

Annual Report Superior Pension Fund

For the year ended 30 June 2021

Trustees and advisers

Registration number:	10037230
Principal employer:	Greenery UK Limited
Trustees:	I. Evans (Employer Nominated Trustee) P Heyes (Member Nominated Trustee) A Bcha (Employer Nominated Trustee)
Professional advisers:	
Actuary:	Martin West IFA Capita Employee Benefits Limited 2 Cutlers Gate Sheffield S4 7TL
Auditors:	Keens Shay Keens Limited Exchange Building 16 St Cuthbert's Street Bedford MK40 3JG
Bankers:	Barclays Bank plc 1 Market Hill HUNTINGDON Cambs PE18 6AE Natwest Bank Plc 145 Attercliffe Common SHEFFIELD S9 2XB
Advisors:	Capita Employee Benefits Limited 2 Cutlers Gate Sheffield S4 7TL
Investment managers:	Canaccord Genuity Wealth Limited 41 Lothbury London EC2R 7AE

Trustees and advisers

Solicitors:

Hewitsons LLP
Elgin House
Billing Road
Northampton
NN1 5AU

Reviewers of Covenant:

BDO
55 Baker Street
London
W1U 7EU

Participating Employer

Greenery UK Ltd
2B Vantage Park
Washingley Road
Huntingdon
Cambridge
PE29 6SR

Financial Governance and Oversight:

Portfolio Measurement and Monitoring Committee
Canaccord Genuity Wealth Limited
41 Lothbury
London
EC2R 7AE

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Report of the Trustees

Introduction

The Trustees present their report and the audited financial statements of the fund for the year ended 30 June 2021. The financial statements have been prepared and audited in accordance with Section 41(1) and (6) of the Pensions Act 1995.

Nature of the scheme

The fund is a defined benefit scheme and was established on 1 July 1966 to provide retirement benefits to all eligible employees of Greenergy UK Limited and its group companies. Greenergy UK Limited and its group companies form a multi-employer Pension Fund. The participating employers in the year under review were:

Greenergy UK Limited

The fund is currently governed by a trust deed and rules dated 22 October 1999 with subsequent amendments. The fund became a fully closed scheme as at 31st December 2015 with no active members.

Management of the fund

Trustees

L Evans served throughout the year.

P Heyes served as a Member Nominated Trustee and A Beba served as Employer Nominated Trustee throughout the year.

The Occupational Pension Schemes (Member-nominated Trustees and Directors) Regulations 2006 require that at least one-third of the trustees are member nominated. P Heyes is the Member Nominated Trustee.

Trustees meetings

The fund has two main Trustees meetings a year and four financial meetings. In the year under review the trustees met formally four times with their financial advisers, but had other informal meetings. Due to Covid-19 restrictions some meetings were held via conference calls.

The Fund also has an additional two to three meetings reviewing the oversight and Governance with the Trustee Board and Canaccord.

Report of the Trustees - continued

Statement of Trustees' responsibilities

The financial statements, which are prepared in accordance with United Kingdom Generally Accepted Accounting Practice, are the responsibility of the Trustees. Pension scheme regulations require trustees to make available to Scheme members, beneficiaries and certain other parties, audited financial statements for each Scheme year which:

- 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 that year of the assets and liabilities, other than liabilities to pay pensions and benefits after the end of the Scheme year; and
- contain the information specified in the Schedule to 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 Statement of Recommended Practice 'Financial Reports of Pension Schemes'.

The Trustees have supervised the preparation of the financial statements and have agreed suitable accounting policies, to be applied consistently, making any estimates and judgments on a prudent and reasonable basis.

The Trustees are also responsible for making available certain other information about the Scheme in the form of an Annual Report.

The Trustees are responsible under pensions legislation for ensuring that there is prepared, maintained and from time to time revised 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 monitoring 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 financial information of the Scheme included on the pension scheme's website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.

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.

