

**RICHARDS HOGG PENSION & LIFE ASSURANCE SCHEME**  
**ANNUAL REPORT**  
**FOR THE YEAR ENDED 30 APRIL 2024**

**RICHARDS HOGG PENSION & LIFE ASSURANCE SCHEME  
FOR THE YEAR ENDED 30 APRIL 2024**

**CONTENTS**

TRUSTEES AND THEIR ADVISERS..... 1

TRUSTEES' REPORT ..... 3

INDEPENDENT AUDITOR'S REPORT ..... 12

INDEPENDENT AUDITOR'S STATEMENT ABOUT CONTRIBUTIONS ..... 15

SUMMARY OF CONTRIBUTIONS PAYABLE IN THE YEAR ..... 16

FUND ACCOUNT ..... 17

STATEMENT OF NET ASSETS (available for benefits)..... 18

NOTES TO THE FINANCIAL STATEMENTS ..... 19

REPORT ON ACTUARIAL LIABILITIES ..... 30

LATEST ACTUARY'S CERTIFICATION OF THE SCHEDULE OF CONTRIBUTIONS..... 32

APPENDIX: IMPLEMENTATION STATEMENT

**RICHARDS HOGG PENSION & LIFE ASSURANCE SCHEME  
FOR THE YEAR ENDED 30 APRIL 2024**

**TRUSTEES AND THEIR ADVISERS**

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<b>Trustees:</b>	D Habgood A M Paton (Member Nominated) G Whyte (Member Nominated) B A Jennings
<b>Principal Employer:</b>	Charles Taylor Administration Services Limited The Minster Building 2 Minster Court Mincing Lane London, EC3R 7BB
<b>Secretary to the Trustees:</b>	Anita Chandna Willis Towers Watson 51 Lime Street London, EC3M 7DQ
<b>Scheme Actuary:</b>	R Sweet FIA Cartwright Group Ltd 250 Fowler Avenue Farnborough Business Park Farnborough HANTS, GU14 7JP
<b>Administrator:</b>	Cartwright Group Ltd 250 Fowler Avenue Farnborough Business Park Farnborough HANTS, GU14 7JP
<b>Independent Auditor:</b>	RSM UK Audit LLP Portland 25 High Street Crawley, RH10 1BG
<b>Investment Manager:</b>	London & Capital Asset Management Ltd (from 1 November 2023) Charles Taylor Investment Management Company Limited (until 1 November 2023)
<b>Investment Consultant:</b>	Cartwright Benefit Solutions Limited
<b>AVC Provider:</b>	Utmost Life Walton Street Aylesbury Bucks, HP21 7QW
<b>Custodian:</b>	The Northern Trust Company

**RICHARDS HOGG PENSION & LIFE ASSURANCE SCHEME  
FOR THE YEAR ENDED 30 APRIL 2024**

**TRUSTEES AND THEIR ADVISERS (continued)**

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<b>Insurance Policy Providers:</b>	Canada Life (from 7 February 2024) Canada Life Place Potters Bar Hertfordshire, EN6 5BA  Legal and General PO Box 809 Cardiff, CF24 0YL
<b>Banker:</b>	Royal Bank of Scotland 36 St Andrew Square Edinburgh, EH2 2YB
<b>Legal Advisers:</b>	Reed Smith LLP The Broadgate Tower 20 Primrose Street London, EC2A 2RS
<b>Independent Covenant Assessor:</b>	RSM UK Restructuring Advisory LLP Third Floor One London Square Cross Lanes Guildford, GU1 1UN

# **RICHARDS HOGG PENSION & LIFE ASSURANCE SCHEME FOR THE YEAR ENDED 30 APRIL 2024**

## **TRUSTEES' REPORT**

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The Trustees have pleasure in presenting their annual report and audited financial statements of the Richards Hogg Pension & Life Assurance Pension Scheme ("the Scheme") for the year ended 30 April 2024.

### **The Scheme**

The Scheme was established as a defined benefit pension scheme on 7 July 1957 by an interim Trust Deed. The current definitive trust deed & rules is dated 3 December 2009.

All members were contracted out of the State Second Pension until its abolition on 5 April 2016.

### **Tax Status**

The Scheme is a registered pension scheme under Chapter 2 of Part 4 of the Finance Act 2004. It is, therefore, exempt from UK income and capital gains tax.

### **The Trustees**

The Trustees are listed on page 1.

The Trustees have been appointed in accordance with the Trust Deed and the Pensions Acts 1995 and 2004. Company appointed Trustees may be appointed to or removed from office by the Principal Employer. Two Trustees have been selected by the members (Member Nominated Trustees) in accordance with the Pensions Act 2004.

The Trustees met three times in the year to discuss the administration and investment policy of the Scheme.

### **Enquiries**

Enquiries about the Scheme generally, or about an individual's entitlement to benefit, should be addressed to:

Anita Chandna  
Secretary to the Trustees  
Willis Towers Watson  
51 Lime Street  
London  
EC3M 7DQ  
Email: [anita.chandna@wtwco.com](mailto:anita.chandna@wtwco.com)

### **Financial Development of the Scheme**

The Fund Account on page 16 shows that there was a net addition arising from dealings with members for the year of £782,798 (2023: £442,232) and the net decrease on investments during the year was £2,710,342 (2023: £6,671,933). The Scheme's assets for the same period therefore decreased by £1,927,544 to £20,372,961.

The Scheme's financial statements have been prepared and audited in accordance with Section 41 (1) and (6) of the Pensions Act 1995.

### **Changes to the Scheme in the year**

Over the past year or so the funding position of the Scheme (the assets that it holds relative to the benefits that it expects to pay to members) has improved significantly. As a result, the Trustees have now invested most of the Scheme's assets in an insurance policy with Canada Life Limited which is in the form of a "bulk annuity". This bulk annuity insurance policy from Canada Life is effectively an asset of the Scheme and from March 2027 it will provide income to the Scheme by covering all current and future benefits to all members.

There have been no changes to the Scheme Rules during the year.

## **RICHARDS HOGG PENSION & LIFE ASSURANCE SCHEME FOR THE YEAR ENDED 30 APRIL 2024**

### **TRUSTEES' REPORT (continued)**

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#### **Pension Increases**

Pensions in payment are increased annually as at 1 May as follows:

- a) Pension relation to service accrued before April 1997 is increased by 3%.
- b) Guaranteed Minimum Pension is increased in line with Statutory requirements.
- c) Pension relating to service accrued from April 1997 up to and including 30 April 2005 is increased in line with the increase in the retail prices index up to a maximum of 5%, but with a minimum of 3%.
- d) Pension relating to service accrued from 1 May 2005 is increased in line with the retail prices index up to the maximum of 2.5%.

No discretionary increases were awarded during the Scheme year.

#### **Actuarial Valuation**

The Scheme is subject to an Actuarial Valuation every three years which is prepared by an independent Actuary. The last formal valuation was prepared as at 30 April 2021 in which the Scheme Actuary assessed the Scheme's ability to meet its funding obligations.

The actuarial valuation indicated that, at the valuation date, there was a funding shortfall of £8.32m, i.e. at the valuation date, the market value of the assets was insufficient to cover the past services liabilities, after allowing for projected salary growth.

In order to eliminate the funding shortfall as at 30 April 2021, a Recovery Plan has been agreed and the Employer will make additional payments as shown below (paid monthly):

<b>Period</b>	<b>Contribution rate p.a.</b>
Year ending 31 July 2022	£1,847,162
Year ending 31 July 2023	£1,939,520
Year ending 31 July 2024	£2,036,496
Year ending 31 July 2025	£2,138,321
Year ending 31 July 2026	£2,245,237

The next actuarial valuation is due as at 30 April 2024 and is currently underway.

**RICHARDS HOGG PENSION & LIFE ASSURANCE SCHEME  
FOR THE YEAR ENDED 30 APRIL 2024**

**TRUSTEES' REPORT (continued)**

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**Contributions**

Following the actuarial valuation as at 30 April 2021 the Trustees agreed with the Principal Employer a Recovery Plan and a Schedule of Contributions which confirmed that the Principal Employer pays 31.5% of Pensionable Earnings in respect of the accrual of benefits from 1 August 2022. Active members will continue to pay 7% of pensionable earnings in respect of the future accrual of benefits.

**Calculation of Transfer Values**

Transfer values are calculated using an appropriate actuarial basis adopted for this purpose by the Trustees having received advice from the Scheme Actuary. There were no discretionary benefits included in the transfer values.

