

Planned Maintenance Engineering Limited Staff Pension and Assurance Scheme

Report and Financial Accounts

Year ended 31 December 2012

Registrar of Occupational and Personal Pension Schemes Registration Number 100018750



Planned Maintenance Engineering Limited Staff Pension and Assurance Scheme

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Planned Maintenance Engineering Limited Staff Pension and Assurance Scheme

Advisers
Year ended 31 December 2012

Administrative details

Scheme Actuary

Edwin Topper
Mercer Limited

Scheme Administrators

MNPA Limited

Auditors

KPMG LLP

Bankers

National Westminster Bank Plc

AVC providers

Prudential Assurance Company Limited
The Equitable Life Assurance Society
MGM Assurance

Investment managers

Aberdeen Asset Management Life and Pensions Limited
Blackrock Advisors (UK) Limited
Alliance Bernstein Institutional Investment Management (removed April 2012)
Origin Asset Management LLP
Odey Asset Management LLP
Taube Hodson Stonex Partners LLP Unit Trust Management Company Limited
Baillie Gifford (appointed November 2012)

Investment adviser

Mercer Limited

Custodian

JP Morgan Chase
Brown Brothers Harriman (removed April 2012)
RBC Dexia Investor Services Bank S.A.
HSBC Bank Plc
Northern Trust
State Street Bank & Trust Company – UK
BNY Mellon Trust Company (Ireland) Limited (appointed November 2012)

Solicitors

Sacker & Partners LLP

Planned Maintenance Engineering Limited Staff Pension and Assurance Scheme

Advisers
Year ended 31 December 2012

Advisers continued

Principal employer

Planned Maintenance Engineering Limited

Contact address

MNPA Limited
Leatherhead House
Station Road
Leatherhead
Surrey
KT22 7ET

Planned Maintenance Engineering Limited Staff Pension and Assurance Scheme

**Trustee report
Year ended 31 December 2012**

Introduction

The Planned Maintenance Engineering Limited Staff Pension and Assurance Scheme (the "Scheme") is a defined benefit scheme and is administered by MNPA Limited in accordance with the establishing document and rules (see below), solely for the benefit of its members and other beneficiaries. The Scheme is provided for all eligible employees of the principal employer who were employed and opted to join the Scheme before 30 June 1999.

The Trustee presents its Annual Report together with the audited financial statements of the Scheme for the year ended 31 December 2012. The Scheme provides defined pension benefits to members and their dependants on retirement and on death.

The Scheme closed to future accrual on 5 April 2009 and all active members of the Scheme at that date became employed deferred members.

The Trust Deed and Rules governing the Scheme are available for inspection on application to the administrator.

HMRC approval

The Scheme is a "registered pension scheme" for tax purposes.

The principal employer

The principal employer of the Scheme is Planned Maintenance Engineering Limited. The Employer's registered address is 24 Birch Street, Wolverhampton, WV1 4HY.

Appointment and removal of Trustee/management of the Scheme

The Scheme is managed by the Trustee, Carillion (DB) Pension Trustee Limited. This company's function is to act as Trustee to the Scheme and to 5 other Carillion Group schemes. The Articles of this company provide for the appointment and removal of Trustee directors. The board of the Trustee is made up of 16 directors, six of whom are appointed by the Principal Employer, (one of whom is the independent chair) and ten are member representatives. The original MNDs were co-opted from the previous Trustee companies of five of the six schemes for which it acts as Trustee.

Planned Maintenance Engineering Limited Staff Pension and Assurance Scheme

Trustee report Year ended 31 December 2012

The directors of Carillion (DB) Pension Trustee Limited are:

Appointed by the employer:

Robin Ellison (Independent Chair)
Robin Herzberg
Lee Mills
Susan Morton (resigned 13/06/2012)
Alison Shepley
Brian Watkins
Simon Eastwood (appointed 20/09/2012)

Appointed by the members:

David Benson
Gerald Brown
Steven Brunswick
Stephen Chandler
Paul Kitto
Simon Rawsthorne (resigned 7/12/2012)
Stephen Rowland
Iain Simmonds (appointed 14/03/2012)
Graham Hindley (appointed 02/05/2012)
Quentin Leiper (appointed 01/12/2012)
Simon Eastwood (resigned 19/09/2012)
Vacancy

Trustee Knowledge & Understanding

The Pensions Act 2004 requires Trustees to have sufficient knowledge and understanding of pensions and trust law and to be conversant with the Scheme documentation. The Pensions Regulator has published a Code of Practice on Trustee Knowledge and Understanding (TKU) to assist Trustees on this matter which became effective from 6 April 2006 and subsequent revisions were made in November 2009. The Trustees recognise the need for, and participate in, on-going training, including seminars and the Pension Regulator's 'Trustee Toolkit' training program.

Changes to the Scheme

There were no changes to the Scheme during the year.

