



## ENSIGN RETIREMENT PLAN

FINAL ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD FROM 1 APRIL 2022 TO 26 SEPTEMBER 2023

Registered number 12011384

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## TRUSTEE AND ADVISERS

### TRUSTEE

Ensign Retirement Plan Trustees Limited

### ADMINISTRATOR AND INVESTMENT MANAGER

Scottish Equitable plc (trading as Aegon)

### AVC PROVIDERS

Utmost Life and Pensions Ltd  
Standard Life Assurance Company

The AVCs were transferred to the Merchant Navy Officers Pension Fund on 16 June 2022

### INDEPENDENT AUDITOR

Armstrong Watson Audit Limited

### BANKERS

National Westminster Bank Plc

### SECRETARY TO THE TRUSTEE

Rock Strategic Consulting Ltd

### SOLICITORS

Sackers & Partners LLP

### REGISTERED OFFICE OF TRUSTEE

c/o BDO LLP, 31 Chertsey Street, Guildford, Surrey, England, GU1 4HD

### ENQUIRIES

**Member Enquiries:** Any enquiries from members related to matters and administration until 7 June 2023 should be addressed to Aegon Workplace Investing, Sunderland, SR43 4DH or by email to [my.pension@aegon.co.uk](mailto:my.pension@aegon.co.uk)

Any enquiries from members related to matters following the bulk transfer to Smart Pension on 7 June 2023 should be referred to Smart Pension: -

Telephone: 0333 666 26 26

E-mail: [member@smartpension.co.uk](mailto:member@smartpension.co.uk)

Address: The Smart Building, 136 George Street, London, W1H 5LD

**Employer or General Enquiries:** Enquiries from participating employers or all other general enquiries related to matters until 7 June 2023 should be directed to the Scheme Secretary at [enquiries@ensignretirementplan.co.uk](mailto:enquiries@ensignretirementplan.co.uk)

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## TRUSTEE'S REPORT

### INTRODUCTION

The Trustee presents its final report on the Ensign Retirement Plan ("Ensign"), together with the audited financial statements (the "Financial Statements") for the period from 1 April 2022 until 26 September 2023.

### CONSTITUTION OF THE PLAN

The Ensign Retirement Plan was a trust-based pension scheme, governed by a corporate trustee, Ensign Retirement Plan Trustees Limited ("the Trustee"), in accordance with the Trust Deed and Rules executed on 21 May 2015. The purpose of Ensign was to provide money purchase pension benefits to individuals working for employers connected to the maritime industry. The Trustee held funds on trust on behalf of the members and paid benefits to the members in accordance with the Trust Deed and Rules.

### THE TRUSTEE

The Trustee's Articles of Association provides there to be between four and eight Directors, one-half of whom are to be member-nominated directors, and one-half of whom are to be employer-nominated directors.

Directors are appointed, re-appointed and removed in accordance with the Trust Deed and Rules of Ensign and the Trustee's adopted appointment policy which ensures an "open and transparent" process. All directors are, therefore, "non-affiliated" for the purposes of the Occupational Pension Schemes (Charges and Governance) Regulations 2015. There were six Directors at all times during the reporting period.

Mr. R Murphy (Chair)\*

Mr. O Tunde (Vice-Chair)+

Mr. J McGurk\*

Mr. M Dickinson+

Mrs. V Milne\*

Mr. M Gray+

\* Employer-Nominated Director

+ Member-Nominated Director

During the reporting period, the Trustee met on thirteen occasions.

### BULK TRANSFER

In July 2022, the Trustee determined that the Ensign Retirement Plan should be wound up such that Triggering Event 8 occurred and that, as a result, a "Termination Event" was deemed to have occurred in accordance with Rule 17.1(1) of the Plan Rules but in accordance with Rule 17.1(2) that the Plan would continue to operate as was for the time being and no active members would be treated as having left service as a result of the Termination Event (such that all active members remained in pensionable service after the Termination Event until otherwise decided by the Trustee) and that any wind-up would be deferred.

The Pensions Regulator ("TPR") was informed on 25 July 2022 that a triggering event had occurred, and that Ensign would be pursuing Continuity Option 1, with a bulk transfer to the Smart Pension Master Trust ("SPMT") to follow in line with Ensign's implementation strategy, which was also submitted to TPR.

On the 28 September 2022, TPR approved the implementation strategy and following completion of the prescribed regulatory steps, all Ensign member assets were transferred to SPMT by 30 June 2023.

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## TRUSTEE'S REPORT (CONTINUED)

### PLAN WIND UP

On the 20 June 2023, the Trustee decided that the winding up of Ensign could commence and TPR was formally notified that winding-up had commenced on the same date. The Trustee intends to complete the wind-up process by 26 September 2023.

### CUSTODY

Until the transfer to SPMT, Ensign's assets were held on a day-to-day basis under custody arrangements managed by Aegon.

### IN-PLAN DRAWDOWN

From 4 January 2019, the Trustee introduced a drawdown arrangement for members of Ensign. Until the transfer to the SPMT, this operated within the legal framework of Ensign and allowed members to draw income from crystallised funds, whilst continuing to make contributions to their existing retirement accounts.

### MASTER TRUST ASSURANCE FRAMEWORK

Ensign obtained master trust assurance as at 31 March 2023, thereby demonstrating that the control procedures, governance and administration arrangements were suitable, effective, and met the independent standards set out by the ICAEW in the master trust assurance framework. The latest Type 2 Assurance report, covering the period from 1 April 2022 to 31 March 2023, was signed by the Trustee on 20 June 2023 and is available on Ensign's website.

### MASTER TRUST AUTHORISATION AND SUPERVISION

The Pension Schemes Act 2017 and the Occupational Pension Schemes (Master Trusts) Regulations 2018 introduced a requirement for master trusts to be authorised and supervised by TPR in order to operate. Master trust authorisation helps ensure that master trust pension schemes continue to run in the best interests of their members. Ensign has obtained this authorisation from the TPR, having demonstrated that it meets all of the criteria set out in the regulations, and will remain subject to ongoing supervision by TPR to ensure Ensign continues to meet the authorisation criteria until wind-up is completed, and Ensign is deauthorised.

### SUPERVISION OVER TRIGGERING EVENT PERIOD

Since TPR approved the implementation strategy, Ensign has been subject to, and complied fully with, additional supervision requirements involving the filing of regular progress reports with TPR.

