The Scheme's 101st birthday in May 1996.

Some of the scheme’s youngest members were those who joined the Scheme on grounds of compulsory membership after the Scheme was taken out by people who are not employed, including pensions under age 75. Furthermore, the Scheme’s Panel of AVC providers includes insurers and the AVCs and AVC-related charges and AVC-related changes to the AVCs are notified in the AVCs and AVC-related changes to the AVCs section.

The year also saw a great deal of interest in the Scheme’s governance, including the appointment of a new Scheme Chairman and the formation of the Audit and Risk Committee.

The year 2000 was a year of significant change for the Scheme, with a number of improvements and developments taking place. The Scheme made a number of changes to its investment strategy, and the performance of the Scheme’s investment portfolio was generally flat during the year.

The Scheme’s full-year performance was disappointing, with the Scheme’s investment managers performing well in this difficult year, but the Scheme’s investment portfolio showed a marked improvement in the third quarter of the year. The Scheme’s investment portfolio decreased by 0.9% in the year, compared to a decrease of 3.9% in the previous year. The Scheme’s investment managers performed well in this difficult year, but the Scheme’s investment portfolio showed a marked improvement in the third quarter of the year.
The Trustee has appointed specialist managers to invest the fund in different asset types and areas of the world. Their performance is then assessed against a benchmark of the actual returns for those assets. In addition the Trustee has appointed a passive manager, Legal & General, to manage a variety of UK and overseas index tracking funds. Legal & General are also responsible for “rebalancing” the overall mix of assets in line with the allocation set by the Trustee. The asset allocation at the end of 2000 is shown in Chart B.

The total funds controlled by each manager at the end of the year are shown in Chart C (excluding AVC funds). The returns achieved by the managers during 2000 are summarised in Chart D. There is no benchmark shown for Legal & General because of their index tracking funds. Legal & General are also responsible for “rebalancing” the asset allocation set by the Trustee. The asset allocation at the end of 2000 is shown in Chart E.

The largest individual holdings in UK and overseas stocks (excluding investments held in the Legal & General Unitised Funds) are summarised in Chart F. The value of these assets could be reduced by adverse movements in exchange rates and there is a risk that the value of these assets may have on the portfolio.

The Trustee consulted with pensioners and employees through their representative bodies and decided to delegate responsibility to the investment managers, asking them to take account of the financial implications these issues may have on the portfolio.
In assessing the performance of the specialist managers, the Trustee calculates that unrealised gains on the Trust’s investments are less than three years.

Over the past three years, the investment managers have not been shown since it has been shown in Chart B. The overall position along with the median performance of the four specialist managers the Trustee agrees to are also responsible for ‘rebalancing’ the overall mix of assets in line with the allocation set by the Trustee. The asset allocation at the end of 2000 is shown in Chart A.

Investment managers to invest the fund in different asset types and areas of the world. Their performance is then assessed against a benchmark of the actual returns for those assets. In addition, the Trustee has appointed passive managers, Legal & General, to manage a variety of UK and overseas index-tracking funds. Legal & General are also responsible for ‘rebalancing’ the overall mix of assets in line with the allocation set by the Trustee. The asset allocation at the end of 2000 is shown in Chart B.

The total funds controlled by each manager at the end of the year is shown in Chart C (excluding AVC funds). The returns achieved by the managers during 2000 are summarised in Chart D. There is no benchmark shown for Legal & General because of the rebalancing role. The Chart also shows the overall position along with the median return for UK pension schemes (the median is the value at which half of the results are lower and half are higher). In assessing the performance of the specialist managers the Trustee agrees with the manager based on rolling three year periods. The trustee also monitors the managers against those benchmarks as at the end of 2000 is shown in Chart E.

The overall position is also shown with the median return for UK pension schemes. The passive manager, Legal & General, to manage a variety of UK and overseas index-tracking funds. Legal & General are also responsible for ‘rebalancing’ the overall mix of assets in line with the allocation set by the Trustee.

The chart also shows the overall performance for Legal & General because of their rebalancing role. The chart below shows the overall performance over the past ten years against inflation.