Planned Maintenance Engineering Limited Staff Pension and Assurance Scheme

Trustee report Year ended 31 December 2012

Pensions in payment

In accordance with the Scheme's Trust Deed and Rules, pensions in payment for the majority of members at 1 April 2012 were increased as follows:

- I. For pension in respect of pensionable service after 6 April 2006 the increase was 2.5%. This is in line with the increase in the General Index of Retail Prices over the period to the previous 31 December, (restricted to a maximum of 2.5%).
- II. For pension in respect of pensionable service between 6 April 2001 and 5 April 2006 the increase was 5%. This is in line with the increase in the General Index of Retail Prices over the period to the previous 30 September, (restricted to a maximum of 5%).
- III. For pension in respect of pensionable service between 6 April 1997 and 5 April 2001 the increase was 5%. This is in line with the increase in the General Index of Retail Prices over the period to the previous 30 September, (restricted to a minimum of 3% and a maximum of 5%).

Where applicable, increases to GMP were in line with statutory requirements. The above varies for certain categories of members and these individuals will have been separately notified of their entitlement.

Deferred benefits

Deferred benefits held under the Scheme for members who have left service or ceased to contribute to the Scheme are increased over the period from the date of leaving service as follows:

- I. The Guaranteed Minimum Pension (GMP) part of members' deferred benefits is increased at a fixed rate dependent on the date of leaving (4.0% for members who left since 5 April 2002) for each complete tax year to State Pension Age.
- II. The part of the deferred benefits in excess of the GMP is increased in line with statutory requirements over the period to Normal Retirement Date subject to a maximum of 5% per annum.

Transfer Values

The rules of the Scheme permit transfers to other occupational pension schemes, personal pension plans or single premium insurance policies (known as Section 32 policies). Transfer values can also be paid to Stakeholder contracts. If a transfer is made the Trustee receives a statutory discharge from any further liability once the transfer has been affected.

The Trustee confirms that all transfer values are calculated and verified in accordance with the statutory cash equivalent requirements in accordance with the Pension Schemes Act 1993 (the "Act"). Transfer values during the year have been reduced following receipt of an insufficiency report from the Actuary.

The current basis meets the legal requirement of the Act and makes no allowance for the payment of any discretionary benefits under the Scheme.

Carillion 2009 Plan members may transfer their benefits into the Scheme if the value is less than £10,000 and the member is retiring.

Planned Maintenance Engineering Limited Staff Pension and Assurance Scheme

**Trustee report
Year ended 31 December 2012**

Membership

Details of the membership of the Scheme as at 31 December 2012 are given below: -

	Total 2012	Total 2011
PENSIONERS		
Pensioners at the start of the year	292	275
Adjustments to pensioners	-	1
Members retiring during the year	30	19
Spouses and dependants	6	2
Pensioners who died	(3)	(4)
Full Commutation	-	(1)
	325	292
PENSIONERS AT THE END OF THE YEAR		
MEMBERS WITH PRESERVED AND DEFERRED BENEFITS		
Number at the start of the year	424	370
Members ceasing to be Employed Deferred	9	76
Deferred pensioners becoming pensioners	(24)	(19)
Transfers out during the year	(1)	(3)
Deaths	(2)	-
	406	424
DEFERRED MEMBERS AT THE END OF THE YEAR		
EMPLOYED DEFERRED MEMBERS		
Number at the start of the year	54	130
Adjustments to deferred members	(1)	-
Retirements	(3)	-
Members leaving during the year with preserved benefits	(9)	(76)
Deaths	(1)	-
	40	54
EMPLOYED DEFERRED MEMBERS DEATHS AT THE END OF THE YEAR		
	40	54
TOTAL MEMBERSHIP AT THE END OF THE YEAR		
	771	770

Pensioners include individuals receiving a pension upon the death of their spouse.

These membership figures do not include movements notified to the Administrator after the completion of the annual renewal.

Planned Maintenance Engineering Limited Staff Pension and Assurance Scheme

Trustee report Year ended 31 December 2012

Financial development of the Scheme

The financial statements on pages 20 to 26 show that the value of the Scheme's assets increased by £2,726,000 to £55,905,000 as at 31 December 2012. The increase was comprised of net withdrawals from dealings with members of £1,553,000 together with a net increase in the value of investments of £4,279,000.

The financial statements have been prepared and audited in accordance with the regulations made under Sections 41 (1) and (6) of the Pensions Act 1995.

Further details of the financial developments of the Scheme may be found in the audited financial statements on pages 20 to 26.

Contributions

Contributions received from participating employers were in accordance with the Schedule of Contributions. This is set out on page 17.

The Schedule of Contributions in force from 29 October 2010 expected £0.9m to be received in relation to 2012. This amount was received during 2012 as shown on page 17.

Investments – policy

The Trustee monitors compliance with the SIP periodically, or more frequently if necessary.

In line with the Occupational Pension (Investment) Regulations (2005), the Trustee is required to review the SIP at least every three years and without delay after any significant changes in investment policy.

The Trustee will review the SIP in response to any material changes to any aspects of the Scheme, its liabilities, finances and the attitude to risk of the Trustee and the Company which they judge to have a bearing on the stated Investment Policy.

