

A guide to your scheme's annual report



An Bord Pinsean
The Pensions Board

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The Pensions Board has prepared this booklet to provide an overview of the information that must be contained in a pension scheme's annual report. We have made every effort to ensure that it is correct. However, no liability whatsoever is accepted by The Pensions Board, its servants or agents for any errors or omissions in the information contained in this booklet or for any loss occasioned to any person acting or refraining from acting as a result of any statement in this booklet.

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1. Introduction

Your rights as a member of an *occupational pension scheme* are valuable and important to you and your dependants. An *occupational pension scheme* is set up as a *trust*. This means the scheme's *assets* are looked after by *trustees* on behalf of members and their dependants.

As your pension may not start for many years and may continue long after you retire, your scheme must be run properly so it is able to pay your benefits when they are due. Under *trust* law and the Pensions Act, 1990, pension scheme *trustees* must ensure that schemes are run properly and they must protect your rights as a scheme member.

Under the Pensions Act, you are entitled to a wide range of information about your scheme. This booklet will explain some of the key documents relating to your scheme and help you to understand their contents.

What does *that* mean?

Don't be confused by pensions jargon.

See the Glossary for definitions of terms in *italics*.

2. Your right to information

One of the main ways the Pensions Act protects you as a member of a pension scheme is by giving you the right to a wide range of information about your scheme, how it is being run and its financial situation. This information will help you to ensure that your future pension is secure.

This publication should help you to understand:

- what is required of scheme *trustees* in relation to annual reports and audited accounts
- your rights to see and receive copies of those documents and what they should contain
- the significance of the information you will find in those documents.

Your rights to information are explained in further detail in The Pensions Board booklet 'What do you know about your pension scheme?' which is available on the Board's website.

What documents do I need to read?

By reading your scheme's annual report, you can see how the scheme has been managed, its financial progress and other significant developments during the year. The purpose of the annual report and accounts is to record the scheme's past performance.

If you are a member of a *defined benefit scheme*, you should also read the report of the latest *actuarial valuation* by the actuary. This document measures the scheme's current funding levels and recommends future contribution rates.

If you are not used to reading annual reports and, in particular, financial statements, these documents may appear somewhat daunting. Sections 5 and 6 of this booklet will help you understand the information provided in your annual report, while section 7 describes the contents of pension scheme accounts.

Detailed guidance notes are available from The Pensions Board for those who are administering pension schemes. For more information, contact:

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3. What documents should my scheme provide?

The *trustees* of all *occupational pension schemes* (other than *one-member arrangements*) must either prepare an annual report or have one prepared by someone else.

The information that must be included in the annual report depends on the type of scheme. This booklet gives the minimum requirements for annual reports for different types of pension schemes, including:

- funded large *defined benefit schemes*
- funded large *defined contribution schemes*
- funded small *defined benefit schemes*
- funded small *defined contribution schemes*
- *unfunded schemes*.

A *small scheme* is a scheme with less than 100 *active and deferred members*. If your scheme has 100 or more *active and deferred members*, it is a *large scheme*.

Other documents

Large funded *defined benefit schemes* and large funded *defined contribution schemes* must provide audited accounts as well as an annual report.

Trustees can provide more than the minimum information required and *trustees* of certain schemes are instructed to do so by the rules of their scheme.

4. When can I get my annual report?

You or your spouse may request a copy of the latest report and/or accounts at any time. It must be given to you, free of charge, within four weeks of a written request. The *trustees* may accept a less formal approach, such as a telephone call.

Prospective members, their spouses and other *beneficiaries* under the scheme are also entitled to receive a free copy.

When must reports be made available?

The Pensions Act lays down a number of reporting deadlines. Failure by *trustees* to meet these deadlines is a breach of the Act.

- The annual report and audited accounts (where applicable) must be prepared for each scheme year as soon as is reasonably practical.
- *Trustees* must make them available within nine months after the end of the scheme year.
- The *trustees* must advise you that the documents are available within four weeks after the nine-month deadline (for example, through an announcement on your staff notice board or in a staff circular).
- A copy of the annual report and accounts (where applicable) must be given by the *trustees* to any authorised trade union that represents members of the scheme within nine months of the end of the scheme year.

