

**HILLIER HOPKINS LLP  
RETIREMENT BENEFITS PLAN (1987)**

**ANNUAL REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2018**

**HILLIER HOPKINS LLP  
RETIREMENT BENEFITS PLAN (1987)**

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**HILLIER HOPKINS LLP  
RETIREMENT BENEFITS PLAN (1987)**

**REPORT OF THE TRUSTEES**

**INTRODUCTION**

The scheme is an ear marked money purchase scheme and is a defined contribution arrangement.

This report is prepared in accordance with the requirements of the Disclosure Regulations issued under the Pensions Schemes Act 1995. If you require any information about the scheme, you should address your enquiries to the scheme administrator at Hillier Hopkins LLP, Radius House, 51 Clarendon Road, Watford, Herts WD17 1HP.

**TRUSTEES**

The power to appoint trustees and to remove them from office is vested in the employer. The present trustees of the scheme are Ben Sherwood (Chair), Ian Abrey and Paul Brunt. Paul Brunt is a member nominated trustee.

The trustees held one meeting during the year.

**SCHEME EMPLOYER**

The scheme employer is Hillier Hopkins LLP.

**SCHEME BENEFITS**

The scheme benefits are explained fully in the scheme booklet. There were no changes to the scheme rules during the year.

**MEMBERSHIP**

At the end of the scheme year, there were no active scheme members (2017 : 0) and the total number of those who have left service or are not active members of the scheme and are entitled to receive a deferred pension was 7 (2017 : 7). During the year no members transferred out (2017 : 1). The scheme is closed to new members. Pensions are being paid to 3 pensioners (2017 : 3) under annuity contracts set up under the name of the trustees.

**PENSION INCREASES**

Deferred benefits invested on a with-profits basis, held in respect of individuals who are no longer in service, continue to participate in The Equitable Life Assurance Society's bonuses and therefore increase in value each year.

**ADVISORS**

The following persons and companies act for the trustees:

Auditor	Myers Clark
Insurance manager	Equitable Life Assurance Society
Annuity provider	Canada Life
Bankers	Nat West, Watford

**HILLIER HOPKINS LLP  
RETIREMENT BENEFITS PLAN (1987)**

**REPORT OF THE TRUSTEES**

- continued -

**SUMMARY OF CONTRIBUTIONS PAYABLE IN THE YEAR**

During the year no contributions were payable to the scheme either by the employer or members under the payment schedule.

**INVESTMENT**

The scheme's assets consist entirely of an insurance policy or policies purchased from The Equitable Life Assurance Society and the benefits are provided by these policies. The assets of the scheme are managed by the Equitable Life Assurance Society. All investment decisions are delegated to the Equitable Life Assurance Society.

**TAXATION**

Since 6 April 2006, the scheme has been classed as a Registered Scheme as defined in Section 283, Part 1 of the Finance Act 2004.

**RELATED PARTY TRANSACTIONS**

During the year there were no related party transactions.

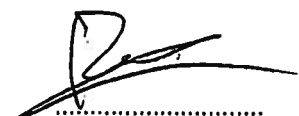
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The trustees are responsible for making available certain other information about the scheme in the form of an annual report.

The trustees also 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.

The trustees are responsible under pensions legislation for securing that a payment schedule is prepared, maintained and, from time to time revised showing the rates of contributions payable towards the scheme by or on behalf of the employer and the active members of the scheme and the dates on or before which such contributions are to be paid. The trustees are also responsible for keeping records in respect of contributions received in respect of any active member of the scheme and for monitoring whether contributions are made to the scheme by the employer in accordance with the payment schedule. Where breaches of the schedule occur, the Trustees are required by the Pensions Act 1995 to consider making reports to the Pensions Regulator and the members.

Signed by the trustees on 24 July 2019

  
.....  
Ben Sherwood

  
.....  
Ian Abrey

  
.....  
Paul Brunt

**HILLIER HOPKINS LLP  
RETIREMENT BENEFITS PLAN (1987)**

**INDEPENDENT AUDITOR'S STATEMENT ABOUT CONTRIBUTIONS TO THE TRUSTEES OF THE HILLIER HOPKINS LLP RETIREMENT BENEFITS PLAN (1987)**

**Statement about contributions payable under the payment schedule**

We have examined the summary of contributions to the Hillier Hopkins LLP Retirement Benefits Plan (1987) for the year ended 31 December 2018 which is set out in the trustees' report on page 2.

In our opinion contributions for the year ended 31 December 2018 as reported in the summary of contributions and payable under the payment schedule have in all material respects been paid at least in accordance with the payment schedule dated 1 March 2013.