### RISK MANAGEMENT

The Trustee has overall responsibility for risk management and internal controls. It is committed to identifying, evaluating and managing risk through the implementation and maintenance of control procedures to mitigate significant risks. A risk register, which takes into account the strategic objectives identified by the Trustee, is maintained to:

- highlight the risks to which the Plan is exposed;
- assess those risks in terms of likelihood and impact; and
- identify actions that are either currently being taken, or that the Trustee considers should be taken, in order to mitigate the identified risks.

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## TRUSTEE'S REPORT (CONTINUED)

### CONTRIBUTIONS

Contributions were received from employers on a monthly basis until 31 March 2023. Unless otherwise agreed with the Trustee, members paid a minimum of 4% of pensionable salary and employers a minimum of 6%, giving a total joint minimum rate of 10%. Some employers and members voluntarily paid a higher rate of contributions, on a 1:1 matching scale to 8% member and 10% employer.

All members' and employers' contributions were invested in the members' individual retirement accounts. On joining Ensign, members' retirement accounts were wholly invested in the Aegon BlackRock LifePath Flexi Fund, although members had the option to invest some or all of their retirement account into one or more alternative investment funds. Members incurred an annual management charge on the value of their funds under management which, for members in the default investment fund, was 0.31% during the plan's reporting period. Further information concerning the investment funds and charges are detailed on page 8.

Until 31 March 2023, members could make Additional Voluntary Contributions ("AVCs") to Ensign which were invested in the same way as ordinary contributions in the members' retirement account.

Until contributions ceased on 31 March 2023, during the year, the Trustee received 33 late payments of contributions totalling £193,224 (including £10,754 of additional employer and member contributions), which were between 1 and 140 days late. These late payments were mainly due to issues with the employers' internal processes for submitting contributions. All late payments were queried with the employers and steps taken to avoid recurrence. The Trustee took steps to resolve the causes of the delays in receipt of the amounts due but took no further regulatory action except that mentioned below.

Of these contributions, two were more than 90 days late. These payments were from an employer who entered liquidation in August 2022. They were paid to Ensign before the insolvency event occurred and were reported to TPR accordingly, no further action was taken.

## TRUSTEE'S REPORT (CONTINUED)

### MEMBERSHIP

Details of the membership of Ensign between 1 April 2022 and 26 September 2023 are set out below:

	2023		2022	
	Accum	Decum	Accum	Decum
Active members at the start of the period	2,245	20	2,238	13
New active members in period*	602	26	402	19
From deferred to active	37	7	77	2
Leavers – retaining an entitlement	(370)	(20)	(417)	(14)
Deaths	(6)	-	(13)	-
Retirements	(16)	-	(10)	-
Transfers-out	(35)	-	(11)	-
Bulk transfer to Smart Pension	(2,403)	(32)	-	-
Other leavers	(54)	(1)	(21)	-
<b>Active members at the end of the period</b>	<b>-</b>	<b>-</b>	<b>2,245</b>	<b>20</b>

### DEFERRED MEMBERS

Deferred members at the start of the period	2,899	32	2,763	24
New deferred members in period	370	20	417	14
From deferred to active	(37)	(7)	(77)	(2)
Retirements	(42)	-	(48)	-
Deaths	(11)	-	(11)	(1)
Transfers-out	(91)	(3)	(129)	(2)
Bulk transfer to Smart Pension	(3,079)	(39)	-	-
Other leavers	(9)	(3)	(16)	(1)
<b>Deferred members at the end of the period</b>	<b>-</b>	<b>-</b>	<b>2,899</b>	<b>32</b>
<b>Total membership at the end of the period</b>	<b>-</b>	<b>-</b>	<b>5,144</b>	<b>52</b>

\*New joiners are reported gross of any opt-outs.

At the period end there were Nil (2022: 61) active participating employers.

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## TRUSTEE'S REPORT (CONTINUED)

### INVESTMENT MANAGEMENT

The Trustee had overall responsibility for the administration and management of Ensign's assets which were invested in the name of the Trustee in accordance with the Occupational Pension Schemes (Investment) Regulations 2005 until the bulk transfer to SPMT which completed on 30 June 2023. The Trustee adopted a Statement of Investment Principles ("SIP") as required by section 35 of the Pensions Act 1995, which outlines the principles governing any investment decisions and the investment objectives of Ensign. The Trustee developed its investment strategy, including selection of an appropriate default investment fund, after taking advice from an independent investment adviser.

The investment objective of Ensign was to help improve the retirement outcomes of those working in the maritime industry. The Trustee selected the Aegon BlackRock LifePath Flexi Fund as the fund into which members were automatically invested (the default fund). The aim of the Aegon BlackRock LifePath Flexi Fund is to help members grow their assets whilst protecting their savings as the member approaches retirement through the use of a series of target-date funds. Ensign also offered members a range of other investment options for members to choose from.

The Trustee's administrator and investment manager, Aegon, had delegated responsibility for receiving and investing the contributions made to Ensign. Aegon was remunerated by set fees based on a percentage of funds under management. There were no performance related fee arrangements.

The range of investment options available to members and the annual management charge ("AMC") for each fund, is detailed in the table overleaf. This includes the approximate additional expenses and resulting total expense ratios ("TER"), that may be incurred by members. The AMC represents the percentage deducted from the fund's value each year to meet the costs of managing the pension scheme. It is calculated and deducted daily. Additional expenses are incurred if a fund invests in a collective investment scheme. These relate to the fund's share of the costs of other services, such as fees paid to the trustee/depositary, custodian, auditors and registrar borne by the collective investment scheme. The AMC and additional expenses in respect of each of the investment funds available to members in Ensign was available on TargetPlan.



