

KPS PENSION FUND
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5TH APRIL 2016

McDONAGH & COMPANY

CHARTERED CERTIFIED ACCOUNTANTS

KPS PENSION FUND
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
5TH APRIL 2016

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CHARTERED CERTIFIED ACCOUNTANTS

KPS PENSION FUND
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5TH APRIL 2016

PENSION FUND INFORMATION

Trustees :-

MR. M. E. KIRK
MRS. L. M. KIRK

Pension Managers

Pension Practitioner.Com.

Registered Office :-

Kirk House
161 Park Close
Walton On Thames
Surrey
KT12 1EW

Pension Scheme Registration Number:

PSR 12005771

Accountants:

McDonagh & Company
Chartered Certified Accountants
54 Bridge Street
Walton on Thames
Surrey. KT12 1AP

Bankers:

HSBC Bank
34 High Street
Walton on Thames
Surrey KT12 1DD

KPS PENSION FUND
TRUSTEES' REPORT
FOR THE YEAR ENDED 5TH APRIL 2016

The Trustees present herewith their Report, together with the Financial Statements of the Pension Scheme for the year ended 5th April 2016.

1. **Introduction**

KPS Pension Fund has been set up to provide a Defined Contribution Scheme for the benefit of the Directors and Employees of Kirk Process Solutions Limited.

2. **Scheme Management**

KPS Pension Fund is managed by the Directors of Kirk Process Solutions Limited as Trustees of the Fund. The appointment of Trustees is made through election by the existing Trustees.

3. **Scheme Advisors**

The Trustees of KPS Pension Fund have appointed Pension Practitioner.Com to administer the Pension scheme on behalf of the Trustees, filing and making all necessary Returns as required by the legislation of the United Kingdom with regards to this Pension scheme.

McDonagh & Company, Chartered Accountants, have been appointed the Scheme's Accountants, to prepare the Annual Report and Accounts as requested of them by the Trustees and Pension Practitioner.Com

4. **The Sponsoring Employer**

The sponsoring employer is Kirk Process Solutions Limited, 161 Park Close, Walton on Thames, Surrey, KT12 1EW.

KPS PENSION FUND

TRUSTEES' REPORT

FOR THE YEAR ENDED 5TH APRIL 2016

(Continued)

5. Financial Development of the Scheme

The Statements have been prepared in accordance with the regulations made under Section 41(1) and (6) of the Pensions Act 1996 (as amended 1996 No. 1715) and is exempt under those regulations of being required to undertake an annual audit.

The scheme has currently two Members who are also the Directors of Kirk Process Solutions Limited.

The scheme, in the year ended 5th April, 2013, purchased a light industrial freehold property which is currently being leased to Kirk Process Solutions Limited at a market value.

During the year ended 5th April, 2016 the scheme purchased a 2 year Bond which accrues interest at 1.9% pa.

The scheme is a 'Defined Contribution Scheme' and therefore there will be / are no shortfalls in funding of the scheme as to the benefit derived to the scheme members are based on contributions made.

KPS Pension Fund is registered with H M Revenue & Customs as an exempt approved scheme and is exempt from paying corporation tax.

6. Scheme Members

The scheme members, as at 5th April 2016, are the Directors and Employees of Kirk Process Solutions Limited being:

Mr. M. E. Kirk

Mrs. L. M. Kirk

7. Contact For Further Information

Any further information required of KPS Pension Fund is at the sole discretion of the Trustees; which may be obtained, if applied for in writing, at the Registered Office address:

161 Park Close, Walton on Thames, Surrey, KT12 1EW.

KPS PENSION FUND

TRUSTEES' REPORT

FOR THE YEAR ENDED 5TH APRIL 2016

(Continued)

8. Investment Manager / Investments / Investment Performance

The Trustees have sole authority of where and how the Pension Fund monies should be invested and are only restricted by the UK legislation prevailing on this matter.

The investment made, of the funds received, is the purchase of the freehold of a light industrial factory from non-connected third parties at the open market value prevailing during the year ended 5th April, 2013 £262,790 and the purchase of a Bond in the year ended 5th April, 2016; £85,000. All other monies received are kept on a bank deposit account or held in a bank current account.

The above mentioned industrial unit has been leased to Kirk Process Solutions Limited and is currently obtaining an accepted market rent on the investment made.

The light industrial unit, mentioned above, is valued by the Trustees to be at least the purchase price paid during the year ended 5th April, 2013 in the sum of £262,790.