This review will occur annually, in line with the Trustee's preferred practice. Any such review will again be based on written expert investment advice and the company will be consulted.

Investment – management

In order to discharge its responsibilities with regard to investments, the Trustee employs specialist investment managers. Details of these managers are set out on page 2.

Each 'active' investment manager has been set a performance target in excess of a benchmark return, and is expected to achieve the target performance over a rolling three-year period. A target maximum under-performance by the investment manager in any one year is also set by the Trustee.

Aberdeen Asset Management Life and Pensions Limited – fees are charged directly to the fund and are calculated on a sliding fee scale, which is dependant on the value of assets invested in the fund. As such, fees are levied at a rate between 0.35% p.a. and 0.15% p.a. of the fund value and 1% p.a. for UK Property Fund.

BlackRock - fees are invoiced directly to the scheme at rates between 0.025% p.a. and 1.5% p.a. depending on the fund invested in. There is also a performance related fee of 20% on the GTAA fund on outperformance of the benchmark.

Planned Maintenance Engineering Limited Staff Pension and Assurance Scheme

Trustee report Year ended 31 December 2012

Odey - fees are charged directly to the fund at a rate of 0.7% p.a. of the fund value. There is also a performance related fee of 20% on outperformance of the benchmark.

Origin - fees are invoiced directly to the scheme at a rate of 0.35% p.a. of the fund value for the two years from the date of first investment. After this period, fees are charged directly to the fund at a rate of 0.75% p.a. of the fund value.

AllianceBernstein - fees are invoiced directly to the scheme and are calculated on a sliding fee scale, which is dependant on the value of assets invested in the fund. As such, fees are levied at a rate between 0.80% p.a. and 0.40% p.a. of the fund value. Please note that assets with AllianceBernstein are amalgamated across all of the Schemes within the Carillion Group for fee calculation purposes.

THS - fees are charged directly to the fund at a rate of 0.65% p.a. of the fund value.

Baillie Gifford - fees are charged directly to the fund and are calculated on a sliding fee scale, which is dependent on the value of assets invested in the fund. As such, fees are levied at a rate between 0.65% p.a. and 0.45% p.a. of the fund value. Please note that assets with Baillie Gifford are amalgamated across all of the Schemes within the Carillion Group for fee calculation purposes.

Custody of assets

The Trustee uses the custodial arrangements of the investment managers it has appointed to manage the Scheme assets. It has a separate custody agreement with each custodian.

Investment performance

Details of investment performance can be found in the Investment report on pages 11 to 16.

Further information

Members are entitled to inspect copies of documents giving information about the Scheme. In some circumstances copies of documents can be provided, but a charge may be made for copies of the trust documents (Deed and Rules) and of the Actuary's report.

Any member with a complaint or unresolved query on their pension entitlement can use the "Internal Disputes Resolution Procedure" (IDRP) or, alternatively, they can obtain free advice through the Pensions Advisory Service (PAS) who can be reached at 11 Belgrave Road, London, SW1V 1RB. If a member has a complaint which PAS is unable to resolve then they can ask for a ruling from the Pensions Ombudsman who can be reached at the same address.

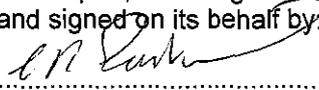
In the event of complaint a copy of the IDRP can be requested from Group HR (Pensions), Birch Street, Wolverhampton, WV1 4HY.

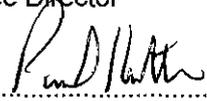
Any query about the Scheme, including requests from individuals for information about their benefits, should be addressed to:

The Trustee of Planned Maintenance Engineering Limited Staff Pension and Assurance Scheme (the 'Scheme') care of: MNPA Limited, Leatherhead House, Station Road, Leatherhead, Surrey, KT22 7ET.

This report, including the Compliance Statement, was approved by the Trustee on
and signed on its behalf by:

2013


.....
Trustee Director


.....
Trustee Director

Planned Maintenance Engineering Limited Staff Pension and Assurance Scheme

Statement of Trustee responsibilities Year ended 31 December 2012

Statement of Trustee responsibilities for the financial statements

The audited financial statements, which are to be prepared in accordance with UK Generally Accepted Accounting Practice (UK GAAP), are the responsibility of the Trustee. Pension scheme regulations require the Trustee to make available to Scheme members, beneficiaries and certain other parties, audited financial statements for each Scheme year which:

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

The Trustee has supervised the preparation of the financial statements and has agreed suitable accounting policies, to be applied consistently, making estimates and judgements on a reasonable and prudent basis. It is also responsible for making available each year, commonly in the form of a Trustee annual report, information about the Scheme prescribed by pensions legislation, which it should ensure is consistent with the financial statements it accompanies.

The Trustee also has certain responsibilities in respect of contributions which are set out in the statement of Trustee responsibilities accompanying the Trustee summary of contributions.

The Trustee 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 the Scheme and to prevent and detect fraud and other irregularities, including the maintenance of appropriate internal controls.

