

Statement of the Chair of the Trustees of the Andavis Pension Scheme

For the Scheme year ending 31 December 2021

This is the Chair's statement in respect of the Andavis Pension Scheme ('the Scheme') and has been prepared in accordance with section 23 of the Occupational Pension Schemes (Scheme Administration) Regulations 1996. These Regulations require the Trustees to prepare an annual statement regarding the governance of any defined contribution (DC) benefits.

Background

- The scheme was set up by a Trust Deed on 19 December 2012 as a vehicle to liberate assets from ceding schemes.
- It is technically a defined contribution ('DC') Scheme.
- Each member transferred assets into the Scheme with the expectation that these assets would be invested in Speed-E-Loans.Com Limited and that they would receive preference shares in Speed-e-Loans.com Limited.
- It has been established that no preference shares were issued to any investors and Speed-e-Loans.com Limited is now insolvent.
- A debt claim had been lodged with the liquidator of Speed-E-Loans.Com Limited. It is unlikely there will be sufficient assets realised from the liquidation to pay a dividend to unsecured creditors.
- The Trustees have co-operated with an investigation by South Wales Police. This investigation resulted in a criminal prosecution. It has been confirmed there will be no entitlement to criminal compensation.
- The Trustees are currently in communication with the Fraud Compensation Fund regarding application to the fund for compensation and an application has been submitted.

The Trustee

The scheme is Trust based and is administered by the Trustees.

Up to 1 July 2013 the Trustees were Christina Andrea and Ross Connor Broadbent.

On 2 July 2013 Capital Cranfield Trustees Limited ('CCTL') was appointed to act as the professional independent Trustee and is the sole trustee of the Scheme.

Auto enrolment

The scheme is not used for auto-enrolment and is not subject to the charge cap.

Contributions

The scheme does not receive any regular contributions.

No money is being contributed to individual DC pots. The only money that has been contributed is the original transfer values received into the Scheme.

Default Strategy

Whilst no contributions are being paid into the Scheme, members effectively have money invested this is with a bank account held with Barclays to which Capital Cranfield Trustees Limited are sole signatory. These assets are all that remains following deduction of expenses made by the current and former trustees and investment of funds with Speed-E-Loans.Com Limited which is now insolvent and attempts made to recover said funds.

A statement of investment principles ('SIP') is not required as there are less than 100 members in the Scheme.

Core financial transactions

Under the Regulations, the Trustees have a duty to ensure that core financial transactions (including the transfer of assets out of the Scheme and payments to or in respect of members) relating to DC benefits are processed promptly and accurately.

Since the appointment of CCTL there have been no new contributions received and the Trustees are not permitting any new members joining or any new contributions being received into the Scheme.

Charge levels

Under the Regulations, the Trustees have a duty to assess the charges and transaction cost relating to DC benefits borne by members and the extent to which they represent good value for money for members.

CCTL's review of the Scheme has identified a fraud resulting from a pensions liberation scam. The upfront charge levied is considered to be high and whilst there are no ongoing charges applied to the accounts the charges and transaction costs clearly do not represent good value for money.

All charges have been applied prior to CCTL's appointment and the Trustees are making attempts to recover funds.

Trustee Knowledge and Understanding

Under sections 247 and 248 of the Pensions Act 2004 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.

Capital Cranfield Trustees Limited is a professional independent trustee company listed on the Pension Regulators trustee register. The individual concerned is Steve Godson who is a director of Capital Cranfield, an experienced trustee and accredited as a Professional Trustee by the Association of Professional Pension Trustees. Accreditation as a Professional Trustee requires a mandatory amount of Continuous Professional Development to be undertaken each year.

Signed by Steve Godson (Director) on 04/03/2022

For and on behalf of Capital Cranfield Trustees Limited
Independent Trustee of the Andavis Pension Scheme