Membership statistics on 30 June 2021	2021	2020
Deferred members	59	64
Pensioners	58	57
	<u>117</u>	<u>121</u>

Report of the Trustees - continued

Increases in benefits

Otherwise than in accordance with legislative requirements, there were no increases to benefits in payment in the year. In respect of a category A and B member a pension in payment that is attributable to pensionable service on or after 6 April 2005 and payable to the member or their spouse, dependant children or dependant will increase by 2.5% compound (or in line with the percentage increase in the retail prices index if less) in the year. The above figures do not take into account any discretionary increases.

Transfer values

Cash equivalents are calculated and verified in a manner prescribed by regulations under section 97 of the Pension Schemes Act 1993.

Tax status

The fund is a registered pension scheme under the Finance Act 2004.

Scheme administration

The day-to-day administration of the scheme has been outsourced to Capita Employee Benefits Limited.

Actuarial position

As required by Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" (FRS 102), the financial statements do not include liabilities in respect of promised retirement benefits.

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, which represent the present value of benefits to which members are entitled based on pensionable service to the valuation date. This is assessed at least every 3 years using assumptions agreed between the Trustees and the employer and set out in the Statement of Funding Principles, a copy of which is available to Scheme members on request.

The last full actuarial valuation was carried out as at 1 July 2018 in a report dated August 2019. This found that the assets of the Fund covered 70% of the liabilities on an ongoing basis at that date. A fund update was carried out by the Scheme Actuary which showed that on 1 July 2021 the assets of the Fund covered 88.6% of the liabilities on an ongoing basis at the date.

A Recovery Plan has been agreed with the employer and a schedule of contributions was certified by the actuary on 23 August 2019. The schedule of contributions confirms that the Employer will pay the administrative expenses of operating the Fund. It also confirms that the Employer will pay a monthly deficit funding of £41,500 per month payable from 1 September 2019 to 31 August 2024.

The Actuary's certification of the Schedule of Contributions, Technical Provisions and the Summary Funding Statement is reproduced on pages 22 to 28 of this report.

Employer-related investments

The Fund had no employer-related investments at any time during the year.

Report of the Trustees - continued

Refund to the principal employer

No refund was made to the principal employer during the year.

Financial development of the Fund

The financial statements on pages 14 and 15 show that the value of the assets of the Fund increased by £369,239 to £14,500,166 as at 30 June 2021. The increase comprised net withdrawals from dealings with members of £771,637 together with net surplus on investments of £1,140,876.

Further details of the financial development of the Fund may be found in the audited financial statements on pages 12 to 20.

The Investment Report and Information for Members form part of this report.

Fair value Insured Annuity Policies

It has been best practice of the Fund to buy an annuity in the Trustees' name either when a member starts to draw his or her pension, or in many cases, sometime after the pension has commenced payment. The fund pays a premium to an insurer and, as a result, the insurance company is committed to meeting the future benefits payments for the member. The value of the annuity insurance policies at 30th June 2021 are £3,103,000 (2020: £3,355,000) which was calculated by a professional actuary on 3rd November 2021.

Covid-19

During the year the global health crisis caused by Coronavirus (Covid-19) has had a significant impact on all businesses and pension schemes. The Trustees and Capita have adapted accordingly and discussions have taken place to ensure the scheme is fully monitored and all benefits have been administered and the benefits paid. The Trustees have had regular discussions with the Employer to ensure that their business has not been adversely affected by Covid-19 and are satisfied that they will be able to meet the monthly deficit contributions.

ON BEHALF OF THE TRUSTEES


L. Evans
Trustee

Investment report

The overall management of the scheme's investments is the responsibility of the trustees. However, the day-to-day operation has been delegated to the fund managers Canaccord Wealth Limited.

Investment performance

The performance of the investment managers is reviewed periodically at trustees' meetings.

Details of movements in the fund's investments are included in note 6 to the financial statements.

A detailed review of the investment performance could be obtained from the Trustees on request.

Information for members

Disputes and queries

Following the introduction of the Social Security Act 1990, and the Pensions Act 1995, the Government introduced facilities to help pension scheme members resolve complaints, queries and problems concerning their pension rights.

