

# The Law Society of Ireland Defined Contribution Plan Trustee Annual Report

1 January 2017 to 31 December 2017

## Plan Details

Plan Name	The Law Society of Ireland Defined Contribution Plan
Plan Number	G008920A
Employer Name	The Law Society of Ireland
Name(s) of trustee(s) during Plan year	Mary Ann McDermott, Mary Devereux, Michael Quinlan, Philip Joyce, Rory O'Neill, Simon Murphy
Name(s) of trustee(s) at date of this Report	Mary Ann McDermott, Philip Joyce, Rory O'Neill, Simon Murphy

## Introduction

The trustee(s) are pleased to present the Annual Report for the year ended 31 December 2017. This Report is issued under the Occupational Pension Schemes (Disclosure of Information) Regulations, 2006. S.I. No. 301 of 2006 (as amended).

The Plan is established under a trust and is governed by the Trust Deed and Rules. The Plan is a Defined Contribution Plan for the purposes of the Pensions Act 1990 (as amended) and is registered with the Pensions Authority, as required by Section 60 of the Pensions Act. The registration number is **PB265435**.

There have been no changes in the basic information relating to the Plan during the above Plan year.

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### Contribution Details

The following table sets out the contribution(s) received by the Plan from 1 January 2017 to 31 December 2017:

	<i>Employer's Contribution(s)</i>	<i>Member's Normal Contribution(s)</i>	<i>Additional Voluntary Contribution(s)</i>	<i>Total</i>
Regular Contribution(s)	€48,966.00	€24,483.00	€0.00	€73,449.00
Single Contribution(s)	€0.00	€0.00	€34,562.00	€34,562.00
<i>Total</i>	<b>€48,966.00</b>	<b>€24,483.00</b>	<b>€34,562.00</b>	<b>€108,011.00</b>

### Payment of Contributions Due

Based on the information available to New Ireland Assurance Company plc, the contributions due to be paid were received and invested by the trustee(s) within 30 days of the end of the Plan year and in accordance with the Plan Rules.

The trustee(s) confirm that they have appropriate procedures in place to ensure that:

- a) contributions payable during the Plan year have been received by the trustee(s) on time in accordance with Section 58A of the Pensions Act 1990 (as amended), and otherwise within 30 days of the end of the scheme year, and
- b) contributions payable have been paid in accordance with the rules of the Plan.

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### Investment Details

The Plan's resources are invested by means of a Group Retirement Plan policy in the following investment fund(s):

IRIS Retirement Fund 2021 (6)  
Indexed All Equity Fund (6)  
Indexed Eurozone Long Bond (6)  
Passive IRIS 2029 (6)  
Passive IRIS 2037 (6)  
Passive IRIS 2038 (6)  
Passive IRIS 2039 (6)  
Passive IRIS 2041 (6)  
Passive IRIS 2042 (6)  
Passive IRIS 2043 (6)  
Passive IRIS 2044 (6)  
Passive IRIS 2045 (6)  
Passive IRIS 2047 (6)  
Passive IRIS 2049 (6)  
Passive IRIS 2058 (6)  
Pen Passive Multi-Asset 6  
Pension Cash Fund (6)

There has been no self investment of the resources of the plan.

An Investment Report which forms part of this Annual Report is attached.

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### Member Details

The following table sets out the number of members in the Plan:

<b>Movements</b>	<b>Active Members</b>	<b>Deferred Members</b>	<b>Death-In-Service Only Members</b>	<b>Persons in Receipt of Benefits</b>
Start of this Plan Year	17	1	0	0
New Members During Year	8	2	0	0
Leavers During Year	2	0	0	0
End of Plan Year	23	3	0	0

### Pensions / Pension Increases

There were no increases made to pensions in payment or benefits payable following termination of a member's service in relevant employment.

There are no pensions or pension increases being paid by or at the request of the trustee(s) for which the Plan would not have a liability should it wind up.

