



The J O Grant and Taylor (London) Ltd Staff Pension Scheme ("the Scheme")

Summary Funding Statement as at 31 December 2017

Every three years, the Scheme Actuary carries out an actuarial valuation of the Scheme's assets and liabilities. We like to think of this as a 'health check' of the Scheme's finances.

The latest actuarial valuation of the Scheme as at 31 December 2017 has now been finalised and the results are summarised below. In these calculations, the Scheme Actuary has assumed that the Scheme will continue to be run in the same way as it is now, known as an 'ongoing basis'.

Actuarial valuation results as at 31 December 2017

Value of the Scheme's assets	£2,797,000
Value of the Scheme's liabilities	£2,860,000
Shortfall	£63,000
Funding level	98%

Assets – the value of the Scheme's investments and monies held to pay benefits to members.

Liabilities – an estimate of the amount the Scheme needs to pay in benefits to members, both now and in the future.

The funding position of the Scheme has improved since the last actuarial valuation as at 31 December 2014. This was primarily due to investment returns being higher than assumed and the deficit contributions paid to the Scheme by the Company. However, this was partially offset by a significant decrease in government bond yields, which increased the value placed on the Scheme's liabilities.

The Scheme Actuary also carried out a valuation on the basis that the Scheme was wound up on 31 December 2017. The funding level on this basis, known as the discontinuance funding level) was 35% as at 31 December 2014, has increased to 66%, with a deficit of £1,486,000. The Trustee is required by law to include this information. It does not mean that there are plans to wind up the Scheme.

The Company's ongoing support

As part of the actuarial valuation as at 31 December 2017, the Trustee and the Company agreed a recovery plan and a schedule of contributions, which detail the payments the Company will make to the Scheme to improve the funding level and address the shortfall.



The Company was required to make a payment of £11,192 by December 2018 which was paid and has agreed a further payment of £51,808 to be made before 31 December 2019. The Company remains committed to supporting the Scheme.

Future valuations

The Scheme's actuarial valuation will be as at 31 December 2020 and the results are expected by 31 March 2022.

There have been no payments to the Company from the Scheme in the last 12 months.

The Pensions Regulator has not needed to use its powers to change the Scheme, give direction on working out its funding target, or impose contribution rates on the Scheme.

Some things you should know if the Scheme were to wind up:

It is not intended or expected that the Scheme will wind up in the foreseeable future. However, if the Scheme were to discontinue, the Company would have to pay enough money into the Scheme to secure all members' benefits through an insurance company. If the Company didn't have enough money to secure benefits in full, and the Scheme was eligible, the Pension Protection Fund would take over the Scheme and pay compensation to members, up to a limit.

Information about the compensation provided by the Pension Protection Fund can be found on its website: www.pensionprotectionfund.org.uk