**Scope of work on statement about contributions**

Our examination involves obtaining evidence sufficient to give reasonable assurance that contributions reported in the summary of contributions have in all material respects been paid at least in accordance with the payment schedule. This includes an 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 payment schedule.

**Respective responsibilities of trustees and auditor**

As explained more fully in the statement of trustees' responsibilities set out on page 2, the scheme's trustees are responsible for securing that a payment schedule is prepared, maintained and from time to time revised 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 payable under the payment schedule and to report our opinion to you.



Myers Clark  
Statutory Auditor  
Egale 1  
80 St Albans Road  
Watford  
Herts WD17 1DL

Date 29.07.2019

**HILLIER HOPKINS LLP  
RETIREMENT BENEFITS PLAN (1987)**

**CHAIR'S STATEMENT - ANNUAL DC GOVERNANCE STATEMENT**

This statement has been prepared by the scheme's trustees ("the trustees") and reports on how the trustees during the reporting period, 1 January 2018 to 31 December 2018, complied with the governance standards, introduced under The Occupational Pension Schemes (Charges and Governance) Regulations 2015 and amended by The Occupational Pension Schemes (Administration and Disclosure) (Amendment) Regulations 2018 ("the Regulations").

This statement reports on how the trustees comply with governance standards relating to defined contribution (DC) benefits, also commonly referred to as money purchase benefits.

The scheme's DC benefits include normal contributions which are invested in Equitable Life's With-Profits Fund and Equitable Life's unitised UK FTSE All-Share and Money Funds.

The scheme closed to contributions with effect from 31 July 2011.

Members receive an annual statement as at 31 December each year confirming the amounts held in their account and the movements over the year.

**DEFAULT ARRANGEMENT**

Members of the scheme who did not make an explicit choice regarding the investment of their funds have these funds invested in a with profits arrangement with the Equitable Life Assurance Company.

The objective of this fund is to provide a regular investment growth due to the fund providing a guaranteed annual bonus of 3.5%. The fund also provides a terminal bonus on disinvestment, although this is not guaranteed.

The trustees consider this approach to be in the best interests of relevant members and beneficiaries.

The principles noted above relating to the default arrangement were last reviewed by the trustees in December 2018 and are due to be reviewed every three years thereafter.

The scheme is not used by the sponsoring employer to meet any of its auto-enrolment obligations.

**PROCESSING SCHEME TRANSACTIONS**

The trustees have a duty to secure that core financial transactions relating to DC benefits (transfers out of the scheme, investment switches within the scheme and payments out of the scheme) are processed promptly and accurately.

These transactions are undertaken on the trustees' behalf by the scheme administrator and its investment manager Equitable Life Assurance Society. The trustees have reviewed the processes and controls implemented by those organisations and consider them to be suitably designed to achieve those objectives.

Given the limited numbers of core financial transactions which take place within the scheme during any scheme year the trustees are able to monitor these on an individual basis.

During the year the trustees have confirmed that there were no core financial transactions completed within the scheme.

**HILLIER HOPKINS LLP**  
**RETIREMENT BENEFITS PLAN (1987)**

**CHAIR'S STATEMENT - ANNUAL DC GOVERNANCE STATEMENT**  
- continued -

**CHARGES AND TRANSACTION COSTS**

Equitable Life Funds

The annual management charge applicable to the Equitable Life With-Profits Fund is estimated at 1.00%, based on information provided by Equitable Life. In addition, Equitable Life holds back a further 0.5% to cover future guarantees. Whilst these charges are deducted before returns are applied to members' Policy Values, at normal retirement age or earlier death members' benefits are subject to an underpin of the Guaranteed Value which increases each year by 3.5% and is applied regardless of any charges incurred.

Equitable Life's unitised funds attract an annual management charge of 0.5% deducted from the value of units.

Further details of Equitable Life's fund costs, including transaction costs, are included in the Appendices at the end of the Annual Report.

**COST & CHARGE ILLUSTRATIVE EXAMPLE**

The trustees have produced an illustration in line with February 2018 guidance from the Department for Work & Pensions entitled "Cost and charge reporting: guidance for trustees and managers of occupational schemes". The illustration is set out below and is designed to cater for a representative cross-section of the members of the scheme. For the illustration, the savings pot has been projected twice; firstly to allow for the assumed investment return gross of the costs and charges of the fund the member is invested in and then adjusted for the cumulative effect of the costs and charges of the fund.

