

Trustees of the Fitzroy Square Pension Fund
Christie Group plc
Group Company Secretary
249 Upper Third Street
Milton Keynes
MK9 1DS

Date: 22 January 2025

Dear Sirs,

Pension Scheme Tax Return and Scheme Review

We are pleased to confirm the successful filing of the pension scheme tax return and the completion of a comprehensive review of the scheme's activities and transactions for the previous year.

As part of this review, we thoroughly examined the movement of accounts and associated activities. The financial savings figures have been fully reconciled, and we can confirm that all records are accurate and in order.

Additionally, there are no event reports required for filing in relation to the movement of accounts and activities for this scheme.

Proposed Changes to Legislation

Following the conclusion of the pension scheme tax year, new legislation has been proposed that will impact the distribution of death benefits under this scheme. These changes are expected to take effect from 6 April 2027. Below is an overview of the proposed changes and their potential implications for this pension scheme:

Continuation of Pension Payments

From 6 April 2027, pensions can continue to be paid from the fund.

Upon the death of the pension holder, unused pension funds and death benefits may continue to be paid to a spouse or dependant.

If no spouse or dependant exists, the remaining fund will generally be included in the estate for inheritance tax (IHT) purposes, unless the fund is generally:

- Established as a scheme pension, or
- Paid to a qualifying charity.

2. Scheme Pension Benefits

A scheme pension, which is a feature of occupational pension schemes allows a fixed number of pension instalments to be paid to one or more individuals on death, who may not necessarily be qualifying spouses or dependants.

These payments can continue for up to 10 years and do not form part of the deceased's estate for tax purposes, but they will be subject to income tax in the hands of the recipient.

Potential Update to Scheme Rules

It may be possible to amend the scheme's rules in due course to enhance tax efficiency, allowing scheme pension to be adopted. This would reduce the tax scope of the IHT upon the pension holder's death, particularly for payments outside of those made to spouses or dependants.

We expect to receive draft details of these legislative changes later this year. Once further guidance is available, we will provide you with additional guidance on the options available.

No Other Proposed Amendments

Beyond the changes to inheritance tax rules concerning pension funds, no other amendments have been proposed at this time that would affect this pension scheme.

Yours sincerely



G.A. McCloskey
For RC Administration Limited

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