



SSAS overview



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Agenda

- Who are WBR Group
- Overview of DC SSAS
- Overview of DB SSAS
- Opportunities
- Questions



WBR - STRENGTH IN NUMBERS



Over 4,500 SSASs



£4bn assets under administration



3,500 Commercial properties / land



Market leading DBSSAS



C200 Employees



Offices in Leicester, Salisbury, Bolton,
London, Wimbledon and Bristol



100% Independent and owned by
the directors

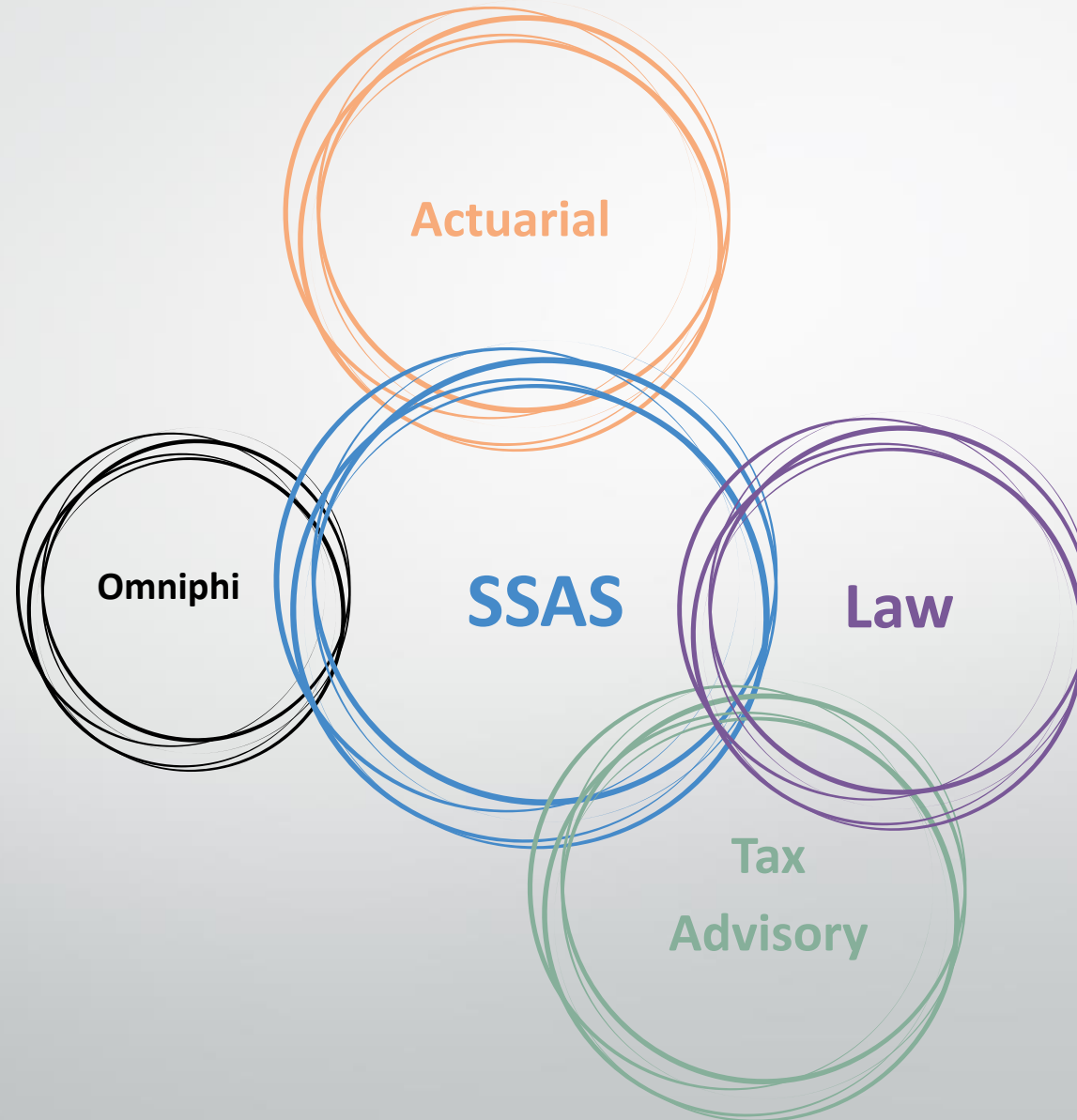




WHAT DOES WBR OFFER?