Members are first expected to take up matters with the Secretary or Trustees of the fund at the contact address in the next section.

If the problem remains unresolved, members then have the facility to refer the matter to the Pensions Advisory Service (TPAS) which has a network of pension advisers who will try to resolve problems before they are referred on to the Pensions Ombudsman. Both TPAS and the Pensions Ombudsman can be contacted at:

11 Belgrave Road
LONDON
SW1V 1RB

A central tracing agency exists to help individuals to keep track of deferred pension entitlements from previous employers' pension schemes. An application for a search can be sent to the Department for Work and Pensions (DWP) Pension Tracing Service at:

The Pension Service 9
Mail Handling Site A
Wolverhampton
WV98 1U

Alternatively an application for a search can be sent to Capita Tracing and Data Solutions at:

Capita Tracing and Data Solutions
65 Gresham Street
LONDON
EC2V 7NQ

The Pensions Regulator acts as a registrar for both occupational and personal pension schemes and for the levy collection function. TPR can be contacted at:

The Pensions Regulator
Napier House
Trafalgar Place
BRIGHTON
BN1 4DW

Further information

Information about the fund generally, or an individual's entitlement to benefit can be obtained direct from the Trustees at the following address:

Capita Employee Benefits
Superior Pension Fund
145 Morrison Street
Edinburgh
EH3 8FJ

Additionally, members are entitled to inspect copies of documents giving information about the fund. In some circumstances copies of the documents can be provided, but a charge may be made for copies of other documents, eg the trust deed and rules or the actuarial valuation.

Report of the independent auditor to the Trustees of Superior Pension Fund

Opinion

We have audited the financial statements of Superior Pension Fund (the 'scheme') for the year ended 30 June 2021 which comprise the Fund Account, the Net Assets Statement and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 June 2021, 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 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 Auditors' 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 IFC'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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- ☞ the trustee's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- ☞ the trustee has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the scheme's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustee is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we

Report of the independent auditor to the Trustees of Superior Pension Fund

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 trustee

As explained more fully in the Statement of Trustee's Responsibilities, the trustee is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustee determines 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 trustee is 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 trustee either intends to liquidate the scheme or to cease operations, or has no realistic alternative but to do so.


Auditors' 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 a Report of the Auditors 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

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 (Requirement 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 a Report of the Auditors 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's trustees as a body, for our audit work, for this report, or for the opinions we have formed.


Michael Grange BA (Hons) FCA
Keens Shay Keens Limited
Chartered Accountants &
Statutory Auditors
2nd Floor Exchange Building
16 St Cuthberts Street
Bedford
Bedfordshire
MK40 3JG

Date:18/11/2021.....

Principal accounting policies

General information

Superior Pension Fund is a defined benefit scheme which was established to provide retirement benefits to employees within the Greenery Group. The address of the Scheme's principal office is 2B Vantage Park, Washingley Road, Huntingdon, Cambridge, PE29 6SR.

Statement of compliance

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 (FRS) 102 – The Financial Reporting Standard applicable in the UK and Republic of Ireland issued by the Financial Reporting Council (“FRS 102”) and with the guidelines set out in the Statement of Recommended Practice, Financial Reports of Pension Schemes (Revised 2018).

The Fund's functional currency and presentational currency is pounds sterling.

Summary of significant accounting policies

The principal accounting policies of the Fund are set out below. The policies have remained unchanged from the previous year.

Fund account

The following items are included on the accruals basis as follows:

- i Employers' normal and deficit contributions - amounts receivable in accordance with the schedule of contributions.
- ii Members' contributions - amounts receivable on wages and salaries paid in the year.
- iii Benefits - amounts payable in respect of the year.
- iv Transfers in/out - accounted for when the liability for the member's pension benefits has transferred.
- v Administrative expenses - amounts payable in respect of the year.

Investments

Investments are stated at market value. Gains and losses caused by a change in market price are recognised in the fund account.