Requesting earlier reports

Scheme members, *prospective members*, spouses and other *beneficiaries* are also entitled to inspect a copy or request their own copy of any earlier report or audited accounts. These should be made available within four weeks of making such a request. The *trustees* can charge a reasonable fee for providing a copy, although they may waive this.

If you request a document that you have already requested within the last 12 months (or within the previous three years in the case of audited accounts), the *trustees* are not obliged to comply with your request.

5. Contents of the annual report

The form and contents of your scheme's annual report will depend on the type of scheme it is. By law, there is a minimum level of information that must be included in the annual report for each type of scheme. While *trustees* may include additional information, this minimum will give you the essential information you need about your scheme and its finances.

Funded schemes

The minimum contents of the annual report for *funded schemes* are listed below. If your scheme is a *small scheme*, the *trustees* may opt to have an alternative annual report prepared. The requirements for this type of report are described in section 6.

If your scheme is a large *defined benefit scheme* or large *defined contribution scheme*, the *trustees* are required to prepare an annual report containing the following information about the scheme during the past scheme year:

1. The names of all the *trustees* during the scheme year, together with all *trustees* at the date the report is signed, if different. If a company acts as a *trustee*, the report must give the names of its directors (both during the year and at the date the report is signed if different).
2. The names of all employers participating in the scheme (if there is more than one).
3. The names of the people or organisations that acted for or advised the *trustees* during the year or at the date of signing the report (for example, the auditor, investment manager, actuary, bank, custodian, administrator and solicitor). Any change since the last scheme year should be set out.

4. The number of *active members* in the scheme, the number who were receiving benefits under the scheme, the number of *deferred members* and the number of employees who are entitled only to death-in-service benefits, together with a note of any material changes since the previous year.
5. Whether or not there were increases in pensions being paid and benefits payable to members on leaving employment.
6. The percentage by which benefits were increased and if those increases were guaranteed under the scheme rules or otherwise or were granted on a discretionary basis.
7. If the scheme is paying any increases for which it would not be liable if it wound up, a statement explaining if those receiving such pensions have been notified of this.
8. The name (or title) and address to which you should send inquiries about the scheme or your benefits.
9. If changes were made to the basic information about the scheme, a statement that the members concerned were notified within four weeks of making the alteration. The basic information covered by this requirement is outlined in The Pensions Board booklet 'What do you know about your pension scheme?' which is available on the Board's website.
10. A copy of the audited accounts (see section 7).
11. A copy of the auditor's report on the accounts (see section 8).
12. A compliance statement disclosing a range of information required by law (for example, changes in scheme rules and whether the scheme has approval from the Revenue Commissioners).

13. If the scheme has 50 or more *active* and pensioner members, a statement that the members' right to select or approve the selection of scheme *trustees* is set out by law.
14. A statement as to whether the *trustees* have access to appropriate training on their duties and responsibilities, and whether any *trustee* training costs were paid by the scheme's fund.
15. A statement that the scheme has been registered with The Pensions Board, giving the scheme's Pensions Board registration number.
16. A statement as to whether the *trustees* and, if applicable, the scheme administrator have access to The Pensions Board's 'Trustee handbook' and guidance notes.
17. Unless already set out in the members' explanatory booklet, a statement about the condition of the scheme, in particular the financial, technical and other risks associated with it. This should also include:
 - in the case of a *defined benefit scheme*, a caution that there may be a shortfall in such a scheme (*defined benefit schemes* are not guaranteed because benefits are ultimately dependent on continuing contributions and scheme solvency)
 - in the case of a *defined contribution scheme*, an explanation that benefits from such schemes depend on the amount of contributions paid, investment returns and the cost of buying annuities, and that charges and commissions may reduce members' benefits.

