

# Important Announcement to members of the following pension scheme (“the Scheme”)

## Carrick Harbours Retirement Benefits Scheme

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This is the fourth Announcement to members and is the annual update on what actions have been taken in relation to our appointment as trustees.

You may recall that Dalriada Trustees Limited (Dalriada) is a professional independent trustee which was appointed by Court Order to take over the running of the Scheme on 19 September 2013. Dalriada is experienced in dealing with pension schemes that have complex issues and / or have unusual investments.

As an independent trustee, Dalriada is not linked in any way with the original trustees of the Scheme. Dalriada replaced the original trustees and was given exclusive powers to deal with the Scheme. The original trustees have had no involvement in running the Scheme since our appointment.

Dalriada was appointed because there were concerns that the Scheme was being used for pension liberation.

### **Prohibition of Timothy Walker and Desmond Cheyne.**

In September 2017 the Pensions Regulator announced that their determination panel had issued a determination prohibiting the original trustees, Mr Timothy Walker and Mr Desmond Cheyne, from ever again acting as trustees. In giving their reasons for the prohibition, the panel said that Mr Walker showed “reckless disregard for his obligations” and “did know, or should have known that pension liberation was at least a likely explanation” for activities in the schemes for which he was a trustee. The panel found that it was “more likely than not Mr Walker was complicit in the pension liberation activities.” They noted “that Mr Cheyne’s actions, or lack of them, and the gravity of the consequences for scheme members demonstrated a lack of competence and capability” for him to be a trustee.

### **Investments**

In our third Announcement we outlined the position with regards to the Scheme’s investments. The current position is as follows:

- 1. DAMAF Properties Limited (DAMAF)** - £200,000 was invested in buy to let hotel rooms on the outskirts of Dundee. On 9<sup>th</sup> April 2014 DAMAF went into voluntary liquidation. A final general meeting of the creditors was held on 29 September 2015 and the supporting report indicated that there would be no return to creditors. The company was subsequently dissolved on 30 December 2015.
- 2. MAP Property and Leisure Springside Limited** - £234,000 was invested in buy to let hotel rooms in Edinburgh. On 1 May 2015 the company entered into liquidation due to lack of funding. We were informed in July 2016 that the company has no assets and the liquidator anticipates that no class of creditor will receive a dividend from the liquidation.

The Scheme’s previous trustees and their administrators and advisers have been unhelpful or unable to provide answers, particularly with regard to the Scheme’s investments, which has meant that it has been challenging for Dalriada to make progress.

## **Current Position**

In our second Announcement we highlighted the involvement of a firm of advisors called Turnberry Wealth Management (TWM) which had received large payments for purportedly providing advice in relation to the Scheme. Since that Announcement, Grant Thornton has been appointed as liquidator by order of the Court. We are liaising with Grant Thornton regarding potential assets and lines of enquiry that can be pursued.

## **HMRC**

As discussed in our last Announcement, schemes involved in pension liberation potentially expose members and the Scheme itself to tax charges. Dalriada continues to seek formal clarification from HMRC on their position regarding these potential tax charges. We will update you as soon as we have been given a decision by HMRC. It will take some time before the tax position for the Schemes can be established and Dalriada can determine what impact, if any, this might have.

Finally, please be advised that we have set up a page on our website:

[www.dalriadatrustees.co.uk/carrickharbours](http://www.dalriadatrustees.co.uk/carrickharbours).

We have included Frequently Asked Questions (FAQs) on this page and will update the website when further information becomes available. We will also upload all Announcements to this page. As you will be aware, the costs of answering queries have to be met from the assets of the Scheme. In order to minimise these costs it would be very helpful if you could, in the first instance, check the FAQs to see if your question is answered there.

Should you have any specific personal queries in relation to this Announcement, your membership of the Scheme or should you wish to provide us with further information please contact us as follows:

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