

## SSAS SET UP QUESTIONNAIRE

Name of Scheme

Name of Company/Employer creating the Scheme

Serving Address for Pension Correspondence

Howell Sacks Ltd

36 Cil-y-coed

Wannarlwydd

Swansea

SAS 4TF

Telephone Number

01792 524484

Contact Name

Roger Howell

Email Address

## Accountant Details

Name of the Company

Contact Name

Telephone Number

E-mail address

Address

## Financial Advisor Details

Name of the company

---

Contact name

---

Telephone Number

---

E-mail address

---

Address

---

---

---

---

## Trustees

Name of Trustee 1

ROGER EDWARD HOWELL

Title (Mr, Miss, Mrs)

MR

Date of Birth

11 - 03 - 1967

Proposed Retirement Date

---

National Insurance Number

NM 906411D

Home Address

36 CILY COED

WAUNARLWYD

SWANSEA

SAS 4TF

Is this Trustee also a Member

Yes / No

**Name of Trustee 2**

---

Title (Mr, Miss, Mrs)

---

Date of Birth

---

Proposed Retirement Date

---

National Insurance Number

---

Home Address

---

---

---

---

Is this Trustee also a Member

Yes / No

**Name of Trustee 3**

---

Title (Mr, Miss, Mrs)

---

Date of Birth

---

Proposed Retirement Date

---

National Insurance Number

---

Home Address

---

---

---

---

Is this Trustee also a Member

Yes / No

**Name of Trustee 4**

Title (Mr, Miss, Mrs)

Date of Birth

Proposed Retirement Date

National Insurance Number

Home Address

Is this Trustee also a Member

Yes / No

Register with Pensions Regulator

Yes / No (Pension Practitioner .Com to complete)

**Please return this form to:**

info@pensionpractitioner.com

Alternatively, post this form to:

Pension Practitioner .Com Limited

Daws House

33-35 Daws Lane

London

NW7 4SD

Signed:

*R Howell*

Date:

*14-1-2013*

Attention **Investec Bank**

Date

Fax

020 7597 4139



*Out of the Ordinary™*

 **Investec**  
Bank

## Application form for SIPP/SSAS Accounts

### Guidance note for completing this form

1. Complete all relevant sections fully.
2. If this form does not provide you with sufficient space to complete all details, please photocopy the relevant section of this form and complete for each additional person then attach all relevant pages to this form.
3. All trustees of the Pension Scheme must complete and sign this form.
4. If any trustee is an incorporated body such as a company, it must send us a separate mandate setting out the parties who are authorised to act on behalf of that trustee.

### 1. Scheme details

Scheme name

Contact address

Contact name

Tel no

Date of formation of Scheme

D	D	M	M	Y	Y	Y	Y
---	---	---	---	---	---	---	---

Scheme tax reference (if applicable)

### Beneficiary(ies) details (only list beneficiaries with an interest in at least 20% of the value of the Pension Scheme)

**Beneficiary 1** Name

Current residential address

Postcode

Date of birth

D	D	M	M	Y	Y	Y	Y
---	---	---	---	---	---	---	---

**Beneficiary 2** Name

Current residential address

Postcode

Date of birth

D	D	M	M	Y	Y	Y	Y
---	---	---	---	---	---	---	---

### 2. Introducer/IFA/Agent/Broker details

Name of company

Name of contact person

Address

London

Postcode

Contact number

Email address

0800 634 4862

bradd@pensionpractitioner.com

### 3. Account information

Please select (by ticking below) the Account(s) that you wish to apply for and complete the required information for the Account(s).

☐ **Pension and Trust Reserve** Interest paid ☐ Monthly ☐ Annually

Amount to invest (minimum deposit £25,000)

£

☐ **Pension and Trust Cheque** (interest paid monthly)

Amount to invest

£

☐ **Fixed Term Deposit** (minimum investment £50,000 or the equivalent in US dollars or Euro)

Currency

☐

Sterling

☐

US dollars

☐

Euro

Amount to invest

£/€/£

Term of deposit

☐

6 Months

☐

1 Year

☐

2 Years

☐

Other (specify)

☐ **Investec Income Account** (interest paid monthly) Amount to invest (minimum deposit £25,000)

£

**Investec Income Account Regular quarterly withdrawal instruction:** In order to give the Bank a Regular Withdrawal Instruction, please complete the information below. Please see the Special Terms and Conditions of the Investec Income Account for more information about regular withdrawals.