18. Unless already set out in other documents (such as the members' explanatory booklet or annual benefit statement), a statement explaining the *Internal Dispute Resolution Procedure* put in place by the *trustees*.
19. In the case of a *defined benefit scheme* or a *defined contribution scheme* that pays pensions directly from the scheme *assets* instead of purchasing annuities, a copy of the latest actuarial funding certificate (AFC) (see section 9). As the AFC must only be completed every three years, the date on it may not coincide with the scheme year for the annual report.
20. If the latest AFC (as in the previous point) was prepared with an effective date after 1 January 2001, a statement by the scheme's actuary stating if they are reasonably satisfied the scheme would meet the minimum funding standard (see section 9) if they were to prepare an AFC with an effective date of the last day of the relevant scheme year.

If the latest AFC showed that the scheme failed the funding standard and that a funding proposal was in place, the actuary's statement should indicate whether, in their opinion, the scheme would still be on track to meet the minimum funding standard by the later date specified in the funding proposal.

21. In the case of a *defined benefit scheme*, a statement explaining the latest AFC and funding proposal (if any) submitted to The Pensions Board (see section 9), including details of any measures proposed in such a funding proposal.
22. In the case of a *defined contribution scheme*, a copy of the valuation report prepared in relation to that scheme year (see section 10).

23. A *trustees'* review of the scheme's financial development during the year, which may include, for example, comments on significant changes in the level of contributions or the membership profile.
24. The names of the organisations or people responsible for the management of the scheme's investments and whether or not the costs of any investment manager are paid by the scheme and, if they are, the basis on which they are paid.
25. An investment report including:
 - the investment policies pursued and any material changes in these policies (this could include the overall targets set for the manager, policies on the types of investments owned and policies on seeking professional advice)
 - a review of the fund's investment performance during the year
 - information on the type of *assets* owned (for example, equities, property, fixed-interest stocks and cash) and their spread over different markets – this could include, for example, a comparison with the performance targets set for the manager and how the *assets* are diversified
 - the most recent *statement of investment policy principles*.
26. A statement by the *trustees* that they have appropriate procedures in place to ensure that contributions payable were received within the time limits imposed by the Pensions Act and were paid in accordance with the scheme's rules and, in the case of a *defined benefit scheme*, with the actuary's recommendation.

27. If the audited accounts refer to a significant post-year-end item (e.g., the scheme was wound up), a statement by the *trustees* about that item.
28. A statement that the scheme is *defined benefit* or *defined contribution*.

Unfunded schemes

The annual report of an *unfunded scheme* (for example, certain public service schemes) need only provide limited information because no funds are being set aside to provide the scheme's benefits in the future. For example, audited accounts and investment reports are not relevant to these schemes and are not required. The annual report must contain the information numbered 1 to 18 above.

6. Contents of the alternative annual report

If your scheme is a small funded *defined benefit scheme* or a small *defined contribution scheme*, the *trustees* may opt to have an alternative annual report prepared. If so, the report must be prepared by a *qualified auditor* or, if all the benefits are being provided under one or more policies with a life assurance company or companies, by a person designated by that company or one of those companies.

A scheme that is a *one-member arrangement* does not have to prepare an alternative annual report.

The alternative annual report must contain the following information about the scheme during the scheme year:

1. The names of all the *trustees* during the year, together with all *trustees* at the date the report is signed, if different. If a company acts as a *trustee*, the report must give the names of its directors (both during the year and at the date the report is signed).
2. The names of all employers participating in the scheme (if there is more than one).
3. The names of the people or organisations that acted for or advised the *trustees* during the scheme year or at the date of signing the report (for example, the auditor, investment manager, actuary, bank, custodian, administrator and solicitor). Any change since the last scheme year should be set out.
4. The number of *active members* in the scheme, the number who were receiving benefits under the scheme, the number of *deferred members* and the number of employees who are entitled only to death-in-service benefits, together with a note of any material changes since the previous year.