To determine the parameters used in the illustration, the trustees have analysed the membership data relevant to the reporting period of this statement and ensured that the illustration takes into account the following:

- The main fund available is the Equitable Life With-Profits Fund
- Representative pot sizes- given the very small number of members in the scheme the median pot size of those held in the Equitable Life With-Profits Fund has been illustrated
- The approximate duration that the youngest member using the fund would take to reach NRA.

The trustees have determined not to include any illustrations for the Equitable Life UK FTSE All-Share Fund or the Equitable Life money as it would be disproportionately burdensome given that each fund only has 1 member investing in these funds.

**HILLIER HOPKINS LLP  
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**CHAIR'S STATEMENT - ANNUAL DC GOVERNANCE STATEMENT  
- continued -**

Equitable Life With-Profits Fund

This is the main fund offered within the scheme.

Years of membership	Age: 50	
	Starting pot size: £35,000 Before charges	After charges
0	£35,000	£35,000
1	£35,700	£35,332
5	£38,643	£36,693
10	£42,665	£38,469
15	£47,105	£40,330

Notes to cost and charge illustrative example

1. Projected pension pot values are shown in today's terms, and do not need to be reduced further for the effect of future inflation. It is for this reason some funds show negative real growth.
2. Inflation is assumed to be 2.5% for each year
3. No further contributions are assumed to be paid – the scheme is closed to new contributions
4. Values shown are estimates and are not guaranteed
5. Charges for each fund used in the illustrations are those outlined in this statement
6. The projected growth rates for the fund is 4.5%p.a. which is in line with those produced for the scheme's Statutory Money Purchase Illustrations (SMPI).

**VALUE FOR MEMBERS**

The trustees are required to assess the extent to which the charges and transaction costs borne by members represent value.

The charges and transaction costs borne by members cover the costs of providing the investment management services. The costs of administration services and communications are met by the sponsoring employer.

Given the scale of the scheme the trustees have not carried out a detailed assessment of Value for Members (VFM) for the scheme year ending 31 December 2018.

The trustees recognise that low cost does not necessarily mean better value and have considered the nature of the investment funds offered, the performance of the investment funds and the range and quality of communication materials. Although the charges incurred on the Equitable Life With-Profits Fund are higher than the maximum allowed of 0.75% the trustees are satisfied that the scheme's DC arrangements offer reasonable value for members given that there are few options available to them given the size and nature of the scheme.

The nature of the with-profits funds, which comprise most of the funds held on a DC basis in the scheme, mean there is little scope for the trustee to make further changes to increase value without impacting guarantee terms or potentially incurring market value reductions.

The trustees will be monitoring the announced transfer of business from Equitable Life to Utmost Life & Pensions and its impact on the Equitable Life With-Profits Fund. The trustees will be considering the ongoing value to members of this transfer when they vote on the proposals in 2019.



**HILLIER HOPKINS LLP  
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**CHAIR'S STATEMENT - ANNUAL DC GOVERNANCE STATEMENT  
- continued -**

**TRUSTEE KNOWLEDGE AND UNDERSTANDING**

The trustees must be conversant with the scheme's main documents and have appropriate knowledge and understanding of the law relating to pensions and trusts, the funding of occupational schemes and investment of scheme assets to enable them to properly exercise their functions as trustees.

The trustees comprise three trustees, two of whom are nominated by the members and one of whom is appointed by the sponsoring employer.

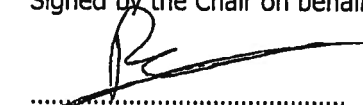
The trustees are conversant with the definitive trust deed and rules and the internal disputes resolution procedure.

The trustees use the Pensions Regulator's Trustee Toolkit and use self-assessment to identify knowledge gaps. In addition the trustees supplement their training with matters such as attending seminars and reading pensions-related articles. Individual trustees have over the reporting period attended conferences organised by the Pensions Research Accountants Group (PRAG). The trustees have also received training on the governance requirements surrounding DC pension arrangements and the increased disclosure requirements, including the requirement to provide cost illustrations, for DC arrangements.

The trustees consult externally with Equitable Life and professional advisers as and when required, for example on governance and legal matters.

The trustees have assessed their combined knowledge, skills and understanding and consider it, together with the advice which is available to them from Equitable Life, enables them to properly exercise their trustee functions in relation to the scheme's DC arrangements.

Signed by the Chair on behalf of the trustees:

  
.....  
Ben Sherwood (Chair)

Date: 24 July 2019  
.....