Net withdrawals from dealings with members (16,421) (22,893)

Returns on investments

Investment income 18,012 17,036

Change in market value (2,416) 142,814

Investment managers’ expenses (3,398) (11,487)

11,392 12,832

Benefits to retired members 22,217 20,989

-lump sums on retirement 2,300 1,682

-lump sum death benefits 639 810

AVCs paid on retirement 257 92

Payments and on account of leave 3,398 11,487

Other payments and administrative expenses 37 37

29,613 35,771

Chart D Manager Performance – one year

2000 1999

Contribution & Benefits

Contributions - Company 10,582 10,213

-Members 1,133 962

AVCs 1,016 1,025

Transfers from other schemes 188 240

Other income 353 290

Chart C Manager Allocation – one year

Chart B Fund Values

UK Equities 43.6%

Group 35.5% (UK)

Cash 7.5%

Chart C Manager Allocation – three years

125 125

Danish (Bonds) £81.1m

Phillips & Drew (Overseas Equities) £146.2m

Merrill Lynch (UK Equities) £335.8m

Deutsche (Property) £37.3m

Other payments and administrative expenses 75 67

29,613 35,771

Net withdrawals from dealings with members (16,421) (22,893)

Returns on investments

Investment income 18,012 17,036

Change in market value (2,416) 142,814

Investment managers’ expenses (3,398) (11,487)

11,392 12,832

Benefits to retired members 22,217 20,989

-lump sums on retirement 2,300 1,682

-lump sum death benefits 639 810

AVCs paid on retirement 257 92

Payments and on account of leave 3,398 11,487

Other payments and administrative expenses 37 37

29,613 35,771

Chart D Manager Performance – one year

2000 1999

Contribution & Benefits

Contributions - Company 10,582 10,213

-Members 1,133 962

AVCs 1,016 1,025

Transfers from other schemes 188 240

Other income 353 290

Chart C Manager Allocation – one year

Chart B Fund Values

UK Equities 43.6%

Group 35.5% (UK)

Cash 7.5%
Investment Report

Over the past three years the net increase in the fund was approximately £112.2m. As at the end of the past ten years, the fund has grown by £335.8m.

The Trustees have appointed specialist investment managers to invest the fund in different asset types and areas of the world. Their performance is then compared against a benchmark or a multiple of the actual assets for those asset types. In addition the Trustees have appointed a passive manager, Legal & General, to manage a wide range of indices. The passive manager is shown since it has been in place for less than three years.

The median return for UK pension schemes for the end of 2000 is shown in Chart E. Over the past three years the net increase in the fund was approximately £216m. Over the past three years the net increase in the fund was approximately £216m.

The Trustees have appointed specialist investment managers to invest the fund in different asset types and areas of the world. Their performance is then compared against a benchmark or a multiple of the actual assets for those asset types. In addition the Trustees have appointed a passive manager, Legal & General, to manage a wide range of indices. The passive manager is shown since it has been in place for less than three years.

The median return for UK pension schemes for the end of 2000 is shown in Chart E. Over the past three years the net increase in the fund was approximately £216m. Over the past three years the net increase in the fund was approximately £216m.

The Trustees have appointed specialist investment managers to invest the fund in different asset types and areas of the world. Their performance is then compared against a benchmark or a multiple of the actual assets for those asset types. In addition the Trustees have appointed a passive manager, Legal & General, to manage a wide range of indices. The passive manager is shown since it has been in place for less than three years.

The median return for UK pension schemes for the end of 2000 is shown in Chart E. Over the past three years the net increase in the fund was approximately £216m. Over the past three years the net increase in the fund was approximately £216m.

The Trustees have appointed specialist investment managers to invest the fund in different asset types and areas of the world. Their performance is then compared against a benchmark or a multiple of the actual assets for those asset types. In addition the Trustees have appointed a passive manager, Legal & General, to manage a wide range of indices. The passive manager is shown since it has been in place for less than three years.

The median return for UK pension schemes for the end of 2000 is shown in Chart E. Over the past three years the net increase in the fund was approximately £216m. Over the past three years the net increase in the fund was approximately £216m.
In the December 2000 Equitable Life Assessment Survey you received from the Scheme you were asked how you expected to spend your retirement income. We had a 60% response rate to this survey and the results were most interesting.

Of the respondents 33% expected to spend most of their retirement income on a capital basis, 38% on a mix of capital and income, and 29% on a capital basis. The results showed that the dual purpose approach of capital and income is the preferred choice. Of those who expect to spend their retirement income on a capital basis 42% of people expect to spend more than £100,000 a year, while 18% expect to spend £20,000 or less. Of those who expect to spend their retirement income on a mix of capital and income 62% expect to spend more than £100,000 a year, while 12% expect to spend £20,000 or less. Of those who expect to spend their retirement income on a capital basis 38% expect to spend more than £100,000 a year, while 19% expect to spend £20,000 or less.

The results showed that the dual purpose approach of capital and income is the preferred choice. Of those who expect to spend their retirement income on a capital basis 42% of people expect to spend more than £100,000 a year, while 18% expect to spend £20,000 or less. Of those who expect to spend their retirement income on a mix of capital and income 62% expect to spend more than £100,000 a year, while 12% expect to spend £20,000 or less. Of those who expect to spend their retirement income on a capital basis 38% expect to spend more than £100,000 a year, while 19% expect to spend £20,000 or less.

