



**FINANCIAL SERVICES AUTHORITY
SAINT VINCENT & THE GRENADINES**

GUIDANCE NOTE: NO. 5

On

Reporting Requirements for Pension Fund Plans

Issued: September 12, 2016

INTRODUCTION

The regulation and supervision of non-banking financial services in St. Vincent and the Grenadines including pension plan services, is exercised by the Financial Services Authority ('FSA' / 'Authority'), under the authority of the *Financial Services Authority Act*, No. 33 of 2011.

The conduct of pension plan services in St. Vincent & the Grenadines is regulated under the *Insurance Act*, Chapter 306 of the Laws of Saint Vincent and the Grenadines, Revised Edition 2009 ('the Act').

PURPOSE

The purpose of these Guidelines is to provide an overview of the reporting obligations of private pension plans.

Trustees of pension plans that are registered with the FSA pursuant to the Insurance Act are responsible for ensuring that certain documents pertaining to the pension plan are filed with the FSA within the time periods required by the Act. Although many of the activities involved in the administration of the pension plan may be outsourced or delegated, Trustees must keep in mind that they are ultimately responsible for ensuring that actions are taken to achieve compliance with the specified regulatory requirements.

SCOPE OF APPLICATION

These Guidelines apply to privately administered pension fund plans whether administered by individual trustees or by trust corporations.

LEGAL PROVISIONS

The legal provisions in relation to reporting requirements for a pension plan are set out in sections 178 - 181 of the Act.

REPORTING REQUIREMENTS

In order to achieve its objectives, the FSA must be provided with information for the proper exercise and performance of its duties. Accordingly, registered pension plans must file the following with the FSA:

- **Audited annual accounts**

The Trustees of a registered pension fund plan must submit annual audited Balance Sheet and Statement of Accounts of the Plan, to the FSA (*a grace period of 6 months after the fiscal year is allotted for submission of financial statements*) in accordance with the format set out in the Fifth Schedule of the Act (*see Reporting Forms A and B*).

A trustee who fails to comply with the requirements to submit accounts and reports commits an offence and is liable on summary conviction to a fine of EC\$5,000.00 and a further fine of EC\$100.00 for each day that the offence continues after conviction.

- **Actuarial Valuation Report**

Actuarial investigations must be undertaken every three (3) years or at a shorter period, if so required by the FSA. The resulting reports must be submitted to the FSA (*see below for details to be contained in the report*).

- **Annual Financial Statements of the Sponsor Company**

In the case of an under-funded defined benefit plan, the annual financial statements (audited or if not available, unaudited) of the sponsor Company, should be submitted to the FSA on an annual basis to aid in its overall assessment of the sustainability of the Plan.

- **Any information or return relating to the plan**

The FSA may require any person who is an employer, an insurer, a trustee or an officer of a plan to furnish either by statutory declaration or otherwise, any information or explanation that may be necessary for the proper exercise and performance of the powers and duties of the FSA.

REPORTING FORMS

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PENSION PLAN ANNUAL REPORTS

SUMMARY SHEET

Form A	Revenue Account
Form B	Balance Sheet
Form C1	Plan Details
Form C2	Contributions
Form C3	Membership Reconciliation
Form C4	Funding Information
Form C5	Confirmation of Compliance



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Name of Pension Plan:

Plan Certificate Number:

Plan Year End:

A: REVENUE ACCOUNT (\$ 000's)

Form A: Revenue Account for the Period..... to.....

Name of Pension Plan:

REVENUE	\$	EXPENDITURE	\$
Amount of the Fund at the beginning of the period		Superannuation Benefits- (a) pension to retired employees (b) widows' pensions (c) orphans' pensions (d) retirement gratuities	
Contributions by employees		Death grants	
Contributions by employers		Return of contribution on withdrawal	
Any additional contribution by employer to meet deficiency or past service liabilities		Other expenditures (to be specified)	
Interest, dividend and rents		Amount of the Fund at the end of the period*	0
Other income (to be specified)			

*Details to be specified in a Schedule.