**Disclosure of Fund Costs** (Including transaction costs in compliance with FCA PS 17/20)

Equitable Life Fund (Citi Code)	Fund Annual Management Charge %pa	Underlying Open Ended Investment Company "OEIC" Held (ISIN Number)	Annualised Reporting Period	OEIC Net Transaction Cost %pa [1]	Stocklending %pa [2]	Equitable Life Fund Transaction Cost %pa [3]	Equitable Life Fund Total Charges Impact %pa [4]
With-Profits Fund [5]	1.00	N/A	30/09/2018	N/A	0.00250	0.023591	1.03

**Unit-Linked Pension**

Far Eastern (EU19)	0.75	Aberdeen Asia Pacific Equity Enhanced Index Fund (GB00BRJL7V21)	30/09/2018	0.156500	0.00100	0.006700	0.91
European (EU33)	0.75	Aberdeen European Equity Enhanced Index Fund (GB00BRJL7X45)	30/09/2018	0.059200	0.00100	0.014400	0.82
North American (EU25)	0.75	Aberdeen North American Equity Enhanced Index Fund (GB00BRJL8192)	30/09/2018	0.033800	0.00500	0.004600	0.79
Pelican (EU26)	0.75	Aberdeen UK Equity Enhanced Index Fund (GB00BRJL8531)	30/09/2018	0.176000	0.00200	0.008700	0.94
All Share Tracker (EU96)	0.50	Aberdeen UK All Share Tracker Fund (GB00861C0396)	30/09/2018	0.021700	0	0.015900	0.54
Fund of Investment Trusts (EU20)	0.75	HBOS Fund of Investment Trusts Fund (GB0029MCS79)	30/09/2018	0.100000	0	0.005000	0.86
Gilt and Fixed Interest (EU21)	0.50	Aberdeen Sterling Government Bond Fund (GB00BWK26593)	30/09/2018	0.082400	0	0.018600	0.60
Property [6] (EU27)	1.00	Aberdeen UK Property Fund (GB00BTLX1F24)	30/09/2018	0.010000	0	0.000081	1.37
International (EU31)	0.75	Aberdeen World Equity Enhanced Index Fund (GB00BRJL7Z68)	30/09/2018	0.044200	0.00200	0.000600	0.80
Money (EU41)	0.50	Aberdeen Liquidity Fund (Lux) - Sterling Fund (LU0966092990)	30/09/2018	0.005100	0	0	0.51
Managed Pension [7] (EU23)	0.75	Composite (see below for assets held)	30/09/2018	0.046931	N/A	0.022669	0.82

**Unit-Linked Life**

Far Eastern (EU12)	0.75	Aberdeen Asia Pacific Equity Enhanced Index Fund (GB00BRJL7V21)	30/09/2018	0.156500	0.00100	0.007500	0.92
European (EU32)	0.75	Aberdeen European Equity Enhanced Index Fund (GB00BRJL7X45)	30/09/2018	0.059200	0.00100	0.017800	0.83
North American (EU10)	0.75	Aberdeen North American Equity Enhanced Index Fund (GB00BRJL8192)	30/09/2018	0.033800	0.00500	0.018700	0.81
Pelican (EU16)	0.75	Aberdeen UK Equity Enhanced Index Fund (GB00BRJL8531)	30/09/2018	0.176000	0.00200	0.012000	0.94
All Share Tracker (EU94)	0.50	Aberdeen UK All Share Tracker Fund (GB00861C0396)	30/09/2018	0.021700	0	0.016700	0.54
Fund of Investment Trusts (EU13)	0.75	HBOS Fund of Investment Trusts Fund (GB0029MCS79)	30/09/2018	0.100000	0	0.007400	0.85
Gilt and Fixed Interest (EU14)	0.50	Aberdeen Sterling Government Bond Fund (GB00BWK26593)	30/09/2018	0.082400	0	0.030000	0.61
Property [6] (EU17)	1.00	Aberdeen UK Property Fund (GB00BTLX1F24)	30/09/2018	0.020000	0	0.007300	1.39
International (EU30)	0.75	Aberdeen World Equity Enhanced Index Fund (GB00BRJL7Z68)	30/09/2018	0.044200	0.00200	0.000600	0.80
Money (EU09)	0.50	Aberdeen Liquidity Fund (Lux) - Sterling Fund (LU0966092990)	30/09/2018	0.005100	0	0	0.51
Managed Life [7] (EU15)	0.75	Composite (see below for assets held)	30/09/2018	0.047096	N/A	0.032204	0.83