Amount of regular withdrawal

£

Date of first withdrawal

D	D	M	M	Y	Y	Y	Y
---	---	---	---	---	---	---	---

(must be at least three months in the future) and quarterly thereafter

Bank account details for quarterly withdrawals (this account must be in your name and held by you for the benefit of the same beneficiary(ies) named above).

Name of bank/building society

Account number

Sort code

☐ **Other account**

Interest paid

☐

Monthly

☐

Annually

Currency

☐

Sterling

☐

US dollars

☐

Euro

Amount to invest

£/€/£

#### Method of deposit

☐ Cheque payable to the Scheme Account

☐ Electronic transfer

#### Interest paid away

Accounts in Sterling: Unless stated otherwise in the Account Specific Terms, you can elect at any time to have interest on the Account paid to another account held by you, for the benefit of the same beneficiary(ies) named above, with Investec Bank plc (the "Bank") or another UK bank/building society. In the case of a Notice, Fixed Term Deposit or Structured Deposit Account, interest can only be paid to an account in your name. If you would like the interest to be paid away to another account, please complete the following section.

Name of bank/building society

Account number

Sort code

## 4. Declarations by the Trustee(s)

- 4.1 We apply for the Account(s) specified in Section 3 (each account being an "Account" as defined in the Investec Bank plc General Terms and Conditions) to be opened in our name(s) as trustee(s) of the Scheme named in Section 1.
- 4.2 The Account(s) will be held by us for the benefit of the beneficiary(ies) named in Section 1 and we confirm that all sums deposited on the Account(s) will be held by us for the benefit of the beneficiary(ies).
- 4.3 We acknowledge receipt of and confirm that we accept the terms of the Agreement, as defined in the Investec Bank plc General Terms and Conditions.
- 4.4 We declare that all of the information provided in this form and the supporting documents we have given to the Bank is true and complete and confirm our understanding that the Bank, in making its decision to open the Account(s), will be relying on such information.
- 4.5 We understand that the Bank will only be bound by the Agreement in relation to the Account(s), once we have completed, signed and returned this application form with all supporting documentation and the Bank has completed its final checks and has agreed to open the Account(s) for us.
- 4.6 We understand that the personal information provided on this application form and other information relating to the Account(s) may only be used in accordance with the purposes and disclosures under the current data protection legislation. By signing this application form, we confirm that we have read and understood the data protection policy as disclosed in the Investec Bank plc General Terms and Conditions and we consent to the activities described therein.
- 4.7 We agree that the Bank may in its discretion perform independent checks to verify our identity and/or address and/or to validate certified documents that we have provided to the Bank. We further agree that these recognised independent checks may include documented checks of electronic phone directory, electoral register and/or credit bureau records, and/or confirmation from a solicitor or accountant. We also confirm that the beneficiary(ies), settlor(s) and protector(s) of the Scheme have agreed that the Bank may in its discretion perform such checks in relation to them.
- 4.8 We declare that:
- 4.8.1 the Scheme to which this form relates is registered by HM Revenue & Customs or has been submitted to HM Revenue & Customs for registration under the Finance Act 2004; and
- 4.8.2 we or our successors shall notify the Bank if at any time the Scheme (or arrangements under the Scheme in respect of which benefits are to be secured under the Scheme) cease(s) to be registered under the Finance Act 2004.
- We authorise HM Revenue & Customs to tell the Bank if the Scheme is not registered or if that registration is withdrawn.
- 4.9 We authorise the Bank to disclose information about us and our Account(s) to any IFA/agent/broker/introducer who has introduced us to the Bank for the Account(s) and/or whose details we provide to the Bank from time to time. This includes any IFA/agent/broker/introducer named in Section 2 of this form.
- 4.10 We acknowledge that the Bank may pay commission to any IFA/agent/broker/introducer who has introduced us to the Bank for the Account(s) and that further information is available on request from the IFA/agent/broker/introducer.
- 4.11 **Rules for written instructions**
- We instruct the Bank to act on instructions of (please insert number of trustees and preferred signing instructions)
- 
- 
- If left blank, the Bank will be entitled to rely on the signed instructions of any two trustees. We confirm that the Scheme Rules/Trust Deed permits us to delegate authority to operate the Account(s) in the manner set out above.
- 4.12 We certify that we are entitled, under the terms of the Scheme Rules/Trust Deed, to apply for the Account(s), accept the terms of the Agreement and to operate the Account(s) in accordance with the Agreement.

