

Dalriada. *A better way*

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# **Woodcroft House Pension Scheme**

**Report and Accounts**

**For the year ended 31 May 2015**

Registration number: 12004050

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**Woodcroft House Pension Scheme  
Principal Employer and Advisers to the Scheme**

**Trustees**

Minerva Pension Services Limited "the original trustees"  
Scotgate House, 2 Scotgate Road  
Honley  
Holmfirth  
HD9 6GD

Dalriada Trustees Limited  
Chamber of Commerce House  
22 Great Victoria Street  
Belfast  
BT2 7BA

**Principal Employer**

Woodcroft House Limited  
Bank House, 129 High Street  
Needham Market  
Ipswich  
IP6 8DH

**Administrator**

Dalriada Trustees Limited  
Chamber of Commerce House  
22 Great Victoria Street  
Belfast  
BT2 7BA

**Auditor**

RSM Northern Ireland  
Number One  
Lanyon Quay  
Belfast  
BT1 3LG

**Legal Adviser**

Pinsent Masons LLP  
30 Crown Place  
London  
EC2A 4ES

**Woodcroft House Pension Scheme  
Principal Employer and Advisers to the Scheme**

**Bankers**

Barclays Bank PLC  
Imperial House  
Donegall Square East  
Belfast  
BT1 5HL

**Woodcroft House Pension Scheme  
Trustees' Report**

**Introduction**

The Trustees of the Woodcroft House Pension Scheme ("the Scheme") are pleased to present their report together with the audited accounts for the year ended 31 May 2015. The Scheme is a defined contribution scheme.

The Scheme was established on 26 January 2011, and is currently governed by the trust deed and rules dated the same date. In accordance with the provisions of Schedule 36 of the Finance Act 2004, the Scheme is a registered pension scheme under Chapter 2 of part 4 of the Finance Act 2004. The Scheme was contracted-out of the S2P (previously known as the State Earnings-Related Pension Scheme) under certificates issued by the Secretary of State for Work and Pensions. Funds derived from contracting out payments were known as protected rights benefits. From 6 April 2012, it will no longer be possible to contract out of the S2P through a Defined Contribution pension scheme. All existing contracted out payments will be treated as non-protected rights benefits. Individuals who were contracted out will automatically begin to accrue benefits under the S2P from 6 April 2012.

The Compliance Statement set out on page 20 forms part of this report.

**Management of the Scheme**

The Trustees are

Minerva Pension Services.  
Dalriada Trustees Limited.

The director of Minerva Pension Services is Craig McMillan Tweedley.

The directors of Dalriada Trustees Limited are D N Copeland (appointed 18 August 2014), C M Johnstone, A B Kennett, C J McGruer (resigned 24 July 2014) and B D Spence.

In accordance with the provisions of the Pensions Act 1995 as amended, the Pensions Regulator has the power to appoint an independent trustee. Dalriada Trustees Limited was so appointed, with exclusive powers, on 31 May 2011 under section 7 of the Pensions Act 1995, and may only be removed by the Pensions Regulator.

Dalriada Trustees have appointed external specialists to advise on legal and accounting matters.

**Internal Dispute Resolution Procedure (IDRP)**

It is a requirement of the Pensions Act 1995 that all occupational pension schemes must have a dispute resolution procedure in place for dealing with any disputes between the Trustees and the Scheme beneficiaries. A dispute resolution procedure has been agreed by the Trustees, details of which can be obtained by writing to Dalriada Trustees Limited, Chamber of Commerce House, 22 Great Victoria Street, Belfast, BT2 7BA or by download from the members' website page <http://www.dalriadatrustees.co.uk/ark>.

**Financial development of the Scheme**

The accounts of the Scheme for the year ended 31 May 2015 are set out on pages 12 to 17; the Trustees' summary of contributions and the Auditor's statement about contributions are set out on pages 18 and 19. The accounts have been prepared and audited in accordance with the regulations made under section 41(1) and (6) of the Pensions Act 1995. They show that the value of the fund decreased from £2,556,692 at 31 May 2014 to £2,259,831 at 31 May 2015.

**Woodcroft House Pension Scheme  
Trustees' Report**

**Transfers at less than Cash Equivalent**

No transfer values were paid during the year.