- The largest independent provider of SSAS services
- Expertise in DBSSAS with in-house Technical, Actuarial, Tax, Legal and Administration specialists
- A dedicated experienced Account Manager operating on a “Cradle-to-Grave” basis
- A free annual Trustee Meeting at the client’s place of work with a specialist Trustee Consultant

GREAT THINGS HAPPEN WHEN WE WORK AS ONE





HM Revenue
& Customs



SSAS legal & regulatory structure

- A common trust / pooled fund with maximum of 11 members
- All schemes with 2 members or more are regulated by TPR as a small occupational scheme
- Each scheme individually registered by HMRC
- Every member is a member trustee – need to be over 18 to be a member trustee
- Owner Directors 'get' SSAS easily



The
Pensions
Regulator

Making workplace pensions work

SSAS – What is the fuss about?

- Was a SSAS ever set up to save in a pension?

- Tax efficiency
- Control
- Pooling funds for investment
- Commercial property
- Succession planning

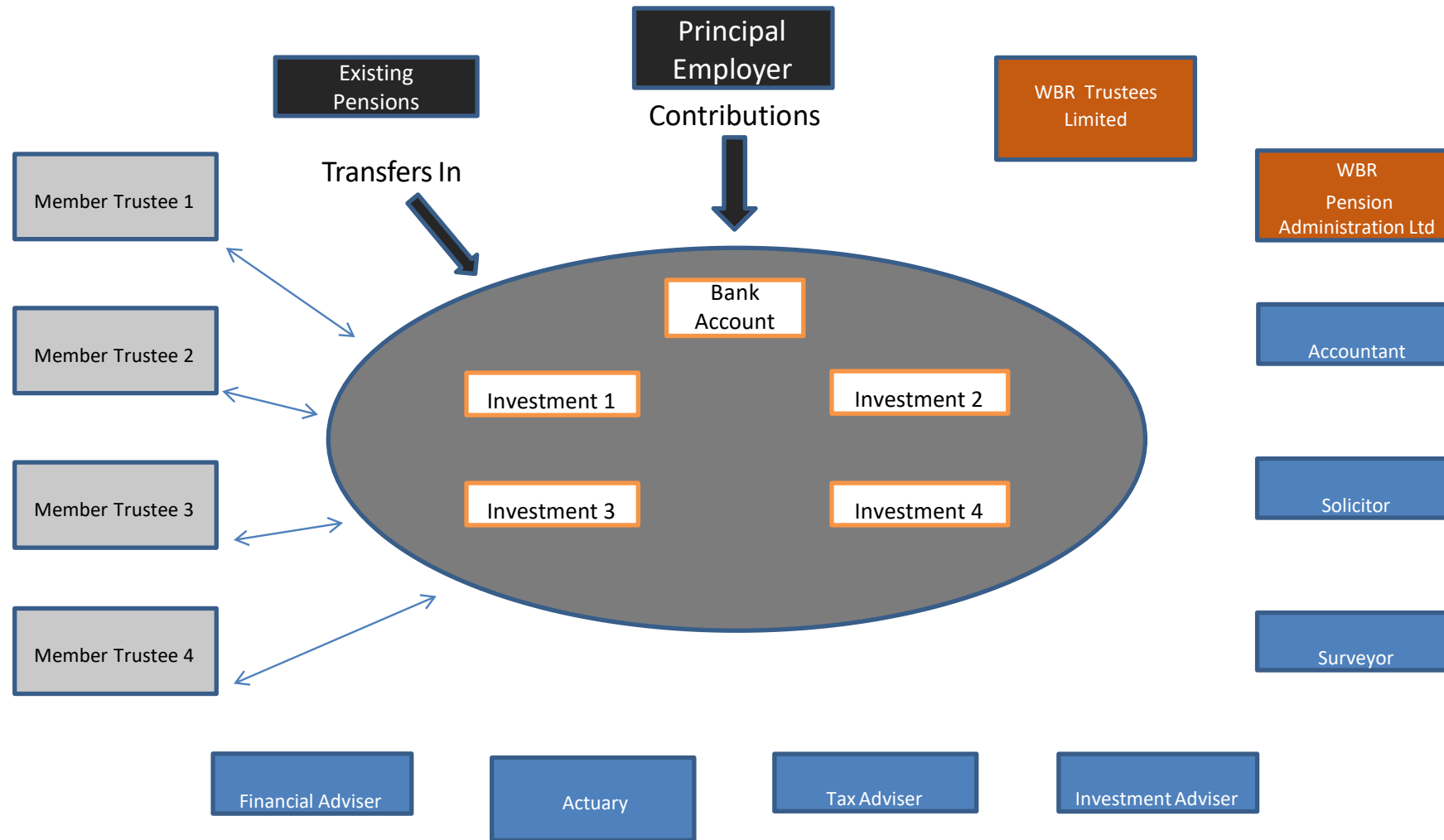




What is a SSAS?