All Trustees must complete the information below and sign and date this form

**Trustee 1**

Full name   
Signature   
Date

**Trustee 2**

Full name   
Signature   
Date

**Trustee 3**

Full name   
Signature   
Date

**Trustee 4**

Full name   
Signature   
Date

**Two Authorised Signatories of the Professional/Corporate Trustee must sign below, for and on behalf of the Professional/Corporate Trustee**

**Authorised Signatory 1**

Full name   
Signature   
Date

**Authorised Signatory 2**

Full name   
Signature   
Date

## 5. Declarations by the Introducer/Administrator/Trustee

- 5.1 We confirm that we are aware that the trustee(s) of the Scheme named in Section 1 above are applying for the Account(s) specified above and we confirm that we have carried out anti-money laundering checks in relation to the trustee(s), settlor(s), beneficiary(ies) and protector(s) of the Scheme.
- 5.2 We will provide to the Bank, on demand, certified copies of all evidence of our anti-money laundering checks in relation to the trustee(s), settlor(s), beneficiary(ies) and protector(s).
- 5.3 We confirm that the signatures above are those of all the validly appointed trustee(s).
- 5.4 These declarations by us shall be governed and construed in accordance with the laws of England and Wales.

**Signed for and on behalf of (insert Introducer/Administrator/Trustee name and FSA number)**

Name   
FSA number

To be signed by the Introducer/Administrator/Trustee in accordance with their signing conditions confirmed to the Bank

**Authorised Signatory 1**

Full name   
Signature   
Date

**Authorised Signatory 2**

Full name   
Signature   
Date

## **SSAS**

### **TECHNICAL KEY FEATURES**

#### **Introduction**

This guide is designed to provide the key features of the Pension Practitioner .Com Small Self Administered Scheme (SSAS). It is based on our understanding of pension law and taxation at the time of print, this document does not constitute advice.

#### **The structure of a SSAS**

The Pension Practitioner .Com Small Self-Administered Scheme (SSAS) is an occupational registered pension scheme with 11 or fewer members. A SSAS is established under trust by an employer, known as the principal employer. The employer appoints trustees to the scheme, the Employer also invites members to join the Scheme, the members are invariably the trustees.

Non member trustees may also be appointed by the employer. The Trustees are responsible for most aspects of the Schemes including investment choice, payment of benefits and appointment of advisors. They may delegate part of their duties to 3<sup>rd</sup> parties such as an external Administrator or Scheme Practitioner.

A registered Administrator is required, their responsibilities include filing returns and dealing with all tax related matters with Her Majesty's Revenue and Customs' (HMRC) compliance and audit regime. Failure to adhere to those requirements results in a fine, the amount of which depends on the nature of the breach. Pension Practitioner .Com can fulfill all administration duties should the trustees wish, but the registered Administrator will be the member trustees of the Scheme or the Principal Employer, unless they agree otherwise.

We will be the registered Practitioner, this allows us to undertake the administrative functions for the SSAS trustees and registered administrator.

#### **What is a principal employer**

An employer is traditionally the person or company who hires you and pays your wages. A scheme can have more than once employer participating in it, but there must be recognised who the "principal" employer is. An investment company can sponsor the scheme. An employer is not restricted to a limited company, it can include a partnership or where an individual employs or contracts others to carry out work, that person could also meet the definition of a principal employer.