Units in unitised managed funds, pooled investment vehicles, are stated at the closing single price quoted by the fund managers.

The trustees have purchased annuity policies that are specifically allocated to the provision of benefits for, and which provide all the benefits payable under the scheme, or in respect of, particular members. These annuity policies are in the name of the trustees, and remain assets of the scheme because the

Principal accounting policies

trustees are not legally discharged of the corresponding liabilities. However, the trustees are satisfied that the policies represent an effective discharge of their liabilities and, in accordance with the treatment recommended by the SCORP, the purchase cost has been accounted for as 'purchase of annuities' in the fund account and the annuity policies. The annuity policies are valued by the Scheme Actuary at the amount of the related obligation, determined using the most recent Scheme Funding valuation assumptions updated for market conditions at the reporting date.

Additional voluntary contributions ("AVCs")

The trustees hold assets invested separately from the main fund with Aviva Life and Pensions in two policies as described at note 6, securing additional benefits on a money purchase basis for those members electing to pay additional voluntary contributions.

Annuities

Annuities have been valued by the Scheme Actuary at the amount of the related obligation, determined using the most recent Scheme Funding valuation assumptions updated for market conditions at the reporting date.

Fund account

	Note	2021 £	2020 £
Contributions and benefits			
Contributions receivable	1	<u>498,000</u>	<u>415,000</u>
Benefits payable	2	<u>168,037</u>	<u>181,982</u>
Payments to and on account of leavers	3	<u>1,101,600</u>	<u>135,490</u>
		<u>1,269,637</u>	<u>317,472</u>
Net additions/(withdrawals) from dealings with members		<u>(771,637)</u>	<u>97,528</u>
Returns on investments			
Investment income	5	257,745	298,202
Change in market value of investments	6	889,533	(332,824)
Profit/(Loss) on disposal of investments	6	92,275	(94,010)
Bank fees		(50)	
Administration expenses		(52,364)	(50,981)
Investment management expenses		<u>(46,263)</u>	<u>(54,421)</u>
Net returns on investments		<u>1,140,876</u>	<u>(234,034)</u>
Net increase/(decrease) in fund during the year		<u>369,239</u>	<u>(136,506)</u>
Net assets of the fund at 1 July 2020		<u>14,130,927</u>	<u>14,267,433</u>
Net assets of the fund at 30 June 2021		<u>14,500,166</u>	<u>14,130,927</u>

Net assets statement

	Note	2021 £	2020 £
Investments	6		
Pooled investment vehicles		626,500	600,600
Equities		4,766,521	3,635,943
Bonds		5,394,257	5,958,369
Cash deposits		544,409	516,668
AVC investments		85,407	76,066
Insurance policies - annuities		<u>3,103,000</u>	<u>3,355,000</u>
		14,520,094	14,142,646
Current assets	7	4,198	11,366
Current liabilities	8	<u>(24,126)</u>	<u>(23,085)</u>
Net assets of the fund at 30 June 2020		<u>14,500,166</u>	<u>14,130,927</u>

The financial statements summarise the transactions of the fund and deal with the net assets at the disposal of the trustees. They do not take account of obligations to pay pensions and other benefits which fall due after the end of the fund year. The actuarial position of the fund, which does take account of such obligations, is dealt with in the statements by the actuary and the Summary Funding Statement on pages 25 to 28 of the annual report and these financial statements should be read in conjunction with them.

These financial statements were approved by the Trustees 15th November 2021

L Evans
Trustee

15/11/2021

Notes to the financial statements

1 Contributions receivable

	2021 £	2020 £
Employers Deficit funding contribution	498,000	415,000
	<u>498,000</u>	<u>415,000</u>

The employer had agreed to make a contribution of £41,500 per month from 1 September 2019 until 31st August 2024 in accordance with a recovery plan in order to improve the Scheme's funding position. The deficit payments are guaranteed by the Parent company to ensure the deficit is paid in full.