Planned Maintenance Engineering Limited Staff Pension and Assurance Scheme

Investment Report Year ended 31 December 2012

Investment Background

2012 was a year in which policy makers made a seemingly concerted effort to do "whatever it takes" (Mario Draghi, President of the European Central Bank, July 2012) to avoid an illiquidity crisis. The US, UK, Japanese and European Central Banks followed a determined policy of quantitative easing throughout 2012.

A raft of substantial monetary easing policies from the major Central Banks, such as the Federal Reserve Bank (QE3), the ECB (Outright Monetary Transactions programme) and the UK Government (Funding for Lending scheme), were announced and implemented as an attempt to revive the banking system and to regain investors' confidence in global economic growth. Despite the underlying gloomy and low growth economic backdrop, investors, most notably in Europe, welcomed the support from the central banks, albeit they remained cautious on the effectiveness and improvement of these programmes.

During the fourth quarter of 2012 some signs were beginning to emerge that these measures may be having a positive effect. Financial markets adopted a less pessimistic tone as the risks of systemic failure appear to have been addressed (in terms of intention on the part of the policy makers, if not necessarily in detail). The combination of record low interest rates and availability of liquidity was generally supportive of growth assets, although the economic fundamentals have yet to improve meaningfully.

Consensus economic forecasts continued to fall, with 2.5% real global GDP growth expected in 2012, but with the forecast for 2013 falling from 2.8% to 2.6%.

At a global level, the FTSE World Total Return index rose 11.8% (in Sterling terms) over 2012 whilst the FTSE AW Emerging Markets Total Return index rose 12.8% (in Sterling terms).

At a regional level, European markets, as measured by the FTSE World Europe ex UK index, increased 17.8% (in Sterling terms). UK stocks also exhibited growth, as indicated by the FTSE All Share index, rising 12.3%. US equities, as represented by the FTSE USA Total Return index, rose 11.2% (in Sterling terms).

UK Government Bonds, as measured by the FTSE Gilts All Stocks index, returned 2.7% over 2012. Long dated issues, as measured by the corresponding over 15 year index, returned 2.9%. The yield for the FTSE Gilts All Stocks Index rose over the year from 2.4% to 2.5%. The FTSE All Stocks Index Linked Gilts index returned 0.6% with the corresponding 15 year index exhibiting a negative return of 1.3%.

Corporate debt, as measured by the BofA Merrill Lynch Sterling Non-Gilts index, provided a positive return of 13.3%.

Planned Maintenance Engineering Limited Staff Pension and Assurance Scheme

Investment Report Year ended 31 December 2012

Delegation of Responsibilities

The overall investment policy of the Planned Maintenance Engineering Limited Staff Pension and Assurance Scheme ("the Scheme") is determined by the Trustee, in consultation with Mercer. The day-to-day management of the assets is delegated to professional investment managers across a range of asset classes.

Management of the Assets

The Scheme's overall 47.7%/52.3% strategic split between growth assets and bonds remained unchanged over 2012. As at 31 December 2012, the Scheme's assets were managed by Aberdeen Asset Management plc ("Aberdeen"), Baillie Gifford & Co ("Baillie Gifford"), BlackRock Advisors (UK) Limited ("BlackRock"), Odey Asset Management ("Odey"), Origin Asset Management ("Origin") and Taube Hodson Stonex Partners ("THS").

Over 2012, there were some changes to the Scheme's investment strategy. In Q2, the assets held by AllianceBernstein were disinvested a new investment was made to the BlackRock UK Focus Fund. Also in Q2, the GTAA* assets were switched from the equity version to the absolute return version of the Fund. During Q4, there was a reallocation of the assets held in the portfolio, with the property mandate held by Aberdeen being completely disinvested and the BlackRock passive UK Equity Fund and Origin Global Equity Fund being partially disinvested. These assets were reallocated to the Baillie Gifford Diversified Growth Pension Fund.

The investment strategy is shown in the tables below:

Asset Class	Strategy
	%
UK Equities	8.1
GTAA*	4.8
Diversified Growth	11.9
Global Equities	23.0
UK Corporate Bonds	23.4
UK Fixed Interest Gilts	9.6
Index-Linked Gilts	19.2
Total Scheme	100.0

Figures subject to rounding

*Global Tactical Asset Allocation

Planned Maintenance Engineering Limited Staff Pension and Assurance Scheme

Investment Report Year ended 31 December 2012

Manager	Allocation %
BlackRock (UK Equities & GTAA)	12.9
Baillie Gifford (Diversified Growth)	11.9
Odey (Global Equities)	7.2
Origin (Global Equities)	8.6
THS (Global Equities)	7.2
Aberdeen (Bonds)	52.2
Total Scheme	100.0

Figures subject to rounding

Statement of Investment Principles

The Trustee has prepared a Statement of Investment Principles ("SIP") in accordance with Section 35 of the Pensions Act 1995. A copy of the SIP is available on request. There were no departures from the investments permissible in the SIP during the year.

Strategic management of the assets is the responsibility of the Trustee acting on expert advice and reflects the investment objective of the Scheme. This is to seek to obtain investment returns at least commensurate with the assumptions used for valuing the liabilities. In this context, the primary aim is to enhance the ongoing funding level through controlled risk taking, which aims to avoid unplanned increases in employer contributions.

