

Summary of Meeting and Outcome (21 November 2024):

Attendees:

- Darren Lloyd
- Gavin McCloskey

Discussion Overview:

1. Background and Intentions:

- Darren Lloyd discussed his historical and current involvement with property management and residential investments.
- He shared plans to utilise his SAS pension scheme to support a property management company (PropCo) for residential buy-to-lets while adhering to HMRC rules.

2. Key Points of Discussion:

- The SSAS scheme can lend funds to a company under an arm's length agreement.
- Darren proposed securing the loan with shares in Origin Bristol Limited (a company he owns), as the residential property would not be a direct asset of the SAS scheme.
- Gavin clarified compliance requirements, including avoiding indirect interests in residential property and ensuring proper valuation and documentation.

3. Immediate Steps and Challenges:

- Darren's urgency stems from his son's need to quickly secure a house after a buyer withdrew from a property chain.
- Challenges include the absence of sufficient security for the initial deposit and ensuring compliance with SAS rules.

4. Proposed Solution:

- A loan from the SSAS to the property management company, secured by Origin Bristol Limited shares.
- Necessary actions include obtaining a valuation for the shares and formalising the company's link to the pension scheme.

5. Execution of 25% Tax-Free Cash:

- Darren expressed wish in taking 25% of his SAS fund as a tax-free lump sum.
- Gavin confirmed the need for up-to-date valuations for compliance from SJP.

6. Action Items:

- Darren to provide a trade valuation of Origin Bristol Limited shares.
- Gavin to prepare documentation to formalise the company's connection to the SSAS scheme.
- Both parties to coordinate with Emily on valuations and payment requests.

Outcome:

The meeting established a compliant pathway for Darren's property investment through the SSAS scheme, leveraging Origin Bristol Limited shares as security for the loan. The next steps include finalising valuations, ensuring documentation compliance, and addressing administrative actions for fund withdrawal. Gavin will action next week and will notify Emily of the lump sum payment request.