5. Whether or not there were increases in pensions being paid and benefits payable to members on leaving employment.
6. The percentage by which benefits were increased and if those increases were guaranteed under the scheme rules or otherwise or were granted on a discretionary basis.
7. If the scheme is paying any increases for which it would not be liable if it wound up, a statement explaining if those receiving such pensions have been notified of this.
8. The name (or title) and address to which you should send enquiries about the scheme or your benefits.
9. If changes were made to the basic information about the scheme, a statement that the members concerned were notified within four weeks of making the alteration. The basic information covered by this requirement is outlined in The Pensions Board booklet 'What do you know about your pension scheme?' which is available on the Board's website.
10. A statement of the amount of contributions received by the scheme during the year.
11. A statement confirming the contributions that were due to be paid during the year were:
 - received by the scheme within 30 days of the end of the scheme year
 - paid in accordance with the scheme rules
 - paid in accordance with the actuary's recommendation, in the case of a *small defined benefit scheme*.

Reasons must be given if these confirmations cannot be made. If the benefits of the scheme are secured under a policy or policies with a life assurance company, the contributions must have been received by that company.

12. A statement of how the scheme's *assets* are invested, including the detail of any self-investment (investment in the employer's business).
13. For all small *defined benefit schemes* and small *defined contribution schemes* where pensions are being paid directly out of the scheme's *assets* instead of purchasing annuities, a copy of the latest actuarial funding certificate (AFC) filed with The Pensions Board (see section 9).
14. For *defined benefit schemes*, or a *defined contribution scheme* where pensions are being paid directly out of the scheme's *assets* instead of purchasing annuities, and where the latest AFC was prepared with an effective date after 1 January 2001, a statement by the scheme's actuary stating if they are reasonably satisfied that the scheme would meet the minimum funding standard (see section 9) if they were to prepare an AFC with an effective date of the last day of the relevant scheme year.

If the latest AFC showed that the scheme failed the funding standard and that a funding proposal is in place, the actuary's statement should indicate whether, in their opinion, the scheme would still be on track to meet the minimum funding standard by the later date specified in the funding proposal.

15. In the case of all *defined benefit schemes*, or a *defined contribution scheme* in which pensions are being paid directly from the scheme's *assets* instead of through the purchase of annuities, the details of any measures suggested in a funding proposal submitted to The Pensions Board (see section 9).

16. An investment report with a statement from each investment manager acting for the scheme including:
 - a summary of the investments managed and, except in relation to funds invested in insurance policies, their value at the end of the scheme year
 - the investment policies pursued and any material changes in these policies (this could include the overall targets set for the manager, policies on the types of investments owned and policies on seeking professional advice)
 - a review of the fund's investment performance during the year
 - information on the type of *assets* owned (for example, equities, property, fixed-interest stocks and cash) and their spread over different markets. This could include, for example, a comparison with the performance targets set for the manager and how the *assets* are diversified.
17. If the scheme has 50 or more *active* and pensioner members, a statement that the members' right to select or approve the selection of scheme *trustees* is set out by law.
18. A statement as to whether the *trustees* have access to appropriate training on their duties and responsibilities, and whether any *trustee* training costs were paid by the scheme's fund.
19. A statement that the scheme has been registered with The Pensions Board, giving the scheme's Pensions Board registration number.

20. A statement as to whether the *trustees* and, if applicable, the scheme administrator have access to The Pensions Board's 'Trustee handbook' and guidance notes.
21. A statement by the *trustees* that they have appropriate procedures in place to ensure that contributions payable during the scheme year were received within the time limits imposed by law and were paid according to the scheme's rules and, in the case of a *defined benefit scheme*, with the actuary's recommendation.
22. Unless already set out in the members' explanatory booklet, a statement about the condition of the scheme, in particular the financial, technical and other risks associated with it. This should also include:
 - in the case of a *defined benefit scheme*, a caution that there may be a shortfall in such a scheme (*defined benefit schemes* are not guaranteed because benefits are ultimately dependent on continuing contributions and scheme solvency)
 - in the case of a *defined contribution scheme*, an explanation that benefits from such schemes depend on the amount of contributions paid, investment returns and the cost of buying annuities, and that charges and commissions may reduce members' benefits.
23. Unless already set out in other documents (such as the members' explanatory booklet or annual benefit statement), a statement explaining the *Internal Dispute Resolution Procedure* put in place by the *trustees*.
24. A statement that the scheme has not been audited by an auditor.