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### Internal Dispute Resolution Procedure

If any member feels they have suffered financial loss as a result of maladministration of the Plan they may make a complaint in writing to the trustee(s) of the Plan. The trustee(s) will review the complaint and make a decision on the matter. If the member is unhappy with the trustee(s) decision the member may make an appeal to the Financial Services and Pensions Ombudsman (FSPO). Further information on the Internal Dispute Resolution Procedure is available from the trustee(s).

### General Information

The trustee(s) and administrator of the Plan, through New Ireland Assurance Company plc, have access to:-

- The Trustee Handbook produced by the Pensions Authority;
- The Guidance Notes issued by the Pensions Authority from time to time, in accordance with Section 10 of the Pensions Act 1990 (as amended).

The trustee(s) have received trustee training as required by s59AA of the Pensions Act 1990 (as amended).

No trustee training costs have been paid out of the resources of the Plan during the period covered by the Report.

The Plan has not been audited.

This Report has been prepared by New Ireland Assurance Company plc for, and on behalf of, the trustee(s) of the Plan.

### Statement of risks

The risks associated with this Defined Contribution Plan include the fact that the benefits are dependent on the level of contributions paid, the investment returns achieved, the charges associated with the Plan and the cost of buying annuities (pensions) at the time of retirement.

### Contributions

- The level of pension contributions agreed may not continue to be paid to the Plan or could prove to be insufficient to provide the member's required level of retirement income.

Factors that mitigate this risk for the trustees and the members are:

- The Trustee Annual Report includes a breakdown of the contributions actually paid during the Plan year which enables the trustees to reconcile the contributions due against those paid during the Plan year
- To assist members in planning for retirement a member benefit statement is issued which provides information on the contributions received and invested, the current value and projected benefits at retirement
- Benefits at retirement may be supplemented through the payment of additional voluntary contributions (AVCs) by the members while still in employment
- The employer is required to remit contributions due to the Plan within 21 days of the end of the month following the deduction (due date). Failure to remit may result in the trustee or registered administrator making a report to the Pensions Authority

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## Trustee Annual Report

### Investment risk

The trustees' objective is to make available to members of the plan an appropriate range of investment options which will be suitable for the funding of retirement benefits and on retirement will provide an amount with which the member can purchase an annuity or other type of retirement product.

Members are able to choose their own investments from the range of funds offered by the trustees and therefore may face a different profile of risks from their individual choices compared with the plan as a whole.

Investment risks include the risk that:

- The value of the investment may go down as well as up
- Net investment growth may be lower than expected due to poor performance of the investment markets and as a result the fund available at retirement to provide the members with benefits may be lower than estimated
- Investment returns may be lower than inflation resulting in reduced purchasing power at retirement for members
- The plan's investments are subject to indirect foreign exchange, interest rate and other price risks arising from the underlying financial instruments held in the funds managed by the investment managers

Factors that mitigate this risk for the trustees and the members are:

- The trustees will determine their investment strategy after taking advice from a professional investment adviser
- The trustees will receive an investment report. Through reviewing this the trustees will be made aware of the composition and investment performance of the funds in which they invest. The trustees can also access information on the performance of the investment fund(s) on the New Ireland Assurance Company plc online investment fund centre <http://fundcentre.newireland.ie>
- Where members are provided with member investment choice and the option to select from a range of funds a member can and should request information on these funds from the trustees before making an investment decision
- A copy of the Trustee Annual Report (including Investment Report) will be made available to the members and, in addition, each member will be provided with a member benefit statement. Through reviewing this documentation members will be made aware of the composition and investment performance of the funds in which they invest

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## Trustee Annual Report

### **Credit risk**

Plan assets are subject to direct credit risk in relation to New Ireland Assurance Company plc through its holding in unit linked insurance funds provided by New Ireland Assurance Company plc.

Plan assets are subject to indirect credit and market risk arising from the underlying investments held in the investment funds.

Member level risk exposures will be dependent on the funds invested in by members.