Planned Maintenance Engineering Limited Staff Pension and Assurance Scheme

Investment Report Year ended 31 December 2012

The Scheme's Investments

As at 31 December 2012, the market value of the Scheme's investments (based on bid prices where applicable) amounted to £55.6m. The distribution of these assets across the whole portfolio is highlighted in the table below:

Manager	Asset Class	31.12.12		Target %
		£m	%	
Odey	UK Equity	1.6	2.8	7.2
	Non UK Equity	2.3	4.2	
	Cash	0.1	0.2	
Origin	UK Equity	0.1	0.2	8.6
	Non UK Equity	4.1	7.4	
	Cash	0.1	0.1	
THS	UK Equity	0.8	1.4	7.2
	Non UK Equity	2.9	5.2	
	Cash	0.2	0.4	
BlackRock	UK Equity Active*	2.7	4.9	5.7
	Passive	1.3	2.4	2.4
	GTAA	2.0	3.5	4.7
Baillie Gifford	Diversified Growth	5.2	9.3	11.9
	Cash in transit**	1.0	1.9	0.0
Aberdeen	Fixed Interest Gilts	4.6	8.3	9.6
	Index-Linked Gilts	10.4	18.7	19.3
	Corporate Bonds	16.2	29.1	23.4
Total Scheme		55.6	100.0	100.0

Source: Investment managers, figures subject to rounding

*Includes cash awaiting reinvestment

**Cash in transit relating to property assets was disinvested and transferred to the Trustee bank account at 31 December 2012.

All assets are marketable and can be valued on a daily basis except for the GTAA assets, which are valued monthly.

Planned Maintenance Engineering Limited Staff Pension and Assurance Scheme

Investment Report Year ended 31 December 2012

Investment Performance

The Scheme's performance is compared with an overall benchmark which is based on the target allocation of 47.7% growth assets, 52.3% bonds. The Trustee also monitors the performance of the Scheme's investments, which is measured by Mercer on a quarterly basis to March, June, September and December month ends.

Performance over the one, three and five year periods to 31 December 2012 is shown in the table below.

	1 Year to 31 December 2012 %	3 Years to 31 December 2012 % p.a.	5 Years to 31 December 2012 % p.a.
Scheme	9.1	7.6	3.2
Benchmark	8.4	8.6	5.8

Source: BNY Mellon Asset Servicing and Mercer, gross of fees

Ten Largest Investments

The ten largest investments for the Scheme as at 31 December 2012 were as follows:

- 1) Aberdeen Life Sterling Credit Fund
- 2) Aberdeen Life Index Linked Fund
- 3) Baillie Gifford Diversified Growth Pension Fund
- 4) Aberdeen Life Sterling Bond Fund
- 5) Origin Global Specialist Equity Fund
- 6) Odey Allegra International Fund
- 7) THS International Growth & Value Fund
- 8) BlackRock UK Focus Fund
- 9) BlackRock Global Ascent Sterling Limited (GTAA)
- 10) BlackRock Aquila Life UK Equity Index Fund
- 11) BlackRock Global Ascent (UK Equity) Limited

Investments Exceeding 5% of Total Assets

The following vehicles exceeded 5% of the total Scheme assets as at 31 December 2012:

- 1) Aberdeen Life Sterling Credit Fund
- 2) Aberdeen Life Index Linked Fund
- 3) Baillie Gifford Diversified Growth Pension Fund
- 4) Aberdeen Life Sterling Bond Fund
- 5) Origin Global Specialist Equity Fund
- 6) Odey Allegra International Fund
- 7) THS International Growth & Value Fund

Planned Maintenance Engineering Limited Staff Pension and Assurance Scheme

Investment Report Year ended 31 December 2012

Custodial Arrangements

All assets are held in pooled fund units. It is the managers' responsibility to organise the custody of the underlying securities. The custodians for each manager are shown in the table below.

Manager	Custodian
BlackRock	JP Morgan Chase
Baillie Gifford	BNY Mellon
Odey	RBC Dexia Investor Services Bank S.A.
Origin	HSBC Bank Plc
THS	Northern Trust
Aberdeen	State Street Bank & Trust Company

The custodians are responsible for the safekeeping of share certificates and other documents relating to the ownership of listed investments. Investments are held in the name of each custodian's nominee company, in line with common practice for pension plan investments.

Employer Related Investments

The Scheme's assets were not directly invested in investments related to the sponsoring employer. However, there was a small exposure to the sponsoring company's equity via BlackRock's Aquila Life UK Equity Index Fund, in line with the index weight. The Scheme holds less than 5% of total assets in Carillion plc equity.

Remuneration for Professional Services

Mercer is remunerated on a retainer fee basis for on-going monitoring and day-to-day consulting issues. Additional consulting projects are quoted for and charged separately.