2 Benefits payable

	2021 £	2020 £
Pensions	147,053	120,109
Commutation and lump sum retirement benefits	20,984	61,873
	<u>168,037</u>	<u>181,982</u>

3 Payments to and on account of leavers

	2021 £	2020 £
Individual transfers out to other schemes	<u>1,101,600</u>	<u>135,490</u>

4 Administrative expenses

The direct scheme administration costs are borne by the pension fund, however Greenery UK Limited fund any indirect overhead costs.

5 Investment income

	2021 £	2020 £
Dividends from equities	66,533	99,359
Income from bonds	191,212	197,992
Interest on cash deposits	-	851
	<u>257,745</u>	<u>298,202</u>

Notes to the financial statements

6 Investments

The unitised managed funds, pooled investment vehicles, in which the scheme has invested are all operated or managed by companies registered in the United Kingdom.

	Value at 30 June 2020 £	Purchases at cost £	Sale proceeds £	Profit/(Loss) on Disposal £	Change in market value £	Value at 30 June 2021 £
Pooled investment vehicles	600,600	-	-	-	25,900	626,500
Equities	3,635,943	829,903	(602,129)	42,071	860,733	4,766,521
Bonds	5,958,369	169,263	(1,029,138)	50,204	245,559	5,394,257
Insurance policies - annuities	3,355,000	-	-	-	(252,000)	3,103,000
AVC investments	76,066	-	-	-	9,341	85,407
	<u>13,625,978</u>	<u>999,166</u>	<u>(1,631,267)</u>	<u>92,275</u>	<u>889,533</u>	<u>13,975,685</u>
Cash deposits	516,668					544,409
	<u>14,142,646</u>					<u>14,520,094</u>

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

Indirect transaction costs are incurred through the bid-offer spread on investments within the pooled investments vehicles. The amount of indirect cost is not separately provided to the fund.

Pooled investment vehicles

	Value at 30 June 2020 £	Purchases at cost £	Sale Proceeds £	Profit/(Loss) on Disposal £	Change in market value £	Value at 30 June 2021 £
Canaccord Genuity	600,600	-	-	-	25,900	626,500

AVC investments

Separately invested AVCs are summarised below.

	Value at 30 June 2020 £	Purchases at cost £	Sale proceeds £	Change in market value £	Value at 30 June 2021 £
Aviva policy AHP 6466	44,898	-	-	6,480	51,378
Aviva policy PY 90265	31,168	-	-	2,861	34,029
	<u>76,066</u>	<u>-</u>	<u>-</u>	<u>9,341</u>	<u>85,407</u>

Notes to the financial statements

Investments (continued)

The two policies are as follows:

The older style policy, which is now closed to new members, is a group with-profits pure endowment policy. Members' contributions for additional pension benefits are invested in pure endowment assurances, specifically allocated to the members who contribute, which guarantee a basic sum at normal retirement date. Annual bonuses calculated on the guaranteed basic sum and existing annual bonuses, are added to the basic sum, together with any terminal bonuses, to form a cash fund at normal retirement date.

The newer style policy is a group unitised with-profits contract. Members' contributions for additional pension benefits are invested in unitised funds, specifically allocated to the members who contribute, which provide benefits at normal retirement age dependent upon the underlying investment performance. Annual bonuses are added each year to the fund and there is also a maturity bonus at retirement.

The cash fund accumulated for each member is applied at retirement to the policy's guaranteed annuity option rates or immediate annuity rates, if they should be better, to secure additional retirement benefits for the member concerned.

The members participating in these arrangements each receive an annual statement made up to the policies' respective renewal dates confirming the amounts held to their account and the movements in the year.

7 Current assets

	2021	2020
	£	£
Amount due from the employer	247	247
Accrued investment income	3,951	6,907
Prepayments	-	4,212
	<hr/>	<hr/>
	4,198	11,366

Notes to the financial statements

8 Current liabilities

	2021	2020
	£	£
Payroll	10,531	9,509
Accruals	11,834	11,153
Taxation and social security	1,761	2,423
	<u>24,126</u>	<u>23,085</u>

9 Contingent liabilities

The Superior Pension Fund has undertaken to pay the benefits of all the members of the John Denis Food Group Limited Retirement and Death Benefit Scheme who transferred to the Superior Pension Fund, including those benefits earned whilst employed with John Denis. This undertaking is supported by Greener UK Limited.

