STATUTORY INSTRUMENTS

2016 No. 229

PENSIONS

The Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) (Amendment) Regulations 2016

Made - - - -	*24th February 2016*
Laid before Parliament	*1st March 2016*
Coming into force - -	*1st April 2016*

The Secretary of State for Work and Pensions makes the following Regulations in exercise of the powers conferred by sections 41(1), 124(1) and 174(2) and (3) of the Pensions Act 1995(**1**).

In accordance with section 120(1) of the Pensions Act 1995, the Secretary of State has consulted such persons as the Secretary of State considers appropriate.

Citation and commencement

1. These Regulations may be cited as the Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) (Amendment) Regulations 2016 and come into force on 1st April 2016.

Amendment of the Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996

2.—(1) The Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996(**2**) are amended as follows.

(2) In regulation 2 (requirement of trustees or managers to obtain documents)—

(a) in paragraph (1) for "(2A) and (2B)" substitute "(2B) and (2C)";

(b) in paragraph (2B)(b) omit "(j),"; and

(c) after paragraph (2B) insert—

"(2C) The requirement to obain an auditor's statement in accordance with paragraph (1)(b) does not apply in relation to a scheme for a scheme year in which, on the first day of that scheme year, the scheme has at least 20 participating employers.".

(**1**) 1995 c. 26. Section 124(1) is cited for the meaning it gives to "prescribed" and "regulations".
(**2**) S.I. 1996/1975. Relevant amending instruments are S.I. 1997/3038, 2005/2426, 2006/778 and 2013/2743.

(3) In regulation 3(a) (form and content of the accounts audited by the auditor) for "the Schedule to these Regulations" substitute "regulation 3A".

(4) After regulation 3 insert—

"**Information to be included in the accounts audited by the auditor**

3A.—(1) The information specified for the purposes of regulation 3(a) is as follows.

(2) Particulars of any investment (other than in UK Government securities) in which more than 5 per cent. of the total value of the net assets of the scheme is invested and, if any such investment is an insurance policy, a statement of its main characteristics.

(3) Except in relation to a trust scheme that applies to earners in employments under different employers, where the scheme has employer-related investments within the meaning of section 40(2)(**3**) of the Pensions Act 1995 (restriction on employer-related investments), a statement—

(a) as to the percentage of the scheme's resources invested in such investments at the end of the scheme year; and

(b) if that percentage exceeds 5 per cent., as to the percentage of the scheme's resources which are investments to which regulation 13 of the Occupational Pension Schemes (Investment) Regulations 2005(**4**) (investments to which restrictions do not apply) applies.

(4) Where the scheme is a trust scheme that applies to earners in employments under different employers, a statement in accordance with paragraph (3) or a statement—

(a) listing the 100 largest investments by value held by the scheme at the end of the scheme year and stating what percentage of the resources of the scheme each such investment represents;

(b) identifying which of the investments mentioned in sub-paragraph (a) are employer-related investments;

(c) if, as at the end of the scheme year, more than 5 per cent. of the resources of the scheme are invested in employer-related investments in contravention of section 40(1) of the Pensions Act 1995, listing the employer-related investments and the employer concerned.

(5) The total amount of the purchases and the total amount of the sales of investments during the scheme year to which the accounts relate.

(6) A statement whether the accounts have been prepared in accordance with the relevant financial reporting framework applicable to occupational pension schemes current at the end of the scheme year to which the accounts relate and, if not, an indication of where there are any material departures from this framework.

(7) In paragraph (4), "employer-related investments" has the same meaning as in section 40(2) of the Pensions Act 1995 but as if the following words were omitted from subsection (2)—

(a) in paragraph (a) "or by any person who is connected with, or an associate of, the employer"; and

(b) "or any such person" in each place where they occur.".

(5) The Schedule is revoked.

(**3**) Section 40 was amended by section 319(1) of, and paragraph 51 of Schedule 12 to, the Pensions Act 2004 (c. 35) and by S.I. 2001/3649 and 2004/355.

(**4**) S.I. 2005/3378. Regulation 13 was amended by S.I. 2006/778, 2009/615 and 2010/2161.