**Contingent Asset**

The actuarial valuation as at 30 April 2021 showed a funding shortfall of £8.32m. As part of the Recovery Plan agreed by the Trustees following that valuation, the Trustees and the Principal Employer agreed an alternative contingent asset, being a Guarantee dated 30 June 2022 from stated Guarantors. Under the terms of this Guarantee, the Guarantors (as defined in the Guarantee) have given the Trustees an undertaking that if the Principal Employer fails to pay a contribution due in accordance with the Recovery Plan and the Schedule of Contributions, they will on demand pay such contributions themselves. This is subject to limits and conditions and on the terms set out in the Guarantee, which expires on 24 January 2027.

No asset is recognised in the financial statements in respect of the Letter of Credit, the Guarantee or any other contingent asset.

**RICHARDS HOGG PENSION & LIFE ASSURANCE SCHEME  
FOR THE YEAR ENDED 30 APRIL 2024**

**TRUSTEES' REPORT (continued)**

**Membership**

Details of membership of the Scheme for the year are given below:

	<b>2024</b>	<b>2023</b>
<b>Active members</b>		
At the start of the year	1	2
New deferred pensioner	-	(1)
<b>At the end of the year</b>	<b>1</b>	<b>1</b>
<b>Pensioners</b>		
At the start of the year	77	78
New pensioners	2	2
Deaths	(3)	(3)
<b>At the end of the year</b>	<b>76</b>	<b>77</b>
<b>Dependants</b>		
At the start of the year	9	8
Prior year adjustment	1	-
New spouses pension	2	1
<b>At the end of the year</b>	<b>12</b>	<b>9</b>
<b>Members with deferred benefits</b>		
At the start of the year	26	28
Prior year adjustment	1	-
Retirements	(2)	(2)
Transfers out	-	(1)
New deferred pensioner	-	1
<b>At the end of the year</b>	<b>25</b>	<b>26</b>
<b>TOTAL</b>	<b>114</b>	<b>113</b>

All pensioners and dependants are insured under annuity agreements. Of these, 9 pensioners are currently in payment as at 30 April 2024 (2023: 10). For the remaining pensioners and dependants, the Scheme will continue to pay until 1 April 2027 under the buy-in agreement.

These membership figures do not include movements notified to the administrator after the completion of the annual renewal.



## **RICHARDS HOGG PENSION & LIFE ASSURANCE SCHEME FOR THE YEAR ENDED 30 APRIL 2024**

### **TRUSTEES' REPORT (continued)**

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#### **Investments**

The investment manager of the Scheme is London and Capital Asset Management Limited (L&C), who was appointed in December 2012 and previously known as Charles Taylor Investment Management Company Limited. The majority of the assets are now held in a bulk annuity policy with Canada Life.

The Scheme's investment manager, Charles Taylor Investment Management Limited was a company within the same group as the Principal Employer, both of which are commonly controlled by Charles Taylor Limited. Charles Taylor Investment Management Limited transferred to London & Capital Asset Management Ltd from 1 November 2023, which merged with Waverton Investment Management Group on 2 July 2024.

#### **Scheme Performance**

The Scheme's performance against benchmark for the periods ended 31 December 2023 is shown below:

	<b>One year %</b>	<b>Three years % p.a.</b>	<b>Five years % p.a.</b>
Scheme	5.48	-9.78	-1.05
Benchmark	6.15	-6.43	0.22

Performance only shown up-to 31 December 2023 as the Scheme purchased a bulk annuity in February 2024.

The objective of the Scheme is to meet its liabilities when they fall due, it is not managed against a benchmark. The benchmark in the table is a blend of equity and bond indices which is used as an indication of general market performance and is not reflective of the strategic asset allocation of the Scheme.

#### **Investment commentary**

The 2023-2024 financial year began with challenges for the bond markets. Rising inflation led investors to adjust their expectations for Bank of England rate hikes, resulting in higher bond yields.

This caused negative bond returns in May and June but no impact to funding levels as the present value of the liabilities also went down. The allocation to equities, while reduced considerably during the year, contributed positively to portfolio returns and could partially offset the negative bond performance.

The UK Base Rate peaked at 5.25% in August and markets remained relatively quiet until October. The last two months of 2023 saw supportive growth and inflation numbers. Additionally, markets began to price in the prospect of looser monetary policy in 2024, which triggered a strong rally across both equities and bonds.

In Q4, we started preparing the portfolio for the purchase of a deferred cover bulk annuity policy with Canada Life, which was completed successfully in February 2024.

The residual assets left in the portfolio managed by London & Capital consist of a small number of illiquid investments - representing approximately 2% of the original investment portfolio - which are not tradable on a market and are expected to amortise, i.e. generate cashflows, over time. The objective of this residual portfolio is to maximise the expected cashflows and minimise the residual life of the assets. In one case, we could find a private buyer and the security was sold; an additional security made its final payment shortly after the reporting period. We are monitoring expected cashflows on the residual assets.

## **RICHARDS HOGG PENSION & LIFE ASSURANCE SCHEME FOR THE YEAR ENDED 30 APRIL 2024**

### **TRUSTEES' REPORT (continued)**

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#### **Socially Responsible Investment (SRI)**

The Trustees believe their main duty, reflected in their investment objectives, is to protect the financial interests of the Scheme's members. The Trustees believe that SRI issues are secondary to this.

Where pooled funds are managed on a passive basis, decisions regarding the selection, retention and realisation of investments are only made in order to ensure efficient tracking of indices and social, environmental and ethical considerations are not taken into account.

Where the underlying pooled funds purchased by Charles Taylor Investment Management are actively managed the Trustees are not requiring regular reporting from those managers on their policy toward social, environmental and ethical issues.

#### **Equalisation of Guaranteed Minimum Pensions (GMPs)**

Benefits for members who joined the Scheme prior to April 1997 include a Guaranteed Minimum Pension (GMP) which broadly represents the pension which they would otherwise have accrued under the old State Earnings-Related Pension Scheme (SERPS). Following the recent High Court Judgement in October 2018 in the "Lloyds Bank" Case, the Trustees are aware that there is now a requirement to adjust some members' Scheme benefits to address the current inequalities in the calculations of GMPs between men and women. In November 2020 the High Court expanded the equalisation requirement to transfers out from 17 May 1990. GMP equalisation may result in modest increases in benefits for some members; however many may see no change, but no member will see the value of their benefits reduced as a result of this Judgement.

An exercise has been undertaken to identify all members of the Scheme who have a GMP earned between 17 May 1990 and 5 April 1997. For these members, for benefits accrued during the period 17 May 1990 to 5 April 1997, two records have been established; one based on the member's actual GMP, and another based on the GMP they would have if they were of the opposite sex. When benefits first come into payment, the benefits for this period are then based on whichever of these records produces the higher pension.

#### **Statement of Investment Principles**

The Trustees must set out and maintain a written Statement of Investment Principles covering their policy for meeting new investment rules and other matters contained in the Pensions Act. The Trustees confirm that they have produced a Statement of Investment Principles signed on 12 March 2024 in accordance with Section 35 of the Pensions Act 1995, a copy of which is available at: <https://members.pensionpal.co.uk/RichardsHoggPensions>

Further disclosures in relation to the Trustees environmental, social, governance policies are set out in the Statement of Investment Principles available as noted above.

#### **Custodial Arrangements**

As the investments are made in pooled funds, the managers are responsible for appointing the custodian. The appointed custodian is Northern Trust for all investments held by London & Capital except Brookwood Gas & Convenience Stores, Pimco Bravo 3 Offshore, Pimco Disco Offshore Fund III LP and DRC European Real Estate Debt Fund III LP, which are structured as private-equity investments and do not have custodians.

The Trustees are responsible for ensuring the Scheme's assets continue to be securely held. They review the custodian arrangements from time to time.

#### **Investment in the Employer**

The Trustees do not hold on behalf of the Scheme any direct investment in the Employer or any other employer-related investments.

## **RICHARDS HOGG PENSION & LIFE ASSURANCE SCHEME FOR THE YEAR ENDED 30 APRIL 2024**

### **TRUSTEES' REPORT (continued)**

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#### **Statement of Trustees' Responsibilities**

The financial statements, which are prepared in accordance with UK Generally Accepted Accounting Practice, including the Financial Reporting Standard applicable in the UK (FRS 102) are the responsibility of the Trustees. Pension scheme regulations require, and the Trustees are responsible for ensuring, that those financial statements:

- 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 the Scheme year of its assets and liabilities, other than liabilities to pay pensions and benefits after the end of the Scheme year, and
- contain the information specified in Regulation 3A of The Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996, including a statement whether the financial statements have been prepared in accordance with the relevant financial reporting framework applicable to occupational pension schemes.