25. A statement that the scheme is *defined benefit* or *defined contribution*.
26. A copy of the valuation report if the scheme is a *defined contribution scheme*.
27. A statement of any material transactions during the scheme year with related parties, such as scheme administrators, investment managers, *trustees* and their families, the management of participating employers, other schemes operated by the employer, other schemes with common *trustees* and so on.

7. Audited accounts

The accounts of a pension scheme provide information about the scheme's *assets* and *liabilities* and a summary of financial transactions during the year.

The accounts of all *funded large defined benefit schemes* and *large defined contribution schemes* must be audited by a *qualified auditor*. Their report must be included in the annual report.

Trustees must make these audited accounts available to members and some others (see section 4). The *trustees* of small *defined benefit schemes* and of small *defined contribution schemes* may choose to have an alternative annual report prepared (see section 6). *One-member arrangements* do not have to prepare audited accounts or any annual report.

Minimum information

Your scheme's accounts must meet certain minimum standards, must be signed by or on behalf of the *trustees* and must contain the following minimum information:

1. A Revenue Account, which is sometimes referred to as a Fund Account. This shows the amounts of money going in and out of your scheme during the year (for example, contributions received, pensions paid out and investment income). The Revenue Account provides details of the scheme's financial dealings with members, the employer and others directly involved in the scheme, and shows how the *trustees* have looked after the investments in their care.

2. A Statement of Assets and Liabilities for the scheme at the end of the year, sometimes referred to as a Net Assets Statement. The *assets* include the market value of the scheme's investments. Any amounts owed by the scheme are shown as *liabilities*. This statement need not include:
 - future benefits under the scheme – for example, the pension that has been promised to you as a member (these will be dealt with in the *actuarial valuation*)
 - insurance policies that fully meet the scheme's obligations to a member (for example, a scheme may have bought an *annuity* from a life assurance company to pay a pension to a retired member)
 - details of *additional voluntary contributions (AVCs)* if your scheme's *AVCs* are invested separately from the scheme's other *assets* so that your benefits from them will depend on the value of your own *AVCs*. In that case, *AVCs* may be dealt with in the notes to the accounts and not included in the Statement of Assets and Liabilities.
3. A statement reconciling the Revenue Account with the Statement of Assets and Liabilities. This shows how the present financial situation of the scheme relates to the flow of money in and out of the scheme during the year.
4. Each of the above accounts and statements shows the figures for the year as well as the corresponding figures for the previous year (although not if the accounts are being prepared for the first time, for example, for a newly established scheme).

5. Notes to the accounts. The notes give you important additional details, in particular:
 - the type of investments owned by the scheme and where these are located
 - details of any investment in one company that amounts to more than 5% of the scheme's *assets*. This is to alert you to the possible risks associated with 'concentration of investment' or perhaps having 'too many eggs in one basket'
 - whether any of the scheme's *assets* are invested in the employer's business or an associated business. This is called 'self-investment' and, if applicable, details must be given. This is to make you aware that your pension and your job may be dependent on the financial soundness of your employer's business.
6. Whether the accounts comply with the 'Statement of recommended practice on financial reports of pension schemes'. If not, details must be given. Compliance with this standard ensures that the accounts provide the information necessary to establish the financial position of the scheme.

8. The auditor's report

A pension scheme audit is an examination of the scheme's financial statements or accounts and records. It enables the auditor to report on:

- whether the accounts include legally required information (see section 7)
- if the accounts show a true and fair view of your scheme's financial dealings during the year and of the amount of the *assets* and *liabilities* at the end of the year.

In addition, the auditor's report should include confirmation that the contributions due to be paid during the year were:

- received by the *trustees* within 30 days of the end of the year
- paid in accordance with the scheme's rules
- for *defined benefit schemes*, paid in accordance with the recommendation of the actuary.