Unit-Linked Irish

Irish Money Life	0.50	Aberdeen Liquidity Fund (Lux) - Euro Fund (LU0966092560)	30/09/2018	0.021900	0	0	0.52
Irish Money Pension	0.50	Aberdeen Liquidity Fund (Lux) - Euro Fund (LU0966092560)	30/09/2018	0.021900	0	0	0.52
Irish Managed Pension [7]	0.75	Composite (see website for assets held)	30/09/2018	0.083353	N/A	0.011647	0.85
Irish Managed Life [7]	0.75	Composite (see website for assets held)	30/09/2018	0.083815	N/A	0.052085	0.89

Unit-Linked German

German Money	0.50	Aberdeen Liquidity Fund (Lux) - Euro Fund (LU0966092560)	30/09/2018	0.021900	0	0	0.52
German Managed [7]	0.75	Composite (see website for assets held)	30/09/2018	0.083461	N/A	0.014639	0.85

Unit Linked USD

USD Global Bond (EC56)	0.50	Aberdeen World Government Bond Fund (LU0963897953)	30/09/2018	0.174300	0	-0.002400	0.67
USD Global Equity (EC57)	0.75	Aberdeen World Equity Enhanced Index Fund (GB008RUL7268)	30/09/2018	0.044200	0.00200	0.006300	0.80

Notes:

[1] The costs to date are not calculated on the full arrival price slippage methodology, instead using industry supplied expected spreads for each asset category. The With-Profit Fund does not invest in OEICs but in direct assets.

[2] The costs suffered by the fund are disclosed but not the income received.

[3] This is the cost incurred on the Fund when it purchases or sells the underlying asset (OEIC) as the price may include a dilution adjustment. The purpose of dilution is to ensure the OEIC is not impacted by large investments or disinvestments.

[4] The total charges impact to policyholders on each Equitable Life Fund (With-Profit and Unit-Linked) of costs at both Fund and underlying OEIC level and includes the annual management charge.

[5] This excludes the 0.5% for cost of guarantees.

[6] The total fund impact also includes the property management expenses of 0.36% pa for the year ended 31 December 2017.

[7] The calculations for the Managed Funds are based on the relevant calculations for the underlying OEICs held within the portfolio, prorated based on the portfolio percentage held. For the Managed Funds there are also costs associated with derivatives and currency deals included in addition to dilution.

Current UK Managed Fund Holdings

Aberdeen Asia Pacific Equity Enhanced Index Fund (GB00BRJL7V21)	Aberdeen World Equity Enhanced Index Fund (GB008RUL7268)
Aberdeen European Equity Enhanced Index Fund (GB00BRJL7X45)	Aberdeen Japan Equity Enhanced Index Fund (GB00BRJL8317)
Aberdeen North American Equity Enhanced Index Fund (GB00BRJL8192)	Aberdeen UK Property Fund (GB008TLX1F24)
Aberdeen UK Equity Enhanced Index Fund (GB008RUL8531)	Aberdeen Liquidity Fund (Lux) - GBP Fund (LU0966092990)
Aberdeen Global Emerging Markets Fund (GB0033309757)	Aberdeen Sterling Government Bond Fund (GB00BWK26593)
Scottish Widows UK All Share Tracker Fund (GB0031905119)	

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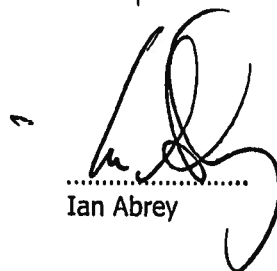
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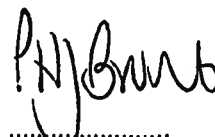
Signed by the trustees on 24 July 2019



Ben Sherwood



Ian Abrey



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Statutory Auditor  
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Date 29.07.2019 .



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Members receive an annual statement as at 31 December each year confirming the amounts held in their account and the movements over the year.

**DEFAULT ARRANGEMENT**

Members of the scheme who did not make an explicit choice regarding the investment of their funds have these funds invested in a with profits arrangement with the Equitable Life Assurance Company.

The objective of this fund is to provide a regular investment growth due to the fund providing a guaranteed annual bonus of 3.5%. The fund also provides a terminal bonus on disinvestment, although this is not guaranteed.

The trustees consider this approach to be in the best interests of relevant members and beneficiaries.

The principles noted above relating to the default arrangement were last reviewed by the trustees in December 2018 and are due to be reviewed every three years thereafter.

The scheme is not used by the sponsoring employer to meet any of its auto-enrolment obligations.

**PROCESSING SCHEME TRANSACTIONS**

The trustees have a duty to secure that core financial transactions relating to DC benefits (transfers out of the scheme, investment switches within the scheme and payments out of the scheme) are processed promptly and accurately.

These transactions are undertaken on the trustees' behalf by the scheme administrator and its investment manager Equitable Life Assurance Society. The trustees have reviewed the processes and controls implemented by those organisations and consider them to be suitably designed to achieve those objectives.