In discharging the above responsibilities, the Trustees are responsible for selecting suitable accounting policies, to be applied consistently, making any estimates and judgements on a prudent and reasonable basis, and for the preparation of the financial statements on a going concern basis unless it is inappropriate to presume that the Scheme will not be wound up.

The Trustees are also 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 preparing, maintaining and from time to time reviewing and if necessary revising a schedule of contributions 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 adopting risk-based processes to monitor whether contributions are made to the Scheme by the Employer in accordance with the schedule of contributions. Where breaches of the schedule occur, the Trustees are required by the Pensions Acts 1995 and 2004 to consider making reports to The Pensions Regulator and the members.

The Trustees are responsible for the maintenance and integrity of the pension and financial information included on the Richards Hogg Pension & Life Assurance Scheme website.

## **RICHARDS HOGG PENSION & LIFE ASSURANCE SCHEME FOR THE YEAR ENDED 30 APRIL 2024**

### **TRUSTEES' REPORT (continued)**

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#### **Going Concern Assessment**

The Trustees continue to monitor the situation and responds to emerging issues as necessary. The Trustees regularly monitor the position of both the Scheme's financial position and the covenant provided by the Employer in relation to future contributions. Furthermore, the Trustees agreed a contingent asset being a s75 Guarantee dated 30 June 2022 from stated Guarantors. The Guarantors have given the Trustees an undertaking that if the Principal Employer fails to pay a contribution due in accordance with the Recovery Plan, they will on demand pay such contributions themselves.

Over the past year or so the funding position of the Scheme (the assets that it holds relative to the benefits that it expects to pay to members) has improved significantly. As a result, the Trustees have now invested most of the Scheme's assets in an insurance policy with Canada Life Limited which is in the form of a "bulk annuity". This is something many pension schemes have done recently and is a type of business in which Canada Life are experienced. This bulk annuity insurance policy from Canada Life is effectively an asset of the Scheme and from March 2027 it will provide income to the Scheme by covering all current and future benefits to all members. This therefore significantly reduces the risk of member benefits not being paid in full in the future, due to matters such as Scheme assets underperforming or failure by the employer (the Company) to support any shortfall in the Scheme.

#### **Virgin Media Judgement**

The Trustees are aware of the High Court ruling in June 2023, which states that any amendments to section 9(2B) rights are void without a written section 37 confirmation from the Scheme actuary and acknowledge the recent Court of Appeal decision in the Virgin Media v NTL case, which upheld the High Court's ruling.

At present, the Trustees have no reason to believe that from 6 April 1997 until the abolition of contracting out in 2016, the Scheme was not operating in compliance with the requirements to provide benefits meeting the statutory standard of section 9(2B) rights as per the Pension Schemes Act 1993. In addition, the Trustees had no reason to believe that the relevant requirements of section 37 were not complied with in respect of any historic deeds of amendment. The Trustees are in consultations with its legal advisor, Reed Smith, who are conducting a review of the Scheme's documentation from 1997 onwards to ascertain whether there are any instances of non-compliance. The recent Court of Appeal decision left open various questions and uncertainties around the interpretation of the ruling, making any impact difficult to assess. As a result, there has been no provision or contingent liability estimated in the annual report and financial statements.

**RICHARDS HOGG PENSION & LIFE ASSURANCE SCHEME  
FOR THE YEAR ENDED 30 APRIL 2024**

**TRUSTEES' REPORT (continued)**

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**Further Information**

***Internal Dispute Resolution***

An internal dispute resolution procedure to resolve any queries raised by beneficiaries or potential beneficiaries of the Scheme has been established by the Trustees and more details are available from the contact address on page 3.

***MoneyHelper***

MoneyHelper is sponsored by the Department for Work and Pensions and this government-backed organisation brings together the functions of three financial guidance bodies: the Money Advice Service, The Pensions Advisory Service (which includes the Pensions Ombudsman service) and Pension Wise. Its main function is to help and ensure that people throughout the UK have guidance and access to the information they need to make effective and informed financial decisions over their lifetime.

Their address is:

MoneyHelper  
Bedford Borough Hall  
138 Cauldwell Street  
Bedford  
MK42 9AP  
Website: [www.moneyhelper.org.uk](http://www.moneyhelper.org.uk)  
Phone: 0800 011 3797

***The Pensions Regulator***

The Pensions Regulator regulates company pension schemes. The Scheme Auditor and Actuary have a statutory duty to make an immediate written report to the Regulator in certain circumstances:

Telecom House  
125-135 Preston Road  
Brighton  
BN1 6AF  
Website: [www.thepensionsregulator.gov.uk](http://www.thepensionsregulator.gov.uk)

Signed on behalf of the Trustees on Nov 28, 2024 by .....

David Habgood  
David Habgood (Nov 28, 2024 08:57 GMT).....Trustee

BA Jennings  
BA Jennings (Nov 28, 2024 09:21 GMT).....Trustee

# **RICHARDS HOGG PENSION & LIFE ASSURANCE SCHEME FOR THE YEAR ENDED 30 APRIL 2024**

## **INDEPENDENT AUDITOR'S REPORT**

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### **Independent Auditor's report to the Trustees of the Richards Hogg Pension & Life Assurance Scheme**

#### **Opinion**

We have audited the financial statements of the Richards Hogg Pension & Life Assurance Scheme for the year ended 30 April 2024 which comprise the Fund account and Statement of net assets (available for benefits) and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- show a true and fair view of the financial transactions of the Scheme during the year ended 30 April 2024, and of the amount and disposition at that date of its assets and liabilities, other than the liabilities to pay pensions and benefits after the end of the year;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- contain the information specified in Regulation 3A of the Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996, made under the Pensions Act 1995.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Scheme in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the Scheme's Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Scheme's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Scheme's Trustees with respect to going concern are described in the relevant sections of this report.

# **RICHARDS HOGG PENSION & LIFE ASSURANCE SCHEME FOR THE YEAR ENDED 30 APRIL 2024**

## **INDEPENDENT AUDITOR'S REPORT (continued)**

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### **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Scheme's Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information, and in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Responsibilities of Trustees**

As explained more fully in the Trustees' responsibilities statement set out on page 9, the Trustees are responsible for the preparation of financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Scheme's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Scheme or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

### **The extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

## **RICHARDS HOGG PENSION & LIFE ASSURANCE SCHEME FOR THE YEAR ENDED 30 APRIL 2024**

### **INDEPENDENT AUDITOR'S REPORT (continued)**

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However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the environment, including the legal and regulatory framework that the Scheme operates in and how the Scheme is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are the Pensions Act 1995 and 2004 and regulations made under them and FRS 102, including the Financial Reports of Pension Schemes 2018 (the Pensions SORP). We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures.

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business and challenging judgments and estimates.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

#### **Use of our report**

This report is made solely to the Scheme's Trustees as a body, in accordance with Regulation 3 of the Occupational Pension Schemes (Requirements to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996 made under the Pensions Act 1995. Our audit work has been undertaken so that we might state to the Scheme's 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 or assume 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.

**RSM UK Audit LLP**

RSM UK Audit LLP  
Statutory Auditor  
Chartered Accountants  
Portland  
25 High Street  
Crawley, RH10 1BG  
Date 28/11/24



**RICHARDS HOGG PENSION & LIFE ASSURANCE SCHEME  
FOR THE YEAR ENDED 30 APRIL 2024**

**INDEPENDENT AUDITOR'S STATEMENT ABOUT CONTRIBUTIONS**

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**Independent Auditor's 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 Richards Hogg Pension & Life Assurance Scheme**

**Statement about contributions payable under schedule of contributions**

We have examined the summary of contributions payable to the Richards Hogg Pension & Life Assurance Scheme on page 15, in respect of the Scheme year ended 30 April 2024.

In our opinion the contributions for the Scheme year ended 30 April 2024 as reported in the attached summary of contributions on page 15 and payable under the schedule of contributions have in all material respects been paid at least in accordance with the schedule of contributions certified by the Actuary on 15 July 2022.

**Scope of work on statement about contributions**

Our examination involves obtaining evidence sufficient to give reasonable assurance that contributions reported on page 15 in the summary of contributions have in all material respects been paid at least in accordance with the schedule of contributions. 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 schedule of contributions.

**Respective responsibilities of Trustees and auditor**

As explained more fully on page 9 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 a schedule of contributions 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 schedule of contributions.