**Membership**

As at 31 May 2015, 66 members were entitled to benefits from the Scheme.

Changes to the membership of the Scheme during the year are set out in the following table.

	<b>Active</b>	<b>Deferred</b>	<b>Pensioner</b>
Membership at 01/06/2014	-	66	-
<b>Membership at 31/05/2015</b>	<b>-</b>	<b>66</b>	<b>-</b>

**Governance and Risk Management**

Following their appointment, Dalriada Trustees identified a number of concerns surrounding the Scheme investments and the administration of the Scheme.

Under the wrapper of 'Maximising Pension Value Arrangements' (MPVA's), the original trustees effected a number of unsecured loans to members of other pension schemes. Dalriada Trustees asked the Court to provide direction regarding the status of the MPVA loans. A judgment handed down on 16 December 2011 found that MPVA loans were unauthorised member payments, as defined by s.160(2) of Finance Act 2004 and in breach of the trustees' powers of investment.

This decision by the Court was subject to an application for permission to appeal which was finally dismissed by the Court in December 2013.

Dalriada Trustees has not made any further MPVA loans from the date of their appointment with the exception of some MPVAs that were set up and subsequently paid by telegraphic transfer in the days shortly after appointment and that Dalriada Trustees were not able to prevent being paid.

Investments were made in a property related investment with no evidence of an investment adviser being appointed and appropriate investment advice being sought or received.

Aside from the loans to members and the lack of investment advice, no agreements appeared to be in place with Ark Business Consulting, the company previously employed to provide administration services. Dalriada Trustees has put in place a more robust administration database.

Similarly, no proper accounting records appeared to have been kept and Dalriada Trustees has created appropriate accounting information which underpins the accounts appended to this Report and which have been independently audited.

Dalriada Trustees are of the opinion that the front end administration charges taken by Ark Business Consulting were not appropriate and have commenced separate legal proceedings in an attempt to recover at least a proportion of those monies. It is not clear at this stage the amount, if any, of the money likely to be recovered as a result of this action.

As the legal proceedings progress, Dalriada Trustees will continue to develop its business plan which will set out its objectives in areas such as administration, investment, funding and communication. Alongside the business plan, a risk register has been put in place, setting out the key risks to which the Scheme is subject and the controls in place to mitigate these.

**Woodcroft House Pension Scheme  
Trustees' Report**

**HMRC**

Dalriada has been aware, and made members aware, that HMRC were likely to look to levy tax charges as a result of the MPVA payments. However, to date, HMRC has not engaged. Over the period, however, HMRC has issued unauthorised payment charges on members and also Scheme Sanction Charges on the schemes themselves. Dalriada has engaged subsequently, both with HMRC in attempting to propose a route through the tax issues without necessarily undergoing a full blown appeals process and, also, with the members in setting out the actions to take. Unfortunately, it was not possible to find an alternative to seeing the appeals process through and Dalriada is now committed to working with HMRC and, as far as possible, the members to ensure the appeals are dealt with as quickly and efficiently as possible. As commented in the notes to the Accounts, Dalriada has appealed the Scheme Sanction Charges. The engagement of HMRC has contributed materially to the increase in trustee costs over the period.

HMRC's engagement also resulted in a material increase in member dealings and enquiries, including getting involved in drafting, and subsequently issuing, an HMRC FAQs document. Also, in anticipation of the Court proceedings, Dalriada undertook a member communication exercise (and follow up work in processing the responses) to ensure that member details it held (particularly with regard to transfers received and MPVAs paid out) was accurate. Again, these have contributed to the increase in costs.

**Trustee knowledge and understanding**

The Pensions Act 2004 requires trustees to have sufficient knowledge and understanding of pensions and trust law and be conversant with the Scheme documentation. The Pensions Regulator has published a Code of Practice on Trustee Knowledge and Understanding to assist trustees on this matter which became effective from 6 April 2006 and was updated with effect from November 2009. The Trustees are aware of these requirements.

**Further information**

Further information about the Scheme is available, on request, to members, their spouses and other beneficiaries.

If members have any complaints or queries regarding the Scheme, or wish to obtain further information, they should contact Dalriada Trustees Limited, Chamber of Commerce House, 22 Great Victoria Street, Belfast, BT2 7BA.