Given the limited numbers of core financial transactions which take place within the scheme during any scheme year the trustees are able to monitor these on an individual basis.

During the year the trustees have confirmed that there were no core financial transactions completed within the scheme.

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**CHAIR'S STATEMENT - ANNUAL DC GOVERNANCE STATEMENT**  
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**CHARGES AND TRANSACTION COSTS**

Equitable Life Funds

The annual management charge applicable to the Equitable Life With-Profits Fund is estimated at 1.00%, based on information provided by Equitable Life. In addition, Equitable Life holds back a further 0.5% to cover future guarantees. Whilst these charges are deducted before returns are applied to members' Policy Values, at normal retirement age or earlier death members' benefits are subject to an underpin of the Guaranteed Value which increases each year by 3.5% and is applied regardless of any charges incurred.

Equitable Life's unitised funds attract an annual management charge of 0.5% deducted from the value of units.

Further details of Equitable Life's fund costs, including transaction costs, are included in the Appendices at the end of the Annual Report.

**COST & CHARGE ILLUSTRATIVE EXAMPLE**

The trustees have produced an illustration in line with February 2018 guidance from the Department for Work & Pensions entitled "Cost and charge reporting: guidance for trustees and managers of occupational schemes". The illustration is set out below and is designed to cater for a representative cross-section of the members of the scheme. For the illustration, the savings pot has been projected twice; firstly to allow for the assumed investment return gross of the costs and charges of the fund the member is invested in and then adjusted for the cumulative effect of the costs and charges of the fund.

To determine the parameters used in the illustration, the trustees have analysed the membership data relevant to the reporting period of this statement and ensured that the illustration takes into account the following:

- The main fund available is the Equitable Life With-Profits Fund
- Representative pot sizes- given the very small number of members in the scheme the median pot size of those held in the Equitable Life With-Profits Fund has been illustrated
- The approximate duration that the youngest member using the fund would take to reach NRA.

The trustees have determined not to include any illustrations for the Equitable Life UK FTSE All-Share Fund or the Equitable Life money as it would be disproportionately burdensome given that each fund only has 1 member investing in these funds.

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Equitable Life With-Profits Fund

This is the main fund offered within the scheme.

Years of membership	Age: 50	
	Starting pot size: £35,000	
	Before charges	After charges
0	£35,000	£35,000
1	£35,700	£35,332
5	£38,643	£36,693
10	£42,665	£38,469
15	£47,105	£40,330

Notes to cost and charge illustrative example

1. Projected pension pot values are shown in today's terms, and do not need to be reduced further for the effect of future inflation. It is for this reason some funds show negative real growth.
2. Inflation is assumed to be 2.5% for each year
3. No further contributions are assumed to be paid – the scheme is closed to new contributions
4. Values shown are estimates and are not guaranteed
5. Charges for each fund used in the illustrations are those outlined in this statement
6. The projected growth rates for the fund is 4.5%p.a. which is in line with those produced for the scheme's Statutory Money Purchase Illustrations (SMPI).

**VALUE FOR MEMBERS**

The trustees are required to assess the extent to which the charges and transaction costs borne by members represent value.

The charges and transaction costs borne by members cover the costs of providing the investment management services. The costs of administration services and communications are met by the sponsoring employer.

Given the scale of the scheme the trustees have not carried out a detailed assessment of Value for Members (VFM) for the scheme year ending 31 December 2018.

The trustees recognise that low cost does not necessarily mean better value and have considered the nature of the investment funds offered, the performance of the investment funds and the range and quality of communication materials. Although the charges incurred on the Equitable Life With-Profits Fund are higher than the maximum allowed of 0.75% the trustees are satisfied that the scheme's DC arrangements offer reasonable value for members given that there are few options available to them given the size and nature of the scheme.

The nature of the with-profits funds, which comprise most of the funds held on a DC basis in the scheme, mean there is little scope for the trustee to make further changes to increase value without impacting guarantee terms or potentially incurring market value reductions.

The trustees will be monitoring the announced transfer of business from Equitable Life to Utmost Life & Pensions and its impact on the Equitable Life With-Profits Fund. The trustees will be considering the ongoing value to members of this transfer when they vote on the proposals in 2019.

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RETIREMENT BENEFITS PLAN (1987)**

**CHAIR'S STATEMENT - ANNUAL DC GOVERNANCE STATEMENT**  
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**TRUSTEE KNOWLEDGE AND UNDERSTANDING**

The trustees must be conversant with the scheme's main documents and have appropriate knowledge and understanding of the law relating to pensions and trusts, the funding of occupational schemes and investment of scheme assets to enable them to properly exercise their functions as trustees.

