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P Varley Limited Pension Scheme
Bespoke Pension Services Ltd
Daws House
33-35 Daws Lane
London
NW7 4SD

April 2014

Annual Statement and Certificate of Deduction of Tax

Summary of account for fiscal year 2013/2014

Account name		Account number
P Varley Limited Pension Scheme		42974212
Account Type as at 5 th April 2014*	Account Status	Account Balance 5 th April 2014
Pension (Share)	Open	£7,927.68

*Please note that the account type may have changed over the course of the year or reflect 5th April 2014 maturity choices

Statement for the purposes of Section 975 of the Income Tax Act 2007

Account name	Account number	Gross interest	Tax deducted	Net interest
P Varley Limited Pension Scheme	42974212	£15.23	£0.00	£15.23

PLEASE KEEP THIS CERTIFICATE

Remember, you have a legal obligation to keep records for tax purposes

- It will help you complete your income tax return (if you are under Self Assessment)
- It will be accepted by the Inland Revenue as evidence of tax deducted
- If you are a non-taxpayer (you expect your taxable income to be covered by your tax allowance) you can arrange to receive your interest with no tax deducted. You should ask your Building Society, or any Tax Office, for an R85 form. If you are eligible, complete the form and give it to the Building Society who will make the necessary arrangements



Telephone calls may be recorded to help the Society to maintain high standards of service delivery.

Bath Investment & Building Society is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and Prudential Regulation Authority, Registration No. 206026.

Bath Investment & Building Society introduces business only to Bath & City Financial Limited.

Bath & City Financial Limited is an appointed representative of City Financial Planning Limited, which is regulated by the Financial Conduct Authority, FCA No. 440633.

(RAP 0513 HP)

Notes:

- If you would like to discuss any aspect of your account, please call in at one of our branches or agencies. The Grade 1 listed nature of the Society's Wood Street branch in Bath city centre has prevented the installation of facilities that would allow wheelchair access to disabled members. The Society can offer counter facilities to wheelchair users at its Oldfield Park branch.
- For any serious concerns you may wish to raise, please write to the Society's auditors: Deloitte LLP, 3 Rivergate, Temple Quay, Bristol, BS1 6GD.
- Please notify the Society immediately in writing, accompanied by a utility bill, of any change of address.
- If you are receiving interest without deduction of income tax and you are no longer entitled to do so, please contact the Society to request a deregistration form.

If you are sent an income tax return, you must include:

- the gross amount of building society interest (before deduction of tax) paid or credited in the tax year
- the amount of tax deducted
- the net amount of interest after deduction of tax

Where the tax deducted exceeds your total tax liability (if any) you can claim this back from HMRC. Ask any Tax Office for booklet IR110 "A guide for people with savings". It explains how to work out whether you can claim tax back and, if so, how to claim.

Financial Services Compensation Scheme

Important information about compensation arrangements

We are covered by the Financial Services Compensation Scheme (FSCS). The FSCS can pay compensation to depositors if a Building Society is unable to meet its financial obligations. Most depositors – including most individuals and small businesses – are covered by the Scheme.

In respect of deposits, an eligible depositor is entitled to claim up to £85,000. For joint accounts each account holder is treated as having a claim in respect of their share so, for a joint account held by two eligible depositors the maximum amount that could be claimed would be £85,000 each (making the total of £170,000). The £85,000 limit relates to the **combined** amount in all the eligible depositor's accounts with the Building Society, including their share of any joint account, and not to each separate account.

For further information about the Scheme (including the amounts covered and eligibility to claim) please ask at your local branch, refer to the FSCS website www.FSCS.org.uk or call 020 7892 7300 or 0800 678 1100.

Getting a mortgage!

round its affordability requirements, so our processes will not have to change as much as those of other lenders. But the FCA have been very prescriptive about how all lenders meet these requirements and this prescription about how we follow these key rules will bring many changes to the Society's processes. The objective of these changes is to be welcomed across the mortgage marketplace but the devil will be in the detail.

One of the consequences of all of this new regulation is that the long established rules of thumb regarding affordability based on multiples of income will be scrapped. It is likely that following 26 April would be borrowers

Bath Building Society is now well known for being innovative and flexible

with lower incomes will find it harder to get a mortgage, whilst borrowers with higher incomes may be able to borrow more. Another consequence is that for many borrowers, it will take longer to get a mortgage. Bath Building Society is now well known for being innovative and flexible in its approach to borrowers, and one particular challenge that the new regulation presents is how to continue that stance under more prescriptive rules.

