

The ITB Pension Funds (Closed Fund): Summary Funding Statement for Period ending 31 March 2011.

The ITB Pension Funds' Trustees who look after the Scheme will provide an update of the Scheme's funding position each year in a statement similar to that shown below. This statement is based on the latest annual actuarial report, which sets out how the Scheme's funding position has changed since the last full actuarial valuation. It is essentially a snapshot of the financial position of the Fund that is based on the actuarial values of the Fund's assets and liabilities as at the date of the report.

The last ongoing funding valuation

The most recent funding valuation of the Closed Fund showed that on 31 March 2009 the funding position was as follows:

Assets	£196.7 million
Liabilities	£189.1 million
Funding level	104%

As a result, no further contributions were required, although the funding level was less than the Trustees' target level of 110%.

The Scheme Actuary assessed that, as at 31 March 2009, the assets of the Scheme were very likely to be sufficient to pay for the liabilities in full if the Scheme had started to wind up at that date. (The Scheme was 113% funded on a full solvency basis as at 31 March 2009.) Inclusion of this information is a standard requirement and is not related to any consideration of the Trustees to wind up the scheme.

Change in funding position

The Scheme Actuary carried out an interim review of the Closed Fund as at 31 March 2011. The purpose of that review was to assess how the Scheme's funding position has changed over the previous year.

The interim review showed that the funding level increased from 113% to 120% between 31 March 2010 and 31 March 2011. The increase in surplus between March 2010 and March 2011 was principally due to a change in the inflation index used to increase pensions, and higher than expected investment returns on the Scheme's assets.

Payment to the Employers

There has not been any payment to the Employers out of Scheme funds in the last twelve months.

How the Scheme operates

How is my pension paid for?

The Employers and employees have historically paid contributions to the Pension Scheme so that the Scheme can pay pensions to its members when they retire. There are no longer any contributing members in the Closed Fund.

The money to pay for members' pensions is held in a common fund. It is not held in separate funds for each individual.

How is the amount the Scheme needs worked out?

The Trustees obtain regular valuations of the benefits earned by members. Using this information, the Trustees come to a conclusion on whether the Scheme is adequately funded and if any further action is needed.

What is the Scheme invested in?

At 31 March 2011, the Trustees' policy was to invest the majority of the Scheme's assets in index-linked gilts to match the liabilities of the Scheme as they come due. Cash was held to pay the most imminent liabilities. More recently, the Trustees have insured the Scheme's benefits with an insurance company.

The reserve assets are invested in a broad range of assets, the majority of which are expected to be equities.

Where can I get more information?

If you have any other questions, or would like any more information, please contact the ITB Funds' Office at Watford. A list of more detailed documents which provide further information is shown below. Most of the documents are available on the Funds' information website 'ITB Online' **www.itb-online.co.uk**

Members of the Scheme can also use the Funds' secure modelling website 'MyITB' (www.myitb.com) to estimate their own benefits.

Additional documents available on request or in some cases on the Funds' website **www.itb-online.co.uk**

The Statement of Investment Principles: This explains how the Trustees invest the money paid into the Scheme.

The Annual Report and Accounts of the ITB Pension Fund, which shows the Scheme's income and expenditure in the year up to 31 March 2012.

The full report on the Actuarial Valuation following the Actuary's check of the Scheme's situation as at 31 March 2009.

The report on the Interim Actuarial Review of the Scheme as at 31 March 2011.

An Annual Benefit Statement. If you are not getting a pension from the Scheme you can ask for a statement that provides an illustration of your likely pension, or visit www.myitb.com to view online benefit statements and model your pension.

Important: If you are thinking of leaving the ITB Pension Funds for any reason, you should consult a professional adviser, such as an independent financial adviser, before taking any action.