The Data Protection Act 1984 covered information which was held electronically, i.e. computer based information. The Data Protection Act 1998 extended data protection laws to cover paper-based records held for individuals and new restrictions on the processing of sensitive personal data to which individuals must have given express consent. Sensitive information can include information on, for example, the health of a member.

Members' personal data will be used by the Scheme's advisers to administer the Scheme, and may be passed to other professional providers or advisers.

Dalriada Trustees and the Scheme's advisers each have a legal obligation and a legitimate interest to process data relating to members for the purposes of administering and operating the Scheme, which includes passing on data to third parties, as mentioned above.

Dalriada Trustees are regarded as 'Data Controllers' for the purposes of the Data Protection Act 1998, in relation to the process referred to above. The advisers appointed by the Trustees are 'Data Processors'.



**Woodcroft House Pension Scheme  
Trustees' Report**

**Investment report**

As commented earlier in this Report, the original trustees invested in property related investments.

Further, there has been some resistance to the provision of information surrounding these investments by both the original trustees and Ark Business Consulting, notably the lack of any appropriate investment advice being sought or received.

There are concerns that the original trustees and Ark Business Consulting failed to comply with the appropriate investment Regulations and did not properly carry out their fiduciary duties as required under general trust law. These concerns are, at least in part, being addressed as part of the ongoing legal proceedings.

Dalriada Trustees has undergone its own research into the property investment and it summarised below:

**South Horizon Trading Limited (Cyprus)**

At the time of Dalriada's appointment, funds had been paid to a Cypriot company with a view to securing an option to buy the shares in the company that owned a plot of land near Larnaca. The company concerned was seeking further funds in order to complete the share purchase. However, Dalriada Trustees had reservations about this, given the state of the property market in Cyprus.

Ultimately, Dalriada reached an agreement with the Cypriot company that has resulted in the sum originally invested, together with interest, being returned to the Scheme. This was shown in the 2013 accounts.

**Custodial arrangements**

Dalriada Trustees has been unable to obtain details of any custodial arrangements having been put in place.

**Investment principles**

Dalriada Trustees is exempt from the requirement to produce a Statement of Investment Principles as the Scheme has less than 100 members.

**Employer related investments**

There were no employer related investments at any time during the year within the meaning of section 40(2) of the Pensions Act 1995.

The Scheme's investments comply with the restrictions prescribed by regulations made under section 40 of the Pensions Act 1995.



**Woodcroft House Pension Scheme  
Trustees' Report**

**Statement of Trustees' Responsibilities**

The Scheme's Trustees are responsible for obtaining audited accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for making available certain other information about the Scheme in the form of an Annual Report.

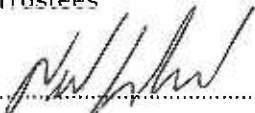
The accounts are the responsibility of the Trustees. Pension scheme regulations require the Trustees to make available to Scheme members, beneficiaries and certain other parties, audited accounts for each Scheme year which:

- show a true and fair view of the financial transactions of the Scheme during the Scheme year and of the amount and disposition at the end of that year of the assets and liabilities, other than liabilities to pay pensions and benefits after the end of the Scheme year, and
- contain the information specified in the Schedule to the Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996, including a statement whether the accounts have been prepared in accordance with the Statement of Recommended Practice 'Financial Reports of Pension Schemes' (revised May 2007).

Dalriada Trustees prepared the accounts, and have agreed suitable accounting policies, to be applied consistently, making any estimates and judgments on a prudent and reasonable basis.

Dalriada Trustees have a general responsibility for ensuring that adequate accounting records are kept and for taking such steps as are reasonably open to them to safeguard the assets of the Scheme and to prevent and detect fraud and other irregularities, including the maintenance of an appropriate system of internal control.

Signed for and on behalf of the Trustees

For Dalriada Trustees Limited.....

Date...07/12/2015.....

