

The Specialised Unit Handling Limited Executive Pension Scheme
Report and Accounts
31 March 2021

Report and accounts Contents

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Trustees and Advisors

Trustees

D J Grant (Chair)

D Grant

Accountants

KBH Accountants Limited

255 Poulton Road

Wallasey

Wirral

Merseyside

CH44 4BT

Sponsoring Employer

Specialised Unit Handling Limited

255 Poulton Road

Wallasey

Wirral

Merseyside

CH44 4BT

**The Specialised Unit Handling Limited Executive Pension Scheme
Fund Account
for the year ended 31 March 2021**

	Notes	2021 £	2020 £
Benefits payable		(345,000)	(32,500)
Administrative expenses	2	(6,769)	(1,048)
Net withdrawals from dealings with members		<u>(351,769)</u>	<u>(33,548)</u>
Returns on investments			
Income from investments	3	<u>119,711</u>	<u>117,455</u>
Net return on investments		<u>119,711</u>	<u>117,455</u>
Net increase in the fund during the year		(232,058)	83,907
Net assets of the scheme as at 1 April 2020		2,256,085	2,172,178
Net increase in the fund during the year		<u>2,024,027</u>	<u>2,256,085</u>

The Specialised Unit Handling Limited Executive Pension Scheme
Statement of Net Assets Available for Benefits
as at 31 March 2021

	Notes	2021 £	2020 £
Investment Assets			
Property	4	1,670,000	1,670,000
Current assets	8	505,025	624,190
Current liabilities	9	(150,998)	(38,105)
Net assets		<u>2,024,027</u>	<u>2,256,085</u>

The financial statements summarise the transactions of the scheme and deal with the net assets at the disposal of the trustees. They do not take account of obligations to pay pensions and benefits which fall due after the end of the scheme year.

These financial statements were approved by the Trustees on _____2022

D J Grant (Chair)

D Grant

Notes to the Accounts for the year ended 31 March 2021

1 Accounting policies

Basis of preparation

The financial statements have been prepared in accordance with the Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the guidance set out in the Statement of Recommended Practice, Financial Reports of Pension Schemes (revised November 2014). This is the first year that FRS 102 and the revised SORP have been applied to the scheme's financial statements.

Contributions

Employee contributions, including AVCs, are accounted for by the Trustees when they are deducted from pay by the Employer, except for the first contribution due where the employee has been auto-enrolled by the Employer, in which case it is accounted for when received by the scheme.

Employer normal contributions that are expressed as a rate of salary are accounted for on the same basis as employee contributions, in accordance with the Schedule of Contributions in force during the year.

Employer augmentation contributions are accounted for in accordance with the agreement under which they are payable.

Employer deficit funding contributions are accounted for on the due dates on which they are payable under the Schedule of Contributions or on receipt if earlier with the agreement of the Employer and the Trustees.

Employer S75 debt contributions are accounted for when a reasonable estimate of the amount

Payments to members

Pensions in payment are accounted for in the period to which they relate.

Benefits are accounted for in the period in which the member notifies the Trustees of his decision on the type or amount of benefit to be taken or, if there is no member choice, they are accounted for on the date of retirement or leaving.

Opt-outs are accounted for when the Scheme is notified of the opt-out.

Individual transfers in and out of the Scheme are accounted for when member liability is accepted or discharged which is normally when the transfer amount is paid or received.

Group transfers

Group transfers are accounted for in accordance with the terms of the transfer agreement.

Expenses

Expenses are accounted for on an accruals basis.

**Notes to the Accounts
for the year ended 31 March 2021**

Accounting policies - continued

Investment income

Dividends from equities are accounted for on the ex-dividend date.

Income from bonds is accounted for on an accruals basis and includes interest bought and sold on investment purchases and sales.

Rental income is accounted for on an accruals basis.

Income from pooled investment vehicles is accounted for when declared by the fund manager.

Changes in market value of investments

The change in market value of investments during the year comprises all increases and decreases in the market value of investments held at any time during the year, including profits and losses realised on sales of investments during the year.

Investments

Investments are stated at fair value on the final working day of the accounting year. Investment management fees are separately disclosed in the notes. These fees and acquisition costs are included in the purchase cost of investments.

Foreign currencies

The scheme functional and presentation currency is pounds sterling. Monetary items denominated in foreign currency are translated into sterling using the closing exchange rates at the scheme year-end. Foreign currency transactions are recorded in sterling at the spot exchange at the date of the transaction.

