

@CRISP NEWS

**TAKE FIVE
MINUTES**

to find out
the latest
about your Plan



Inside this issue

My Money
Report and Accounts
Scheme news
Other pension news
and more...

Issue 13
December 2016

CompassPensions 

The headlines

If you're short on time and just want to know the headlines then here's what you need to know:

Move to My Money platform



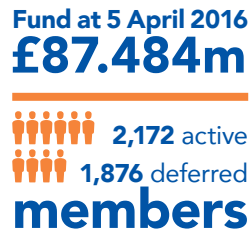
See page
4

Investment fund range



See page
5

Report and Accounts



See pages
6-8

Scheme news



See page
9

The wider world of pensions



See pages
10-11

Welcome back

**Would you like to help us run the Plan?
Then please get in touch**

**Welcome to
this latest and
new style CRISP
newsletter**



The last two years have seen many changes to CRISP and within the pensions industry, and of course more recently also in the political landscape. There is nothing any of us can do to influence investment markets or the political events that impact them, but we can manage our retirement savings. The changes that we have made to CRISP, both in terms of the administration platform and the investment fund range, have been designed to make this as straightforward as possible for you. We refer to these further on pages 9 to 11.

I encourage you to regularly review the amount of

contributions you pay and the fund(s) that you are invested in to make sure that they remain appropriate for your own personal circumstances. Page 4 of this newsletter tells you what's available at **friendslifemymoney.co.uk** to help you.

Also in this newsletter we:

- provide a summary of the Plan's Report and Accounts for the year ended 5 April 2016 and tells how the funds within CRISP performed;
- remind you of the options available to you within CRISP for taking your pension fund; and

- update you on the Government's latest changes to tax relief limits on pension savings.

Finally, if you have any comments on the matters in this newsletter or would like to put yourself forward as a member-nominated trustee director and help in the running of the Plan, then please contact the Compass Group Pensions Department using the contact details on the back page.

Nigel Palmer
Chairman of the Trustees

Move to Friends Life's My Money administration platform

By the time you read this newsletter, CRISP will have been running on Friends Life's My Money platform for nearly nine months.

We hope that you'll agree that it is an easy and user friendly way to monitor and manage your pension savings online and in one place. It is especially helpful for those of you who have more than one type of pension saving within CRISP because you no longer need different logins. If you have not yet ventured online, please take a few minutes to explore the site and check...

Risk profiler

Are you invested in the right fund(s) for your attitude to risk?

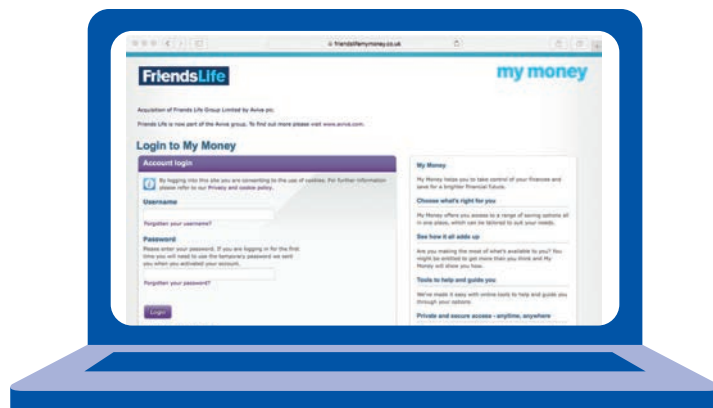
Pension forecasting

Are you saving enough for your retirement? See the difference it would make if you changed your contribution rates and/or your retirement age.

Beneficiary form

(expression of wish)

Enter details of your chosen beneficiaries so if you die before you take your benefits, the Trustees can take into consideration your wishes when paying them out.



Simplification of the investment fund range

www.unbiased.co.uk can be used to find a FCA-regulated financial adviser in your area. You can call Unbiased on 0800 020 9430

In line with the Trustees' desire to simplify the way you manage your retirement savings, they took the opportunity of moving administration platform to review the Plan's investment fund range.

Having taken professional advice from Mercer Limited, the investment fund range was simplified to make it easier for you to select investment options that are appropriate for you.

Choosing investments can be quite daunting which is why a default investment solution has been chosen by the Trustees on the advice of Mercer Limited. Contributions will be invested in

this default solution unless you choose to invest in one or more of the other funds available.

If you are thinking about making your own investment choices, you need to think about your attitude to investment risk, as well as the potential reward you may get from the different funds available.

