

SUMMARY FUNDING STATEMENT 2024

If you're a member of the **Everards Brewery Limited Pension Fund** (the "Fund") then you're in the right place. This funding statement is just for you!

It's an important document - it lets you know how the Fund is doing financially.

Why is it important?

It is important because the Fund's financial health could affect the benefits you receive.

The Fund must have a full financial check (called a valuation) from an independent expert (called an actuary) at least every three years. The actuary also has to carry out annual funding updates. As the Trustees of the Fund, we are required by law to send you a summary funding statement to tell you about the results each year.

How is the Fund doing?

The last full valuation looked at the funding position as at 30 September 2022 (the "2022 valuation"). The last annual funding update took place as at 30 September 2023 (the "2023 update") and is shown for comparison. A further annual funding update has taken place as at 30 September 2024 and this is also shown to give you a more up to date position.



Assets

The money the Fund has now.

2024 update	£40.5m
2023 update	£40.4m
2022 valuation	£44.3m

The Fund's assets have slightly increased from the 2023 update to the 2024 update due to positive return on the Fund's assets, which more than covered payments out of the Fund for benefits and expenses.



Liabilities

The estimated cost of providing the promised benefits – now and in the future.

2024 update	£39.3m
2023 update	£38.8m
2022 valuation	£44.6m

The calculation of the liabilities assumes that the Fund will continue until all future benefits due are paid.

It's an estimate because it depends on assumptions about what will happen in the future, such as the investment return that will be earned on the Scheme's assets and how long members will live for.



Surplus / shortfall

The assets minus the liabilities.

2024 update	£1.2m surplus
2023 update	£1.6m surplus
2022 valuation	£0.3m shortfall

The funding position over the year to 30 September 2024 has slightly reduced. The key reasons for the slight reduction in the funding level are the fall in gilt yields that resulted in an increase in the value placed on the past service liabilities, along with the expenses paid from the Fund over the year. However, this has been partially offset by the positive return on the Fund's assets, as a result of the fall in gilt and corporate bond yields, as well as a reduction in long term inflation expectations

From April 2023, it was agreed that the Company would not pay any contributions to the Fund as the deficit was expected to have been removed.



Funding level

The assets as a percentage of the liabilities.

2024 update	103%
2023 update	104%
2022 valuation	99%

You should note that despite the fall in the value of the assets and liabilities, the actual benefits you have earned and will receive when you reach retirement have not fallen – in fact they will now be bigger than last year due to the ongoing high levels of short term inflation.

Another legal requirement for the Fund...

As part of the valuation, the actuary also has to work out the funding level assuming the Fund doesn't continue, and all the promised benefits are secured ("bought out") by transferring the obligation to pay them to an insurance company.

This kind of funding level (called the buy-out funding level) is usually a lot lower than the funding level worked out if we assume the Fund carries on (like the funding level shown on the first page). This is because insurance companies have to invest in 'low risk' assets and they also have to hold reserves to demonstrate they have enough money to pay out the benefits even in worst case scenarios. This makes buying-out benefits expensive.



Assets

The money the Fund has now.

2022 valuation
£44.3m



Buy-out cost

The cost of securing benefits with an insurance company.

2022 valuation
£47.6m



Shortfall against "buy out" cost

The assets minus the buy-out cost.

2022 valuation
£3.3m shortfall



Buy-out funding level

The assets as a percentage of the buy-out cost.

2022 valuation
93%

So how secure is my pension?

The Trustees aim to have enough money to pay pensions and other benefits to members as they are due. Our aim is for there to be enough money in the Fund to pay pensions now and in the future, but this depends on the Company carrying on in business and continuing to support the Fund. Although it appears highly unlikely in the foreseeable future, if the Company were to go out of business or decide to stop paying for the Fund, it must pay the Fund enough money to buy all the benefits built up by members from an insurance company if it can afford to. This is known as the Fund being "wound-up". At the 2022 actuarial valuation date, the Fund did not have sufficient money and so this would have required a further contribution from the Company in this situation.

In addition, to help members in this situation, the Government set up the Pension Protection Fund (PPF). The pension you would receive from the PPF if the Fund did go into it depends on your age and when your benefits were earned. Further information and guidance is available on the PPF website at www.ppf.co.uk - or you can write to the Pension Protection Fund at this address: *PO Box 254, Wymondham, NR18 8DN.*

Including this information doesn't mean that the Company or the Trustees are planning to wind up the Fund, rather we are required by law to give you this information. As noted to you in the past, we have been exploring the option of securing members' full benefits with an insurance company. However, the price quoted to us was too high and so we have decided not to proceed for now, but will keep monitoring the position.

We are also required to confirm that there have not been any surplus payments from the Fund to the Company since the last funding statement and the Pensions Regulator has not had to intervene to change the way benefits build up, the way valuations are worked out, or the way any funding shortfall is being met.

Please note: Benefits are determined by the Rules of the Fund. If there is any conflict between the information in this Summary Funding Statement and the Rules, the Rules (as amended from time to time) will be overriding. If you have any questions or would like a copy of the Rules, please contact Anne-Marie Hawkins using the details below.

Where can I get more information?

If you have any questions, or would like any more information, please contact Anne-Marie Hawkins by telephone on 07701 377173, by email at anne@everards.co.uk or by post via Cooper Way, Everards Meadows, Leicestershire, LE19 2AN.

We'll send you a summary funding statement when we have updated information on the Fund's finances to share with you - if you change address, please let us know by contacting Anne-Marie.

**Issued on behalf of the Trustees of the
Everards Brewery Limited Pension Fund**