**Woodcroft House Pension Scheme**  
**Independent Auditor's report to the Trustees**

We have audited the accounts of the Woodcroft House Pension Scheme for the year ended 31 May 2015 which comprise the fund account, the net assets statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Trustees, as a body in accordance with section 47 of the Pensions Act 1995. Our audit work has been undertaken so that we might state to the Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept responsibility to anyone other than the Scheme and the Scheme's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of Trustees and Auditors**

As explained more fully in the Statement of Trustees' Responsibilities, the Scheme's Trustees are responsible for the preparation of accounts which give a true and fair view. Our responsibility is to audit and express an opinion on the accounts in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

**Scope of the audit of the accounts**

An audit involves obtaining evidence about the amounts and disclosures in the accounts sufficient to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Scheme's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the accounts. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited accounts. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**Basis for qualified opinion on accounts**

Dalriada Trustees Limited was appointed on the 31 May 2011 under Section 7 of the Pensions Act 1995. Following their appointment they identified a number of concerns surrounding the the administration of the Scheme. These concerns were detailed in their Trustees' Report for the period ended 31 May 2011 and have been updated in subsequent reports.

**MPVA's**

On 16 December 2011 the Court ruled that a number of unsecured loans to members of other pension schemes, made by the previous trustees under the wrapper of 'Maximising Pension Value Arrangements' (MPVAs), were unauthorised member payments, as defined by s.160(2) of the Finance Act 2004. This decision by the Court is subject to an application for permission to appeal.

The Trustees have included an amount of £591,095 as a debtor, being the amount to be recovered from the recipients' as unauthorised payments.

We were able to confirm the amounts paid out to individuals under the above arrangements. However we were unable to establish the recoverability of these amounts.

**Tax status of the Scheme**

The Scheme is a registered pension scheme under the provisions of Schedule 36 of the Finance Act 2004. Accordingly under the provisions of sections 186 and 187 of the Finance Act 2004 its income and investment gains are free of taxation.

The Scheme has received a notice from HMRC in the year raising a Scheme Sanction Charge of £236,438 in connection with the total MPVA payments made from the Scheme. The Trustees are appealing these charges and the outcome of this appeal remains uncertain at the date of signing the accounts.

**Woodcroft House Pension Scheme  
Independent Auditor's report to the Trustees**

**Qualified Opinion on accounts**

In our opinion, except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph, the accounts:

- show a true and fair view of the financial transactions of the Scheme during the year ended 31 May 2015 and of the amount and disposition at that date of its assets and liabilities; other than the the liabilities to pay pensions and benefits after the end of the Scheme year;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- contain the information specified in regulation 3 of, and the Schedule to the Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996, made under the Pensions Act 1995.

*RSM Northern Ireland*

**RSM Northern Ireland**

**Chartered Accountants and Registered Auditors**

Number One  
Lanyon Quay  
Belfast  
BT1 3LG

Date: *7<sup>th</sup> December 2015*

**Woodcroft House Pension Scheme  
Accounts**

**Fund Account**

	Note	2015 £	2014 £
<b>Contributions and Benefits</b>			
Other payments	3	(236,438)	-
Administrative expenses	4	<u>(69,065)</u>	<u>(37,154)</u>
		<u>(305,503)</u>	<u>(37,154)</u>
<b>Net withdrawals from dealings with members</b>		<u>(305,503)</u>	<u>(37,154)</u>
<b>Returns on investments</b>			
Investment income	5	<u>8,642</u>	<u>7,550</u>
<b>Net returns on investments</b>		<u>8,642</u>	<u>7,550</u>
<b>Net decrease in fund for the year</b>		(296,861)	(29,604)
<b>Net assets at 31 May 2014</b>		2,556,692	2,586,296
<b>Net assets at 31 May 2015</b>		<u><u>2,259,831</u></u>	<u><u>2,556,692</u></u>

The notes on pages 14 to 17 form an integral part of these accounts.

**Woodcroft House Pension Scheme  
Accounts**

**Net Assets Statement**

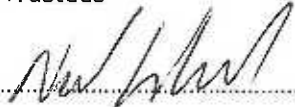
	Note	2015 £	2014 £
Current assets	7	2,507,419	2,560,452
Current liabilities	8	(247,588)	(3,760)
<b>Net assets at 31 May 2015</b>		<u><u>2,259,831</u></u>	<u><u>2,556,692</u></u>

The accounts 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.