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

**Use of our statement**

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

RSM UK Audit LLP  
Helen Hord (Nov 28, 2024 09:30 GMT)

RSM UK Audit LLP  
Statutory Auditor  
Chartered Accountants  
Portland  
25 High Street  
Crawley, RH10 1BG

RSM UK

Date Nov 28, 2024 .....



# RICHARDS HOGG PENSION & LIFE ASSURANCE SCHEME

## FUND ACCOUNT FOR THE YEAR ENDED 30 APRIL 2024

	Note	2024 £	2023 £
<b>Contributions and Benefits</b>			
Employer contributions		2,026,968	1,933,320
Employee contributions		3,261	4,024
<b>Total contributions</b>	3	2,030,229	1,937,344
Other income	4	-	216
		<u>2,030,229</u>	<u>1,937,560</u>
Benefits paid or payable	5	1,247,016	1,258,967
Payments to and on account of leavers	6	-	236,139
Administrative expenses	7	415	222
		<u>1,247,431</u>	<u>1,495,328</u>
<b>Net additions from dealings with members</b>		<b><u>782,798</u></b>	<b><u>442,232</u></b>
<b>Returns on investments</b>			
Investment income	8	783,811	1,071,805
Change in market value of investments	9	(3,510,773)	(7,385,357)
Gain/(loss) on foreign currency		39,200	(346,450)
Investment management expenses		(22,580)	(11,931)
<b>Net return on investments</b>		<u>(2,710,342)</u>	<u>(6,671,933)</u>
<b>Net (decrease) in the fund during the year</b>		<b>(1,927,544)</b>	<b>(6,229,701)</b>
<b>Net assets at 1 May</b>		22,300,505	28,530,206
<b>Net assets at 30 April</b>		<b><u>20,372,961</u></b>	<b><u>22,300,505</u></b>

# RICHARDS HOGG PENSION & LIFE ASSURANCE SCHEME

## STATEMENT OF NET ASSETS (available for benefits) AS AT 30 APRIL 2024

	Note	2024 £	2023 £
<b>Investment assets:</b>	9		
Equities		-	543,053
Bonds		-	1,890,512
Pooled investment vehicles		417,021	17,346,259
Derivatives		-	64,804
Insurance policies		19,248,491	589,439
AVC investments		5,534	5,204
Cash		98,289	1,037,724
Income due		400	31,608
Cash in transit		-	1,772
		<u>19,769,735</u>	<u>21,510,375</u>
Current assets	12	605,853	792,756
Current liabilities	13	(2,627)	(2,626)
<b>Net assets at 30 April</b>		<u><b>20,372,961</b></u>	<u><b>22,300,505</b></u>

The financial statements 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 actuarial position of the Scheme which does take account of such obligations, is dealt with in the Report on Actuarial Liabilities included at the end of the annual report and these financial statements should be read in conjunction with it.

The financial statements on pages 16 to 28 were approved by the Trustees on Nov 28, 2024  
and signed on their behalf by:

David Habgood  
David Habgood (Nov 28, 2024 08:57 GMT)  
Trustee

BA Jennings  
BA Jennings (Nov 28, 2024 09:21 GMT)  
Trustee

# **RICHARDS HOGG PENSION & LIFE ASSURANCE SCHEME FOR THE YEAR ENDED 30 APRIL 2024**

## **NOTES TO THE FINANCIAL STATEMENTS**

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### **1. Basis of preparation and identification of the financial statements**

The financial statements have been prepared in accordance with the Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996, Financial Reporting Standard 102 – The Financial Reporting Standard applicable in the UK and Republic of Ireland issued by the Financial Reporting Council and the guidance set out in the Statement of Recommended Practice (Practice "Financial Reports of Pension Schemes" (revised 2018)).

The Scheme is established as a trust under English law. The address for enquiries to the Scheme is:

Anita Chandna  
Secretary to the Trustees  
Willis Towers Watson  
51 Lime Street  
London  
EC3M 7DQ  
Email: anita.chandna@wtwco.com

The financial statements have been prepared on the going concern basis. As noted within the Trustees' report on page 10, the Trustees have used the majority of the Scheme's assets to purchase an insurance policy with Canada Life Limited which is in the form of a "bulk annuity", which covers all current and future benefits to members. The Scheme is also protected by a s75 guarantee in the event the sponsoring employer is unable to pay contributions due in accordance with the recovery plan.

At the date of signing these financial statements the Trustees believe that the Scheme is able to cover its related outgoings until at least 12 months from signing. As a result, and together with the position of the Principal Employer, the Trustees consider the preparation of the financial statements on a going concern basis to be appropriate.

### **2. Accounting policies**

A summary of the main accounting policies, which have been applied consistently unless otherwise stated, is set out below:

#### **a) Investments**

Pooled investment vehicles, equities and bonds are valued at the bid or single price at the year-end date as determined by the investment managers.

Forward foreign exchange contracts are valued using the gain or loss that would arise from closing out the contract at the reporting date by entering into an equal and opposite contract at that date.

Annuities have been valued by the Scheme Actuary, Mr R Sweet FIA, at the amount of the related obligation, determined using the method and assumptions adopted by the Trustees for calculating the Scheme's Technical Provisions. Receipts from the annuity provider are accounted for as sales proceeds of insurance policies as permitted by the SORP.

AVC investments are valued at the bid or single price at the year-end date as determined by the AVC provider.

#### **b) Benefits**

Benefits payable represents all valid benefit claims in respect of the Scheme year. They are accounted for on the date of retiring or leaving, or if later, the date on which the member notifies the Trustees of the decision on the type and amount of benefit to be taken where the member has a choice.

**RICHARDS HOGG PENSION & LIFE ASSURANCE SCHEME  
FOR THE YEAR ENDED 30 APRIL 2024**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

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**2. Accounting policies (continued)**

**c) Contributions**

Contributions are accounted for on an accruals basis, in accordance with the Schedule of Contributions and other relevant agreements. Any additional contributions received by the employer are accounted for upon receipt.

**d) Transfer values**

Transfer values are accounted for when the related member liability transfers between schemes, which usually equates to when the transfer is received or paid.

**e) Investment income**

Income distributed from pooled investment vehicles and on cash deposits is accounted for on an accruals basis.

**f) Administrative and Investment Management Expenses**

Administrative and investment management expenses are met by the Scheme and are accounted for on an accruals basis. The Employer bears the cost of Life Assurance Premiums for members of the Scheme; these costs are not reflected in the Financial Statements.

**g) Currency**

The Scheme functional and presentational currency is pounds sterling.

**h) Key accounting estimates and assumptions**

In preparing the financial statements, the Trustees make estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. For the pension Scheme, the Trustees believe the only estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are related to the valuation of the pension investments.

The Pooled investment vehicle portfolio includes investments that are classified in Level 3 of the fair value hierarchy totalling £417k (2023: £503k) that use either the nearest valuation or have estimated profit elements within the estimate of value.

Estimates and assumptions were made in the process of establishing the valuation of the Insurance Policies of £19,248k (2023: £589k) held by the Scheme.

Explanation of the key assumptions underpinning the valuation of investments are included above. Estimates are continually evaluated and are based on historical experience, expectations of future events and any other factors that are deemed relevant to the estimate.

**RICHARDS HOGG PENSION & LIFE ASSURANCE SCHEME  
FOR THE YEAR ENDED 30 APRIL 2024**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**3. Contributions**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
<b>Employer contributions</b>		
Normal	14,673	16,890
Additional funding	43	-
Deficit funding	2,012,252	1,916,430
	<u>2,026,968</u>	<u>1,933,320</u>
<b>Employee contributions</b>		
Normal	3,261	4,024
<b>Total contributions</b>	<u><u>2,030,229</u></u>	<u><u>1,937,344</u></u>

The additional funding recognised above was a top-up payment made by the Employer in error in relation to pensionable salary increases. It was subsequently agreed that instead of refunding the Employer, this would remain within the Scheme.