10 Fair value hierarchy

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

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

A fair value measurement is categorised in its entirety on the basis of the lowest level input which is significant to the fair value measurement in its entirety.

The Scheme's investment assets and liabilities fall within the above hierarchy as follows:

	Level 1	Level 2	Level 3	Total 2021
	£	£	£	£
Pooled Investment Vehicles	626,500			626,500
Equities	4,766,521			4,766,521
Bonds	5,394,257			5,394,257
Insurance policies			3,103,000	3,103,000
AVC Investments	85,407			85,407
Cash	544,409			544,409

Notes to the financial statements

2019 comparative:-

	Level 1 £	Level 2 £	Level 3 £	Total 2020 £
Pooled Investment Vehicles	600,600			600,600
Equities	3,635,943			3,635,943
Bonds	5,958,369			5,958,369
Insurance policies			3,355,000	3,355,000
AVC Investments	76,066			76,066
Cash	516,668			516,668

11 Capital commitments

There were no capital commitments at 30 June 2021 or 30 June 2020.

12 Related party transactions

All the trustees are members of the fund and receive pension benefits from the fund. These benefits arise solely in the trustees' capacity as beneficiaries of the fund and are on terms normally granted to members.

At the end of the year, the employer owed the scheme £247 (2020: £247) for historic bank charges to be reimbursed.

Independent Auditor's Statement about Contributions to the Trustees of the Superior Pension Fund

We have examined the Summary of Contributions payable to the Superior Pension Fund in respect of the scheme year ended 30 June 2021 which is set out on page 21.

Respective responsibilities of the trustees and auditor

As described on page 5, the Scheme's Trustees are responsible for ensuring that there is prepared, maintained and from time to time revised a Schedule of Contributions which sets out 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 the 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.

Basis of statement about contributions

We planned and performed our work so as to obtain all the information and explanations which we considered necessary in order to give reasonable assurance that contributions reported in the Summary of Contributions have in all material respects been paid at least in accordance with the relevant requirements. For this purpose, the work that we carried out included 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. Our statement about contributions is required to refer to those breaches of the Schedule of Contributions which come to our attention in the course of our work.

Statement about contributions

In our opinion, contributions for the scheme year ended 30 June 2021 as reported in the Summary of Contributions have, in all material respects, been paid at least in accordance with the Schedule of Contributions certified by the Scheme Actuary on 27th August 2019.

Keens Shay Keens

**KEENS SHAY KEENS LIMITED
STATUTORY AUDITOR,
CHARTERED ACCOUNTANTS**

Exchange Building
16 St Cuthbert's Street
Bedford
MK40 3JG

Date: 18/11/2021

Summary of contributions payable to Superior Pension Fund in respect of the year ended 30 June 2021

The contributions payable to the Scheme in respect of the year under the schedule of contributions were as follows:

	£
Employers' normal contributions	-
Employers' deficit contributions	498,000
Employees' normal contributions	-
Total contributions payable under the schedule and in respect of the year	498,000

Signed on behalf of the Trustees:



L Evans
Trustee

CAPITA

Superior Pension Fund

Schedule of Contributions

Certification of the Schedule of Contributions

Adequacy of rates of contributions

1. I certify that, in my opinion, the rates of contributions shown in this Schedule of Contributions are such that the Statutory Funding Objective can be expected to be met by the end of the period specified in the Recovery Plan dated August 2019.

Adherence to Statement of Funding Principles

2. I hereby certify that, in my opinion, this Schedule of Contributions is consistent with the Statement of Funding Principles dated August 2019.

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 Fund's liabilities by the purchase of annuities, if the Fund were to be wound up.