There's a lot of information about investment, the default investment solution, all the other funds you can choose from and the relevant charges in the Investment guide which can be found on the Compass Pensions website at **compass-pensions.co.uk**.

You should regularly review your investments to check that they are going to meet

your retirement goals and are appropriate for your personal circumstances. The easiest way to manage your investments is online at any time at **friendslifemymoney.co.uk**.

If you have any concerns regarding your pension savings, you should consider seeking advice from a Financial Conduct Authority (FCA) regulated financial adviser.

Report and Accounts summary

The full Report and Accounts for the year ended 5 April 2016 is available to download from the Compass Pensions website or can be obtained by writing to the Compass Group Pensions Department using the contact details on the back page.

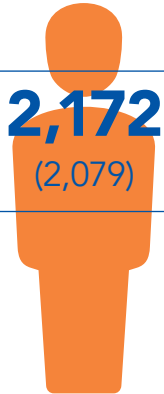


Financial position

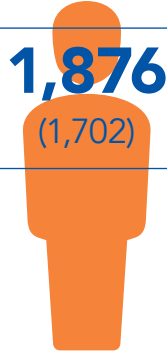
	Fund at 5 April 2015	£83.218m
+	Total income	£10.416m
	Member contributions	£0.642m
	Company contributions	£9.388m
	Transfers in	£0.241m
	Other income	£0.145m
-	Total outgoings	£4.095m
	Benefits payable	£1.238m
	Transfers out	£2.857m
-	Decrease in market value of investments	£2.055m
=	Fund at 5 April 2016	£87.484m

Membership

Members of the Plan as at 5 April 2016.
Figures in brackets are numbers as at 5 April 2015.



Active
members



Deferred
members

Plan investments

In which investment asset
classes is the Plan invested?

44.2% Equities 

2% Money Market 

4.3% Bonds 

49.5% Multi-asset 



Investment fund performance

Fund	Quarter ended 31 March 2016		Year ended 31 March 2016		Three years ended 31 March 2016	
	Fund (%)	B'mark (%)	Fund (%)	B'mark (%)	Fund (% p.a.)	B'mark (% p.a.)
Mercer Growth / Balanced Risk	2.7	0.0	-0.6	-1.2	5.4	2.8
Mercer Target Cash 2020 Retirement Fund ¹	4.0	-	-.2	-	-.2	-
Mercer Target Drawdown 2020	5.0	-	-.2	-	-.2	-
Mercer Target Annuity 2020 Retirement Fund ¹	5.0	-	2.6	-	-.2	-
Mercer Target Cash 2017 Retirement Fund ¹	1.0	-	-.2	-	-.2	-
Mercer Target Drawdown 2017 ¹	3.9	-	-.2	-	-.2	-
Mercer Target Annuity 2017 Retirement Fund ¹	4.3	-	-0.4	-	6.4	-
Black Rock Passive Global Equity (50:50)	0.3	0.5	-3.1	-2.7	5.6	5.8
Black Rock Passive UK Fund	0.3	-0.4	-4.0	-3.9	4.0	3.7
Black Rock Passive Global Equity (GBP - Hedged)	-1.0	-0.5	-4.2	-3.7	6.9	7.2

¹ Due to the known lifestyle switches made within these funds, no benchmark return can be shown.

² Due to the short time period since the fund was launched, longer term performance is not available.

The above is a representative list of funds. Returns are stated before the deduction of fees. Performance data for all funds can be found on pages 8 to 9 of the Report and Accounts which can be downloaded from the documents section of the Pensions website at www.compass-pensions.co.uk. Here you will also find the CRISP Investment guide which provides details of the mix of assets held in each of the Target Retirement Paths.

Scheme news

Options available to you in CRISP for taking your fund

In 2015, the Government introduced wide-ranging changes to give you far greater flexibility over how you take your pension fund. Not all options are available directly within CRISP, but if you wish to take partial cash lump sums or income drawdown, for example, you could transfer your fund to another registered pension provider that does offer these options.

Within CRISP, you have the option to take up to 25% of your fund tax free and purchase an annuity with the remainder, or withdraw all of your pension fund as a cash lump sum, or move all of your fund into an income drawdown policy.

Ensuring good governance

In July 2016, The Pensions Regulator published its revised code of practice on how it expects trustee boards to meet their duties. The code is supported by a number of pieces of practical guidance designed to help trustee boards in running a high quality scheme. The Trustees are already working with their advisers to assess CRISP against this new code and to identify areas for improvement.