### **Who can be a SSAS scheme member**

This is a very wide ranging definition, and covers any active member, pensioner member, deferred member or pension credit member of the scheme. Most people will initially be active members i.e. where there is an arrangement to accrue benefits under the scheme.

That person may become a pensioner member i.e. if the person is entitled to a payment of benefits under the scheme. A deferred member is someone who has accrued rights under the scheme and is neither an active member nor a pensioner member. A member of the scheme does not always have to be an employee of the business the person can, for example, be a spouse.

### **Who may contribute to a SSAS**

Contributions can be accepted from the employer, member or a third party. It does not need to take the form of "money" it can include an asset, such as commercial property or land.

Tax relief may be given, the amount of the tax relief depends on a variety of factors. There is no limit on the amount that can be paid in, only a lifetime limit on the total pension fund accrued in a tax efficient manner. Protection is available from the lifetime allowance in certain circumstances.

### **Tax relief and contributions**

Personal member contributions are tax deductible, provided they do not exceed the lower of the annual allowance or total earnings within the same tax year. Tax relief is only granted on contributions up to 100% of earnings in any tax year, to the annual allowance which is presently £50,000.

Employer contributions are similarly unlimited and will receive tax relief in the year they are made provided they are wholly and exclusively for the purposes of the employer's trade. Tax relief will be spread if they are over £500,000 and constitute an increase of 210% or more over the previous year's contributions.

If the total of the employer's contribution for a particular member plus the member's personal contribution exceeds the annual allowance then the member may have to pay tax on the excess. However see carry forward and unallocated contributions below.

### **Carry Forward**

Tax relief on contributions in excess of the annual allowance can be given through unused annual allowances from the previous three qualifying tax years. This will be based upon a notional £50,000 annual allowance cap for each year, you will need to deduct any contributions paid during those tax years and any excessive contributions will need to be accounted for. We will work this out for you.

## **Non Allocated Contributions**

Where there are two or more members in a SSAS, contributions paid by the business can be non- allocated, this can allow for tax planning where the business is seeking to pay more than the annual allowance for the current year, but the trustees are willing to allow the annual allowance excess to be spread over future tax years. We can give specialist guidance on this.

## **Tax efficiency**

SSAS is a very tax efficient scheme, investments (other than dividend income) grow free from UK capital gains tax and income tax. Other tax efficient features include:

- In the event of death before the benefits come into payment, a tax free cash lump sum may be paid out - in most circumstances this will be whole of the value of the accrued fund.
- Lump sum death benefits can be paid until age 77, free from inheritance tax where the benefits have not been paid out;
- A tax-free lump sum can be taken after age 55.
- There is no compulsory requirement to purchase an annuity
- A scheme pension may be applied for.

## **Transferring in benefits from other schemes**

Pensions can be transferred in or assigned from other pension schemes. The SSAS offered by Pension Practitioner.Com is not designed to accept contracted out benefits, although this can be included on a be-spoke basis. It is important that advice is sought prior to any transfer in of benefits; we do not provide investment advice.

## **Investment choice**

There is no restriction on any investment choice however certain investments are taxable.

In summary you can invest in any area you deem appropriate for the scheme however residential property in the UK and/or Overseas is taxable. Personal chattels such as Antiques, Fine wines, work of art, etc... are taxable and should be avoided. Personal loans are also taxable in addition to loans family "connected" persons. If you invest in unquoted shares, provided that the Company is not connected to you then this is acceptable.

A list of the main investment categories is given below:

Cash deposits

Quoted equities on recognised worldwide stock exchanges

Gilts, Bonds and Fixed Interest Stocks

Investment Trusts

Quoted equities on the London

Daws House, 33-35 Daws Lane, London. NW7 4SD  
Registered in England No: 6028668; VAT Reg No: 894312018

Futures and options

Image rights

Copyrights

Trademarks

Unit Trusts and OEICS

Investment Companies

Insurance company funds

Institutional deposits

Shares in the principal employer (please seek advice prior to this investment)

Shares in private companies (unconnected rules apply)

Secured loans to the employer

Secured or unsecured loans to unconnected parties

Offshore funds

Land

Commercial Property

Industrial property

**Taxable investments**

Residential property

Unsecured loans to the business

Fine wines

Works of art

Vintage/Classic cars

Antiques

Rare books

Stamps

Yachts

Gold Krugerrands

Loans to member trustees or their families

Jewellery and gemstones

## **Property purchase**

Buying and investing in property is very tax efficient.