Despite all of the complexity of the new regulation, Bath Building Society has worked hard to make sure that disruption and inconvenience for borrowers looking for a mortgage will be minimised and the message is very much one of "business as usual".

To find out more about our mortgages and our approach to these new rules call **Ben Hutchings** or **Magda Reglewska** on **01225 475702**

We're different
because you are

Head Office:
15 Queen Square,
Bath BA1 2HN.

Investment enquiries:
Telephone:
01225 423271
Fax:
01225 446914
Email:
support@bibs.co.uk

Mortgage enquiries:
Telephone:
01225 475702
Fax:
01225 424590
Email:
mortgages@bibs.co.uk

Web:
www.bathbuildingsociety.co.uk

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We're different because you are

Up close and personal

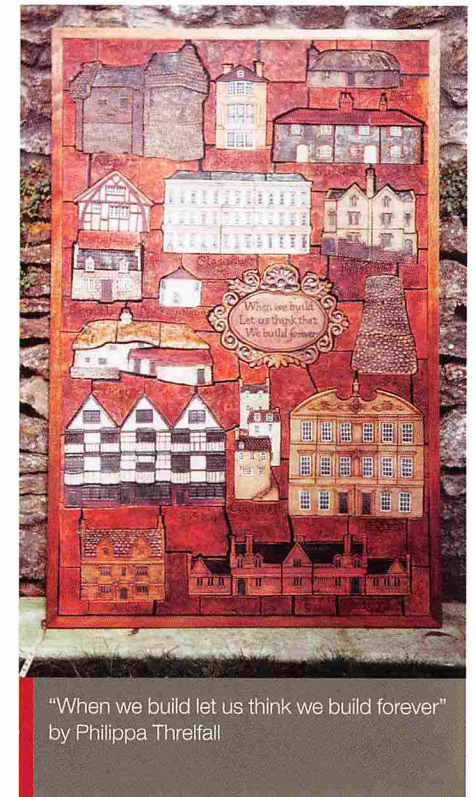
April 2014

Murals and Mutuals

In the foyer of Bristol & West's head office, where I used to work many years ago, there was one of those beautiful ceramic murals by Philippa Threlfall that graced many a West Country building. It bore an inscription which read "When we build, let us think that we build forever". Looking round at everything that we seem to make today; cars, houses, furniture, this sentiment could be said to have fallen out of fashion. Everything seems to be "cost engineered" to deliver an appealing product which will sell today with little thought about longevity. It's a symptom of an impatient 'have it all now' culture that is part and parcel of a consumerist society. Maybe I'm just getting old, but I genuinely wonder about how many of the homes that we build today will be standing in 300 or 400 years' time? Not many, I suspect.

I come across people from time to time who don't "get" how Building Societies work, and they assume that as Chief Executive of the Society I own some or most of the shares. Of course, the Society is owned by its many thousands of Members, and unlike many business owners I am not therefore looking for an "exit strategy" in which I maximise the value of the business, sell up, make a killing and retire to one of those lovely 17th century homes that I have been wistfully talking about.

Because of their ownership structures, Mutuals are run differently to other businesses. I regard myself as a steward of a business which has a proud and illustrious past and I regard it my >>



"When we build let us think we build forever"
by Philippa Threlfall



Bath Building Society

We're different because you are

job to make sure it has a proud and illustrious future. Not just next year, or in five years' time but 50 or even in a flight of fancy, 500 years' time. It would, indeed, be a remarkable financial institution that lasted 500 years (although the world's oldest surviving bank, the Banca Monte dei Paschi di Siena in Italy is 642 years old and counting!). Of course, we have to balance short term and long term goals but we do run

we have to be profitable
to be sustainable

this business to a different timeframe to your average bank. That's one of the intangible benefits of mutuality. It goes without saying that we have to be profitable to be sustainable, but we are not obsessed by the quick buck. This approach does take some faith in the future, a level of patience and a willingness to accept a different time horizon. Our plan is to be here meeting the needs of our Customers in the local area and beyond for many years to come, even if that means taking a slower and steadier path than others may choose.

I like to think of that wonderful tree, the Cedar of Lebanon which you see in the parks of country estates with its horizontal (I think the horticultural expression is "tabular" or table-like) branches and foliage. These things are truly beautiful, but if you plant one, you have to accept that you won't see it mature in your lifetime. Rather, it will take 100-150 years to become impressive and 200 years or more to become spectacular. Once again we have the Victorians to thank for planting these trees in numbers in Britain, and many of the trees planted early in the 19th century in that great age of botanical adventurism are now magnificent. I draw the analogy because many Building Societies are the invention of the Victorian age and like many things of that era, built to last. It is a sad reflection that those Building Societies which "demutualised" and became banks in the 1990's; impatient to grow too big, too fast, are now, every single last one of them, defunct or a shadow of their former selves. Including, most sadly of all, the Bristol & West.