This year also saw for the first time the inclusion in the Plan's Report and Accounts of a Statement regarding DC governance for the period 6 April 2015 to 5 April 2016. This specifically required the Trustees to comment on what actions they had taken to review whether the charges borne by members represented "value for money".

On the basis of their review, the Trustees believe that the investment options available at that time represented good value for money for members.

Changes to the Plan's default investment solution

Following the introduction of these new pension freedoms, the Trustees, on advice of their investment adviser, Mercer Limited, made a number of changes to the Plan's default investment solution.

In the eight years before retirement you can choose one of three target retirement funds that best suits how you wish to take your savings when you retire – purchase an annuity, transfer to an income drawdown policy or take as one or more cash lump sums.

Unless you select an alternative option, you will automatically be transferred into the FL Mercer Cash Retirement Fund on the assumption that you wish to take your pension fund as one or more cash lump sums when you retire.



Don't get caught out by the tax man

Further details are available on the HMRC website

www.gov.uk/tax-on-your-private-pension/annual-allowance

The Annual Allowance

The Annual Allowance for tax-effective pension saving is currently £40,000. Any pension savings in excess of the Annual Allowance are taxed at your marginal rate of income tax. If you're over age 55, the pension freedoms give you more flexibility in accessing your pension savings. However, if you take money out of a pension as cash, or from a drawdown arrangement and also continue to pay pension contributions to the Plan or another pension arrangement, you'll pay tax on any contributions you or your employer make over £10,000 a year. That's because from the first full year after you take money from any of these pension arrangements the HMRC Annual Allowance drops to £10,000 for all defined contribution schemes you're in.

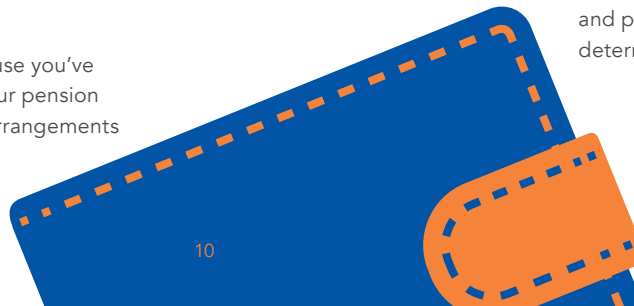
If your Annual Allowance drops to £10,000 because you've accessed your retirement savings from one of your pension arrangements, you must tell any other pension arrangements you're in within 13 weeks.

The Lifetime Allowance

The Lifetime Allowance reduced to £1 million with effect from 6 April 2016, although it is possible to apply to HMRC to protect your pension savings to date. Further details are available on the HMRC website.

High earners

It should be noted that if you earn over £150,000 per annum, your Annual Allowance will be tapered from April 2016 by £1 for every £2 of your income over £150,000, to a minimum of £10,000 if your income is £210,000 or more. HMRC include personal income such as rental income together with salary, bonus, car allowance and pension contributions to determine your income.



Brexit and the US election result

As you will be aware, Britain voted to leave the European Union in June 2016 and Donald Trump has been elected as the next President of the USA. These unexpected election results have led to significant shifts across many investment markets, some of which are likely to have impacted your investments within CRISP.

One immediate impact of the Brexit vote was that the value of the pound fell dramatically following the vote. This boosted equity returns on overseas investments, which became more valuable when converted back to Sterling, as well as benefiting UK companies that generate a significant portion of their earnings overseas. Alongside this, bond investments rose, largely due to falling interest rates and the continuation of quantitative easing by the Bank of England. This has resulted in most of the CRISP investments experiencing significant growth since the referendum.

However, the final outcome of Brexit is not yet clear and, combined with the unpredicted election results in the USA, it is reasonable to expect investment markets to continue moving rapidly, both up and down, over the coming months and years.

It is important to remember that your pension is a long term investment and taking action in response to short term market movements is not necessarily the right thing to do. The most important thing is to ensure that your investments are positioned appropriately for your retirement plans.

Neither the Company, the Trustee nor Friends Life are able to give you financial advice on your individual circumstances so, if you are unsure of what action, if any, to take, then you should seek advice from a FCA-regulated financial advisor. You can find one at www.unbiased.co.uk.

The most important thing is to ensure that your investments are positioned appropriately for your retirement plans.



More support

Changing your regular contributions and AVC payments (including stopping and starting AVC payments)

@ payroll.compliance@compass-group.co.uk

Admin queries about fund values, transfers in or out, retirement quotes

@ mymoney.questions@friendslife.co.uk

 0345 600 6303

Trustee Directors' contact details

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