With the exception of the UK Focus Fund managed by BlackRock and the Global Equity Fund managed by Odey, where the fees include a performance related element equal to 20% of any outperformance and the BlackRock GTAA Fund where the fees consist solely of a performance related element equal to 30%, all of the Scheme's investment managers are remunerated on a fee basis that is dependent on the size of assets under management.

Mercer

February 2013

Planned Maintenance Engineering Limited Staff Pension and Assurance Scheme

Summary of Contributions For the year ended 31 December 2012

Statement of Trustee Responsibilities in respect of Contributions

The Scheme's Trustee is responsible under pensions legislation for ensuring that there is prepared, maintained and from time to time revised a schedule of contributions showing the rates of contributions payable towards the Scheme by or on behalf of the employer and the active members of the Scheme and the dates on or before which such contributions are to be paid. The Scheme's Trustee is also responsible for keeping records of contributions received and for procuring that contributions are made to the Scheme in accordance with the schedule.

Trustee Summary of Contributions payable under the schedule in respect of the Scheme year ended 31 December 2012

This Summary of Contributions has been prepared by, or on behalf of, and is the responsibility of the Trustee. It sets out the employer and member contributions payable to the Scheme under the schedule of contributions certified by the Actuary on 29 October 2010 in respect of the Scheme year ended 31 December 2012. The Scheme Auditor reports on contributions payable under the schedule in the Auditors' Statement about Contributions.

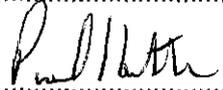
Summary of contributions payable during the Scheme year ended 31 December 2012

Contributions payable to the Scheme by the employer under the Schedule of Contributions in respect of the year ended 31 December 2012 were as follows:

	Financial Statements	Schedule of Contributions	Amount in excess of the Schedule of Contributions
	£000	£000	£000
Employer deficit funding contributions	<u>900</u>	<u>900</u>	<u>-</u>
	900	900	-

Signed on behalf of the Trustee:

Trustee Director 

Trustee Director 

Date:

Planned Maintenance Engineering Limited Staff Pension and Assurance Scheme

Statement about Contributions For the year ended 31 December 2012

Independent Auditor's Statement about Contributions, made under Regulation 4 of The Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996, to the Trustee of the Planned Maintenance Engineering Limited Staff Pension and Assurance Scheme.

We have examined the summary of contributions payable under the Schedule of Contributions to the Planned Maintenance Engineering Limited Staff Pension and Assurance Scheme in respect of the Scheme year ended 31 December 2012 which is set out on page 17.

This statement is made solely to the Scheme's Trustee, in accordance with the Pensions Act 1995 and Regulations made thereunder. Our work has been undertaken so that we might state to the Scheme's Trustee those matters we are required to state to it in an Auditor's statement about contributions and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Scheme's Trustee, for our work, for this statement, or for the opinions we have formed.

Respective responsibilities of Trustee and Auditor

As explained more fully in the Statement of Trustee Responsibilities set out on page 17, the Scheme's Trustee is responsible for ensuring that there is prepared, maintained and from time to time revised a schedule of contributions showing the rates and due dates of certain contributions payable towards the Scheme by or on behalf of the employer and the active members of the Scheme. The Trustee is also responsible for keeping records in respect of contributions received in respect of active members of the Scheme and for monitoring whether contributions are made to the Scheme by the employer in accordance with the schedule of contributions.

It is our responsibility to provide a statement about contributions paid under the schedule of contributions to the Scheme and to report our opinion to you.

Scope of work on statement about contributions

Our examination involves obtaining evidence sufficient to give reasonable assurance that contributions reported in the summary of contributions have in all material respects been paid at least in accordance with the schedule of contributions. This includes an examination, on a test basis, of evidence relevant to the amounts of contributions payable to the Scheme and the timing of those payments under the schedule of contributions.

Statement about contributions payable under the schedule of contributions

In our opinion contributions for the Scheme year ended 31 December 2012 as reported in the summary of contributions and payable under the schedule of contributions have in all material respects been paid at least in accordance with the schedule of contributions dated 29 October 2010.


Nadia Dabbagh-Hobrow, for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
One Snowhill, Snow Hill Queensway
Birmingham
B4 6GH

Date: 30 July 2013

Planned Maintenance Engineering Limited Staff Pension and Assurance Scheme

Independent Auditor's report to the Trustee For the year ended 31 December 2012

We have audited the financial statements of Planned Maintenance Engineering Limited Staff Pension and Assurance Scheme for the year ended 31 December 2012 set out on pages 20 to 26. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

This report is made solely to the Scheme Trustee in accordance with the Pensions Act 1995 and Regulations made thereunder. Our audit work has been undertaken so that we might state to the Scheme Trustee those matters we are required to state to it 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 Scheme Trustee, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Trustee and Auditor

As explained more fully in the Statement of Trustee responsibilities set out on page 10, the Scheme Trustee is responsible for the preparation of financial statements which give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). These standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

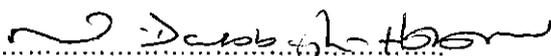
Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm

Opinion on financial statements

In our opinion the financial statements:

- show a true and fair view of the financial transactions of the Scheme during the Scheme year ended 31 December 2012 and of the amount and disposition at that date of its assets and liabilities, other than liabilities to pay pensions and benefits after the end of the Scheme year;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- the information specified in Regulation 3 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.