Where property is acquired from a connected party or the business, an independent valuation is required. That property must be acquired on commercial rates. The property can be sold or "contributed" to the Scheme, the usual tax concessions apply.

A business looking to raise cash, could sell the property to the Scheme if it held assets such as other pension investments arising from transfers in, the property once sold allows the members/directors of the business to retain assets in the Scheme. If there are insufficient funds available within the SSAS the trustees can borrow up to 50% of the net value of the SSAS's funds to buy the property. The trustees take on the borrowing, which is not reflected in the employer's accounts. The property held by the scheme is typically leased to the business at normal commercial terms. The growth in the value of the property is free from CGT and income tax.

## **Off plan "residential" investments**

There has been much speculation about off-plan residential investments. Off-plan residential property investment can be transacted via Pension Practitioner .Com. However, the land must not have been previously used for residential purposes and the property must be disposed of prior to the property being fit for purpose in a certain manner. Where the investment is for a short term profit, the transaction is likely to meet the badges of trade test and as such the scheme will need to pay the income tax due. Due to the complexity of this transaction, specialist advice must be sought.

## **Loans**

Loans are restricted to a maximum of 50% of the net SSAS fund. Such loans must be secured against assets by way of a first charge. The nature of the asset can be a fixed or floating asset. The maximum term permitted is five years, with the interest being at least 1% above the average base-lending rate of the six main high street banks. It is not possible to make loans to the member or anyone connected to them, unconnected third party loans are acceptable. Loans to third parties are not restricted to 50% of the fund and need not be secured.

## **Share in the Principal Employer**

Investment in the shares of the principal employer or any other associated employer is restricted to less than 5% of the fund in any one such employer; and less than 20% of the fund in shares in all such employers.

## **Borrowing**

The maximum the SSAS can borrow is 50% of its net fund value at the date of the loan. There is no restriction from whom the lending may be made from or the terms of the loan. Any borrowing in excess of 50% must be held outside the SSAS.

## **Taking the benefits from the SSAS**

There is no requirement to retire from employment to take the benefits. There is no requirement to purchase an annuity.

A quarter of the accrued fund is usually taken tax free; the balance can be taken as taxable income. Members may start to take their benefits at any time from age 55. Benefits must have commenced by age 77. When a member takes benefits from the scheme the total value of their pension funds from the SSAS and any other pension arrangements they have will be tested against the current lifetime allowance. If the lifetime allowance is exceeded, there may be a tax charge.

## **Pension**

Pension benefits will be treated as earned income, there are a variety of pension options available, the most common are:

- An unsecured pension, where the pension is taken from the fund via income withdrawal
- A scheme pension, paid over the member's lifetime. This is paid also from the scheme and is a form of annuity albeit paid out of the resources of the scheme.
- An annuity, which is secured by placing the funds with an insurance company

## **Dependants**

A dependant is defined widely it can include the following:

a spouse at date of death;

a child under 23;

a child over 23 dependent on grounds of physical or mental impairment;

a person who is not a spouse or child of the member, but

- is financially dependent on the member;
- has a financial relationship with the member and a mutual dependency;
- is a person who is dependent on the member on the grounds of physical or mental impairment.

## **Death before benefits are paid**

A lump sum up to the current lifetime allowance can be paid tax-free. Funds in excess of the lifetime allowance will be taxable. The whole fund may be used to pay dependants' pensions.

## **Death after benefits are paid out**

Where the member dies after taking benefits separate conditions apply as per the following:

### **Before age 77**

A lump sum death benefit can be paid of the full value of the fund as a lump sum less tax at 55%. Alternatively, dependants/spouse's pension can be paid from the SSAS which is taxed as earned income for the life of the spouse.