The notes on pages 14 to 17 form an integral part of these accounts.

These accounts were approved by the Trustees and authorised for issue on 07/12/2015

Signed for and on behalf of the Trustees

For Dalriada Trustees Limited.....

**Woodcroft House Pension Scheme  
Notes to the Accounts**

**1. Basis of preparation**

The accounts have been prepared in accordance with the Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996 and with the guidelines set out in the Statement of Recommended Practice (SORP), Financial Reports of Pension Schemes (revised May 2007), published by the Pensions Research Accountants Group.

**2. Accounting policies**

**Investment Income**

Interest on bank deposits is accounted for as it accrues.

**Transfers**

Individual transfers to and from the Scheme during the year are included in the accounts on the basis of when the member liability is accepted or discharged.

**Benefits**

Benefits payable are included in the accounts on an accruals basis when the member notifies the Trustees as to the type or amount of benefit to be taken, or where there is no choice, on the date of retirement or leaving.

**Administrative expenses and investment management expenses**

Administrative expenses and investment management expenses are accounted for on an accruals basis.

**3. Other payments**

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Scheme Sanction Charge	236,438	-
	236,438	-

The Scheme Sanction Charge has been received from HMRC in connection to the total MPVA payments made from the Scheme. Based on the available information it is HMRC's view that unauthorised payment tax charges arose when the "loans" were made. Dalriada Trustees are appealing these charges.

**Woodcroft House Pension Scheme**  
**Notes to the Accounts**

**4. Administrative expenses**

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Audit fees	1,500	1,408
Legal fees	34,648	20,361
Pensions Regulator Levy	190	190
Trustee fees	32,685	15,089
Other professional fees	42	106
	<u>69,065</u>	<u>37,154</u>

As set out in the Trustees' Report, dealings with HMRC have contributed significantly to the increase in costs during the year.

**5. Investment income**

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Interest on cash deposits	<u>8,642</u>	<u>7,550</u>
	<u>8,642</u>	<u>7,550</u>

**6. Investments**

	<b>Value at 25/01/2011</b>	<b>Purchases at cost</b>	<b>Sale proceeds</b>	<b>Change in market value</b>	<b>Value at 31/05/2011</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
South Horizon Trading Ltd	-	100,000	-	(100,000)	-
<b>Investments Total</b>	<u>-</u>	<u>100,000</u>	<u>-</u>	<u>(100,000)</u>	<u>-</u>

	<b>Value at 01/06/2011</b>	<b>Purchases at cost</b>	<b>Sale proceeds</b>	<b>Change in market value</b>	<b>Value at 31/05/2012</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
South Horizon Trading Ltd	-	-	-	108,125	108,125
<b>Investments Total</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>108,125</u>	<u>108,125</u>

	<b>Value at 01/06/2012</b>	<b>Purchases at cost</b>	<b>Sale proceeds</b>	<b>Change in market value</b>	<b>Value at 31/05/2013</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
South Horizon Trading Ltd	108,125	-	(108,271)	146	-
<b>Investments Total</b>	<u>108,125</u>	<u>-</u>	<u>(108,271)</u>	<u>146</u>	<u>-</u>



**Woodcroft House Pension Scheme**

**Notes to the Accounts**

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

Dalriada Trustees reached an agreement with regard to the South Horizon investment that resulted in the sum originally invested, together with interest, being returned to the Scheme. This was shown in the 2013 accounts.

For defined contribution schemes, investments purchased by the Scheme are allocated to provide benefits to the individual members. The previous Trustees/administrators did not make any allocation of funds when members transferred in and, as stated earlier, some of the investments have no immediate realisable value. Consequently, Dalriada Trustees Limited has been unable to carry out an allocation of funds to members and will, in time, require further direction from the Court as to the most appropriate method to use.

**7. Current assets**

	<b>2015</b>	<b>2014</b>
	£	£
Sundry debtors	35	-
MPVA's	591,095	591,095
Cash balances	<u>1,916,289</u>	<u>1,969,357</u>
	<u><u>2,507,419</u></u>	<u><u>2,560,452</u></u>

Included in the bank balance is £1,916,289 (2014: £1,969,357) which is not allocated to members.

