

ANNUAL REPORT
FOR THE YEAR ENDED 26 DECEMBER 2017
FOR
TRADPIN CONSTRUCTION LIMITED
RETIREMENT AND DEATH BENEFIT SCHEME

Gane Jackson Scott LLP
Chartered Certified Accountants
Second Floor, Kestrel House
Falconry Court
Bakers Lane
Epping
Essex
CM16 5BD

**TRADPIN CONSTRUCTION LIMITED
RETIREMENT AND DEATH BENEFIT SCHEME**

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FOR THE YEAR ENDED 26 DECEMBER 2017**

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**TRADPIN CONSTRUCTION LIMITED
RETIREMENT AND DEATH BENEFIT SCHEME**

**TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 26 DECEMBER 2017**

CHAIR:	D Hancock
OTHER TRUSTEES:	Mrs A J Hancock G.R Hancock
SPONSORING EMPLOYER:	Tradpin Construction Limited 14 Hemnall Street Epping Essex CM16 4LW
ACCOUNTANTS:	Gane Jackson Scott LLP Chartered Certified Accountants Second Floor, Kestrel House Falconry Court Bakers Lane Epping Essex CM16 5BD
AUTHORISED PRACTITIONER:	Pension Practitioner.Com 33/35 Daws Lane London NW7 4SD
FINANCIAL ADVISER:	Robert Mead Insurance Brokers 1 & 3 London Road Harlow Essex CM17 0DE

**TRADPIN CONSTRUCTION LIMITED
RETIREMENT AND DEATH BENEFIT SCHEME**

**CHAIR'S STATEMENT
FOR THE YEAR ENDED 26 DECEMBER 2017**

The chair presents the report for the year ended 26 December 2017.

ON BEHALF OF THE TRUSTEES AND MANAGERS:

D Hancock
Chair

28 November 2018

**TRADPIN CONSTRUCTION LIMITED
RETIREMENT AND DEATH BENEFIT SCHEME**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 26 DECEMBER 2017**

The trustees present their report for the year ended 26 December 2017.

MANAGEMENT OF THE SCHEME

The trustees during the year under review were:

D Hancock
Mrs A J Hancock
G.R Hancock

The Tradpin construction Limited Retirement and Death Benefit Scheme is a defined contribution scheme and was formed to provide retirement benefits to employees of Tradpin Construction Ltd and its subsidiary Tradpin Ltd and their dependants. Benefits are also paid when employees die before retirement age whilst in the company's service.

MEMBERSHIP

Details of membership of the scheme during the year are shown below:

	At 27.12.16	Increase	Decrease	At 26.12.17
Active members	2	-	-	2
Pensioners	2	-	-	2
Deferred pensioners	-	-	-	-
	<u>4</u>	<u>-</u>	<u>-</u>	<u>4</u>

INVESTMENT MANAGEMENT

The trustees have produced a statement of investment principles as required by Section 35 of the Pensions Act 1995, a copy of which is available on request.

COMPLIANCE MATTERS

Signed by the Trustees:

D Hancock

Mrs A J Hancock

G.R Hancock

28 November 2018

**REPORT OF THE ACCOUNTANTS TO THE TRUSTEES OF
TRADPIN CONSTRUCTION LIMITED
RETIREMENT AND DEATH BENEFIT SCHEME**

In accordance with instructions given to us we have prepared without carrying out an audit the annexed financial statements from the accounting records of Tradpin Construction Limited Retirement and Death Benefit Scheme and from information and explanations supplied to us.

Gane Jackson Scott LLP
Chartered Certified Accountants
Second Floor, Kestrel House
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29 November 2018

**TRADPIN CONSTRUCTION LIMITED
RETIREMENT AND DEATH BENEFIT SCHEME**

**FUND ACCOUNT
FOR THE YEAR ENDED 26 DECEMBER 2017**

	Notes	2017 £	2016 £
CONTRIBUTIONS AND BENEFITS			
Employer contributions		20,000	-
Employee contributions		-	-
Total contributions	2	<u>20,000</u>	<u>-</u>
Benefits paid or payable	3	<u>(121,416)</u>	<u>(75,000)</u>
Net withdrawals from dealings with members		<u>(101,416)</u>	<u>(75,000)</u>
RETURNS ON INVESTMENTS			
Investment income	4	80,618	82,433
Change in market value of investments	7	19,063	22,448
Investment management expenses	6	<u>(16,198)</u>	<u>(6,498)</u>
Net returns on investments		<u>83,483</u>	<u>98,383</u>
NET (DECREASE)/INCREASE IN THE FUND DURING THE YEAR		(17,933)	23,383
NET ASSETS OF THE SCHEME AT 27 DECEMBER 2016		<u>1,605,102</u>	<u>1,581,719</u>
AT 26 DECEMBER 2017		<u><u>1,587,169</u></u>	<u><u>1,605,102</u></u>

**TRADPIN CONSTRUCTION LIMITED
RETIREMENT AND DEATH BENEFIT SCHEME**

**STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS
26 DECEMBER 2017**

	Notes	2017 £	2016 £
INVESTMENT ASSETS	7		
Property		1,105,832	1,092,291
Insurance policies	9	27,609	22,087
		<u>1,133,441</u>	<u>1,114,378</u>
 Current assets	 12	 466,922	 500,791
Current liabilities	13	(13,194)	(10,067)
 NET ASSETS OF THE SCHEME AT 26 DECEMBER 2017		 <u>1,587,169</u>	 <u>1,605,102</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 28 November 2018.