In accordance with the Schedules of Contributions dated 15 July 2022, the Employer agreed to pay deficit funding contributions as follows:

<b>Year Ending</b>	<b>Contribution rate</b>
31 July 2023	£1,939,520
31 July 2024	£2,036,496
31 July 2025	£2,138,321
31 July 2026	£2,245,237
31 July 2027	Nil

**4. Other income**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Sundry income	<u>-</u>	<u>216</u>

**5. Benefits paid or payable**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Pensions	1,195,706	1,144,571
Commutation of pensions and lump sum retirement benefits	51,310	114,396
	<u><u>1,247,016</u></u>	<u><u>1,258,967</u></u>

**6. Payments to and on account of leavers**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Individual transfers to other schemes	<u>-</u>	<u>236,139</u>

**RICHARDS HOGG PENSION & LIFE ASSURANCE SCHEME  
FOR THE YEAR ENDED 30 APRIL 2024**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**7. Administrative expenses**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Bank charges	<u><b>415</b></u>	<u><b>222</b></u>

**8. Investment income**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Dividends from equities	7,911	22,697
Income from bonds	286,970	50,544
Income from pooled investment vehicles	425,319	990,748
Interest on cash deposits	63,611	7,816
	<u><b>783,811</b></u>	<u><b>1,071,805</b></u>

**9. Investments**

	<b>Value as at 2023</b>	<b>Purchases and derivative payments</b>	<b>Sales and derivative receipts</b>	<b>Change in Market Value</b>	<b>Value as at 2024</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Equity	543,053	-	(533,576)	(9,477)	-
Bonds	1,890,512	33,519,364	(35,292,057)	(117,819)	-
Pooled investment vehicles	17,346,259	318,001	(16,626,795)	(620,444)	417,021
Insurance policies	589,439	21,427,160	(69,549)	(2,698,559)	19,248,491
Forward Contracts	64,804	9,593,920	(9,593,920)	(64,804)	-
AVCs	5,204	-	-	330	5,534
	<u>20,439,271</u>	<u>64,858,445</u>	<u>(62,115,897)</u>	<u>(3,510,773)</u>	<u>19,671,046</u>
Cash	1,037,724			-	98,289
Income due	31,608			-	400
Cash in transit	1,772			-	-
	<u><b>21,510,375</b></u>			<u><b>(3,510,773)</b></u>	<u><b>19,769,735</b></u>

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

Transaction costs include costs charged directly to the Scheme such as fees, commissions, stamp duty and other fees. In addition to the transaction costs disclosed above, indirect costs are incurred through the bid-offer spread on investments within pooled investment vehicles and changes made within those vehicles. The amount of commission totalled £15,101 (2023: £2,059). The amount of indirect costs is not separately provided to the Scheme.

The companies managing the pooled investment vehicles are registered in the United Kingdom.



**RICHARDS HOGG PENSION & LIFE ASSURANCE SCHEME  
FOR THE YEAR ENDED 30 APRIL 2024**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**9. Investments (continued)**

The following investments exceed 5% of the total net assets of the Scheme:

	<b>2024</b>		<b>2023</b>	
	<b>£</b>	<b>%</b>	<b>£</b>	<b>%</b>
Schroder Long Dated Corporate Bond	-	-	2,624,724	11.8
Fidelity UK Long Corp Bond	-	-	1,152,864	5.2
LDI Enhanced Selection Longer Nominal Fund – Class B	-	-	1,108,136	5.0
Ishares GBP Corp Cond 0-5Yr	-	-	2,436,250	10.9
Muzinich Long Short	-	-	1,283,262	5.8
Canada Life Insurance Policies	18,697,000	91.8	-	-

**Pooled investment vehicles**

The Scheme's investments in pooled investment vehicles at the year-end comprised:

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Equity	-	2,086,662
Bonds	-	13,841,294
Alternatives	417,021	1,047,646
Multi-Strategy	-	370,657
	<b>417,021</b>	<b>17,346,259</b>

**Insurance Policies**

The Trustees hold nine insurance policies with Legal and General and a bulk annuity policy with Canada Life. The value of these policies are determined by the Actuary using the 'Attained Age' funding method'. The Scheme's insurance policies at the year-end comprised:

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Legal and General	551,491	589,439
Canada Life	18,697,000	-
	<b>19,248,491</b>	<b>589,439</b>

The principal financial assumptions used are set out below. Details of how the assumptions are derived from market yields at the effective date of calculation are set out in the Actuarial Report on Liabilities on pages 30-31.

	<b>30 April 2024</b>	<b>30 April 2023</b>
	<b>% p.a.</b>	<b>% p.a.</b>
Pre-Retirement Investment Return	5.70	N/A
Post-Retirement Investment Return	5.45	4.80
RPI	3.60	3.45

**RICHARDS HOGG PENSION & LIFE ASSURANCE SCHEME  
FOR THE YEAR ENDED 30 APRIL 2024**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**9. Investments (continued)**

**AVC Investments**

The Trustees hold assets invested separately from the main fund in the form of insurance policies securing additional benefits on a money purchase basis for those members electing to pay additional voluntary contributions. Members participating in this arrangement each receive an annual statement made up to 30 April confirming the amounts held in their account and the movements in the year. The aggregate amounts of AVC investments are as follows:

	2024 £	2023 £
Utmost Life	<u>5,534</u>	<u>5,204</u>

**Derivatives**

*Objectives and policies*

The Trustees have authorised the use of derivatives by their investment managers as part of their investment strategy for the Scheme as follows:

Forward FX: in order to maintain appropriate diversification of investments within the portfolio and take advantage of overseas investment returns, a proportion of the underlying investment portfolio was invested overseas. To balance the risk of investing in foreign currencies whilst having an obligation to settle benefits in GBP, a currency hedging programme, using forward FX contracts, was put in place to reduce the currency exposure of these overseas investments to the targeted level.

At the year end the Scheme had the following derivatives:

	2024		2023	
	Asset £	Liabilities £	Asset £	Liabilities £
Forward FX contracts	-	-	64,804	-

Contract	Settlement date	Currency bought	Currency sold	Asset value £	Liability value £
Forward FX	N/A	N/A	N/A	-	-
<b>Total 2024</b>				-	-
Total 2023				64,804	-

**RICHARDS HOGG PENSION & LIFE ASSURANCE SCHEME  
FOR THE YEAR ENDED 30 APRIL 2024**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**10. Fair value determination**

The fair value of financial instruments has been estimated using the following fair value hierarchy:

- Level 1) The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date
- Level 2) Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly
- Level 3) Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability

The Scheme's investment assets and liabilities have been fair valued using the above hierarchy categories as follows:

	<b>At 30 April 2024</b>			
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Pooled investment vehicles	-	-	417,021	417,021
Insurance policies	-	-	19,248,491	19,248,491
AVC investments	-	-	5,534	5,534
Cash	98,289	-	-	98,289
Income due	400	-	-	400
	<b>98,689</b>	<b>-</b>	<b>19,671,046</b>	<b>19,769,735</b>

	<b>At 30 April 2023</b>			
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Bonds	1,890,512	-	-	1,890,512
Equities	543,053	-	-	543,053
Pooled investment vehicles	3,698,596	13,144,590	503,073	17,346,259
Insurance policies	-	-	589,439	589,439
Derivatives	-	64,804	-	64,804
AVC investments	-	-	5,204	5,204
Cash	1,037,724	-	-	1,037,724
Cash in transit	1,772	-	-	1,772
Income due	31,608	-	-	31,608
	<b>7,203,265</b>	<b>13,209,394</b>	<b>1,097,716</b>	<b>21,510,375</b>

**RICHARDS HOGG PENSION & LIFE ASSURANCE SCHEME  
FOR THE YEAR ENDED 30 APRIL 2024**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

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**11. Investment risk disclosures**

**Investment risks**

FRS 102 requires the disclosure of information in relation to certain investment risks. These risks are set out by FRS 102 as follows:

Credit risk: this is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Market risk: this comprises currency risk, interest rate risk and other price risk.

- Currency risk: this is the risk that the fair value or future cash flows of a financial asset will fluctuate because of changes in foreign exchange rates.
- Interest rate risk: this is the risk that the fair value or future cash flows of a financial asset will fluctuate because of changes in market interest rates.
- Other price risk: this is the risk that the fair value of future cash flows of a financial asset will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

During the Scheme year ending 30 April 2024, the Trustees agreed to purchase a bulk annuity policy with Canada Life covering the majority of members' Scheme benefits. This was funded by selling the majority of the Scheme's invested assets. The only assets of the Scheme are now the bulk annuity policy, illiquid investments held with L&C and cash in the Trustees' bank account.

There is no direct or indirect currency risk or direct or indirect other price risk associated with the annuity policy since it provides cash flow that exactly matches certain liabilities of the Scheme. The insurance policy is directly exposed to interest rate risk due to the value being subject to a discount factor which reflects market interest rates. Changes in their value resulting from these factors are exactly matched by changes in the value of the corresponding liabilities. The Scheme has direct credit risk with the provider arising from these contracts although this is considered minimal. Direct credit risk is mitigated by the regulatory environment in which the insurer Canada Life operate in and the Financial Services Compensation Scheme. There is no indirect credit risk associated with the annuity policies as they provide cash flow that exactly matches certain liabilities of the Scheme.