9. Custody of Property

The property and Bond is held solely in the name of KPS Pension Fund, free of any charge / mortgage, or any other encumbrance. (the Deeds are held in safe custody).

10. Statement of Trustees' responsibilities

Trustees' responsibilities in respect of the financial statements

The financial statements, which are prepared in accordance with UK Generally Accepted Accounting Practice, are the responsibility of the Trustees. Pensions scheme regulations require the Trustees to make available to Scheme members, beneficiaries and certain other parties, financial statements for each scheme year which:

Show a true and fair view of the financial transactions of the Scheme during the scheme year and of the amount and disposition at the end of the Scheme year of its assets and liabilities, other than liabilities to pay pensions and benefits after the end of the Scheme year; and

Contain the information specified in the Schedule to the Occupational Pension Schemes Regulations 1996.

KPS PENSION FUND

TRUSTEES' REPORT

FOR THE YEAR ENDED 5TH APRIL 2016

(Continued)

The Trustees are responsible for supervising the preparation of the financial statements and for agreeing suitable accounting policies, to be applied consistently, making any estimates and judgements on a prudent and reasonable basis.

The Trustees are also responsible for making available certain other information about the Scheme in the form of an annual report.

The Trustees also have a general responsibility for ensuring that adequate accounting records are kept and for taking such steps as are reasonably open to them to safeguard the assets of the Scheme and to prevent and detect fraud and other irregularities, including the maintenance of an appropriate system of internal control.

11. **Trustees' responsibilities in respect of contributions**

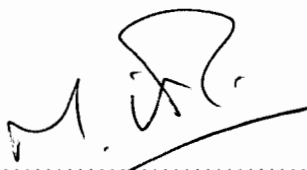
The Trustees are responsible under pensions legislation for preparing, and from time to time reviewing and if necessary revising, a schedule of contributions showing the rates of contributions payable towards the Scheme by or on behalf of the employer and the active members of the Scheme and the dates on or before which such contributions are to be paid.

The Trustees are also responsible for keeping records in respect of contributions received in respect of any active member of the Scheme and for adopting risk-based processes to monitor whether contributions that fall due to be paid are paid into the Scheme in accordance with the schedule of contributions.

Where breaches of the schedule occur, the Trustees are required by the Pensions Acts 1996 and 2004 to consider making reports to the Pensions Regulator and to members.

12. **Approval of Report and Accounts**

The Report and Financial Statements were approved by the Board of Trustees on 29th April, 2016 and signed on its behalf by each Trustee.



.....
MR. M. E. KIRK
TRUSTEE



.....
MRS. L. M. KIRK
TRUSTEE

KPS PENSION FUND

CHARTERED ACCOUNTANTS' REPORT

TO THE TRUSTEES OF THE UNAUDITED FINANCIAL STATEMENTS

OF KPS PENSION FUND

FOR THE YEAR ENDED 5TH APRIL 2016

In accordance with our terms of engagement, and in order to assist you to fulfil your duties under the Pensions Act 1996 (as amended), we have compiled the Financial Statements of the Pension Fund which comprise the Fund Account, Net Assets Statement and the related notes from the accounting records and information and explanations you have given to us.

This report is made to the Fund Trustees, in accordance with the terms of our engagement. Our work has been undertaken so that we might compile the Financial Statements that we have been engaged to compile, report to the Fund Trustees that we have done so, and state those matters that we have agreed to state to them in this report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Fund and the Trustees, for our work or for this report.

We have carried out this engagement in accordance with the technical guidance issued by the Association of Chartered Certified Accountants and have complied with the ethical guidance laid down by the Association of Chartered Certified Accountants relating to members undertaking the compilation of Financial Statements.

We have not been instructed to carry out an audit of the Financial Statements. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the Financial Statements.

54, Bridge Street
Walton On Thames
Surrey
KT12 1AP


.....
McDONAGH & COMPANY
CHARTERED CERTIFIED ACCOUNTANTS

Date: 18th May 2016.

