixed return.

Deposits

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Phase 2 will integrate share trading with the end of day valuations being added to your SSAS account through your dashboard. You can access your share dealing account by logging into your Saxo account directly or via your dashboard.



If you are seeking to open a low cost share dealing account now, to be added to your dashboard once phase 2 has been completed, this can be undertaken for you and your dedicated administrator can organise this for you. Shares through other platform accounts can be migrated by our admin team, with your authorisation to your Saxo share account.

You can purchase and sell stocks and shares in the following markets and can send and receive money between your SSAS bank account and trading account in the same working day (subject to mid-day cut off time) via your dashboard.

Exchange name		Symbol
North America & Canada		
	NASDAQ	NASDAQ & NSC
	New York Stock Exchange	NYSE & ARCA
	NYSE MKT	AMEX
	OTC Bulletin Board/Pink Sheets	OOTC & OTCBB
	Toronto Stock Exchange	TSE
	TSX Venture Exchange	TSX
Europe / Middle East / Africa		
	BME Spanish Exchanges	SIBE
	Deutsche Börse (XETRA)	FSE
	Irish Stock Exchange	ISE
	London Stock Exchange (IOB)	LSE_INTL
	London Stock Exchange	LSE_SETS
	Milan Stock Exchange	MIL
	NASDAQ OMX Copenhagen	CSE
	NASDAQ OMX Helsinki	HSE
	NASDAQ OMX Stockholm	SSE
	NYSE Euronext Amsterdam	AMS
	NYSE Euronext Brussels	BRU
	NYSE Euronext Lisbon	LISB
	NYSE Euronext Paris	PAR
	Oslo Stock Exchange	OSE
	Prague Stock Exchange	PRA
	SIX Swiss Exchange	SWX
	SIX Swiss Exchange (Blue-Chip)	VX
	Vienna Stock Exchange	VIE
	Warsaw Stock Exchange	WSE
	Johannesburg Stock Exchange	JSE
Asia / Pacific		
	Australian Securities Exchange	ASX
	Hong Kong Exchanges	HKEX
	Singapore Exchange	SGX-ST
	Tokyo Stock Exchange	TYO

## 5. Benefit Statement

### **Benefit Statement for John Sullivan**

Your estimated retirement fund is £451,000 at the scheme retirement date.

This could pay you an income of £25700 pa plus a tax free lump sum of £113000

We have made the following assumptions:

1. Investment growth is a net rate of 5%.
2. Inflation is 2.5% p.a.
3. Pension will not increase in retirement
4. The estimated annual retirement income is based on current rates.
5. No contributions have been provided for.
6. The figures are a guide and not guaranteed. Your final pension fund and the income available will depend on factors including the growth your fund achieves, contributions you make in future, charges, inflation, your retirement age, annuity rates at the time and the annuity options you choose.
7. The lifetime allowance at an assumed rate of growth of 2.5% is not expected to affect your benefits and no planning is required at this time in respect of an excess tax charge.
8. We have included payment of the 1<sup>st</sup> tier state pension which will increase in line with indexation in retirement.
9. The net yield for the scheme inclusive of revaluation of assets is net 5% p.a.