Further information on the Trustees' approach to risk management, credit and market risk is set out below. This does not include the legacy insurance policies nor AVC investments as these are not considered significant in relation to the overall investments of the Scheme.

**(i) Investment strategy**

The investment objectives of the Trustees is to ensure that the Scheme will be able to pay all beneficiaries in full as and when their benefits fall due.

In-line with this investment objective, the Trustees purchased a deferred cover bulk annuity policy with Canada Life to secure the majority of the benefits for all Scheme beneficiaries. The uninsured benefits will be paid from the remaining assets held with London & Capital and the agreed future Employer contributions.

London & Capital hold some illiquid assets which are being liquidated as soon as practically possible.

The investment strategy is set out in its Statement of Investment Principles (SIP).

**RICHARDS HOGG PENSION & LIFE ASSURANCE SCHEME  
FOR THE YEAR ENDED 30 APRIL 2024**

**NOTES TO THE FINANCIAL STATEMENT (continued)**

**11. Investment risk disclosures (continued)**

**(ii) Credit risk**

The Scheme is subject to indirect credit risk because it has cash balances (2024: £98,289, 2023: £1,039,499). The Scheme also is directly exposed to credit risk in relation to the investments structured as pooled investment vehicles.

Cash is held within financial institutions which are at least investment grade credit rated.

Direct credit risk arising from pooled investment vehicles is mitigated by the underlying assets of the pooled arrangements being ring-fenced from the pooled manager, the regulatory environments in which the pooled managers operate and diversification of investments amongst a number of pooled arrangements.

The legal nature of the Scheme's pooled arrangements is:

	2024	2023
	<b>£ 417,021</b>	<b>£17,346,259</b>
<b>Closed-End Fund</b>	£423	£512,055
<b>ETF</b>	-	£2,908,975
<b>Investment Trust</b>	-	£224,296
<b>OEIC</b>	-	£2,456,887
<b>Open-End Fund</b>	-	£5,871,469
<b>Open-End Pension</b>	-	£2,624,724
<b>Private Equity</b>	£363,328	£503,073
<b>SICAV</b>	-	£370,657
<b>Unit Trust</b>	-	£1,820,853
<b>De-listed Closed End Fund</b>	£53,270	£53,270

**(iii) Currency risk**

The Scheme is subject to currency risk because some of the Scheme's investments are held in overseas markets via pooled investment vehicles. The extent of the Trustees exposure to currency risk is limited to the market value of the investments held. The Trustees have a Foreign Exchange policy in place which is included within their Discretionary Investment Management Agreement dated 3 January 2018.

**(iv) Interest rate risk**

The Scheme is subject to interest rate risk because some of the Scheme's investments are held in cash (2024: £98,289, 2023: £1,040,316).

**(v) Other price risk**

Other price risk arises principally in relation to the Scheme's private equity assets. The Scheme manages this exposure to overall price movements by liquidating these investments when it is possible to do so.

**RICHARDS HOGG PENSION & LIFE ASSURANCE SCHEME  
FOR THE YEAR ENDED 30 APRIL 2024**

**NOTES TO THE FINANCIAL STATEMENT (continued)**

**12. Current assets**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Contributions due in respect of the Employer	170,931	162,814
Contributions due in respect of members	272	264
Cash balances	358,856	552,528
Pensions paid in advance	75,794	74,561
Income tax recoverable	-	2,589
	<u><b>605,853</b></u>	<u><b>792,756</b></u>

Contributions due, as disclosed above, have subsequently been received by the Scheme in accordance with the Schedule of Contributions.

**13. Current liabilities**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Fees payable	<u>2,627</u>	<u>2,626</u>
	<u><b>2,627</b></u>	<u><b>2,626</b></u>

**14. Related party transactions**

Two of the Trustees are pensioner members of the Scheme. Benefits arise solely in the Trustees' capacity as beneficiaries of the Scheme and are in accordance with the Scheme Rules.

The Scheme's investment manager, Charles Taylor Investment Management Limited is a company within the same group as the Principal Employer, both of which are commonly controlled by Charles Taylor Limited. None of the Trustees are directors of Charles Taylor Investment Management Limited. The investment management moved to London & Capital Asset Management Ltd from 1 November 2023.

The Employer pays all expenses associated with the Scheme, the insurance premiums payable on the policies insuring the death in service benefits and the levies payable to the Pension Protection Fund and the Pensions Regulator (2024: £738,902, 2023: £435,949). These are paid directly to the relevant third party as and when requested.

**15. Equalisation of Guaranteed Minimum Pensions (GMPs)**

Benefits for members who joined the Scheme prior to April 1997 include a Guaranteed Minimum Pension (GMP) which broadly represents the pension which they would otherwise have accrued under the old State Earnings-Related Pension Scheme (SERPS). Following the recent High Court Judgement in October 2018 in the "Lloyds Bank" Case, the Trustees are aware that there is now a requirement to adjust some members' Scheme benefits to address the current inequalities in the calculations of GMPs between men and women. In November 2020 the High Court expanded the equalisation requirement to transfers out from 17 May 1990. GMP equalisation may result in modest increases in benefits for some members; however many may see no change, but no member will see the value of their benefits reduced as a result of this Judgement. The Trustees do not expect any increases in benefits in respect of past service to be material to the financial statements and therefore have not included a liability in these financial statements. Any liabilities will be accounted for in the year in which they are determined. As noted above, the rise in gilt yields has seen both assets and liabilities fall in value. Overall the Scheme's funding position has improved since the year end.

**RICHARDS HOGG PENSION & LIFE ASSURANCE SCHEME  
FOR THE YEAR ENDED 30 APRIL 2024**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

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**16. Contingent Asset**

The actuarial valuation as at 30 April 2021 showed a funding shortfall of £8.32m. As part of the Recovery Plan agreed by the Trustees following that valuation, the Trustees and the Principal Employer agreed an alternative contingent asset, being a Guarantee dated 30 June 2022 from stated Guarantors. Under the terms of this Guarantee, the Guarantors (as defined in the Guarantee) have given the Trustees an undertaking that if the Principal Employer fails to pay a contribution due in accordance with the Recovery Plan and the Schedule of Contributions, they will on demand pay such contributions themselves. This is subject to limits and conditions and on the terms set out in the Guarantee, which expires on 24 January 2027.

No asset is recognised in the financial statements in respect of the Letter of Credit, the Guarantee or any other contingent asset.

**17. Contingent Liability**

The Trustees are aware of the High Court ruling in June 2023, which states that any amendments to section 9(2B) rights are void without a written section 37 confirmation from the Scheme actuary and acknowledge the recent Court of Appeal decision in the Virgin Media v NTL case, which upheld the High Court's ruling.

At present, the Trustees have no reason to believe that from 6 April 1997 until the abolition of contracting out in 2016, the Scheme was not operating in compliance with the requirements to provide benefits meeting the statutory standard of section 9(2B) rights as per the Pension Schemes Act 1993. In addition, the Trustees had no reason to believe that the relevant requirements of section 37 were not complied with in respect of any historic deeds of amendment. The Trustees are in consultations with its legal advisor, Reed Smith, who are conducting a review of the Scheme's documentation from 1997 onwards to ascertain whether there are any instances of non-compliance. The recent Court of Appeal decision left open various questions and uncertainties around the interpretation of the ruling, making any impact difficult to assess. As a result, there has been no provision or contingent liability estimated in the annual report and financial statements.

## **RICHARDS HOGG PENSION & LIFE ASSURANCE SCHEME FOR THE YEAR ENDED 30 APRIL 2024**

### **REPORT ON ACTUARIAL LIABILITIES**

Under Section 222 of the Pensions Act 2004, every scheme is subject to the Statutory Funding Objective, which is to have sufficient and appropriate assets to cover its technical provisions. The technical provisions represent the present value of the benefits members are entitled to be based on pensionable service to the valuation date. This is assessed using assumptions agreed between the Trustees and the Employer and set out in the Statement of Funding Principles, which is available to Scheme members on request. The 30 April 2024 valuation is currently underway.

The most recent full actuarial valuation of the Scheme was carried out as at 30 April 2021. This showed that on that date:

	<b>£000</b>
Value of the Technical Provisions	37,917
Value of the assets at that date	29,593

The method and significant actuarial assumptions used to determine the technical provisions are as follows (all assumptions adopted are set out in the Statement of Funding Principles):

#### **Method**

The technical provisions and the ongoing contributions for future accrual are calculated using the "Attained Age" funding method.