TRUSTEE'S REPORT (CONTINUED)

Fund	AMC (%)	Additional Expenses (%)	TER (%)
Aegon BlackRock LifePath Flexi (BLK)	0.31	0.00	0.31
Aegon BlackRock LifePath Capital (BLK)	0.31	0.00	0.31
Aegon BlackRock LifePath Retirement (BLK)	0.31	0.00	0.31
Aegon BlackRock 30/70 Currency Hedged Global Equity Index (BLK)	0.32	0.01	0.33
Aegon BlackRock 60/40 Global Equity Index (BLK)	0.30	0.01	0.31
Aegon BlackRock World Multifactor Equity Tracker (BLK)	0.37	0.03	0.40
Aegon BlackRock World ESG Equity Tracker (BLK)	0.35	0.03	0.38
Aegon BlackRock Emerging Markets Equity Index (BLK)	0.45	0.05	0.50
Aegon BlackRock UK Equity Index (BLK)	0.30	0.01	0.31
HSBC Islamic Global Equity Index (BLK)	0.65	0.00	0.65
Aegon LGIM Ethical Global Equity Index (BLK)	0.55	0.01	0.56
Aegon BlackRock All Stocks UK Index Linked Gilt Index (BLK)	0.30	0.00	0.30
Aegon BlackRock Corporate Bond All Stocks Index (BLK)	0.30	0.01	0.31
Aegon BlackRock Over 15 Year Gilt Index (BLK)	0.30	0.01	0.31
Aegon LGIM Pre-Retirement (BLK)*	0.30	0.00	0.30
Aegon BlackRock Cash (BLK)	0.25	0.03	0.28
Aegon BlackRock Property (BLK) <sup>+</sup>	0.93	0.00	0.93
Aegon Schroders Dynamic Multi Asset (BLK)	0.55	0.00	0.55

\*The Aegon LGIM Pre-Retirement fund is only available for members that transferred funds into it on 15 October 2018.

<sup>+</sup>The BlackRock Property fund was closed to new investments from 25 March 2022.

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## TRUSTEE'S REPORT (CONTINUED)

### ESG FACTORS, CLIMATE CHANGE AND STEWARDSHIP ACTIVITIES

The Trustee's policy in relation to voting rights was to delegate responsibility for the exercising of rights (including voting rights) attaching to investments to the investment managers and to encourage them to exercise those rights when they believe there could be a potential financial impact on the portfolio. The Trustee reviewed the investment managers' governance policies from time to time.

In relation to social, environmental and ethical issues, the Trustee:

- has asked that the investment managers have the financial interests of Ensign members as their priority when choosing investments. They may take social, environmental or ethical considerations into account only when these factors do not conflict with the prime objective;
- has reviewed the investment managers' policy in respect of Socially Responsible Investing and is satisfied that it is in line with the above approach;
- offered a dedicated ethical investment option for those members who may have ethical considerations as an overriding investment consideration, an option to invest in a fund which is managed in compliance with Shariah law and, since 2 March 2020, an option to invest in a fund that seeks to maximise exposure to positive environmental, social and governance factors while minimising carbon exposure (the Aegon BlackRock World ESG Equity Tracker Fund); and
- offered the option to invest in the Aegon LGIM Ethical Global Equity Index, which invests mainly in overseas equities within the FTSE4Good Global Equity Index.

Specifically in relation to the default fund and LifePath fund strategies, environmental, social and governance ("ESG") factors were being integrated into the funds, by investing in the BlackRock ACS World ESG Equity Tracker Fund. This fund used index tracking to invest in companies that score well in ESG areas without increasing charges to members. It excluded companies involved in strongly controversial ESG activities, such as:

- Tobacco (producers excluded, retailers etc. excluded if >15% revenue),
- Controversial weapons,
- UN Global Compact violators,
- Thermal coal (>30% revenue),
- Civilian firearms (producers excluded, retailers if >5% revenue),

and raised weightings of companies with low carbon emissions and those with low potential carbon emissions.

### CLIMATE CHANGE GOVERNANCE POLICY

In accordance with Climate Change Governance and Reporting Regulations 2021 ("the Regulations"), the Trustee approved its Climate Change Governance Policy ("CCGP") at its Board meeting on 21 September 2021. The CCGP builds on the Trustee's ESG strategy described above and describes from a governance perspective how Ensign will set to out meet the requirements of the Regulations.

## TRUSTEE'S REPORT (CONTINUED)

At its meeting on 22 March 2022, The Trustee agreed Absolute Carbon Emissions, Carbon Intensity and Portfolio Coverage as climate metrics for the purposes of climate change reporting under the Regulations. It also set a target to reach full portfolio coverage linearly over 10 years. At its meeting on 21 September 2022, the Trustee approved its first climate change disclosures report for year ending 31 March 2022. In accordance with the Regulations, this report set out performance against agreed metrics as at 31 December 2021.

### INVESTMENT REPORT

The Trustee received reports from Aegon on a quarterly basis showing the performance of each of the investment funds in which monies have been invested over the quarter. The Trustee reviewed the performance of the investment funds against appropriate benchmarks, as reported by Aegon, and reviewed the timeliness in which Aegon invests the contributions made to Ensign. Monthly performance information has been available to all members via TargetPlan, in DC fund fact sheets, and members were provided an annual summary of the performance of their investment choices.

The performance of Ensign's investments over one, three and five years is analysed in the table below. Due to lack of data availability and the short time between 31 March 2023 and the bulk transfer, performance data is only shown at 31 March 2023.

