

ASSET LIABILITY STUDY (COMPREHENSIVE)

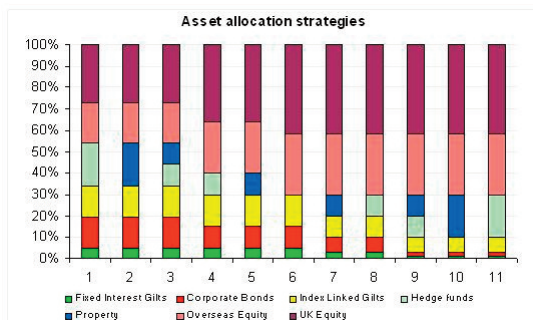


THE STUDY AND REPORT

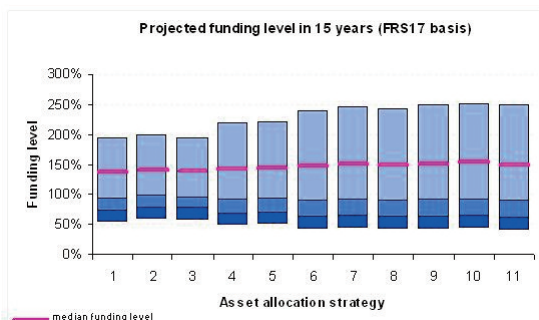
An asset liability study is used as a tool for understanding the impact of investment decisions on a scheme's funding level and contributions.

The comprehensive asset liability study provides more detailed results than the standard study by using more sophisticated projection models. A set of assumptions about mortality, leavers, joiners, economic factors, asset returns and how these returns are correlated is used. The report covers the following:

- projections on two valuation bases (eg ongoing basis and FRS17)
- projections on the scheme's current asset allocation and up to 10 alternate asset allocation strategies which can include alternative asset types such as hedge funds and property



- the projected funding level and the projected surplus/ deficit as at the next actuarial valuation and as at 15 years (or such other term identified by the trustees) expressed in terms of ranges representing likelihoods of outcome
- the format of the reporting to the trustees is a Presentation Report, which includes the assumptions, asset allocation strategies, results and relevant commentary.



WHO WOULD FIND THIS SERVICE USEFUL?

Trustees and sponsoring employers of Defined Benefit ("Final Salary") pension schemes who have recently received an actuarial valuation and wish to review the impact of possible changes to the asset allocation of the scheme.

HOW LONG DOES THIS PROCESS TAKE?

The length of time taken will depend on the availability of the latest actuarial report. In order for us to use data and assumptions consistent with the actuarial valuation we would expect close contact with the scheme actuary. The estimated timescale following receipt of the necessary data and agreement of objectives is 10-13 weeks.

CHARGES

The cost of the service is calculated on a time-spent basis. A guide fee based on our experience of similar work we have undertaken can be provided upon request.

BWCI GROUP

Established in 1979 the BWCI Group is the largest group of actuaries and consultants in the Channel Islands with over 100 staff encompassing a wide range of disciplines.

The BWCI Group is a member of Abelica Global, the international network of leading independent actuarial firms.

FURTHER INFORMATION

For further information on this and other investment services provided by the BWCI Group please contact invservices@bwcigroup.com, or visit our website at www.bwcigroup.com.



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because we are focused on our clients' needs and provide a service to suit their individual requirements.

Practical

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