Signature:	
Name:	Martin West
Date:	August 2019 27th
Name of employer:	Capita Employee Solutions
Address:	65 Gresham Street, London, EC2V 7NQ
Qualification:	Fellow of the Institute and Faculty of Actuaries





 The West

Superior Pension Fund ("Fund")

Calculation of Technical Provisions

I certify that, in my opinion, the calculation of the Fund's Technical Provisions as at 1 July 2018 is made in accordance with regulations under section 222 of the Pensions Act 2004. The calculation uses a method and assumptions determined by the Trustees of the Fund and set out in the Statement of Funding Principles dated 23 August 2019.

Signature:



Name: Martin West

Date: 27 August 2019

Name of Employer: Capita Employee Solutions

Address: 65 Gresham Street, London,

EC2V 7NQ Qualification: Fellow of the Institute and

Faculty of Actuaries

Dear Pension Fund Member,
FED51114 – Superior Pension Fund

As required under the Pensions Act 2004, this summary funding statement is being issued to give you, as a person entitled to benefits from the Superior Pension Fund (the “Scheme”) an update of the Scheme’s funding position. The Trustees of the Scheme are responsible for its overall management and the Trustees issue a statement like this to all members each time they receive a formal update on the funding position of the Scheme. The most recent Scheme funding update was carried out as at 1 July 2021.

Actuarial Review and Recovery Plan

Every three years the actuarial team provides a Scheme Funding Assessment which reviews the Scheme’s liabilities, the current assets and their growth potential. For several years we have seen greater deficits which have led to increased parental company support. The latest review at 1 July 2021 showed that the funding deficit has now started to decrease. The Trustees and the Employer continue to pay the monthly contributions in order to eliminate the funding deficit.

All UK pension schemes are required to provide members with an annual summary funding statement. Its purpose is to let members know about the financial security of their Scheme.

This statement will provide you with a snapshot of the funding position of the Scheme using information from the latest Scheme Funding Assessment.

Contributions are collected from the Employer and held separately from the assets of the Employer. The money collected is held in a common fund, not in separate funds for each individual. This fund is invested to produce a return and is used to pay members’ benefits.

To check the Scheme’s financial security, the Scheme Actuary, a qualified, independent professional, carries out a Scheme Funding Assessment at least every three years. This compares the value of the Scheme’s liabilities (the amount needed to provide benefits) to its assets on both an ongoing and a solvency basis.

An ongoing basis assumes that contributions will continue to be made and the Scheme continues. A solvency basis estimates the amount needed to fully secure all benefits with an insurance company if the Trustees decided to wind up the Scheme.

If the Scheme has fewer assets than liabilities, it is said to have a “shortfall”. If the assets are more than the liabilities there is said to be a “surplus”.

Scheme Funding Assessment and Annual Updates

The following table shows the funding position on an ongoing basis at the Scheme Funding Assessment date as at 1 July 2018 and the Annual Updates as at 1 July 2019, 1 July 2020 and 1 July 2021.

Annual report for the year ended 30 June 2021

	1 July 2018	1 July 2019	1 July 2020	1 July 2021
The Scheme's assets were valued at:	£11.2m	£14.2m	£14.1m	£14.3m
The value of the Scheme's liabilities was:	£16.0m	£16.8m	£18.8m	£16.1m
This means there was a shortfall of:	£4.8m	£2.6m	£4.7m	£1.8m
Funding level	70%	84%	75%	88%

An Annual Update of the Funding position was carried out at 1 July 2021 shows that over the year the funding position has improved.

The next full actuarial valuation for the Scheme is due at 1 July 2021 with the results expected to be available in early 2022. Following each valuation, the Actuary advises us of the level of contributions that should be paid into the Scheme so that we can expect to be able to continue to pay all the pensions due from the fund in future. We then agree a rate of contribution for the Scheme with the Employer and also put in place a new recovery plan to deal with any shortfall.