Fund description	One year (1 April 2022 to 31 March 2023)		Three years (1 April 2020 to 31 March 2023) pa		Five years (1 April 2018 to 31 March 2023) pa	
	Fund (%)	Index (%)	Fund (%)	Index (%)	Fund (%)	Index (%)
<b>LifePath Capital</b>						
Aegon BlackRock LifePath Capital 2022-24 (BLK)	-2.99	-5.98	2.92	1.62	2.16	1.34
Aegon BlackRock LifePath Capital 2025-27 (BLK)	-6.03	-8.18	4.41	3.47	2.84	2.21
Aegon BlackRock LifePath Capital 2028-30 (BLK)	-8.02	-9.42	6.18	5.59	3.64	3.15
Aegon BlackRock LifePath Capital 2031-33 (BLK)	-9.35	-8.30	7.33	7.87	4.01	4.26
Aegon BlackRock LifePath Capital 2037-39 (BLK)	-8.10	-7.63	9.91	10.24	5.13	5.29
Aegon BlackRock LifePath Capital 2040-42 (BLK)	-7.37	-7.26	11.24	11.40	5.67	5.77
Aegon BlackRock LifePath Capital 2043-45 (BLK)	-6.73	-6.90	12.57	12.65	6.23	6.29
Aegon BlackRock LifePath Capital 2049-51 (BLK)	-5.61	-6.37	14.39	14.25	7.02	6.98
Aegon BlackRock LifePath Capital 2061-63 (BLK)	-4.79	-6.12	15.03	14.67	7.30	7.16
<b>LifePath Retirement</b>						
Aegon BlackRock LifePath Retirement Class H	-12.63	-13.57	-6.20	-6.79	-1.91	-2.26
Aegon BlackRock LifePath Retirement 2022-24 (BLK)	-12.86	-12.82	-1.96	-1.92	0.01	-0.02
Aegon BlackRock LifePath Retirement 2025-27 (BLK)	-12.41	-12.55	1.13	1.13	1.26	1.19
Aegon BlackRock LifePath Retirement 2028-30 (BLK)	-10.92	-11.12	4.66	4.66	2.76	2.60
Aegon BlackRock LifePath Retirement 2031-33 (BLK)	-9.25	-8.30	7.36	7.87	4.03	4.26
Aegon BlackRock LifePath Retirement 2034-36 (BLK)	-8.74	-7.99	8.59	9.01	4.53	4.75
Aegon BlackRock LifePath Retirement 2037-39 (BLK)	-8.10	-7.63	9.91	10.24	5.13	5.29
Aegon BlackRock LifePath Retirement 2040-42 (BLK)	-7.37	-7.26	11.24	11.40	5.66	5.77
Aegon BlackRock LifePath Retirement 2043-45 (BLK)	-6.73	-6.90	12.57	12.65	6.22	6.29
Aegon BlackRock LifePath Retirement 2046-48 (BLK)	-5.82	-7.10	13.71	13.33	6.71	6.55

**TRUSTEE'S REPORT (CONTINUED)**

Fund description	One year (1 April 2022 to 31 March 2023)		Three years (1 April 2020 to 31 March 2023) pa		Five years (1 April 2018 to 31 March 2023) pa	
	Fund (%)	Index (%)	Fund (%)	Index (%)	Fund (%)	Index (%)
<b>LifePath Retirement (continued)</b>						
Aegon BlackRock LifePath Retirement 2049-51 (BLK)	-5.61	-6.37	14.39	14.25	7.04	6.98
Aegon BlackRock LifePath Retirement 2052-54 (BLK)	-5.10	-6.29	14.85	14.56	7.20	7.09
Aegon BlackRock LifePath Retirement 2055-57 (BLK)	-4.81	-6.12	15.03	14.67	7.30	7.16
Aegon BlackRock LifePath Retirement 2058-60 (BLK)	-4.80	-6.12	15.03	14.67	7.29	7.16
Aegon BlackRock LifePath Retirement 2061-63 (BLK)	-4.80	-6.12	15.03	14.67	7.37	7.16
<b>LifePath Flexi</b>						
Aegon BlackRock LifePath Flexi Class H	-10.65	-9.89	2.28	2.81	1.85	2.10
Aegon BlackRock LifePath Flexi 2022-24 (BLK)	-10.58	-10.28	3.62	3.89	2.41	2.48
Aegon BlackRock LifePath Flexi 2025-27 (BLK)	-10.13	-10.04	4.92	5.07	2.96	2.98
Aegon BlackRock LifePath Flexi 2028-30 (BLK)	-9.62	-9.76	6.20	6.25	3.50	3.44
Aegon BlackRock LifePath Flexi 2031-33 (BLK)	-9.29	-8.30	7.35	7.87	4.02	4.26
Aegon BlackRock LifePath Flexi 2034-36 (BLK)	-8.74	-7.99	8.59	9.01	4.56	4.75
Aegon BlackRock LifePath Flexi 2037-39 (BLK)	-8.10	-7.63	9.92	10.24	5.15	5.29
Aegon BlackRock LifePath Flexi 2040-42 (BLK)	-7.37	-7.26	11.24	11.40	5.69	5.77
Aegon BlackRock LifePath Flexi 2043-45 (BLK)	-6.73	-6.90	12.58	12.65	6.24	6.29
Aegon BlackRock LifePath Flexi 2046-48 (BLK)	-5.82	-7.10	13.72	13.33	6.74	6.55
Aegon BlackRock LifePath Flexi 2049-51 (BLK)	-5.61	-6.37	14.39	14.25	7.03	6.98
Aegon BlackRock LifePath Flexi 2052-54 (BLK)	-5.10	-6.29	14.86	14.56	7.25	7.09
Aegon BlackRock LifePath Flexi 2055-57 (BLK)	-4.80	-6.12	15.04	14.67	7.33	7.16
Aegon BlackRock LifePath Flexi 2058-60 (BLK)	-4.79	-6.12	15.03	14.67	7.32	7.16
Aegon BlackRock LifePath Flexi 2061-63 (BLK)	-4.79	-6.12	15.03	14.67	7.31	7.16
Aegon BlackRock LifePath Flexi 2064-66 (BLK)	-4.79	-6.12	15.03	14.67	7.32	7.16
Aegon BlackRock LifePath Flexi 2067-69 (BLK)	-4.78	-6.12	15.03	14.67	7.28	7.16
Aegon BlackRock LifePath Flexi 2070-72 (BLK)	-4.78	-6.12	15.04	14.67	7.26	7.16
<b>Fixed Income</b>						
Aegon BlackRock All Stocks UK Index-Linked Gilt Index (BLK)	-28.23	-26.71	-8.55	-7.64	-3.86	-3.22
Aegon BlackRock Corporate Bond All-Stocks Index (BLK)	-10.66	-10.20	-3.40	-3.07	-1.07	-0.86
Aegon BlackRock Over 15 Years Gilt Index (BLK)	-30.19	-29.72	-16.99	-16.37	-6.67	-6.36
Aegon LGIM Pre-Retirement	-19.76	-15.05	-8.56	-6.54	-3.32	-2.03
<b>Equity</b>						
Aegon BlackRock 30/70 Currency Hedged Global Equity Index (BLK)	-3.61	-3.32	14.63	15.08	6.64	6.96
Aegon BlackRock 60/40 Global Equity Index (BLK)	2.43	2.51	14.30	14.45	6.32	6.63
Aegon BlackRock Emerging Markets Equity Index (BLK)	-6.75	-6.03	7.79	8.46	1.21	1.53
Aegon BlackRock UK Equity Index (BLK)	2.02	2.92	13.10	13.81	4.52	5.04
Aegon HSBC Islamic Global Equity Index (BLK)	-3.47	-2.86	16.22	17.09	14.37	15.18