#### **Significant actuarial assumptions**

##### **Fixed Interest Gilt Yield**

Yield on the Bank of England nominal gilt spot yield curve at 16½ years, rounded down to the nearest 0.05%.

##### **Implied Inflation**

Yield on the Bank of England Implied Inflation spot yield curve at 16½ years, rounded to the nearest 0.05%.

As at 30 April 2021 the above yields were 1.25% per annum and 3.60% respectively.

##### **Discount Interest Rate**

Different rates are used pre and post retirement to reflect a mixture of equity and bond investment in the period before retirement and solely bond investment after retirement.

Post retirement	=	Fixed Interest Gilt Yield plus 0.75%
Pre retirement	=	Fixed Interest Gilt Yield plus 1.00%

As at 30 April 2021 this resulted in discount interest rates of 2.00% per annum post retirement and 2.25% per annum pre-retirement.

##### **Price Inflation**

An allowance for future RPI increases is included at an assumed rate equal to the Implied Inflation. As at 30 April 2021 this resulted in an assumption for future RPI increases of 3.60% per annum.

An allowance for future CPI increases is included at an assumed rate equal to the assumption for future RPI increases less 1.0% per annum prior to 2030 and at an assumed rate equal to the RPI assumption after 2030. As at 30 April 2021 this resulted in an assumption for future CPI increases of 2.60% per annum prior to 2030 and 3.60% per annum thereafter.



## **RICHARDS HOGG PENSION & LIFE ASSURANCE SCHEME FOR THE YEAR ENDED 30 APRIL 2024**

### **REPORT ON ACTUARIAL LIABILITIES (continued)**

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#### **Pension Increases in payment**

Where pensions in payment are increased in line with prices, subject to either a maximum or minimum level of increase, allowance is made in the valuation for the derived rate of increase that would apply using a Black-Scholes approach based upon the inflation assumption adopted for the valuation.

As at 30 April 2021 this resulted in the following assumptions for future pension increases:

Pensionable Service completed prior to 6 April 1997	3.00% p.a. <sup>1, 2</sup>
Pensionable Service completed after 5 April 1997 and before 1 May 2005	3.80% p.a. <sup>3</sup>
Pensionable Service completed after 30 April 2005	2.30% p.a. <sup>4</sup>

#### **Pension Increases in Deferment**

Where pensions in deferment are increased in line with the CPI, subject to a maximum, allowance is made in the valuation for the rate of increase that would apply based upon the CPI assumption adopted for the valuation, subject to the relevant cap.

As at 30 April 2021, this resulted in the following assumptions for future revaluations of deferred pensions:

Deferred pension in excess of GMP accrued prior to 1 May 2004:	5.00% p.a.
Deferred pension accrued after 30 April 2004 and before 6 April 2009:	2.60% p.a. prior to 2030 3.60% p.a. after 2030
Deferred pension accrued after 5 April 2009:	2.50% p.a.

#### **Pay Increases**

An allowance for pay to increase at the same rate as RPI is included in the valuation. This allowance covers both normal pay awards and promotional increases. As at 30 April 2021 this resulted in an assumption for future increases of 3.60% per annum.

#### **Mortality**

It is assumed there is no mortality prior to retirement.

Mortality post retirement has been assumed in accordance with the table known as the S3LPA year of birth table, with CMI\_2020 improvement factors and long term rates of improvement of 1.5% p.a.<sup>5</sup>

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<sup>1</sup> On the total pension including the Guaranteed Minimum Pension (GMP).

<sup>2</sup> Guaranteed Fixed Rate

<sup>3</sup> Actual increases are in line with RPI, subject to a maximum of 5% and a minimum of 3%.

<sup>4</sup> Actual increases are in line with RPI, subject to a maximum of 2½% and a minimum of 0%

<sup>5</sup> For an individual born in 1953 this gives a life expectancy at age 65 of 23 ½ years for a male and 24 ½ years for a female

**RICHARDS HOGG PENSION & LIFE ASSURANCE SCHEME  
FOR THE YEAR ENDED 30 APRIL 2024**

**LATEST ACTUARY'S CERTIFICATION OF THE SCHEDULE OF CONTRIBUTIONS**

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**ACTUARY'S CERTIFICATION OF  
SCHEDULE OF CONTRIBUTIONS**

Richards Hogg Pension and Life Assurance Scheme

**Adequacy of Rates of Contributions**

I hereby certify that, in my opinion, the rates of contributions shown in this Schedule of Contributions are such that the statutory funding objective could have been expected on 30 April 2021 to be met by the end of the period specified in the Recovery Plan which I signed on 15 July 2022.

**Adherence to Statement of Funding Principles**

I hereby certify that, in my opinion, this Schedule of Contributions is consistent with the Statement of Funding Principles which I signed on 15 July 2022.

The Certification of the adequacy of the rates of contributions for the purpose of securing that the statutory funding objective can be expected to be met is not a certification of their adequacy for the purpose of securing the Scheme's liabilities by the purchase of annuities, if the Scheme were to be wound-up.

Signed:

*Robert J. Sweet*

Date:

15 July 2022

Name:

R J Sweet

Qualification:

Fellow of the Institute & Faculty of  
Actuaries

Address:

Mill Pool House  
Mill Lane  
Godalming  
Surrey GU7 1EY

Employer:

Cartwright Group Limited



### **Richards Hogg implementation statement**

The primary focus of this implementation statement is to describe how the investment manager has actioned the various policies as outlined in the Statement of Investment Principles (SIP).

On 31<sup>st</sup> October 2023, Charles Taylor Investment Management Company Limited (CTIM), the investment manager of the Scheme, was acquired by London and Capital Asset Management Limited (L&C) and a new Discretionary Investment Management Agreement was signed between the Trustees and L&C.

As Trustees of the Scheme's assets, we are responsible for the selection and retention of L&C. Reviewing the voting and engagement activities, is an important exercise to help us ensure they remain appropriate and are consistent with the policies in our SIP.

We are satisfied with the voting and engagement activities of L&C and the 3<sup>rd</sup> party fund managers, and in particular, that they are using their position as stakeholder to engage constructively with investee companies; however, we will engage with them should we have any concerns about the voting and/or engagement activities carried out on our behalf. The Trustees had no cause to challenge the voting and/or engagement activities during the year to 30 April 2024.

As Trustees of the Scheme's assets, we are responsible for the selection of Canada Life (the "insurance provider"), however the Trustees has no other discretion or influence as to how monies are invested by the insurance provider. The day-to-day management of the investments (including the responsibility for voting and engaging with companies) is delegated to the insurance provider. Canada Life invests in a portfolio of bonds and not equities, therefore they do not hold assets with voting rights.

### **Changes to the SIP in the last 12 months**

The SIP was amended in February 2024 to reflect the purchase of a deferred cover bulk annuity policy with Canada Life, that was completed in January 2024.

The Trustees' investment strategy for the Scheme is to invest in the bulk annuity policy with Canada Life, with the residual assets held by L&C. These residual assets include illiquid investments and cash.

### **Implementation of the investment strategy principles**

After the purchase of the bulk annuity policy with Canada Life, the residual assets left in the portfolio managed by L&C consisted of a small number of illiquid investments - representing approximately 2% of the original investment portfolio - which are not tradable on a market and are expected to amortise, i.e. generate cashflows, over time.

The Scheme's investments are deliberately and consciously chosen to align with the Trustees' strategic investment policies and objectives and in particular to meet the benefit payments and minimise risk. Since the purchase of the bulk annuity policy, the objective of the portfolio managed by L&C is to maximise the expected cashflows and minimise the residual life of the assets. In one case, the managers could find a private buyer and the security was sold; an additional security made its final payment shortly after the reporting period. The managers are monitoring expected cashflows on the residual assets. The Trustees and L&C will use the Scheme's position as a stakeholder, either unilaterally or in concert with other stakeholders, to engage with investee companies to improve their financial and non-financial performance.

Given that the Scheme's investments do not confer voting rights, there was no voting carried out in relation to those investments.

## The Richards Hogg Pension & Life Assurance Scheme

[Ref]

27/11/2024

RSM UK Audit LLP  
Portland  
25 High Street  
Crawley, RH10 1BG

Dear Audit Engagement Partner of Richards Hogg Pension & Life Assurance Scheme

### **Richards Hogg Pension & Life Assurance Scheme**

#### **AUDIT OF FINANCIAL STATEMENTS – FOR THE YEAR ENDED 30 APRIL 2024**

This representation letter is provided in connection with your audit of the Pension Scheme's financial statements for the year ended 30 April 2024 for the purpose of expressing an opinion as to whether the financial statements give a true and fair view in accordance with the applicable financial reporting framework and making a statement about contributions.