If these are not confirmed, reasons must be given. This will show you if the contributions needed to ensure that your benefits can ultimately be provided are actually being paid as they should be.

9. Actuarial funding certificate

All *defined benefit schemes*, and those *defined contribution schemes* paying benefits to members that are not secured by the purchase of an *annuity*, must meet the funding standard set down by the Pensions Act.

This requires the scheme to have had sufficient *assets* to provide specified pension benefits for members if the scheme had been wound up at a particular date. These benefits include any money transferred into the scheme for members who are joining, any *AVCs* and, for those who are already receiving pensions, their future pensions.

The *preserved benefits* of those who have not yet retired must also be fully covered. Schemes have until 1 June 2012 to ensure they have full coverage for other benefits.

Compliance with this funding standard is monitored by The Pensions Board. *Trustees* must submit to The Pensions Board an actuarial funding certificate, signed by an actuary, at least every three years. A copy of this certificate must be included in your scheme's annual report.

If the certificate shows that the scheme does not meet the funding standard, the *trustees* must submit a funding proposal to The Pensions Board that sets out how they propose to bring the scheme back up to the funding standard level.

10. Valuation report

Defined contribution schemes (except for *one-member arrangements*) must value the *liabilities* of the scheme annually as at the last day of the scheme year. The *trustees* must prepare a report of this valuation as soon as is reasonably practical after the end of the year. A copy of this report must be included in the annual report of a *defined contribution scheme*.

11. What do I really need to know? Key questions to ask

All of the information in your scheme's annual report and accounts is important, but there are a number of key questions you should ask yourself having read them. These could include the following:

- Who are the scheme *trustees* and how are they appointed?
- Have the contributions been paid by the employer
 - on time?
 - in accordance with the scheme rules?
 - in accordance with the actuary's recommendation?
- Have pensions been increased and, if so, by how much?
- Is there a concentration of investments, posing the risk of 'too many eggs in one basket'?
- Is there self-investment? In other words, are any of the scheme's *assets* invested in the employer's company or an affiliated company, posing the risk of both your job and your pension being dependent on your employer's financial well-being in the future?
- Does the actuarial funding certificate or the latest annual actuarial statement confirm the scheme meets the minimum funding standard?
- Have there been changes in the basic information about the scheme and do they affect you?
- Is the auditor's report unqualified or did the auditor draw attention to any particular issues?
- Are the investments being managed by a reputable investment manager?
- How did the investments perform during the year?

12. How can I protect my pension rights?

We hope this publication has helped you to understand the information available to you about the finances of your *occupational pension scheme* and how you can get this information. It is now up to you to request this information and to read it carefully.

The information should show you if the scheme's finances are being properly managed and, in particular, if contributions that should have been paid have been paid. You can also see how the scheme's *assets* have been invested and how these investments have performed.

As a pension scheme member, you have many protections under the Pensions Act but their effectiveness depends on you using your right to information. We encourage you to take an active interest in your pension scheme and to study the information to which you are entitled.

Queries and concerns

If you have queries about the annual report, contact the *trustees* first. The Pensions Board is here to help you if you have any concerns about the way your scheme is being run and if you fail to get a satisfactory response from the *trustees* or scheme administrator.

As personal and work relationships may be involved, you might be reluctant to contact The Pensions Board, but don't be – we can assure confidentiality about the source of any information if this is necessary.

13. The Pensions Board

What is it?

The Pensions Board is a representative body composed of a chairperson and 16 ordinary members. The term of office for Board members is five years. The Pensions Board also has a chief executive and a team of staff in its office to take care of its day-to-day business.

While all its members are appointed by the Minister for Social and Family Affairs, The Pensions Board must comprise representatives of trade unions, employers, consumer interests, pensioner interests, the Government, the pensions industry, pension scheme *trustees* and professional groups involved with pension arrangements.

What does it do?

Along with encouraging the take up of pensions so that all citizens will have an adequate retirement income, it also provides information and authoritative guidance to everyone with an interest in pensions: consumers, employers, *trustees* and the pensions industry. It also promotes the security and protection of pension scheme members and PRSA holders.