Nadia Dabbagh-Hobrow, for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
Registered Auditor
One Snowhill, Snow Hill Queensway
Birmingham B4 6GH

Date: 30 July 2013

Planned Maintenance Engineering Limited Staff Pension and Assurance Scheme

Fund account For the year ended 31 December 2012

	Note	For the year ended 31 December 2012 £000	For the year ended 31 December 2011 £000
CONTRIBUTIONS AND BENEFITS			
Contributions	3	900	900
Transfers in	4	-	7
		<u>900</u>	<u>907</u>
Benefits	5	(2,225)	(1,861)
Payments to and on account of leavers	6	(43)	(162)
Other payments	7	(1)	(2)
Administrative expenses	8	(184)	(215)
		<u>(2,453)</u>	<u>(2,240)</u>
NET (WITHDRAWALS) FROM DEALINGS WITH MEMBERS		<u>(1,553)</u>	<u>(1,333)</u>
INVESTMENT RETURNS			
Investment income	9	84	14
Investment management expenses	10	(52)	(95)
Change in market value of investments	11	4,247	1,787
NET RETURNS ON INVESTMENTS		<u>4,279</u>	<u>1,706</u>
NET INCREASE IN THE FUND DURING THE YEAR		<u>2,726</u>	<u>373</u>
NET ASSETS AT 1 JANUARY 2012		<u>53,179</u>	<u>52,806</u>
NET ASSETS AT 31 DECEMBER 2012		<u><u>55,905</u></u>	<u><u>53,179</u></u>

Planned Maintenance Engineering Limited Staff Pension and Assurance Scheme

Net assets statement As at 31 December 2012

	Note	31 December 2012 £000	31 December 2011 £000
INVESTMENTS	11	55,774	53,266
CURRENT ASSETS	12	280	528
CURRENT LIABILITIES	13	(149)	(615)
NET ASSETS AT 31 DECEMBER 2012		55,905	53,179

The notes on pages 22 to 26 form an integral part of these financial statements.

The financial statements summarise the transactions of the Scheme 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 the Scheme year. The actuarial position of the Scheme, which does not take account of such obligations, is dealt with in the Trustee report and these financial statements should be read in conjunction with it.

These financial statements were approved by the Trustee at a meeting held on
and were signed on their behalf by:

2013

Trustee Director.....

Trustee Director.....

Planned Maintenance Engineering Limited Staff Pension and Assurance Scheme

Notes to the financial statements For the year ended 31 December 2012

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, and with the guidelines set out in the Statement of Recommended Practice, "Financial Reports of Pension Schemes" (revised May 2007).

2. ACCOUNTING POLICIES

The following principal accounting policies have been adopted in the preparation of the financial statements.

2.1 Accruals concept

The financial statements have been prepared on an accruals basis with the exception of individual transfers which are recognised when received or paid.

2.2 Contributions and benefits

Contributions and benefits are accounted for in the period in which they fall due.

2.3 Transfers to and from other Schemes

Transfer values have been included in the Financial statements when received and paid. They do not take account of members who have notified the Scheme of their intention to transfer.

Individual transfer values to and from other pension arrangements represents the amounts received and paid during the year for members who either joined or left the Scheme and are accounted for when a member exercises their option to transfer their benefit.

2.4 Investment income

Investment income on cash deposits is accounted for on an accruals basis. Dividends and interest on securities are accounted for to the extent that they are declared and payable.

Income from managed funds is not distributed but is reinvested and included within the closing value of the fund at the year end.

2.5 Valuation of investments

The market value of pooled investment vehicles is based on the bid price operating at the accounting date, as advised by the investment managers.

2.6 Additional Voluntary Contributions (AVCs)

AVCs are accounted for on an accruals basis, and the resulting investments are included within the net assets statements.

2.7 Administration expenses

Administration expenses are accounted for when they fall due.

Planned Maintenance Engineering Limited Staff Pension and Assurance Scheme

Notes to the financial statements For the year ended 31 December 2012

3. CONTRIBUTIONS

	Year ended 31 December 2012 £000	Year ended 31 December 2011 £000
Employer deficit funding contributions	900	900

4. TRANSFERS IN

	Year ended 31 December 2012 £000	Year ended 31 December 2011 £000
Individual transfers in from other schemes	-	7

5. BENEFITS

	Year ended 31 December 2012 £000	Year ended 31 December 2011 £000
Pension payments	1,662	1,488
Commutations and lump sum retirement benefits	514	359
Lump sums on death	22	14
Refund on death	27	-
	2,225	1,861

6. PAYMENTS TO AND ON ACCOUNT OF LEAVERS

	Year ended 31 December 2012 £000	Year ended 31 December 2011 £000
Individual transfers to other schemes	43	162

7. OTHER PAYMENTS

	Year ended 31 December 2012 £000	Year ended 31 December 2011 £000
Trustee insurance premiums	1	2

Planned Maintenance Engineering Limited Staff Pension and Assurance Scheme

Notes to the financial statements For the year ended 31 December 2012

8. ADMINISTRATIVE EXPENSES

	Year ended 31 December 2012 £000	Year ended 31 December 2011 £000
Administration and processing (includes head office recharge)*	53	55
Actuarial**	90	118
Audit fee	10	10
Legal & other consultancy fees	27	27
Regulatory fees	4	5
	<u>184</u>	<u>215</u>

* Administration expenses include £12k of Head Office amounts recharged (2011: £12k).