- Established by limited companies (partnerships in some exceptions) usually for its directors, senior employees and family members
- **A self-invested occupational pension scheme**
- Secure and flexible pension for SMEs
- Can operate as a family pension trust cascading assets to generations in a tax and cost efficient manner
- Members can pool resources and partner their business with their pension to save tax

SSAS – The cast list



A photograph of a modern office interior. The space features glass-walled cubicles and a central area with a round wooden table and black chairs. A decorated Christmas tree is visible on the right side of the frame. The ceiling has recessed lighting. The text is overlaid on the left side of the image.

Uses of a SSAS – the BIG ones

- **Commercial Property Purchase**
- **Loanback facilities**
- **Pooling of assets / consolidation**
- **Succession planning**

Unlocking the benefits of SSAS

- Empowerment
 - Tax efficiency
 - Partner your business
 - Family benefits
 - Cost effective
- And now
- Turbo-charge contributions with DBSSAS



A quick “A” Day History Lesson (19 Years of the Brave New World)

- Annual allowance
- Lifetime allowance





Meaning what?

- Annual Allowance set at a generous £215,000 p.a.
- Lifetime Allowance therefore set at a nice round £1.5m
- The LTA is 2006 could be funded for in around 7 years

Case study 1 - Meet Leo

- 50 years old
- Was 31 and just starting up his business when A Day was introduced
- Saw his 50 year-old “self” in others and thought 7 years was going to be plenty of time to sort out his pension
- Focuses on building a successful firm
- Later his wife and son join as Directors too
- Now ready to focus on a comfortable retirement
- (7 years? Make that 30. Happy retirement at 80, Leo)