### **After age 77**

No lump sum death benefit can be paid as a general rule; with the exception of a guarantee of continuing instalments as a lump sum within 5 years of death following commencement of pension income. Depending on the type of pension chosen will reflect the death benefit rules applying. Generally speaking, dependants'/spouse's pensions can be provided via a SSAS and will be taxed as earned income. If a member dies and there are no dependants to whom benefits can be paid the fund can be:

- redirected to other members of the scheme according to the prior wishes of the member;
- retained by the trustees to be reallocated to other members;
- returned to the employer less a 35% tax charge;
- given to a charity, previously nominated by the deceased member, tax-free.

## **Winding up the Scheme**

The SSAS may be wound up at anytime, members benefits must be first secured, with any non allocated funds being paid back to the business less a 35% tax charge.

### **FEE MENU: 2012/13**

Pension Practitioner .Com operates on fixed fee terms, our fee menu is simple, comprehensive and for the personal service we provide very competitive.

#### **Scheme Set Up Fee**

£780 for one member – this cost includes:

Provision of trust deed and rules  
Provision of letters confirming membership of the SSAS  
Provision of nomination of beneficiary forms for death benefits  
Registration of the scheme with HM Revenue and Customs  
Registration of the scheme with the Pensions Regulator  
Opening of scheme bank account  
Client meeting, assistance and technical guidance

For each additional member of up to three persons inclusive please add £265.

A reduced rate applies where there are more than three scheme members. A reduced rate applies where the membership includes children and/or dependants.

#### **Annual Administration Fee**

£760 for one member. For each additional member of up to three persons inclusive please add £275.

A reduced rate applies where there are more than four scheme members. A reduced rate applies where the membership includes children and/or dependants.

The annual administration fee is intended to include the comprehensive administration of the scheme for a year.

- Pension accounting for tax returns
- HMRC scheme return
- HMRC event reports
- Returns to the Pensions Regulator
- Annual trustees report
- Annual benefit statement
- General administration to ensure that the scheme remains tax exempt with HM Revenue & Customs
- Reclaim tax relief on pension contributions, where applicable
- Monitor and record of pension scheme loans and borrowings

- Monitor and record benefits in payment  
Monitor the lifetime allowance and preservation of pension benefits
- Payment of death benefits
- Assistance and guidance as may be required from time to time to assist with the smooth running of the scheme
- Monitor and record rental income from property

### **Takeover Fee**

£400.00 for one member - this cost covers

- Provision of new trust deed and rules
- Provision of a deed of removal of trustee (as appropriate)
- Disclosure to HMRC and the Pensions Regulator on takeover and changes of trustee
- Removal of outgoing advisor
- Review of current scheme correspondence and updating the administrative affairs of the scheme
- Completion of HMRC forms and certifications
- Establish scheme records and collation of information relating to the member's other pension arrangements
- Removal of Pensioner Trustee (as appropriate) to the scheme's investments

For each additional member of up to three persons inclusive please add £230.

### **Terms of Payment**

1. The scheme set up and takeover fee is payable in advance
2. The takeover fee excludes alteration to the Land Registry for any properties in the co-name of the outgoing trustee
3. The annual administration fee is payable quarterly in advance by direct debit.
4. All fees quoted are exclusive of VAT
5. Terms of business will be with the trustees of the scheme
6. This fee menu forms part of our terms of business

What is not included in the annual administration fee.

- Legal related services for pension scheme loans.
- Administration of pension transfer in - £150 per scheme transfer; a reduction will be given for three or more transfers in.
- Renewal fee with the Data Protection Registrar (£35.00)
- PAYE tax returns (inclusive of set up) £300.00
- Tri- annual renewal registration with the Pensions Regulator (£33.00 for two members)
- Payment of stamp duty land taxes
- Consultancy advice is not covered in the day-to-day running of the SSAS and attendance of an annual trustee meeting.
- Property purchase where you wish us to provide guidance and assistance to the trustees and solicitor

- Provision of Scheme accounts for two or more members.
- Wind up of the Trust
- HMRC investigation and enquiries