**TRUSTEE'S REPORT (CONTINUED)**

Fund description	One year (1 April 2022 to 31 March 2023)		Three years (1 April 2020 to 31 March 2023) pa		Five years (1 April 2018 to 31 March 2023) pa	
	Fund (%)	Index (%)	Fund (%)	Index (%)	Fund (%)	Index (%)
<b>Equity (continued)</b>						
Aegon BlackRock World ESG Equity Tracker (BLK) *	-1.64	-1.22	16.61	16.24	-	-
Aegon BlackRock World Multifactor Equity Tracker (BLK) *	-0.74	-0.79	15.63	15.63	-	-
Aegon LGIM Ethical Global Equity Index (BLK)	0.30	0.98	17.00	17.79	11.46	12.15
<b>Multi Asset</b>						
Aegon Schroders Dynamic Multi Asset (BLK)	-5.02	9.88	5.73	8.60	1.54	6.31
<b>Property</b>						
Aegon Property (BLK) Class Y	-16.10	-14.47	1.60	2.57	1.37	2.48
<b>Cash</b>						
Aegon BlackRock Cash (BLK)	1.93	2.22	0.56	0.72	0.54	0.64

\*Five year performance not available as funds introduced in the 2019/20 scheme year.

Fund returns are based on the special closing prices calculated at the close of business on the last working day of each valuation year, to allow comparisons with the appropriate indices. Performance is reported net of fees. Benchmark returns at the underlying funds level are not client-account specific and are reported only on a monthly basis. Past performance is not a reliable indicator of future results.

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## TRUSTEE'S REPORT (CONTINUED)

### FINANCIAL DEVELOPMENT OF ENSIGN

The Financial Statements of Ensign Retirement Plan for the period from 1 April 2022 until 26 September 2023, as set out on pages 19 to 29, have been prepared and audited in accordance with Sections 41(1) and (6) of the Pensions Act 1995. A summary of Ensign Retirement Plan's Financial Statements is set out in the table below.

	£
Net assets at 1 April 2022	165,426,193
Contributions receivable	12,545,200
Transfers in	2,679,705
Other Income	459,969
Benefits and payments to leavers	(166,212,346)
Administrative expenses	(1,277,814)
Change in market value	(13,620,907)
<b>Net assets at 26 September 2023</b>	<b>-</b>

### FURTHER INFORMATION

Members are advised that this report and the Financial Statements are for information only and should be read in conjunction with individual benefit statements received annually and the Trust Deed and Rules. Any queries related to historic matters before the bulk transfer should be directed to Aegon using the contact details shown on page 2.

This report, including the Statement of Trustee's Responsibilities, was approved by the Trustee on 26 September 2023 and signed on its behalf by:

Rory Murphy  
Chair  
Ensign Retirement Plan Trustees Limited

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## STATEMENT OF TRUSTEE'S RESPONSIBILITIES

The financial statements, which are prepared in accordance with UK Generally Accepted Accounting Practice, including the Financial Reporting Standard applicable in the UK (FRS 102) are the responsibility of the Trustee. Pension scheme regulations require the Trustee to make available to Ensign members, beneficiaries and certain other parties, audited financial statements for each scheme period which:

- show a true and fair view, of the financial transactions of Ensign during the scheme period and of the amount and disposition at the end of the scheme period of the assets and liabilities, other than liabilities to pay pensions and benefits after the end of the scheme period; and
- contain the information specified in Regulation 3A of the Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996, including a statement whether the financial statements have been prepared in accordance with the Statement of Recommended Practice", "Financial Reports of Pension Schemes".

In discharging these responsibilities, the Trustee is responsible for selecting suitable accounting policies, to be applied consistently, making any estimates and judgements on a prudent and reasonable basis, and for the preparation of the financial statements on a going concern basis unless it is inappropriate to presume that Ensign will continue as a going concern.

In view of the Trustee notifying TPR that winding up has commenced, and is scheduled to complete by 26 September 2023, the going concern basis of accounting is no longer appropriate and the Trustee have adopted a basis of accounting other than going concern. No adjustments were necessary as a result of the change in basis of accounting.

The Trustee is also responsible for making available certain other information about Ensign in the form of an Annual Report.

The Trustee is responsible under pensions legislation for ensuring that there is prepared, maintained and from time to time revised a payment schedule showing the rates of contributions payable towards Ensign by or on behalf of the employer and the active members of Ensign and the dates on or before which such contributions are to be paid. The Trustee is also responsible for keeping records in respect of contributions received in respect of any active member of Ensign and for monitoring whether contributions are made to Ensign by the employer in accordance with the payment schedule. Where breaches of the schedule occur, the Trustee is required by the Pensions Acts 1995 and 2004 to consider making reports to The Pensions Regulator and to the members.

The Trustee also has a general responsibility for ensuring that adequate accounting records are kept and for taking such steps as are reasonably open to them to safeguard the assets of Ensign and to prevent and detect fraud and other irregularities, including the maintenance of an appropriate system of internal control.

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## INDEPENDENT AUDITOR'S REPORT

### INDEPENDENT AUDITORS' REPORT TO THE TRUSTEE OF ENSIGN RETIREMENT PLAN

#### Opinion

We have audited the financial statements of Ensign Retirement Plan ("the Plan") for the period 1 April 2022 to 26 September 2023 which comprise the Fund Account, the Statement of Net Assets (Available for Benefits) and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS102 *the Financial Reporting Standard applicable in the UK and Republic of Ireland*.

In our opinion the financial statements:

- show a true and fair view of the financial transactions of the Plan during the period from 1 April 2022 to 26 September 2023, and of the amount and disposition at that date of the assets and liabilities, other than liabilities to pay pensions and benefits after the end of the plan period;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- contain the information specified in Regulation 3A of and the Schedule to The Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996, made under the Pensions Act 1995.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Plan in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Emphasis of matter – non-going concern basis

The financial statements have been prepared on a basis other than going concern. This is because the Trustee has moved the bulk of the Plan's assets to another Master Trust and agreed to close the Plan. This is explained in Note 1 on page 21. The Trustee is of the opinion that this is likely to conclude within the next few days. The Plan is therefore not expected to continue in its current form for at least twelve months from when the financial statements are authorised for issue. Our opinion is not modified in this respect.