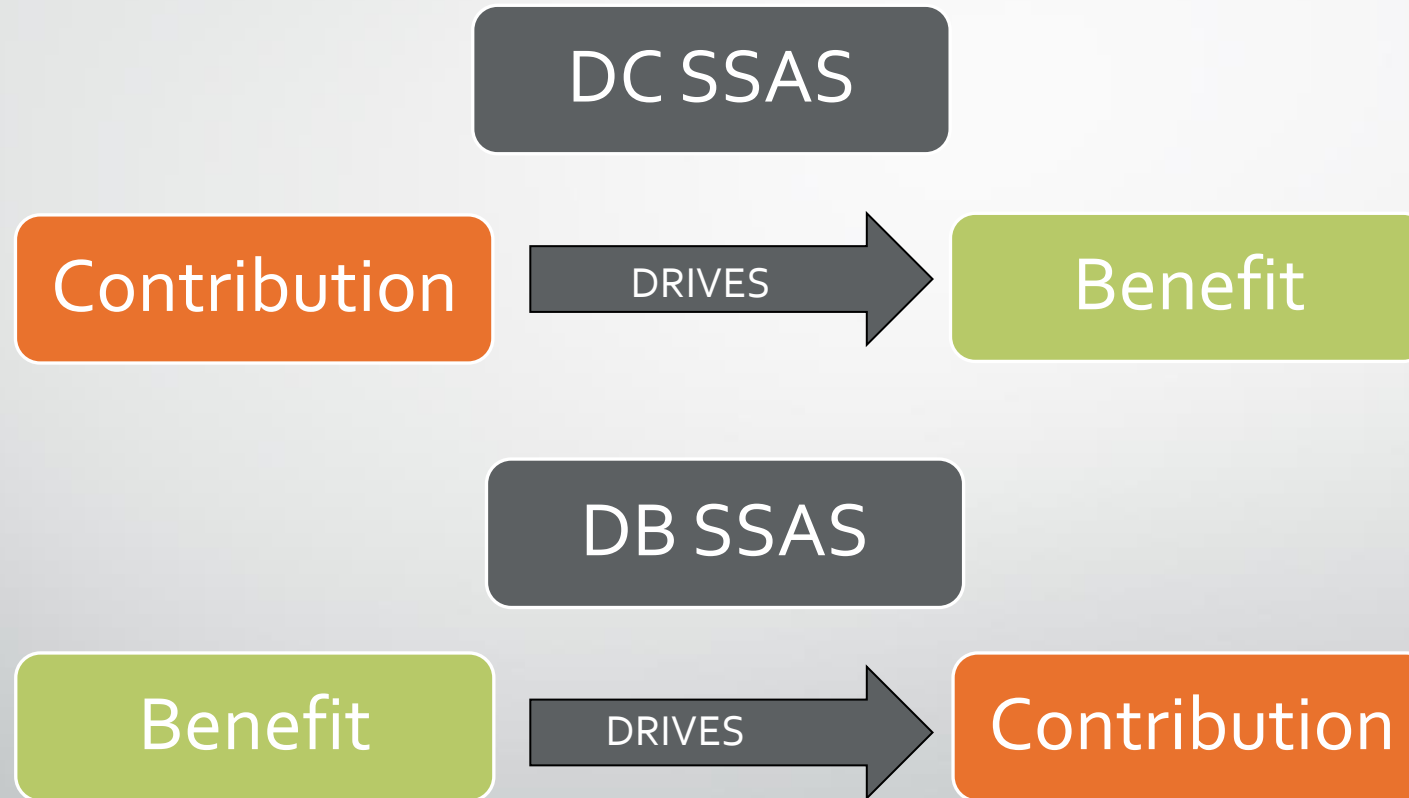
Great news for Leo

- Great news for his Company
- 100% of contribution offset against profit for Corporation Tax relief purposes if the contribution is for a Controlling Director
- For most Companies that is 25%
- HMRC will pay $\frac{1}{4}$ of the contribution for you

BUT THAT'S NOT ALL DBSSAS CAN DO...

DB SSAS – structure and legislation

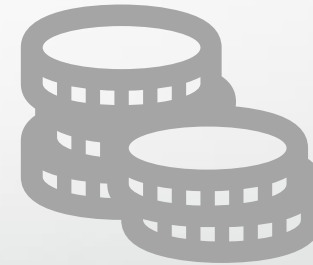
A different type of pension benefit: Defined Contribution vs Defined Benefit