2 Administrative expenses

Subscriptions	29	29
Bank charges	30	60
Insurance	2,910	-
Sundry expenses	-	459
	<u>2,969</u>	<u>548</u>
Legal and professional costs:		
Accountancy fees	500	500
Consultancy fees	3,300	-
	<u>3,800</u>	<u>500</u>
Total administration fees	<u>6,769</u>	<u>1,048</u>

**Notes to the Accounts
for the year ended 31 March 2021**

3 Investment Income	2021 £	2020 £
Net rents from properties	<u>119,711</u>	<u>117,455</u>

4 Reconciliation of investments	2021 £	2020 £
Cost	<u>1,670,000</u>	<u>1,670,000</u>

Investments purchased by the scheme are allocated to provide benefits to the individuals on whose behalf corresponding contributions are paid. The investment manager holds the investment units on a pooled basis for the trustees. The scheme administrator allocates investment units to members. The trustees may hold investment units representing the value of employer contributions that have been retained by the scheme that relate to members leaving the scheme prior to vesting.

Investments are as follows:

Held for General purpose of the scheme	<u>1,670,000</u>	<u>1,670,000</u>
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**Notes to the Accounts
for the year ended 31 March 2021**

6 Fair value determination

The fair value of financial instruments has been estimated using the following fair value hierarchy:

Category (a) The quoted price for an identical asset in an active market at the reporting date.

Category (b) When quoted prices are unavailable, the price of a recent transaction for an identical asset adjusted if necessary.

Category (c) Where a quoted price is not available and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is determined by using a valuation technique that uses:

(c) (i) observable market data; or

(c) (ii) non-observable data.

The scheme's investment assets have been fair valued using the above hierarchy categories as follows:

	Category a	Category b	Category c (i) & (ii)	Total
Property	1,670,000	-	-	1,670,000
	<u>1,670,000</u>	<u>-</u>	<u>-</u>	<u>1,670,000</u>

7 Investment risk disclosures

FRS 102 requires the disclosure of information in relation to certain investment risks. These risks are set out by FRS 102 as follows:

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 the obligation.

Market risk

This comprises currency risk, interest rate risk and other price risk.

**Notes to the Accounts
for the year ended 31 March 2021**

Currency risk

This is the risk that the fair value or future cash flows of a financial asset will fluctuate because of changes in foreign exchange rates.

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 specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

Credit risk

The scheme is subject to credit risk as the scheme has cash balances. The risk is reduced by ensuring the cash is held within financial institutions which are at least investment grade credit rated.

Currency risk

The scheme is not subject to currency risk as all transactions during the year were carried out using the functional and presentation currency.

Interest rate risk

The scheme is subject to interest rate risk as a result of cash balances held with financial institutions.

Other price risk

Other price risk arises principally in relation to the scheme's return seeking portfolio which includes investment properties. The scheme expects to manage this exposure to other price risk by constructing a diverse portfolio of investments across various markets.

**Notes to the Accounts
for the year ended 31 March 2021**

8 Current Assets

	2021	2020
	£	£
Debtors	18,352	27,662
Cash at bank	486,673	596,528
	<u>505,025</u>	<u>624,190</u>

9 Current Liabilities

	2021	2020
	£	£
Rent Deposits	40,943	26,256
Other taxes and social security	2,278	2,016
Accrued expenses	10,333	9,833
	<u>150,998</u>	<u>38,105</u>

The Specialised Unit Handling Limited Executive Pension Scheme
Detailed profit and loss account
for the year ended 31 March 2021

This schedule does not form part of the statutory accounts

	2021 £	2020 £
Cost of sales	(345,000)	(32,500)
Gross loss	<hr/> (345,000)	<hr/> (32,500)
Administrative expenses	(6,769)	(1,048)
Operating loss	<hr/> (351,769)	<hr/> (33,548)
Income from investments	119,711	117,455
(Loss)/profit before tax	<hr/> (232,058)	<hr/> 83,907

The Specialised Unit Handling Limited Executive Pension Scheme
Detailed profit and loss account
for the year ended 31 March 2021

This schedule does not form part of the statutory accounts

	2021	2020
	£	£
Cost of sales		
Benefits payable	<u>345,000</u>	<u>32,500</u>
Administrative expenses		
General administrative expenses:		
Subscriptions	29	29
Bank charges	30	60
Insurance	2,910	-
Sundry expenses	-	459
	<u>2,969</u>	<u>548</u>
Legal and professional costs:		
Accountancy fees	500	500
Consultancy fees	3,300	-
	<u>3,800</u>	<u>500</u>
	<u>6,769</u>	<u>1,048</u>