**MPVA's**

	<b>Value at 01/06/2014</b>	<b>Purchases at cost</b>	<b>Sale proceeds</b>	<b>Change in market value</b>	<b>Value at 31/05/2015</b>
	£	£	£	£	£
MPVA	591,095	-	-	-	591,095
	<u>591,095</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>591,095</u>

The previous trustees effected a number of unsecured loans to members of other pension schemes under the wrapper of 'Maximising Pension Value Arrangements' (MPVA's).

Subsequent to their appointment Dalriada Trustees did not make any further MPVA payments (with the exception of some MPVA's that were set up and subsequently paid by telegraphic transfer in the days shortly after appointment and that Dalriada Trustees were not able to prevent being paid) and sought direction from the Court regarding the status of the amounts already paid. On 16 December 2011 the Court ruled that MPVA loans were unauthorised member payments, as defined by s.160(2) of the Finance Act 2004, and as a result the Court held that the MPVA loans were not validly made.

Dalriada Trustees have included as a debt an amount of £591,095, being the money paid out under these arrangements and now to be recovered from the recipients.

However, whilst Dalriada Trustees is able to confirm the amounts paid out to individuals under these arrangements, it is unable to establish the recoverability of these amounts.

**Woodcroft House Pension Scheme  
Notes to the Accounts**

**8. Current liabilities**

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Scheme Sanction Charge	(236,438)	-
Unpaid expenses	<u>(11,150)</u>	<u>(3,760)</u>
	<u><u>(247,588)</u></u>	<u><u>(3,760)</u></u>

**9. Related Party Transactions**

During the year Trustee Fees of £32,685 (2014: £15,089) were due to Dalriada Trustees. As at 31 May 2015 £4,427 (2014: £1,688) was still due to Dalriada Trustees.

**10. Contingent Liabilities**

Ark Business Consulting have lodged a counter claim for administration charges outstanding. In Dalriada Trustees' opinion, this counter claim is unlikely to be successful.

**11. Subsequent Events**

Since its appointment, Dalriada Trustees has taken the decision to:

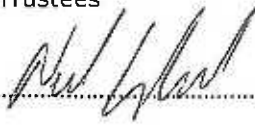
Cease to accept new members and/or any further payments into the Scheme, except by way of telegraphic transfers in (or as a result of further contracting out payments paid by HMRC (either directly or via the transferring scheme).

To commence separate legal proceedings against Ark Business Consulting with regard to the level of administration charges taken.

**Woodcroft House Pension Scheme  
Summary of Contributions**

During the year ended 31 May 2015 no contributions were paid or due to the Scheme.

Signed for and on behalf of the Trustees

For Dalriada Trustees Limited.....

Date.....07/12/2015.....

**Independent Auditors' Statement about Contributions, under Regulation 4 of the Occupational Pension Schemes (Requirement to Obtain Audited Accounts and a Statement from the Auditor) Regulations 1996, to the Trustees of the Woodcroft House Pension Scheme**

We have examined the summary of contributions to the Woodcroft House Pension Scheme for the Scheme year ended 31 May 2015 to which this statement is attached.

**Respective responsibilities of Trustees and Auditors**

As explained in the Statement of Trustees' Responsibilities, the Scheme's Trustees are responsible for ensuring that there is prepared, maintained and from time to time revised payment schedule showing the rates and due dates of certain contributions payable towards the Scheme by or on behalf of the employer and the active members of the Scheme. The Trustees are also responsible for keeping records in respect of contributions received in respect of active members of the Scheme and for monitoring whether contributions are made to the Scheme by the employer in accordance with the payment schedule.

It is our responsibility to provide a statement about contributions paid under the payment schedule and to report our opinion to you.

**Scope of work on statement about contributions**

We planned and performed our work so as to obtain the information and explanations which we considered necessary in order to give reasonable assurance that contributions reported in the attached summary of contributions have been paid in accordance with the relevant requirements. For this purpose the work that we carried out included examination, on a test basis, of evidence relevant to the amounts of contributions payable to the Scheme and the timing of those payments under the schedule of contributions. Our Statement about contributions is required to refer to those breaches of the payment schedule which come to our attention in the course of our work.