Factors that mitigate this risk for the trustees and the members are:

- Direct credit risk arising from pooled investment vehicles is mitigated by the underlying assets of the pooled arrangements being ring-fenced from the investment manager, the regulatory environments in which the pooled managers operate and diversification of investments amongst a number of pooled arrangements.
- The trustees have invested the pension contributions in a unit linked policy with New Ireland Assurance Company plc. New Ireland Assurance Company plc is regulated by the Central Bank of Ireland. A member of Bank of Ireland Group.

### **Annuities**

- Annuity rates are determined by a number of factors including the yield on long dated government bonds and projected life expectancy, as a result, annuity rates at the date of retirement may be lower than expected and the retirement income may be lower than anticipated

Factors that mitigate this risk for the trustees and the members are:

- The rules of the Plan allow for an "open market option" this means that the trustees (on behalf of the member) have a choice of using any insurance company operating in the market, regardless of where the pension fund was invested
- As an alternative to annuity purchase the members have additional retirement options including the option to invest in an approved (minimum) retirement fund (ARF)
- The trustees or members may consider investing their pension contributions in an investment fund that is designed to match the cost of buying an annuity at retirement.

In addition the following risks have been identified:

### **Taxation or other legislative changes**

The Plan and the benefits payable under it are based on current legislation, including current taxation legislation. Any changes in legislation may affect the level or type of benefits a member may receive and how benefits are taxed.

The introduction of the temporary government levy on pension funds in 2011 is an example of such a change.

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### **Administration**

The accuracy of the information contained in the Plan documentation, Trustee Annual Report and member benefit statements, is dependent on the quality of the member data provided to the registered administrator and the administration service provided by the registered administrator.

The trustees have appointed New Ireland Assurance Company plc as the registered administrator for the Plan. The trustees have in place procedures to monitor the administration of the Plan.

The trustees are satisfied that they are taking all reasonable steps including the use of professional advisers and administrators to reduce the effect of the risks associated with the Plan. However, it is not possible to guard against every eventuality and it is necessary to take some investment risk and other risks in order to manage the affordability of the Plan benefits and the capacity of the employer to meet this commitment.

In closing, the trustees have invested the pension contributions in an insurance policy with New Ireland Assurance Company plc which is held separate from the assets of the employer. Should the employer cease to trade or cease contributing to the Plan then the pension monies will be available to the members in accordance with the pension Plan rules. The insurance policy is issued by New Ireland Assurance Company plc, one of the leading life assurance and pensions companies in Ireland.



**The Law Society of Ireland Defined Contribution Plan**  
**Trustee Annual Report**  
**Valuation Report**

Under Section 56(2A) of the Pensions Act 1990 (as amended), the trustee(s) of the Plan have caused this valuation report to be prepared setting out the liabilities of the Plan as at the last day of the Plan year. The benefits provided by the Plan are secured by a policy of assurance and the Plan is only liable for the benefits provided by that policy.

As at the 31 December 2017 the Plan's liabilities amounted to €737,610.00 which was the current value of the policy of assurance assuming the Plan wound-up as at that date. This value is not guaranteed and will go up and down with investment returns.

The Law Society of Ireland Defined Contribution Plan  
Trustee Annual Report

**Enquiries**

Enquiries about the Plan generally or about an individual's entitlement to benefit should be addressed to:-

Ms. Rowena Bottrill

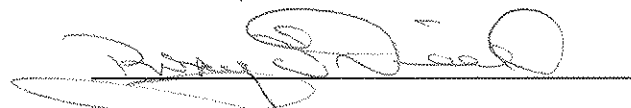
The Law Society of Ireland  
Blackhall Place  
Dublin 7

Signed by and on behalf of the trustee(s)

Trustee

  
Date: 26<sup>th</sup> September 2018  
MARY ANN Mc DERMOTT, PENSION TRUSTEE

Trustee

  
Date: 27 September 2018  
ROARY O'SULLIVAN, PENSION TRUSTEE

This Report should be signed and dated by two trustees on behalf of the trustees of the Plan.