DB SSAS – The Targeted Pension



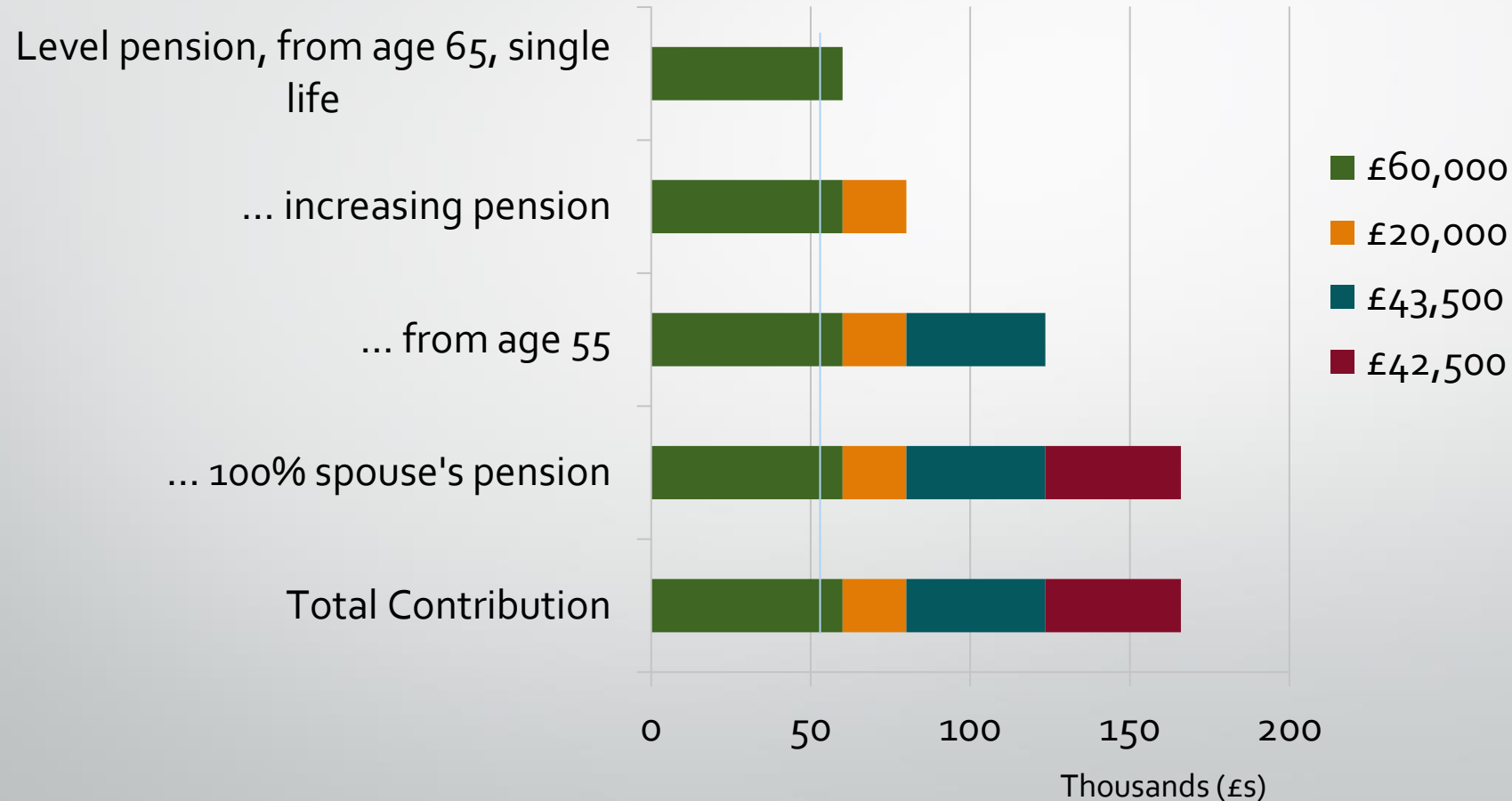
Pension Annual Allowance



$\pounds 60,000 / 16 = \pounds 3,750 \text{ p.a.}$

Benefit accrual

Contribution needed for £3,750 p.a. in Defined Benefit SSAS



Funding reviews



- DB SSAS
 - Every three years an actuarial review of the scheme is carried out where the value of scheme assets is compared to its liabilities (earlier reviews, subject to fee, can be carried out)

- Deficit

- Actuaries apply a very risk averse view on fund performance, so the risk of a deficit is greatly reduced (Gilt based)
- If there is a deficit, a further review could be carried out in three years and the fund growth could remove the deficit
- The trustees could agree a contribution schedule with the employer to remove the deficit or settle in one payment to scheme (claim relief on that deficit contribution)
- The trustees could seek agreement from the members to reduce the pension benefit – when it is identified and or at point of transfer out to another pension

- Surplus

- If, on review of the scheme, the assets exceed the liabilities, the surplus can be used disproportionately to fund additional benefits for scheme members (new or existing)
- Discretionary increases to existing pension

Why DBSSAS?

- Contributions up to 2.5 x higher than DC regime
- No requirement for continuous funding
- Corporation Tax relief on contributions – 25%
- Clients with MPAA
- High earners with Tapered AA
- Estate planning – e.g. Investment growth – trustees decide who benefits

THE END GAME

Take	Take the Scheme Pension from within the DBSSAS
Transfer out	Transfer out instead to a Money Purchase Alternative
Convert	Possibly convert the DBSSAS to a DC Trust

A background image featuring several wooden blocks on a light-colored wooden surface. Some blocks are arranged to spell out the word 'SUMM' in a horizontal line. Other blocks are scattered around, showing letters like 'V', 'O', 'A', and 'K'.

Ideal client

- SME/family-run business
- Profitable
- Cash-Rich
- Insufficient existing retirement provision
- A use for self-investment (eg Loan back facility or commercial property purchase)



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Important information

The legislation concerning pensions is contained in the Finance Act 2004, subsequent Acts of Parliament and Government Regulations. As such the pension and tax legislation is subject to change. We believe our interpretation of the current rules and regulations as included within this presentation is accurately portrayed. WBR Group does not accept liability for any action or advice taken on the basis of this presentation. Any case studies and illustrations used in this presentation are for illustrative purposes only and are believed to be accurate at the time of presentation. Where actuarial calculations are illustrated, these have been prepared by WBR's Actuarial Department.

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