KPS PENSION FUND

FUND ACCOUNT

FOR THE YEAR ENDED 5TH APRIL 2016

	Note	<u>2016</u> <u>Year Ended</u> <u>5th April 2016</u>	<u>2015</u> <u>Year Ended</u> <u>5th April 2015</u>
Employer Contributions	2	-	100,000
Employees Contributions	3	-	-
Total Contributions		<u>-</u>	<u>100,000</u>
Other Income	4	18,000	13,500
		<u>18,000</u>	<u>113,500</u>
Benefits	5	-	-
Leavers	6	-	-
Other Payment	7	-	-
Administrative expenses	8	(1,917)	(3,470)
		<u>(1,917)</u>	<u>(3,470)</u>
Net Additions from dealings with members		<u>16,083</u>	<u>110,030</u>
Returns on investments			
Investment Income	9	116	84
Change in market value of investments	10	-	-
Investment management expenses		-	-
		<u>116</u>	<u>84</u>
Net increase in fund during the year ended 5th April 2016		16,199	110,114
Opening Net assets of the scheme At 5th April 2015		458,508	348,394
Closing Net Assets of the scheme At 5th April 2016		<u>474,707</u>	<u>458,508</u>

KPS PENSION FUND
STATEMENT OF NET ASSETS
FOR THE YEAR ENDED 5TH APRIL 2016

	Note	2015 As At 5 th April 2015	2014 As At 5 th April 2014
<u>Investment Assets</u>			
Property	10	262,790	262,790
Bond	11	85,000	-
Cash		77,210	162,210
		<u>425,000</u>	<u>425,000</u>
<u>Investment Liabilities</u>			
		-	-
<u>Total Net Investments</u>			
		<u>425,000</u>	<u>425,000</u>
Current assets	12	51,706	36,256
Current Liabilities	13	(1,999)	(2,748)
		<u>49,707</u>	<u>33,508</u>
<u>Net assets available for benefits</u>			
<u>5th April 2016</u>		<u>474,707</u>	<u>458,508</u>

The Financial Statements summarise the transactions of the scheme and deal with the net assets and disposals by the Trustees. The Report and Accounts do not take account of any obligations to pay pensions and benefits which fall due after the year end date.

The Trustees acknowledge their responsibility under the Pensions Act 1996 (as amended) to keep proper accounting records and make all necessary returns required under the Pensions Act 1996 (as amended) and have prepared these Accounts to give a true and fair view of the Fund's affairs during and for the year ended 5th April 2015.

These Financial Statement were approved by the Trustees on: 29th April, 2016


.....
MR. M. E. KIRK
TRUSTEE


.....
MRS L. M. KIRK
TRUSTEE

KPS PENSION FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5TH APRIL 2016

1. Statement of Compliance

The individual financial statement of KPS Pension Scheme have been prepared in accordance with the Occupational Pension Schemes Regulations 1996, Financial Reporting Standard (FRS) 102 – The Financial Reporting Standard applicable in the UK and Republic of Ireland issued by the Financial Reporting Council ('FRS 102') and the guidance set out in the Statement of Recommended Practice 'Financial Reports of Pension Schemes' (Revised November, 2014) ('the SORP')

2. Contributions

	<u>Year Ended</u> <u>5th April 2016</u>	<u>Year Ended</u> <u>5th April 2015</u>
Employers		
normal	-	-
augmentations	-	100,000
Members		
normal	-	-
additional voluntary contributions	-	-
	-----	-----
	-	100,000
	=====	=====

3. Employee Contributions

	<u>Year Ended</u> <u>5th April 2016</u>	<u>Year Ended</u> <u>5th April 2015</u>
Individual transfers in from other schemes	-	-
	=====	=====

4. Other Income

	<u>Year Ended</u> <u>5th April 2016</u>	<u>Year Ended</u> <u>5th April 2015</u>
Property Rental Income	18,000	13,500
	=====	=====

5. Benefits

	<u>Year Ended</u> <u>5th April 2016</u>	<u>Year Ended</u> <u>5th April 2015</u>
Lump sum death benefits, Annuities Purchased	-	-
	=====	=====

6.	Payments To And On Account of Leavers	<u>Year Ended</u> <u>5th April 2016</u>	<u>Year Ended</u> <u>5th April 2015</u>
	Refunds to members leaving service	-	-
	Purchase of annuities to match preserved benefits	-	-
	Individual transfers to other schemes	-	-
		<hr/>	<hr/>
		-	-
		<hr/>	<hr/>
7.	Other Payments	<u>Year Ended</u> <u>5th April 2016</u>	<u>Year Ended</u> <u>5th April 2015</u>
	Premiums on term insurance policies	-	-
		<hr/>	<hr/>
8.	Administrative Expenses	<u>Year Ended</u> <u>5th April 2016</u>	<u>Year Ended</u> <u>5th April 2015</u>
	Administration and processing	-	2,120
	Audit fee	-	-
	Legal and other professional fees	1,917	1,350
		<hr/>	<hr/>
		1,917	4,541
		<hr/>	<hr/>
9.	Investment Income	<u>Year Ended</u> <u>5th April 2016</u>	<u>Year Ended</u> <u>5th April 2015</u>
	Income from pooled investment vehicles	-	-
	Interest on cash deposits	116	84
		<hr/>	<hr/>
		116	84
		<hr/>	<hr/>