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## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### Other information

The Trustee is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of trustee

As explained more fully in the Statement of Trustee's Responsibilities, the Plan's Trustee is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements and since its intention is to wind-up Ensign Retirement plan, the Trustee has not used the going concern basis of accounting.

### Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

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## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### **Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud.**

Based on our understanding of the Plan, we identified that the principal risks of non-compliance with laws and regulations related to regulatory requirements and reporting frameworks for pension schemes, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Pensions Acts 1995 and 2004 and associated Regulations.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting inappropriate journal entries to income and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Inspecting any relevant correspondence with the Pensions Regulator and HMRC;
- Consideration of plan compliance with applicable laws including the Pension Acts of 1995, 2004, 2008, 2011, and 2014, and the Pension Schemes Acts of 1993, 2015 and 2017;
- Consideration of plan compliance with applicable regulations including 2018 SORP Financial Reports of Pension Schemes, Occupational Pension Schemes (Disclosure of information) Regulations 1996 and the Occupational and Personal Pension Schemes (Disclosure of information) Regulations 2013;
- Evaluating management's controls designed to prevent and detect irregularities; and
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

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**INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

**Use of our report**

This report is made solely to the Plan's Trustee, as a body, in accordance with The Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996 made under the Pensions Act 1995. Our audit work has been undertaken so that we might state to the Plan's Trustee those matters we are required to state in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Plan's Trustee, as a body, for our audit work, for this report, or for the opinions we have formed.

Armstrong Watson Audit Limited  
Statutory Auditors  
Glasgow  
Date 26 September 2023

## FUND ACCOUNT

FOR THE PERIOD ENDED 26 SEPTEMBER 2023

	Note	18 months ended 26 September 2023 £	12 months ended 31 March 2022 £
<b>CONTRIBUTIONS AND BENEFITS</b>			
Employer contributions		7,002,151	7,692,494
Member contributions		5,543,049	5,059,671
<b>Total contributions</b>	4	<b>12,545,200</b>	<b>12,752,165</b>
Transfers in	5	2,679,705	2,912,067
Other income	6	459,969	251,257
		<b>15,684,874</b>	<b>15,915,489</b>
Benefits paid or payable	7	(3,135,898)	(3,013,655)
Payments to and on account of leavers	8	(163,076,448)	(9,488,101)
Administrative expenses	9	(1,277,814)	(533,862)
		<b>(167,490,160)</b>	<b>(13,035,618)</b>
<b>NET (WITHDRAWALS) / ADDITIONS FROM DEALINGS WITH MEMBERS</b>		<b>(151,805,286)</b>	<b>2,879,871</b>
<b>NET CHANGE IN MARKET VALUE OF INVESTMENTS</b>	10	<b>(13,620,907)</b>	<b>10,144,535</b>
<b>NET (DECREASE)/ INCREASE IN ASSETS OF ENSIGN DURING THE PERIOD</b>		<b>(165,426,193)</b>	<b>13,024,406</b>
<b>NET ASSETS OF ENSIGN AT THE START OF THE PERIOD</b>		<b>165,426,193</b>	<b>152,401,787</b>
<b>NET ASSETS OF ENSIGN AT THE END OF THE PERIOD</b>		<b>-</b>	<b>165,426,193</b>

The notes on pages 21 to 29 form part of these Financial Statements.

## STATEMENT OF NET ASSETS

AS AT 26 SEPTEMBER 2023

	Note	26 September 2023 £	31 March 2022 £
<b>ASSETS ALLOCATED TO MEMBERS</b>			
Investment assets			
Pooled investments vehicles	11	-	163,160,031
AVC investments	12	-	810,195
Cash	10	-	285,068
Current assets	15	-	830,446
		-	<b>165,085,740</b>
<b>ASSETS UNALLOCATED TO MEMBERS</b>			
Current assets	15	145,437	663,796
Current liabilities	16	(145,437)	(323,343)
		-	<b>340,453</b>
<b>NET ASSETS OF ENSIGN AT THE END OF THE PERIOD</b>			
		-	<b>165,426,193</b>

The notes on pages 21 to 29 form part of these Financial Statements.

The Financial Statements summarise the transactions of Ensign Retirement Plan and deal with the net assets at the disposal of the Trustee. They do not take account of obligations to pay pensions and benefits which fall due after the end of reporting period of Ensign Retirement Plan.

The Financial Statements were approved by the Trustee on 26 September 2023 and signed on its behalf by:

Rory Murphy  
Chair  
Ensign Retirement Plan Trustees Limited

Olu Tunde  
Vice-Chair  
Ensign Retirement Plan Trustees Limited

## NOTES TO THE FINANCIAL STATEMENTS

### 1. BASIS OF PREPARATION

The Financial Statements have been prepared in accordance with the Occupational Pension Schemes (Requirement to Obtain Audited Accounts and a Statement from the Auditor) Regulations 1996, the Financial Reporting Standard 102 – the Financial Reporting Standard applicable in the UK and Republic of Ireland issued by the Financial Reporting Council – and with the guidance set out in the Statement of Recommended Practice (June 2018) “Financial Reports of Pension Schemes”.

The Plan’s current accounting period has been increased to 18 months as this is the final Report and Financial Statements.

As explained in the Trustee’s Report, on 25 July 2022, the Trustee formally triggered Continuity Option 1, a process that has led to the transfer of member assets to another master trust by 30 June 2023 and the wind up of the Plan by 26 September 2023.

In view of this the financial statements have been prepared on a basis other than on a going concern basis namely a cessation basis. No amendments are required to the figures that would otherwise have been disclosed.

### 2. IDENTIFICATION OF THE FINANCIAL STATEMENTS

The Plan is established as a trust under English law. The address for enquiries to the Plan is included on page 2.

### 3. ACCOUNTING POLICIES

The principal accounting policies of Ensign Retirement Plan are as follows:

#### 3.1 INVESTMENTS

- Pooled investment vehicles were daily dealing and valued at a single price.