**Statement about contributions**

In our opinion contributions for the Scheme year ended 31 May 2015 as reported in the attached summary of contributions have in all material respects been paid at least in accordance with the payment schedule.

*RSM Northern Ireland*

**RSM Northern Ireland**

**Chartered Accountants and Registered Auditors**

Number One  
Lanyon Quay  
Belfast  
BT1 3LG

Date: *7<sup>th</sup> December 2015.*

**Woodcroft House Pension Scheme  
Compliance Statement**

**Changes in and other matters relating to the Scheme advisers**

During the year there were no changes to the Scheme advisers.

**Changes to the Scheme constitution, rules or basic information**

Since their appointment Dalriada Trustees has taken the decision to cease to accept new members and/or any further payments into the Scheme, except by way of telegraphic transfers which it has been unable to prevent.

Further, Dalriada Trustees have decided not to make further MPVA payments, irrespective of any Agreement that may have been entered into by the member and the original trustees (with the exception of some MPVAs that were set up and subsequently paid by telegraphic transfer in the days shortly after appointment and that Dalriada Trustees were not able to prevent.

**Tax status of the Scheme**

The Scheme is a registered pension scheme under the provisions of Schedule 36 of the Finance Act 2004. Accordingly under the provisions of sections 186 and 187 of the Finance Act 2004 its income and investment gains are free of taxation. The Trustees know of no reason why the registration should be prejudiced or withdrawn.

To the extent that the Court has found that MPVA's were unauthorised payments, this might have significant potential tax consequences, both for the Scheme and the members which might, ultimately, prejudice the registered status of the Scheme. HMRC have levied Scheme Sanction Charges against the Scheme and this charge has been accrued. However, as stated in the Notes to the Accounts, these charges are being appealed.

**Pension increases**

No pensions were paid during the year.

**Calculation of transfer values**

No transfer values were paid during the year.

**Pension Tracing Service**

The Pension Tracing Service provides a tracing service for members (and their dependants) of previous employers' schemes, who have lost touch with earlier employers and trustees. To trace a benefit entitlement under a former employer's scheme, enquiries should be addressed to:

Pension Tracing Service  
The Pension Service  
Tyneview Park  
Whitley Road  
Newcastle Upon Tyne  
NE98 1BA  
Telephone: 0845 600 2537  
Website: [www.gov.uk/find-lost-pension](http://www.gov.uk/find-lost-pension)

**Woodcroft House Pension Scheme  
Compliance Statement**

**The Pensions Advisory Service**

If members or their dependants have problems concerning pension rights or are not satisfied by the information or explanation given by the Trustees or the administrators, they can consult the Pensions Advisory Service (TPAS) at any time. Normally they should try to contact a local TPAS adviser through their nearest Citizens Advice Bureau. Alternatively, they can write to TPAS at:

11 Belgrave Road  
London  
SW1V 1RB  
Telephone: 0300 123 1047  
Website: [www.pensionsadvisoryservice.org.uk](http://www.pensionsadvisoryservice.org.uk)  
E-mail: [enquiries@pensionsadvisoryservice.org.uk](mailto:enquiries@pensionsadvisoryservice.org.uk)

**Pensions Ombudsman Service**

In cases where a complaint or dispute cannot be resolved under the IDRP, an application can be made to the Pensions Ombudsman Service to investigate and determine any complaint or dispute of fact or law involving occupational pension scheme. The address is:

11 Belgrave Road  
London  
SW1V 1RB  
Telephone: 0207 630 2200  
Website: [www.pensions-ombudsman.org.uk](http://www.pensions-ombudsman.org.uk)  
E-mail: [enquiries@pensions-ombudsman.org.uk](mailto:enquiries@pensions-ombudsman.org.uk)

**The Pensions Regulator**

The statutory body that regulates occupational pension schemes is the Pensions Regulator (tPR). TPR can be contacted at:

The Pensions Regulator  
Napier House  
Trafalgar Place  
Brighton BN1 4DW  
Telephone: 0845 600 0707  
Website: [www.thepensionsregulator.gov.uk](http://www.thepensionsregulator.gov.uk)  
E-mail: [customersupport@tpr.gov.uk](mailto:customersupport@tpr.gov.uk)