KPS PENSION FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5TH APRIL 2016
(continued)

10. Investments

The movements in investments during the year were:

	<u>2016</u> <u>Year Ended</u> <u>5th April 2016</u>	<u>2015</u> <u>Year Ended</u> <u>5th April 2015</u>
Opening Market Value at 5 th April, 2015	262,790	262,790
Purchases at cost	-	-
Disposals	-	-
Change in market value of investments	-	-
	<hr/>	<hr/>
Closing Market value at 5 th April 2016	262,790 =====	262,790 =====
Allocated to members	262,790	262,790
Trustees' unallocated account	-	-
	<hr/>	<hr/>
Market value at 5 th April 2016	262,790 =====	262,790 =====

The Freehold Commercial Property is expected to have a disposal value of £262,790 being the prudent expectation of net sales revenue at 5th April, 2016 had the property been sold on that date.

The Market value of investments at 5th April 2015 can be analysed as follows:

	<u>2016</u> <u>Year Ended</u> <u>5th April 2016</u>	<u>2015</u> <u>Year Ended</u> <u>5th April 2015</u>
Light Commercial Industrial Freehold Property	262,790	262,790
	<hr/>	<hr/>
Balance as at 5 th April 2016	262,790 =====	262,790 =====

There are no legal restrictions on the realisability of this property. The trustees recognise that it would take 3 – 6 months to dispense of the property to achieve its true market value.

KPS PENSION FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5TH APRIL 2016
(continued)

		<u>2016</u> <u>Year Ended</u> <u>5th April 2016</u>	<u>2015</u> <u>Year Ended</u> <u>5th April 2015</u>
11.	Local Authority Bond		
	Purchases (2 year Bond @ 1.9 % pa)	85,000	-
		<u>85,000</u>	<u>-</u>
12.	Current Assets		
	Bank balances Unallocated	51,006	35,556
	Other - Prepayments/Debtor	700	700
		<u>51,706</u>	<u>36,256</u>
	Contributions due from employer in respect of:		
	Employer	-	-
	Members	-	-
	Accrued Interest	-	-
		<u>-</u>	<u>-</u>
	As At 5 th April 2016	<u>51,706</u>	<u>36,256</u>

Included in the Bank balance is £51,006 (2015 : £ 35,556) which is not allocated to members.

13.	Current Liabilities		
		<u>Year Ended</u> <u>5th April 2016</u>	<u>Year Ended</u> <u>5th April 2015</u>
	Unpaid benefits	-	-
	Creditors and accruals - Unallocated	1,999	2,748
		<u>1,999</u>	<u>2,748</u>

KPS PENSION FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5TH APRIL 2016
(continued)

14. Investment Risk

Types of risk relating to investments

FRS 102 requires the disclosure of information in relation to certain investment risks.

Credit risk: this is the risk that one party to a financial instrument will cause a financial Loss for the other party by failing to discharge an obligation.

Market risk: this comprises currency risk, interest rate risk and other price risk.

Interest rate risk: this is the risk that the fair value or future cash flows of a financial asset will fluctuate because of changes in market interest rates.

Other price risk; this is the risk that the fair value or future cash flows of a financial asset will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors affecting all similar financial instruments traded in the market.

The Trustees determine their investment strategy after taking advice from a professional investment adviser. The Scheme has exposure to these risks because of the investments it makes in following the investment strategy set out below. The Trustees manage investment risks, including credit risk and market risk, within agreed risk limits which are set taking into account the Scheme's strategic investment objectives. These investment objectives and risk limits are implemented through the investment management agreements in place with the Scheme's investment managers and monitored by the Trustees by regular reviews of the investment portfolio.

15. Transition to FRS 102

This is the first year that the Scheme has presented financial statements under FRS 102 and the SORP. The last financial statements under existing UK GAAP and the previous SORP (revised May 2007) were for the year ended 5th April, 2015. The date of transition to FRS was 1st January, 2014.