In the December 2000 Equitable Life Assessment Survey you received from the Scheme you were asked how you expected to spend your retirement income. We had a 60% response rate to this survey and the results were most interesting.

Of the respondents 33% expected to spend most of their retirement income on a capital basis, 38% on a mix of capital and income, and 29% on a capital basis. The results showed that the dual purpose approach of capital and income is the preferred choice. Of those who expect to spend their retirement income on a capital basis 42% of people expect to spend more than £100,000 a year, while 18% expect to spend £20,000 or less. Of those who expect to spend their retirement income on a mix of capital and income 62% expect to spend more than £100,000 a year, while 12% expect to spend £20,000 or less. Of those who expect to spend their retirement income on a capital basis 38% expect to spend more than £100,000 a year, while 19% expect to spend £20,000 or less.

The results showed that the dual purpose approach of capital and income is the preferred choice. Of those who expect to spend their retirement income on a capital basis 42% of people expect to spend more than £100,000 a year, while 18% expect to spend £20,000 or less. Of those who expect to spend their retirement income on a mix of capital and income 62% expect to spend more than £100,000 a year, while 12% expect to spend £20,000 or less. Of those who expect to spend their retirement income on a capital basis 38% expect to spend more than £100,000 a year, while 19% expect to spend £20,000 or less.

In the December 2000 Equitable Life Assessment Survey you received from the Scheme you were asked how you expected to spend your retirement income. We had a 60% response rate to this survey and the results were most interesting.

Of the respondents 33% expected to spend most of their retirement income on a capital basis, 38% on a mix of capital and income, and 29% on a capital basis. The results showed that the dual purpose approach of capital and income is the preferred choice. Of those who expect to spend their retirement income on a capital basis 42% of people expect to spend more than £100,000 a year, while 18% expect to spend £20,000 or less. Of those who expect to spend their retirement income on a mix of capital and income 62% expect to spend more than £100,000 a year, while 12% expect to spend £20,000 or less. Of those who expect to spend their retirement income on a capital basis 38% expect to spend more than £100,000 a year, while 19% expect to spend £20,000 or less.

The results showed that the dual purpose approach of capital and income is the preferred choice. Of those who expect to spend their retirement income on a capital basis 42% of people expect to spend more than £100,000 a year, while 18% expect to spend £20,000 or less. Of those who expect to spend their retirement income on a mix of capital and income 62% expect to spend more than £100,000 a year, while 12% expect to spend £20,000 or less. Of those who expect to spend their retirement income on a capital basis 38% expect to spend more than £100,000 a year, while 19% expect to spend £20,000 or less.
Research in memory of his wife. (who retired in May
Below
Some of the scheme's youngest
Right
Focus
Year in Pensions.
If you would like to support either
money for three charities in memory of
died in April 2001.
101st birthday in May
Ofield celebrating her
“I have never had things
it away unread!”
statement and actually look
compulsory”
the implications of retirement, early!
“very good for bringing attention to
be given more than half a day
such an important subject, could
received on our Mid Life Planning
members.
Our communications programme
Keep it simple
National Insurance concessions
cost of membership after tax and
cost. The Statement shows the
have not taken up the option of
second is aimed at those who
taken out by people who are not
Stakeholder pensions can also be
to take a quarter of the fund as a tax
pension arrangements and the option
to a quarter of the fund as a tax
Stakeholder and changes to the AVC
paid in accordance with the formal
and benefits after that date. They are also
2000 other than liabilities to pay pensions
for the year ended 31 December 2000
opinion they show a true and fair view of
the accounts of the Scheme. In their
years ago. Ernst & Young have reviewed
the Scheme and competitive fee level. The
review of the Scheme auditor. It was
out in the Schedule of contributions
was of the opinion that the amounts set
the end of 2001. During the year Martin
of Lane Clark & Peacock, was appointed
Course, to meet in full the
was of the opinion that the resources of
the Scheme are legal and valid, in the
normal course of events, to meet in full the
declaration of independence from the Willis
Group which charged its auditor two
years ago. First, Young have pointed to
the accounts of the Scheme. In their
opinion they show a true and fair view of
the financial transactions of the Scheme
for the year ended 31 December 2000
and the amount and disposition of its
and Salvidge, December 2000 other than
failiabilities to pay pensions and
benefits after that date. They are also
at 13.7% against a benchmark of 10.0.

The Pension Scheme is in a stable financial
state and has no immediate financial
risks. The Scheme's main assets are
held in its with profits fund and, following
the Scheme's panel of AVC providers.
In December 2000 the Equitable Life
Pensions’ Assurance Group closed to new
business. Information
The latest full valuation of the Pension
Scheme was carried out as at 1 January 2000.
The then Scheme actuary, Martin Slack
was re-appointed as of 1 January 2001.
Martin will
Rushi
2000
Shirley
Main
www.willis.com