The trustees comprise three trustees, two of whom are nominated by the members and one of whom is appointed by the sponsoring employer.

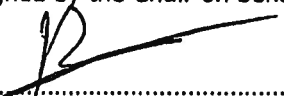
The trustees are conversant with the definitive trust deed and rules and the internal disputes resolution procedure.

The trustees use the Pensions Regulator's Trustee Toolkit and use self-assessment to identify knowledge gaps. In addition the trustees supplement their training with matters such as attending seminars and reading pensions-related articles. Individual trustees have over the reporting period attended conferences organised by the Pensions Research Accountants Group (PRAG). The trustees have also received training on the governance requirements surrounding DC pension arrangements and the increased disclosure requirements, including the requirement to provide cost illustrations, for DC arrangements.

The trustees consult externally with Equitable Life and professional advisers as and when required, for example on governance and legal matters.

The trustees have assessed their combined knowledge, skills and understanding and consider it, together with the advice which is available to them from Equitable Life, enables them to properly exercise their trustee functions in relation to the scheme's DC arrangements.

Signed by the Chair on behalf of the trustees:

  
.....  
Ben Sherwood (Chair)

Date: 24 July 2019  
.....

**Disclosure of Fund Costs** (including transaction costs in compliance with FCA PS 17/20)

Equitable Life Fund (Citi Code)	Fund Annual Management Charge %pa	Underlying Open Ended Investment Company "OEIC" Held (ISIN Number)	Annualised Reporting Period	OEIC Net Transaction Cost %pa [1]	Stockholding %pa [2]	Equitable Life Fund Transaction Cost %pa [3]	Equitable Life Fund Total Charges Impact %pa [4]
With-Profits Fund [5]	1.00	N/A	30/09/2018	N/A	0.00250	0.023591	1.03
<b>Unit-Linked Pension</b>							
Far Eastern (EU19)	0.75	Aberdeen Asia Pacific Equity Enhanced Index Fund (GB00BRJL7V21)	30/09/2018	0.156500	0.00100	0.006700	0.91
European (EU33)	0.75	Aberdeen European Equity Enhanced Index Fund (GB00BRJL7X45)	30/09/2018	0.059200	0.00100	0.014400	0.82
North American (EU25)	0.75	Aberdeen North American Equity Enhanced Index Fund (GB00BRJL8192)	30/09/2018	0.033800	0.00500	0.004600	0.79
Pelican (EU26)	0.75	Aberdeen UK Equity Enhanced Index Fund (GB00BRJL8531)	30/09/2018	0.176000	0.00200	0.008700	0.94
All Share Tracker (EU96)	0.50	Aberdeen UK All Share Tracker Fund (GB00B61C0396)	30/09/2018	0.021700	0	0.015900	0.54
Fund of Investment Trusts (EU20)	0.75	HBOS Fund of Investment Trusts Fund (GB0029MCS79)	30/09/2018	0.100000	0	0.005000	0.86
Gilt and Fixed Interest (EU21)	0.50	Aberdeen Sterling Government Bond Fund (GB00BWK26593)	30/09/2018	0.082400	0	0.018600	0.60
Property [6] (EU27)	1.00	Aberdeen UK Property Fund (GB00BTLX1F24)	30/09/2018	0.010000	0	0.000081	1.37
International (EU31)	0.75	Aberdeen World Equity Enhanced Index Fund (GB00BRJL7Z68)	30/09/2018	0.044200	0.00200	0.000600	0.80
Money (EU41)	0.50	Aberdeen Liquidity Fund (Lux) - Sterling Fund (LU0966092990)	30/09/2018	0.005100	0	0	0.51
Managed Pension [7] (EU23)	0.75	Composite (see below for assets held)	30/09/2018	0.046931	N/A	0.022669	0.82
<b>Unit-Linked Life</b>							
Far Eastern (EU12)	0.75	Aberdeen Asia Pacific Equity Enhanced Index Fund (GB00BRJL7V21)	30/09/2018	0.156500	0.00100	0.007500	0.92
European (EU32)	0.75	Aberdeen European Equity Enhanced Index Fund (GB00BRJL7X45)	30/09/2018	0.059200	0.00100	0.017800	0.83
North American (EU10)	0.75	Aberdeen North American Equity Enhanced Index Fund (GB00BRJL8192)	30/09/2018	0.033800	0.00500	0.018700	0.81
Pelican (EU16)	0.75	Aberdeen UK Equity Enhanced Index Fund (GB00BRJL8531)	30/09/2018	0.176000	0.00200	0.012000	0.94
All Share Tracker (EU94)	0.50	Aberdeen UK All Share Tracker Fund (GB00B61C0396)	30/09/2018	0.021700	0	0.016700	0.54
Fund of Investment Trusts (EU13)	0.75	HBOS Fund of Investment Trusts Fund (GB0029MCS79)	30/09/2018	0.100000	0	0.007400	0.86
Gilt and Fixed Interest (EU14)	0.50	Aberdeen Sterling Government Bond Fund (GB00BWK26593)	30/09/2018	0.082400	0	0.030000	0.61
Property [6] (EU17)	1.00	Aberdeen UK Property Fund (GB00BTLX1F24)	30/09/2018	0.020000	0	0.007300	1.39
International (EU30)	0.75	Aberdeen World Equity Enhanced Index Fund (GB00BRJL7Z68)	30/09/2018	0.044200	0.00200	0.000600	0.80
Money (EU09)	0.50	Aberdeen Liquidity Fund (Lux) - Sterling Fund (LU0966092990)	30/09/2018	0.005100	0	0	0.51
Managed Life [7] (EU15)	0.75	Composite (see below for assets held)	30/09/2018	0.047096	N/A	0.032204	0.83