Its responsibilities include regulating and providing technical guidance on company pension plans, *trust* RACs and PRSAs. In addition, it advises the Minister for Social and Family Affairs on pension matters generally.

How can it help you?

The Pensions Board can provide you with general information on *occupational pension schemes*, *trust* RACs and PRSAs. It publishes a comprehensive range of free booklets that can assist you with pension-related matters (see below).

If you have a complaint relating to your pension, The Pensions Board can advise you of your rights and direct you to the appropriate person or organisation for help. In some circumstances, The Pensions Board can act on behalf of pension scheme members or PRSA contributors who have concerns about their pensions.

Pensions Board booklets

The following booklets are available free of charge from The Pensions Board:

A brief guide to equal pension treatment

As with all areas of working life, pensions are subject to equality rules and legislation. This guide explains the principles of equal pension treatment, discrimination and victimisation in relation to *occupational pension schemes*.

A brief guide to the pension provisions of the Family Law Acts

Guidance on the pension provisions of the Family Law Act, 1995 and the Family Law (Divorce) Act, 1996.

A guide to hybrid pension schemes

This booklet is intended to help employers, employees, union representatives and others involved with pensions to understand the different types of pension scheme designs. This is with a view to helping them to reach agreement about the most suitable type of pension scheme in a particular situation.

Annuities – A brief guide

Some pension plans require retiring members to buy an *annuity*, which is a product that pays you an annual income for the rest of your life. Find out more about annuities, including how they work and the choices you have.

Integration – A brief guide

Benefits from occupational or company pension plans, particularly defined benefit schemes, are often co-ordinated or integrated with those paid by the social welfare system. Find out how the integration system works and what it means for your pension benefits.

Pension scheme funding and restructuring

A guide to trustees and pension scheme members on the winding up of a pension scheme and the effects of mergers/acquisitions on pension schemes.

Pensions checklist

Thinking about starting a pension? Get started with our questionnaire and checklist. Available in Arabic, Chinese, French, Polish, Russian and Spanish.

Personal Retirement Savings Accounts (PRSAs) – A consumer guide

This booklet shows you how to approach, search, apply for and monitor your PRSA. It also answers the most frequently asked questions on PRSAs.

Personal Retirement Savings Accounts (PRSAs) – Employers' obligations

Employers have certain legal obligations with regard to PRSAs. This booklet includes many frequently asked questions that should help employers to understand their responsibilities in this regard.

Selecting member trustees

A guide to the participation by members in the selection of occupational pension scheme trustees.

So you're a pension scheme trustee

A brief guide to the duties and responsibilities of trustees of an occupational pension scheme.

Trustee and employer checklists: On-the-spot fines

These checklists help trustees and employers to ensure that they do not incur any on-the-spot fines for contraventions of the Pensions Act.

What are my pension options?

Find out more about the different types of pensions you can use to save for retirement, such as company pensions, personal pensions, PRSAs and State retirement pensions.

What do you know about your pension scheme?

Trustees and employers must provide you with certain information about your pension plan. Find out what you are entitled to know.

What happens to my pension if I leave?

Your pension isn't lost if you leave your job. Find out how to keep your benefits or transfer them to a new pension plan.

Women and pensions

Women need to pay special attention to pension planning. This booklet addresses issues such as maternity leave, career breaks and re-entering the workforce and how these events affect your pension.