The estimated shortfall on a solvency basis as at 1 July 2018 was £10.6m. This is the estimated cost if the Scheme was to wind up and the benefits bought out with an insurance company. We are legally obliged to advise you of the solvency position but it does not mean that the Trustees are thinking of winding up the Scheme. It is just another piece of information we hope will help you understand the financial security of your benefits.

Recovery Plan

A Recovery Plan to eliminate the deficit has been agreed between the Trustees and the Employer. The agreed Recovery Plan Contributions are set out below:

- £41,500 per month from 1 September 2019 to 31 August 2024
- The Employer has also paid the following since 1 July 2018:
 - £30,000 per month from 1 July 2018 to 31 December 2018
 - £2,700,000 paid in December 2018

In addition, a Guarantee has been agreed between Greenery BV and the Trustees to ensure the UK Company can make these contributions for the next 5 years.

Scheme Investments

As at 1 July 2020 the distribution of the Scheme's investments by asset class was as follows:

Asset Class	Proportion of Fund (%)
Equities	31
Debt and Fixed Interest	42
Property and Infrastructure	22
Cash	5
Total	100

Is my pension guaranteed?

The fact that there was a shortfall at the last valuation has not affected the pensions paid from the Scheme; all members who have retired have still received the full amount of their pension.

However, if the Scheme winds up, you might not get the full amount of pension you have built up even if the Scheme is fully funded on an ongoing basis. This is because the cost of securing your benefits with an insurance company in the event of the Scheme winding up is likely to exceed the amount the Trustees require to provide your benefits from the Scheme on an ongoing basis.

Although such a situation is not anticipated, if the Company does not have sufficient resources at that time to meet this difference, the benefits secured with the insurer may need to be cut back. However, whilst the Scheme remains in existence, even though funding may temporarily be below target, benefits will continue to be paid in full.

If the Company became insolvent, the Pension Protection Fund (PPF) might be able to take over the Scheme and pay some compensation to members. Further details on the PPF are set out below.

Transfer Values

With effect from 1 November 2019, the Scheme is paying full transfer values (i.e. 100% of the transfer value) to members who request them. If you would like a quotation of your current transfer value please contact EdinburghPensions2@capita.com or write to them at the address above.

Pension Protection Fund

The Government has set up the Pension Protection Fund (PPF) to pay benefits to members if the Scheme were wound-up, and the Scheme, together with the insolvent Employer, does not have enough money to cover the cost of buying at least the PPF level of benefits with an insurance company.

The pension you would receive from the PPF may be less than the benefit you had built up in the Scheme. Further information and guidance is available on the PPF website at: www.pensionprotectionfund.org.uk

Or you can write to the Pensions Protection Fund at:

Renaissance
12 Dingwall
Road Croydon
Surrey, CR0 2NA

Other information

We must tell you if the Employer has taken any money out of the Scheme in the last 12 months; we are happy to confirm that this has not occurred.

Additional formal documents available on request

- (a) The *Statement of Funding Principles*. This sets out the Scheme's funding plan.
- (b) The *Recovery Plan*. This explains how the funding shortfall is being made up.
- (c) The *Statement of Investment Principles*. This explains how the Trustees invest the money paid into the Scheme.
- (d) The *Schedule of Contributions*. This shows how much money is being paid into the Scheme.
- (e) The latest *Annual Report and Accounts* of the Scheme, which shows the income and expenditure in each year.
- (f) The full report on the *Scheme funding assessment* as at 1 July 2018
- (g) The *Actuarial Report* as at 1 July 2019
- (h) The *Actuarial Report* as at 1 July 2020
- (i) The *Member's Booklet* (you should have been given a copy when you joined the Scheme, but we can let you have another copy.)
- (j) An *Annual Benefit Statement* – If you are not getting a pension from the Scheme (and have not received a benefit statement in the previous 12 months) you can ask for a statement that provides an illustration of your likely pension.
- (k) The *Trust Deed and Rules* of the Scheme, which is the governing documentation of the Scheme. The Trustees reserve the right to make a charge to provide a copy of this document.

Issued for and on behalf of the Trustees of the Superior Pension Fund