Written by
Dick Jenkins
Chief Executive

The least boring budget in years

The Chancellor pulled a few rabbits out of his red despatch case this year, particularly for savers and those approaching pension age. One of the key changes was the introduction of the "new ISA" in which up to £15,000 can be deposited in a tax-free Cash ISA, a huge increase on the current allowance of £11,880 of which only half can be invested in a Cash ISA. These changes will come into effect from 1 July 2014 and Bath Building Society will be allowing any customers who invest up to the current maximum at the start of the new tax year to top up to the new £15,000 limit throughout the year as they wish.

For low earners, including some part time workers, there are other changes in the budget which will mean that they will pay less tax on their savings. These will be very welcome changes for savers, but the most dramatic changes come for those approaching retirement who will have much more flexibility in the way they will be able to draw down their pensions. We predict that this might change the financial options for many people in their 50s and early 60s and we envisage an increase in the number of people who could benefit from Independent Financial Advice.



A small deposit? We can help.

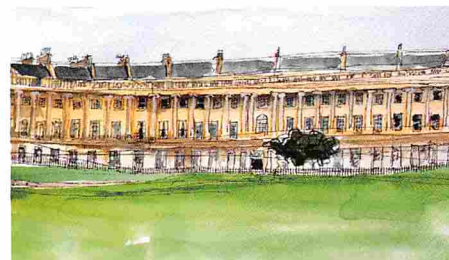
Bath Building Society has long been active and innovative in helping First Time Buyers onto the property ladder. The Society has now launched a mortgage in which it will lend up to 95% of the value of the property requiring a deposit from the customer of only 5%.

This is very like the Government's Help to Buy scheme which has been widely publicised, but instead of using the Government's insurance arrangements, the Society has teamed up with Genworth, a private insurer.

This insurance is designed to protect the Society in the event of the loan going bad, and the property being repossessed and sold at a lower value than the original mortgage plus any accumulated arrears. Happily such situations are very rare in the Society's experience but it is prudent to plan for all

eventualities. The cost of the insurance is included within the rate for the mortgage. Steve Matthews, Head of Mortgages, explains: "This mortgage is for those people who want to get onto the property ladder but who realistically are not going to be able to save up a large deposit. A 20% deposit on a property worth £200,000 is £40,000 and that is practically impossible for a couple each earning average incomes to save. By the time that such a couple have saved that kind of sum, it's likely that property prices would have hiked up again. We've long had mortgages available where the Bank of Mum and Dad can step in to help, but with this 95% mortgage we can help people who don't have well-off parents to fall back on."

If you would like to discuss this kind of mortgage, call **Ben Hutchings** or **Magda Reglewska** on **01225 475702**.



Have you voted yet?

If you have received the AGM pack by post or online then you are entitled to vote. The Society donates 50p for every voting form received to Dorothy House which is a hospice near to Bath. You can also vote online and save the planet! Go to the Bath Building Society website at www.bathbuildingsociety.co.uk

Our Annual Charity Awards

We held our Charity Awards again in 2013 for the seventh year and we had **another record year** of entries from all sorts of deserving charities and community groups.

Seven organisations from the local area shared £5,500 from the scheme, plus a further three organisations received a pair of Bath Building Society hot air balloon tickets which can be used to raise funds. Chief Executive, Dick Jenkins said: "I am really pleased that since we launched the Awards seven years ago the number of applications has increased year on year and last year was no different! Through the programme we aim to help as many community groups and charities as possible". One of the projects benefitting from an award of £1,500 last year was the Zenith Youth Theatre Group based in Bath. It is a theatrical society run entirely by volunteers and has a 'no audition to join' policy for all young people aged between 13 and 21 who demonstrate an enthusiasm and commitment to the group's aim of musical theatre to the highest standard. Chris Jones the Chair of the Zenith Youth Theatre Group, said: "Winning £1,500 in our golden anniversary year marked a significant milestone for Zenith Youth Theatre Company. The money given to us by Bath Building Society has gone towards sound and lighting equipment at our rehearsal venue, St Marks Community Centre in Widcombe. The equipment will be available to other users of the centre and will enable groups to stage mini plays, dance and professional presentations with quality sound and lighting. This will benefit all members of the local community for many years to come".

The Charity Awards 2014 will open in May.