#### 3.2 CONTRIBUTIONS

- Member normal and additional voluntary contributions, including where the member has been auto-enrolled, are accounted for when deducted from pay by the employer. Employer normal and special contributions are accounted for on the same basis as member contributions.
- Annual fees due from employers are accounted for in the year in which they fall due for payment.

#### 3.3 PAYMENTS TO MEMBERS AND TRANSFERS

- Benefits are accounted for in the year in which they fall due for payment. Where there is a choice, benefits are accounted for from the later of the date of retirement/leaving, or the date on which the member notifies the Trustee of their decision on the type or amount of benefit to be taken.
- Individual transfers in or out are accounted for when paid and received which is normally when member liability is accepted/discharged.
- Group transfers receivable or payable are accounted for in accordance with the terms of the transfer agreement.
- Where tax liabilities are settled on behalf of a member (such as where lifetime or annual allowances are exceeded) with a consequent reduction in that member’s benefits receivable from Ensign, any taxation payable by Ensign is accounted for on the same basis as the event giving rise to the tax liability and reported separately.

#### 3.4 EXPENSES AND OTHER INCOME

- Expenses and other income are accounted for on an accruals basis.
- Ensign Retirement Plan bears all the costs of administration.

#### 3.5 FUNCTIONAL CURRENCY

- Ensign Retirement Plan’s functional and presentational currency is pound Sterling (£).

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**4. CONTRIBUTIONS RECEIVABLE**

	<b>18 months ended 26 September 2023 £</b>	<b>12 months ended 31 March 2022 £</b>
<b>Employers</b>		
Normal contributions	6,640,144	7,279,737
Special contributions	-	189,758
Annual fees	362,007	223,000
	<b>7,002,151</b>	<b>7,692,494</b>
<b>Members</b>		
Normal contributions	4,590,850	4,227,630
Additional Voluntary Contributions	952,199	832,041
	<b>5,543,049</b>	<b>5,059,671</b>
	<b>12,545,200</b>	<b>12,752,165</b>

Employer normal contributions include contributions payable to Ensign under salary sacrifice arrangements made available to members by certain employers. Employer special contributions include additional premiums payable to Ensign under salary sacrifice arrangements.

**5. TRANSFERS FROM OTHER SCHEMES**

	<b>18 months ended 26 September 2023 £</b>	<b>12 months ended 31 March 2022 £</b>
Individual transfers in	2,679,705	2,912,067

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**6. OTHER INCOME**

	<b>18 months ended 26 September 2023 £</b>	<b>12 months ended 31 March 2022 £</b>
Fees from MNOPF Trustees Limited	337,897	195,470
Annual Management Charge	20,572	23,787
Other income	101,500	32,000
	<b>459,969</b>	<b>251,257</b>

**7. BENEFITS PAID OR PAYABLE**

	<b>18 months ended 26 September 2023 £</b>	<b>12 months ended 31 March 2022 £</b>
Commutations and lump sum benefits	2,240,939	2,455,845
Death benefits	894,959	557,810
	<b>3,135,898</b>	<b>3,013,655</b>

**8. PAYMENTS TO AND ON ACCOUNT OF LEAVERS**

	<b>18 months ended 26 September 2023 £</b>	<b>12 months ended 31 March 2022 £</b>
Individual transfers out	15,409,548	9,483,562
Group transfers out	147,655,381	-
Refunds	11,519	4,539
	<b>163,076,448</b>	<b>9,488,101</b>



## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 9. ADMINISTRATIVE EXPENSES

	18 months ended 26 September 2023 £	12 months ended 31 March 2022 £
Audit fees	2,059	14,678
Trustee & Executive fees	283,712	62,713
Administration costs	155,701	114,998
Trustee Indemnity Insurance	43,680	52,973
Professional expenses	61,455	108,462
Legal adviser	60,161	48,323
Projects	465,046	131,715
Payment to Smart Pension*	206,000	-
	<b>1,277,814</b>	<b>533,862</b>

\* Under the terms of the transfer agreement between the Trustee and Smart Pension a payment of £206,000 was made from the Trustee Reserve Account to Smart Pension on 9 June 2023. This payment secured that the costs and charges for transferring Ensign members in the Smart Pension Master Trust will be 0.25% per annum from the transfer date.

### 10. INVESTMENT RECONCILIATION

Reconciliation of investments held at the beginning and the end of the period:

	Value at 01-Apr-22 £	Purchases £	Sales £	Change in market value £	Value at 26-Sep-23 £
Pooled investment vehicles - Accumulation	158,366,311	27,174,640	(172,501,608)	(13,039,343)	-
Pooled investment vehicles - Decumulation	4,793,720	2,592,378	(6,804,534)	(581,564)	-
AVC investments	810,195	-	(810,195)	-	-
	163,970,226	29,767,018	(180,116,337)	(13,620,907)	-
Cash	285,068				-
<b>Total</b>	<b>164,255,294</b>				<b>-</b>

The change in market value of investments during the period comprises all increases and decreases in the market value of investments held at any time during the period, including profits and losses realised on sales of investments during the period.

Investments purchased by Ensign were allocated to provide benefits to the individuals on whose behalf the contributions were paid. AVCs paid by members to Aegon were allocated to the members' account and are not separately identifiable.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**11. POOLED INVESTMENT VEHICLES**

Ensign's investments in pooled investment vehicles at the period end comprised:

	<b>26 September 2023</b>	<b>31 March 2022</b>
	<b>£</b>	<b>£</b>
<b>Accumulation</b>		
Bonds	-	789,370
Equity	-	9,318,490
Multi Asset	-	147,102,426
Property	-	93,553
Cash	-	1,062,472
	-	<b>158,366,311</b>
	<b>26 September 2023</b>	<b>31 March 2022</b>
	<b>£</b>	<b>£</b>
<b>Decumulation</b>		
Bonds	-	413,826
Equity	-	634,995
Multi Asset	-	3,639,935
Cash	-	104,964
	-	<b>4,793,720</b>

**12. AVC INVESTMENTS**

The Trustee held assets invested separately from the main scheme in the form of individual insurance policies securing additional benefits on a money purchase basis for those members electing to pay additional voluntary contributions. Members participating in this arrangement each receive an annual statement confirming the amounts held to their account and the movements in the period.