Signed by the Trustees:

D Hancock

Mrs A J Hancock

G.R Hancock

**TRADPIN CONSTRUCTION LIMITED
RETIREMENT AND DEATH BENEFIT SCHEME**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 26 DECEMBER 2017**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

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).

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 due can be determined.

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.

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.

Receipts from annuity policies are accounted for as investment income on an accruals basis.

**TRADPIN CONSTRUCTION LIMITED
RETIREMENT AND DEATH BENEFIT SCHEME**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 26 DECEMBER 2017**

1. ACCOUNTING POLICIES - continued

Change 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

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. CONTRIBUTIONS

	2017	2016
	£	£
Employer contributions		
Other	20,000	-
	<u> </u>	<u> </u>
Employee contributions	-	-
	<u> </u>	<u> </u>
Total contributions	<u>20,000</u>	<u>-</u>

3. BENEFITS PAID OR PAYABLE

	2017	2016
	£	£
Pensions	75,000	75,000
Other benefits	46,416	-
	<u>121,416</u>	<u>75,000</u>

4. INVESTMENT INCOME

	2017	2016
	£	£
Net rents from properties	79,603	78,093
Interest on cash deposits	1,015	4,340
	<u>80,618</u>	<u>82,433</u>

5. TAXATION

2017	2016
£	£
<u> </u>	<u> </u>

6. INVESTMENT MANAGEMENT EXPENSES

	2017	2016
	£	£
Administration, management and custody	5,066	1,358
Net property expenses	10,133	4,280
Auditors remuneration	999	860
	<u>16,198</u>	<u>6,498</u>

**TRADPIN CONSTRUCTION LIMITED
RETIREMENT AND DEATH BENEFIT SCHEME**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 26 DECEMBER 2017**

7. RECONCILIATION OF INVESTMENTS

	Value at 27/12/16 £	Change in market value £	Value at 26/12/17 £
Property	1,092,291	13,541	1,105,832
Insurance policies	22,087	5,522	27,609
	<u>1,114,378</u>	<u>19,063</u>	<u>1,133,441</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:

	2017 £	2016 £
Designated to members	27,609	22,087
Held for the general purpose of the scheme	1,105,832	1,092,291
	<u>1,133,441</u>	<u>1,114,378</u>

7A. INVESTMENTS - AUDITED ACCOUNTS REGULATIONS ADDITIONAL DISCLOSURES

8. TRANSACTION COSTS

Transaction costs are included in the cost of purchases and deducted from sales proceeds. Direct transaction costs include costs charged to the scheme such as fees, commissions and stamp duty.

Transaction costs analysed by main asset class and type of cost are as follows:

	2017 Total £	2016 Total £
	<u>-</u>	<u>-</u>
2016		<u>-</u>

9. INSURANCE POLICIES

	2017 £	2016 £
Insurance policies - 1	<u>27,609</u>	<u>22,087</u>

**TRADPIN CONSTRUCTION LIMITED
RETIREMENT AND DEATH BENEFIT SCHEME**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 26 DECEMBER 2017**

10. 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) £	Category (c) (ii) £	Total £
Property	-	-	1,105,832	-	1,105,832
Insurance policies	27,609	-	-	-	27,609
	<u>27,609</u>	<u>-</u>	<u>1,105,832</u>	<u>-</u>	<u>1,133,441</u>

	Category (a) £	Category (b) £	Category (c) (i) £	Category (c) (ii) £	Total £
Property	-	-	1,092,291	-	1,092,291
Insurance policies	22,087	-	-	-	22,087
	<u>22,087</u>	<u>-</u>	<u>1,092,291</u>	<u>-</u>	<u>1,114,378</u>

**TRADPIN CONSTRUCTION LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 26 DECEMBER 2017**

11. 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 an obligation.

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

" 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.

The Trustees determine their investment strategy after taking advice from a professional investment advisor. The Scheme has exposure to these risks because of the investments it makes to implement its investment strategy described in the Trustees' Report. 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.

Further information on the Trustees' approach to risk management and the Scheme's exposures to credit and market risks are set out below. This does not include legacy insurance policies nor AVC investments as these are not considered significant in relation to the overall investments of the Scheme.

Investment strategy

a) Credit risk

The scheme is not subject to either Direct or In-Direct credit risk as the Investments are not held within financial instruments.

b) Market risk

The scheme is not subject to Currency or Interest Rate risk as there is no exposure to foreign currency nor are there any assets, which are held with any connection to Interest rates.

There is a risk to both fair values and future cash flows due to the nature of the investment asset i.e. property. The fair values are always subject to the potential risk of impairment and the overall condition of the property portfolio. This is mitigated by the routine maintenance upon the property, and the conditions within the tenant's leases i.e. fully repairing.

The risk to the future cash flows is condition of the property as to whether this is sufficient to offer to potential tenants, this is covered by the above paragraph. The other indirect risk to the state of the rental market, and the trustees endeavour to offer the property at commercially competitive rates to try and ensure full occupancy.

**TRADPIN CONSTRUCTION LIMITED
RETIREMENT AND DEATH BENEFIT SCHEME**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 26 DECEMBER 2017**

12. CURRENT ASSETS

	2017	2016
	£	£
Cash balances	452,380	484,637
Rent debtors	9,815	11,427
Net pension control	4,727	4,727
	<u>466,922</u>	<u>500,791</u>

13. CURRENT LIABILITIES

	2017	2016
	£	£
Accrued expenses	1,750	1,811
VAT	4,618	3,748
Other creditors	5,182	2,972
Rent deposits	1,644	1,536
	<u>13,194</u>	<u>10,067</u>