14. Useful addresses

The Pensions Board

Verschoyle House
28/30 Lower Mount Street
Dublin 2
Tel: (01) 613 1900
Locall: 1890 65 65 65
Email: info@pensionsboard.ie
Web: www.pensionsboard.ie

Department of Social and Family Affairs

Pension Services Office
College Road
Sligo
Locall: 1890 500 000
Tel: (071) 915 7100
Web: www.welfare.ie

For information on entitlements to State pension benefits

Office of the Revenue Commissioners

Financial Services Pensions District
Large Cases Division
2nd Floor
Setanta Centre
Nassau Street
Dublin 2
Tel: (01) 647 0710
Email: www.lcdretirebens@revenue.ie
Web: www.revenue.ie

For information on taxation as it relates to pensions

Office of the Pensions Ombudsman

36 Upper Mount Street

Dublin 2

Tel: (01) 647 1650

Email: info@pensionsombudsman.ie

Web: www.pensionsombudsman.ie

Financial Regulator

PO Box 9138

College Green

Dublin 2

Locall: 1890 777 777

Email: consumerinfo@FinancialRegulator.ie

Web: www.financialregulator.ie

Financial Services Ombudsman's Bureau

3rd Floor, Lincoln House

Lincoln Place

Dublin 2

Locall: 1890 882 090

Email: enquiries@financialombudsman.ie

Web: www.financialombudsman.ie

Glossary of terms

Active members: Current employees who are accruing retirement benefits.

Actuarial valuation: An investigation by an actuary into the ability of a pension scheme to meet its benefit promise. This is usually done to calculate the recommended contribution rate, which takes account of the actuarial values of assets and liabilities of the fund. The actuary also needs to conduct this investigation to complete a funding certificate.

Additional voluntary contributions (AVCs): Voluntary pension contributions made by a member of a pension scheme over and above the minimum required level of contributions.

Annuity: A guaranteed income for life, normally purchased at retirement in return for a lump-sum payment.

Assets: What the scheme owns, including, for example, equities, property, fixed-interest stocks, cash or units in a unit trust fund.

Beneficiaries: The people on whose behalf a trust fund is held.

Deferred members: Former employees who have left the employment but remain entitled to benefits from the scheme when they retire.

Defined benefit scheme: Provides members with retirement and death benefits based on certain formulae. The pension paid is usually based on your salary close to retirement and on your pensionable service.

Defined contribution scheme: Provides a pension based on the accumulated value of contributions paid to a pension scheme and the investment returns earned on those contributions.

Funded schemes: Occupational pension schemes set up by most companies and by commercial semi-State bodies are usually financed by setting aside money in a trust fund, which is separate from the employer's business, to finance the payment of pensions. Separating the scheme's assets from the employer's business should ensure that these assets will be available to pay members' pensions, whether or not the employer stays in business. The funding approach also helps to spread the cost of providing pensions over the lifetime of scheme members and to reduce the cost through the returns obtained from the investment of the pension contributions paid into the scheme.

Internal Dispute Resolution Procedure: Every scheme must offer one. Contact the Pensions Ombudsman for more details.

Large scheme: A scheme with 100 or more active and deferred members.

Liabilities: Obligations to pay money immediately or in the future.

Occupational pension scheme: A pension scheme set up by an employer to provide retirement and/or other benefits for employees. It is sometimes called a 'company pension scheme'.

One-member arrangement: A defined contribution scheme for one person only; that person will always be the only member.

Preserved benefits: Benefits to which a member is entitled on leaving the employment or on ending scheme membership. For further details see The Pensions Board booklet 'What happens to my pension if I leave?'.

Prospective members: An employee who is or will be eligible to join the scheme.

Qualified auditor: A person appointed to act as auditor who must not be:

- a member or trustee of the pension scheme
- a person employed by any of the trustees
- an employer of any member of the pension scheme
- a director of the employer or a participating employer.

Small scheme: A scheme with fewer than 100 active and deferred members.

Statement of investment policy principles: A written statement prepared at least every three years by the trustees that includes:

- the investment objectives of the trustees
- the investment risk measurement methods
- the risk management processes to be used
- the strategic asset allocation relating to the nature and duration of pension liabilities.

Trust: An arrangement under which a person or group of people hold and look after property on behalf of others.

Trustee: The person who holds and looks after the property or trust fund.

Unfunded schemes: Schemes in the non-commercial public sector, such as the civil service, local government, education and health services, are financed on a pay-as-you-go basis. This means the cost of pensions is met from current revenues. These schemes can operate in this way because the State raises its money through taxation and is, therefore, always in a position to pay the pensions.



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