

*Report to the Trustees*  
*on the takeover of*  
**THE LOFT SHIP LIMITED DIRECTORS PENSION SCHEME**

## *Index*

---

1. Introduction
2. Pension Schemes On-line
3. Investments
4. Scheme Rules
5. Scheme Review

---

## *1. Introduction*

Following your appointment of Pension Practitioner .Com to provide administration services to the Trustees, we have prepared a report notifying the changes that have been made. This report also provides information on:

- The registration of the scheme for pension schemes on-line with HMRC
- A review of the current rules governing the scheme
- The next scheme review

Our takeover service ensures that:

- All investments are registered in the names of the member trustees
- To allow the trustees to view on-line information regarding their scheme and the work we carry out on your behalf
- To ensure that the administration process is simplified
- To provide value for money to the Trustees
- To ensure that the rules of the scheme reflect current pension law and give the trustees sufficient powers to ensure that the scheme is kept tax efficient.

---

## *2. Pension Schemes On-line*

We have registered The Loft Shop with HMRC Pension Schemes Online.

We will undertake all reporting and return functions to HM Revenue & Customs, including the returns to the year ending 5<sup>th</sup> April 2009. These must be submitted online.

You may login for pension schemes and view the pension scheme returns we undertake on your behalf using your scheme administrator login user name and password.

The process for this is as follows:

1. Login to: <http://www.hmrc.gov.uk/index.htm>
2. Click: Pension Schemes – Do It Online
3. Enter your Government user id: 160245869871
4. Enter your password: PP914273213

This will take you to your online services page, we will undertake any future PAYE and VAT activities via this service, in addition we will also deal with all other pension related matters; you can view all submissions made to HMRC via your Administrator services page.

---

### *3. Investments*

We understand that all investments consists of cash at bank with Cater Allen.

We have submitted the changes to the mandate to Cater Allen.

---

#### *4. Scheme Rules*

We have comprehensively reviewed the rules applying to the scheme and confirm that they are compliant with the requirements of “pension simplification”. It is worth highlighting a couple of aspects of the scheme rules which can assist the trustees on tax planning.

**Allocation of contributions** – Contributions paid by any future employer are applied to each member’s account. The current rules allow for the allocation of contributions to be non- earmarked. We recommend that this power is made use of in future years in light of the changes that have arisen from Finance Act 2008 regarding distribution of funds on death after age 75 to connected persons. We will advise further on this at the next trustee meeting.

**We have noted that the rules allow for the creation of a general fund** – this will give the trustees additional powers to:

- Increase another member’s fund on a discretionary basis, without having to increase all other members’ funds.
- Provide new and additional benefits out of the resources of the scheme for a member
- Meet any costs or expenses of the scheme, if a future sponsor is not willing/able to provide for those expenses at some future date.
- It will also provide for additional tax planning opportunities that have arisen as a consequence of Finance Act 2008.

---

## 5. Scheme Review

The tax returns for this scheme should be filed no later than 31 January 2009. We have written to the trustees separately for that data.

The members will receive their pension benefit statements on receipt of the pension scheme bank account and investment data to 5 April 2009.

Attached are three nomination of beneficiary forms – would the member trustees please complete, sign and return a completed copy of these forms, retaining the original on the trustees files.

At the time of writing the report, A&N accountants are preparing a valuation of the trademark for the Loft Shop. We are awaiting the outcome of the valuation prior to guidance on the disposal of that trademark to the pension scheme.

We do not have an apportionment of assets for the pension scheme and will raise this requirement with the trustees at the next trustee meeting.