B: BALANCE SHEET(\$ 000's)

Form B: Balance Sheet as at20.....

Name of pension Plan:

LIABILITIES	\$	ASSETS	\$
Amount of the Fund as at		Government Bonds and Debentures*	
Pensions due but not yet paid ^(a)		Other Bonds and Debentures*	
Other benefits (to be specified) due but not yet paid		Ordinary and Preference Shares*	
		Mortgages*	
		Real Estate	
		Deposit Certificates	
		Other Assets (specify)	

*Details to be specified in a Schedule.

^(a)Including the value of individual accounts under defined contribution type pension plans.

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C: PLAN DETAILS

Form CI: Plan Details

		Notes
Certificate Number		
Name of Pension Plan		
Feature of Plan		Single Employer, Multi-Employer
Type of Plan		Defined Benefit, Defined Contribution, Hybrid, Other (Specify)
Reporting Period Start		dd/mm/yyyy
Reporting Period End		dd/mm/yyyy

Plan Sponsor	
Contact Person- Name	
Title	
Company Name	
Address	
Telephone	
Facsimile	
Electronic Mail	

Plan Administrator	
Name	
Contact Person- Name	
Address	
Telephone	
Facsimile	
Electronic Mail	

Pension Fund Trustee	Individuals	Corporate
Name		
Address		
Telephone		
Facsimile		
Electronic Mail		

Plan Custodian	
Name	
Address	
Telephone	
Facsimile	
Electronic Mail	

Fund Manager/Insurer	
Name	
Address	
Telephone	
Facsimile	
Electronic Mail	

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C: CONTRIBUTIONS

Form C2: Contributions (\$ 000's)

Name of Pension Plan:

As at:

			%			
		Rate of Employer Contribution				
		Rate of Employee Contribution				
			Amount	Number of days outstanding		
Contributions to be made in the year				1-30	31-60	60-90
1	Member	Required				
2		Voluntary				
3	Employer	Required				
4		Voluntary				
5		Special (DB Plans only)				
6	<i>Total contributions to be made in the year</i>		(Lines 1+2+3+4+5)	0		
Contributions Paid						
7	Member	Required				
8		Voluntary				
9	Employer	Required				
10		Voluntary				
11		Special (DB Plans only)				
12	<i>Total contributions actually paid</i>		(Lines 7+8+9+10+11)	0		
Outstanding contributions at the end of the year						
13	Member	Required	(Lines 1-7)	0		
14		Voluntary	(Lines 2-8)	0		
15	Employer	Required	(Lines 3-9)	0		
16		Voluntary	(Lines 4-10)	0		
17		Special (DB Plans only)	(Lines 5-11)	0		
18	<i>Total Outstanding Contributions</i>		(Lines 6-12)	0		

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C: MEMBERSHIP

Form C3: Membership Reconciliation

Name of Pension Plan:

As at:

	<u>ACTIVES</u>	
1	Plan members at the end of previous reporting period	
2	Plan members who joined during the current reporting period	
3	Total (1+2)	
	Less	
4	Retirements	
5	Deaths	
6	Other Terminations	
7	Total (4+5+6)	
	Plan members at the end of the reporting period (3-7)	
	Number of Males	
	Number of Females	

	<u>FORMER MEMBERS</u>	
1	Number of former members and beneficiaries at end of the reporting period	
	Number of Males	
	Number of Females	

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C: FUNDING INFORMATION

Form C1: Funding Information(\$ 000's)

Name of Pension Plan:

As at:

	Description	Current Period	Previous Period	Variance (%)
	Total benefits paid			
	Total Assets			
	Total Liabilities			
	Net assets available for benefits			
	Net investment earning or losses			
	Fund balance			

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C: CONFIRMATION OF COMPLIANCE

Form C5: Confirmation of Compliance

Name of Pension Plan:

As at:

	Compliance	Response
i.	Were any amendments made to the Trust Deed and/or Plan Rules during the year? If yes, advise whether the amendments have been submitted for approval by the Regulator and to members, if required.	
ii.	Was a decision taken or a resolution passed, to wind up the Plan? If yes, please provide details including whether the Regulator has been notified.	
iii.	During the year under review, indicate the number of times contributions were paid late? (If not obtained from other sources)	
iv.	Were there any changes in Trustees or any information submitted at registration?	
v.	Were members provided with benefit statements ?	
vi.	If this pension plan is a multi-employer pension plan, please attach a list of names and addresses of the members of the Board of Trustees and indicate which members of the Board of Trustees are pension plan member representatives.	
vii.	Was an Actuarial investigation conducted in accordance with the requirements of the Act? If yes, state the date of the last review.	
	Investments/Actuarial	
i.	Were investments made in accordance with the Act and Guidelines?	
ii.	What was the status of the last actuarial review? Surplus..... Deficit.....	
	Administration/Operational	
i.	How many (Plan Administrator/Trustees) meetings were held during the reporting period?	

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CERTIFICATION

Name of Pension Plan:

As at:

The Trustees/plan administrator must certify the financial statements contained herein.		
I hereby certify to the best of my/our knowledge that the information contained in this Report is true and accurate and have been invested in accordance with (Legislative requirements)		
Name of Trustee / Plan Administrator		Name of Trustee / Plan Administrator
Signature of Trustee/Plan Administrator		Signature of Trustee/Plan Administrator
Title		Title
Date		Date

ACTUARIAL VALUATION REPORT

1. The first part of the report shall contain statistics as at the valuation date in respect of the following:

(a) Changes in the membership of the fund during the inter-valuation period as well as membership of the fund on the valuation date as follows:

Age Group	Number of Members as of Period	Number of New Members Beginning	Number of Cessations of Membership				Number of Members at the end of the Period
			Transfer or on deferred pensions	Withdrawal	Death	Retirement	
Under 25							
25-30							
30-35							
35-40							
40-45							
45-50							
50-55							
55-60							
60-65							
TOTAL							

(b) Changes in the number of pensioners of the fund during the inter-valuation period as follows:

Number Age Group	Number of pensioners at beginning of period		Number of pensioners on pension during period		Number of pensioners who died during period		Number of pensioners ceasing to receive pension for other cause		Number of pensioners at end of period	
	Ill Health	Age	Ill Health	Age	Ill Health	Age	Ill Health	Age	Ill Health	Age
Under 35										
35-45										
45-55										
55-65										
65-75										
75 and over										
TOTAL										

2. The second part of the report must contain the following information:

- (a) General observations regarding mortality, withdrawal and retirement from service and progression of salary during inter-valuation period and general observations on any other factors entering into the valuation;
- (b) A description of the mortality and all other rates used (specimen rates to be shown in an appendix to the report);
- (c) Average rates of interest realised by the assets of the fund whether invested or not during each year and the inter-valuation period;
- (d) The rate of interest assumed in the calculations for purpose of the valuation;

(e) A statement indicating:

- (i) whether and how it has been secured that the estimated net liability in respect of any employer is not negative;
 - (ii) the amount of and the reason for any special reserves that have been set up.
3. The final part of the report must contain information about the results of the valuation, an analysis of the surplus or deficiency shown and a recommendation as to how much of the surplus can be regarded as disposable, or, if a deficiency, the manner in which the deficiency can be funded.
 4. The report must close with any further observations the actuary may wish to offer on the valuation.

COMMENCEMENT

This Guidance Note shall come into effect this **12th day of September, 2016.**

Issued by:

Financial Services Authority
P.O Box 356,
Kingstown,
St. Vincent & the Grenadines
Tel (784) 456-2577
Fax (784) 457-2568
E-mail: info@svgfsa.com