The aggregate amounts of AVC investments are as follows:

	<b>26 September 2023</b>	<b>31 March 2022</b>
	<b>£</b>	<b>£</b>
Utmost Life and Pensions Ltd	-	707,964
Standard Life	-	102,231
	-	<b>810,195</b>

The AVCs were transferred to the Merchant Navy Officers Pension Fund on 16 June 2022.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

13. INVESTMENT FAIR VALUE HIERARCHY

The fair value of financial instruments has been determined using the following fair value hierarchy:

- Level 1            The unadjusted quoted price for an identical asset in an active market.
- Level 2            Inputs other than the quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3            Inputs are unobservable for the asset or liability.

The fair value of Ensign's investment assets and liabilities have been determined using the above hierarchy categories as shown below:

	Level 1	Level 2	Level 3	Total 26 September 2023
	£	£	£	£
Pooled investment vehicles- Accumulation	-	-	-	-
Pooled investment vehicles- Decumulation	-	-	-	-
AVC investments	-	-	-	-
Cash	-	-	-	-
<b>Total</b>	-	-	-	-

	Level 1	Level 2	Level 3	Total 31 March 2022
	£	£	£	£
Pooled investment vehicles- Accumulation	-	158,272,758	93,553	158,366,311
Pooled investment vehicles- Decumulation	-	4,793,720	-	4,793,720
AVC investments	-	696,478	113,717	810,195
Cash	285,068	-	-	285,068
<b>Total</b>	<b>285,068</b>	<b>163,762,956</b>	<b>207,270</b>	<b>164,255,294</b>

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 14. INVESTMENT RISK DISCLOSURES

FRS 102 requires the disclosure of information in relation to certain investment risks. These risks are set out by FRS 102 as follows:

**Credit risk:** this is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

**Market risk:** this comprises currency risk, interest rate risk and other price risk.

- **Currency risk:** this is the risk that the fair value or future cash flows of a financial asset will fluctuate because of changes in foreign exchange rates.
- **Interest rate risk:** this is the risk that the fair value or future cash flows of a financial asset will fluctuate because of changes in market interest rates.
- **Other price risk:** this is the risk that the fair value or future cash flows of a financial asset will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

There were no investment assets held as at the period end.

#### Credit risk

Ensign was indirectly exposed to credit risk in relation to the instruments it holds in bonds, multi-asset and cash pooled investment vehicles which were part of a long-term insurance policy between the Trustee and Aegon. Direct credit risk was mitigated by the underlying assets of the long-term insurance policy being ring-fenced from Aegon's corporate assets. In the event of Aegon defaulting, the long-term insurance policy was protected by the Financial Services Compensation Scheme.

Aegon had discretion to invest member assets in a range of asset classes, including UK and Overseas Corporate and Government Bonds, thereby indirectly exposing Ensign to credit risk. Some of these instruments were held in funds managed by a third-party insurer ("reinsurer"), exposing Ensign to credit risk if the reinsurer fails to pay the full value of the investment, for example if the reinsurer became insolvent. All reinsurers were carefully selected by Aegon, authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority. In order to mitigate this credit risk, Aegon normally takes security over the assets of the reinsurers such that the claim made by Aegon would rank equally to any of the reinsurer's direct policyholders.

A summary of pooled investment vehicles by type of arrangement is as follows:

	26 September 2023	31 March 2022
	£	£
Unit linked insurance contracts	-	163,160,031

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

15. INVESTMENT RISK DISCLOSURES (CONTINUED)

**Market risk**

Ensign was subject to indirect foreign exchange, interest rate and other price risk arising from the underlying financial instruments held in the funds managed by Aegon:

Assets invested in bonds were exposed to foreign exchange and interest rate risk.

Assets invested in equities were exposed to foreign exchange and other price risk.

Assets invested in multi-assets were exposed to foreign exchange, interest rate and other price risks.

Assets invested in property were exposed to other price risk.

Assets invested in cash were exposed to interest rate risk.

Aegon used specific instruments with the aim of hedging out the majority of the foreign currency exposures, and diversification to manage market risk, gaining exposure to global equities, fixed income instruments, property and commodities, as well as other assets.

The Trustee acknowledged that Ensign Retirement Plan was subject to interest rate risk in relation to the financial instruments held in the pooled investment vehicles and the Trustee was satisfied that the return objective of the Aegon BlackRock LifePath Flexi Fund mitigated this risk sufficiently.

16. CURRENT ASSETS

	26 September 2023	31 March 2022
	£	£
<b>Allocated to members</b>		
Normal contributions due from employers	-	410,928
Special contributions due from employers	-	115,385
Normal contributions due from members	-	259,863
Additional Voluntary Contributions due from members	-	44,270
	<u>-</u>	<u>830,446</u>
<b>Unallocated to members</b>		
Cash balance	145,437	663,796
	<u>145,437</u>	<u>1,494,242</u>

17. CURRENT LIABILITIES

	26 September 2023	31 March 2022
	£	£
<b>Unallocated to members</b>		
Trade creditors	145,437	5,669
Accrued expenses	-	124,667
Other creditors	-	3,000
	<u>145,437</u>	<u>323,343</u>

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## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 18. TAX

The Ensign Retirement Plan is a registered pension scheme for tax purposes under the Finance Act 2004. Contributions by employers and members are therefore, normally eligible for tax relief and Ensign is exempt from income tax and capital gains tax except for certain withholding taxes relating to overseas investment income.

### 19. TRANSACTION COSTS

Transaction costs were borne by Ensign Retirement Plan in relation to transactions in pooled investment vehicles. Such costs are taken into account in calculating the prices of these investments and are not separately reported.

### 20. RELATED PARTY TRANSACTIONS

The Trustee is deemed to be a related party of the Plan. Included in administrative expenses are payments of £80,978 (2022: £50,300) made to certain Trustee Directors for fees relating to the exercise of their duties during the period.

Contributions received in respect of Trustee Directors who are members of Ensign have been made in accordance with the Trust Deed and Rules.

During the period, the Trustee provided delegated governance and operational services to MNOPF Trustees Limited. The amount received from MNOPF Trustees Limited during the period in respect of these services was £337,897 (2022: £195,470) and is included as other income. MNOPF Trustees Limited is a related party as three of the Trustee Directors of Ensign Retirement Plan Trustees Limited are also Trustee Directors of MNOPF Trustees Limited.