Unit-Linked Irish

Irish Money Life	0.50	Aberdeen Liquidity Fund (Lux) - Euro Fund (LU0966092560)	30/09/2018	0.021900	0	0	0.52
Irish Money Pension	0.50	Aberdeen Liquidity Fund (Lux) - Euro Fund (LU0966092560)	30/09/2018	0.021900	0	0	0.52
Irish Managed Pension [7]	0.75	Composite (see website for assets held)	30/09/2018	0.083353	N/A	0.011647	0.85
Irish Managed Life [7]	0.75	Composite (see website for assets held)	30/09/2018	0.083815	N/A	0.052085	0.89

Unit-Linked German

German Money	0.50	Aberdeen Liquidity Fund (Lux) - Euro Fund (LU0966092560)	30/09/2018	0.021900	0	0	0.52
German Managed [7]	0.75	Composite (see website for assets held)	30/09/2018	0.083461	N/A	0.014639	0.85

Unit Linked USD

USD Global Bond (EC56)	0.50	Aberdeen World Government Bond Fund (LU0963897953)	30/09/2018	0.174300	0	-0.002400	0.67
USD Global Equity (EC57)	0.75	Aberdeen World Equity Enhanced Index Fund (GB00BRJL7Z68)	30/09/2018	0.044200	0.00200	0.006300	0.80

Notes:

[1] The costs to date are not calculated on the full arrival price slippage methodology, instead using industry supplied expected spreads for each asset category. The With-Profit Fund does not invest in OEICs but in direct assets.

[2] The costs suffered by the fund are disclosed but not the income received.

[3] This is the cost incurred on the Fund when it purchases or sells the underlying asset (OEIC) as the price may include a dilution adjustment. The purpose of dilution is to ensure the OEIC is not impacted by large investments or disinvestments.

[4] The total charges impact to policyholders on each Equitable Life Fund (With-Profit and Unit-Linked) of costs at both Fund and underlying OEIC level and includes the annual management charge.

[5] This excludes the 0.5% for cost of guarantees.

[6] The total fund impact also includes the property management expenses of 0.36% pa for the year ended 31 December 2017.

[7] The calculations for the Managed Funds are based on the relevant calculations for the underlying OEICs held within the portfolio, prorated based on the portfolio percentage held. For the Managed Funds there are also costs associated with derivatives and currency deals included in addition to dilution.

Current UK Managed Fund Holdings

Aberdeen Asia Pacific Equity Enhanced Index Fund (GB00BRJL7V21)	Aberdeen World Equity Enhanced Index Fund (GB00BRJL7Z68)
Aberdeen European Equity Enhanced Index Fund (GB00BRJL7X45)	Aberdeen Japan Equity Enhanced Index Fund (GB00BRJL8317)
Aberdeen North American Equity Enhanced Index Fund (GB00BRJL8192)	Aberdeen UK Property Fund (GB00BTLX1F24)
Aberdeen UK Equity Enhanced Index Fund (GB00BRJL8531)	Aberdeen Liquidity Fund (Lux) - GBP Fund (LU0966092990)
Aberdeen Global Emerging Markets Fund (GB0033309757)	Aberdeen Sterling Government Bond Fund (GB00BWK26S93)
Scottish Widows UK All Share Tracker Fund (GB0031905119)	