The financial reporting framework that has been applied in the preparation of the financial statements is the Pensions Act 1995 and its Regulations. In particular we refer to The Occupational Pension Schemes (Disclosure of Information) Regulations 2013, The Occupational Pension Schemes (Scheme Administration) Regulations 1996 and The Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996. In addition, we confirm that the financial statements of the Pension Scheme should contain the information specified in Regulation 3 of The Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996.

We confirm that to the best of our knowledge and belief, and having made appropriate enquiries of key managers and others who are in a position to influence or who are responsible for the operation of the Pension Scheme:

#### *Financial Statements*

1. We acknowledge and have fulfilled our responsibilities, as set out in the terms of the audit engagement dated 21 December 2023, for ensuring that the Pension Scheme maintains adequate accounting records and for the preparation and presentation of the financial statements in accordance with the applicable financial reporting framework. In particular, the financial statements give a true and fair view in accordance therewith.
2. Where required, the value at which assets and liabilities are recorded in the statement of net assets (available for benefits) is, in the opinion of the trustees, the fair value.

We confirm that the methods, significant assumptions and the data used in making accounting estimates and the related disclosures are appropriate in the context of the applicable financial reporting framework.

We confirm that the estimated value of the bulk buy-in annuity policy with Canada Life has been fairly stated within the financial statements. An actuarial valuation of the annuity policy has been conducted and has been deemed sufficient and fair.

The Trustees and Employer have agreed the methodology to be used for GMP equalisation. Benefits were adjusted to allow for GMP equalisation, including the payment of backdated amounts and related interest, in August 2024. The amounts paid are not material to the pension scheme financial statements. The Trustees have therefore not included a liability in respect of these matters in the current financial statements. They will be accounted for in next year's statements.

3. To the best of our knowledge as at the date of signing this letter, we are not aware of any material additional liabilities connected with historic benefit payments will arise that will impact the Scheme's Financial Statements in relation to the outcome of the Virgin Media Appeal Case hearing on 25 July 2024 and this has been disclosed as a contingent liability in the financial statements.
4. We confirm that we are in agreement with the employer that the 3% RPI cap that has been applied to the increases in pensionable salary with the employer and that we are comfortable with its application on the basis that the employees are informed of their increase, subject to the 3% cap, annually and the Scheme actuary is aware and has factored the contribution cap into their calculations in the Scheme valuation and the recovery plan.
5. We confirm the completeness of the information provided regarding the identification of related party relationships.

Related party transactions have been appropriately accounted for and disclosed in accordance with the applicable financial reporting framework. In particular, where required by the applicable financial reporting framework, full disclosure is made in the financial statements of key management personnel compensation and of transactions and balances with related parties including:

- the nature of the related party relationship;
  - the amount of the transactions;
  - the amount of outstanding balances and:
    - their terms and conditions, including whether they are secured, and the nature of the consideration to be provided in settlement; and
    - details of any guarantees given or received;
  - provisions for uncollectible receivables related to the amount of outstanding balances;
  - the expense recognised during the period in respect of bad or doubtful debts due from related parties; and
  - any other information about the transactions, outstanding balances and commitments necessary for an understanding of the potential effect of the relationship on the financial statements.
6. Other than as disclosed in the financial statements there are no:
    - a. employer related investments;
    - b. outstanding capital commitments contracted for at the year end date;
    - c. contingent liabilities;
    - d. pending litigation (actual or possible) either at the year end date or as at the date of this letter;
    - e. material claims against the Pension Scheme either at the year end date or as at the date of this letter; or
    - f. guarantees, warranties or other financial commitments.
  7. There have been no events to the date of this letter which may necessitate revision of the figures included in the financial statements or inclusion in the notes thereto. Should such events or decisions occur prior to your signature of the audit report we will advise you immediately.

We have no plans or intentions that may materially alter the carrying value or classification of assets and liabilities reflected in the financial statements.

Any significant changes in the value of assets and liabilities since the year end date have been disclosed to you.

8. The effects of uncorrected misstatements (whether arising from differences in amount, classification, presentation or disclosure of a reported financial statement item and the amount, classification, presentation or disclosure that is required for the item to be in accordance with the applicable financial reporting framework) are immaterial, both individually and in the aggregate, to the financial statements as a whole.
9. We have assessed the scheme's ability to continue as a going concern and there have been no events, decisions or conditions either prior to the year end date or to the date of this letter that would trigger the winding up of the scheme. Should such events, decisions or conditions occur prior to your signature of the audit report we will advise you immediately. We have prepared the financial statements on a going concern basis and included disclosure of any applicable matters related to going concern.

With regards to our going concern assessment, we confirm that whilst the impact of recent economic events on the ability of the sponsoring employer to support the scheme will be kept under review, our assessment is that the sponsoring employer's ability to continue to support the scheme remains satisfactory and is supported by a deed of guarantee.

10. We confirm that our going concern assessment covers the period to November 2025.

*Information Provided*

1. As agreed in the terms of engagement, we have provided you with:
  - a. Access to all information of which we are aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
  - b. Additional information that you have requested from us for the purpose of the audit; and
  - c. Unrestricted access to persons responsible for the operation of, and other advisers to, the Pension Scheme from whom you determined it necessary to obtain audit evidence.
2. We confirm that all transactions have been recorded in the accounting records and are reflected in the financial statements.
3. We confirm that we have disclosed to you details of all banking and financing arrangements including related contracts and hedging products.
4. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
5. We have disclosed to you all information in relation to fraud or suspected fraud that we are aware of and that affects the Pension Scheme and involves:
  - Management;
  - Employees and others responsible for the operation of the Pension Scheme who have significant roles in internal control; or
  - Others where the fraud could have a material effect on the financial statements.
6. We have disclosed to you all information in relation to allegations of fraud, or suspected fraud, affecting the Pension Scheme's financial statements communicated by members, former members, employers, regulators or others.

7. We confirm that no service organisation used by the scheme has reported any instance of fraud, non-compliance with laws and regulations or uncorrected misstatements affecting the financial statements.
8. We have not made any reports to the Pensions Regulator nor are we aware of any such reports having been made by any of our advisers or others responsible for the operation of the Pension Scheme.

We also confirm that we are not aware of any matters which have arisen that would require consideration of a report to the Pensions Regulator and that we are not aware of any late contributions or breaches of the schedule of contributions that do not require reporting under the easement introduced under the Occupational Pension Schemes (Miscellaneous Amendments) Regulations 2000.

All such matters have been drawn to your attention.

There have been no other communications with the Pensions Regulator or other regulatory bodies during the scheme year or subsequently concerning matters of non-compliance with any administrative duty.

9. We confirm that as far as we are aware:
  - no services have been provided to us or our affiliated entities by RSM network firms and their related entities that we have not already informed you of;
  - no gifts, hospitality, favours, donations or sponsorship have been exchanged between us or our affiliated entities and RSM network firms and their related entities that we have not already informed you of;
  - no employment relationships exist between us or our affiliated entities and partners or employees of RSM network firms and their related entities we have not already informed you of; and
  - no other business or personal relationships exist between us or our affiliated entities and RSM network forms and their related entities we have not already informed you of.

The related entities of RSM network firms are as set out in the list provided during the audit.

We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing financial statements. We have also notified you of the actual or contingent consequences which may arise from such non-compliance, including any potential effects on the Pension Scheme's ability to conduct its activities. We acknowledge our responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud and error.

To assist the auditor in complying with ISA (UK) 720 The Auditor's Responsibilities Relating to Other Information, we confirm that we have informed you of all the documents that will be communicated to the members with the annual report.

We confirm that the above representations are made on the basis of enquiries of advisers and other persons responsible for the operation of the scheme with relevant knowledge and experience (and, where appropriate, of inspection of supporting documentation) sufficient to satisfy ourselves that we can properly make each of the above representations to you.

The contents of this letter were considered and approved by the board at its meeting on

Nov 28, 2024 .....

Yours faithfully

Signed on behalf of the board of **Richards Hogg Pension & Life Assurance Scheme**

Pension Scheme - Letter of Representation

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David Habgood  
David Habgood (Nov 28, 2024 08:57 GMT)

Trustee

BA Jennings  
BA Jennings (Nov 28, 2024 09:21 GMT)

Trustee

Date Nov 28, 2024














# Richards Hogg RA YE2024 - V6 - FINAL

Final Audit Report

2024-11-28

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