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SURREY
GU8 4SJ

25 October 2011

Mr Gavin McCloskey
Pension Practitioner.com
Daws House
33-35 Daws Lane
LONDON
NW7 4SD

Dear Gavin

PENSION SCHEME RETURNS AND TAKEOVER

Further to your letter dated 7 October we are pleased to hear that the company are now up to date with returns to the Pensions Regulator and HM Revenue & Customs.

Addressing the matters in your letter:

Para 2: The takeover report and return appears to be in accord with the accounts provided by Nikki

Para 3: The overdue notice with penalty warning was a shock so let's hope the dealings between ourselves and HM Revenue & Customs now become routine and in accordance with their timelines.

I note from the 'Report to the Trustee on the takeover of' the scheme that a scheme administrator identity number has been issued but that at the time of the report there was no associated online services. **If this is still the case please advise what specifically you need me to do to obtain a new login number.**

Para 4: Thank-you for the various deeds for our safekeeping. I have returned the signed Friends Life trustee removal form to you earlier this week. I will look into the outstanding invoice with Friends Life.

Para 5: I have approved your scheme invoice and sent it today to Elaine, our bookkeeper, for payment. We didn't receive this invoice along with the returns etc when you sent them in July so apologies for the delay in payment. I note your cost for the annual running plus meeting is £1000 plus vat pa.

Para 6: We are pleased to learn there are no outstanding issues with the Regulator or HMRC.

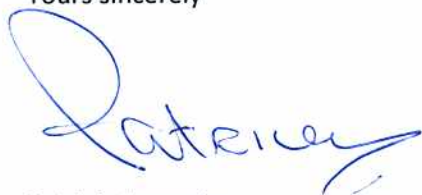
Para 7: The title number for the property owned by the Pension Scheme is SY685923. For your records I enclose a copy of the title and lease. SunTrust have all this information so it is very unhelpful of them not to have passed it to you. I note from the lease that the rent was due to increase to £17,500 from the start of the new lease on 30th April 2009. This wasn't picked up at the time so we have continued to pay £15,000 p.a. rent. **I will also raise this matter with Nikki and would appreciate if you and she could liaise to advise how we should address it.** The next half-yearly rent is due to be paid in November.

I also enclose the valuation as at 3rd August 2009, which values the property at £260,000. The report and accounts to 05 April 2011 has the market value at £190,000. Both valuations assume the property has B1 use, which is not the case at present although we will be seeking it retrospectively now that it has been in use as such for 10 years. **Again, can you and Nikki consider what we should do concerning the market valuation anomaly with respect to our reports and returns?**

Finally, concerning the matter of investment you raised in the Scheme Review I will shortly be moving pension cash to the Investec Account to benefit from the interest payable. **We are also considering other investment opportunities and would be interested to continue the discussion we had with you when we met about investment advisors.**

I look forward to hearing back from you on the matters highlighted above.

Yours sincerely



Patricia Lancaster

Cc: Nikki Spoor