** Actuarial fees have decreased from the previous year due to correct classification of fees this year for actuarial and investment consultancy.

9. INVESTMENT INCOME

	Year ended 31 December 2012 £000	Year ended 31 December 2011 £000
Income from pooled investment vehicles	98	13
Interest on cash deposits	1	1
Tax withheld	(15)	-
	<u>84</u>	<u>14</u>

10. INVESTMENT MANAGEMENT EXPENSES

	Year ended 31 December 2012 £000	Year ended 31 December 2011 £000
Administration and management fees	30	54
Investment consultancy*	27	17
Performance measurement services**	(5)	24
	<u>52</u>	<u>95</u>

* Investment consultancy has increased from the previous year due to correct classification of fees this year for actuarial and investment consultancy.

**Performance measurement fees are showing as a negative due to the release of 2011 accrual of expenses which were not actually incurred.

Planned Maintenance Engineering Limited Staff Pension and Assurance Scheme

Notes to the financial statements For the year ended 31 December 2012

11. INVESTMENTS

	Value at 01/01/2012	Purchases at cost	Sales proceeds	Change in market value	Value at 31/12/2012
	£000	£000	£000	£000	£000
Pooled investment vehicles	53,006	41,242	(43,990)	4,244	54,502
AVC investments	252	-	(86)	3	169
	<u>53,258</u>	<u>41,242</u>	<u>(44,076)</u>	<u>4,247</u>	<u>54,671</u>
Cash deposits	8				1,103
	<u>53,266</u>				<u>55,774</u>

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.

There is no direct overseas investment by the Scheme. All funds are invested with companies registered in the UK.

Costs are borne by the Scheme in relation to transactions in pooled investment vehicles. However, such costs are taken into account in calculating the bid/offer spread of these investments and are not, therefore, separately identifiable.

POOLED INVESTMENT VEHICLES

	31 December 2012	31 December 2011
	£000	£000
Diversified Growth	5,178	-
GTAA	1,953	722
Property	-	982
Bonds	31,242	31,072
Equities UK	3,951	4,789
Equities Overseas	12,178	15,441
	<u>54,502</u>	<u>53,006</u>

Planned Maintenance Engineering Limited Staff Pension and Assurance Scheme

Notes to the financial statements For the year ended 31 December 2012

AVC INVESTMENTS

The Trustee holds assets which are separately invested from the main fund. These secure additional benefits, on a money purchase basis, for those members who have elected to pay additional voluntary contributions.

Members participating in this arrangement receive an annual statement made up to 31 December each year, confirming the amounts held to their account and movements during the year.

The total amount of AVC investments at the year end is shown below:

	31 December 2012 £000	31 December 2011 £000
MGM AVC	32	108
Prudential Assurance AVC	133	141
Equitable Life	4	3
	169	252

12. CURRENT ASSETS

	31 December 2012 £000	31 December 2011 £000
Other debtors	5	5
Cash balances	275	523
	280	528

13. CURRENT LIABILITIES

	31 December 2012 £000	31 December 2011 £000
Deficit funding contributions received in advance	-	300
Administration and professional fees due	109	214
Investment fees due	10	31
Taxation	21	19
Other creditors	9	51
	149	615

14. RELATED PARTY TRANSACTIONS

Under Financial Reporting Standard No 8 the Trustee is deemed to be a "related party" of the Scheme. Additionally, certain Directors of the Trustee Company have an interest as either a deferred or active member of the Scheme due to their service as an employee with the employer.

Planned Maintenance Engineering Limited Staff Pension and Assurance Scheme

Actuarial Valuation Year ended 31 December 2012

Actuarial valuation

Every Scheme is subject to the Statutory Funding objective which is to have sufficient and appropriate assets to cover its 'technical provisions'. The 'technical provisions' are an estimate made on actuarial principles of the assets needed at any particular time to cover the Scheme liabilities. Liabilities include pensions in payment, benefits payable to the survivors of former members and those benefits accrued by other members which will be payable in the future.

Technical provisions are calculated using an accrued benefits funding method and assumptions chosen by the Trustee, after taking the Actuary's advice and usually obtaining the employer's agreement.

These assumptions will be subject to scrutiny by the Pensions Regulator if they fall outside reasonable boundaries as judged by the Regulator.

To check if the Scheme has sufficient assets to cover its liabilities the Trustee asks the Actuary to perform a valuation.

In a valuation, the Actuary measures the value of the Scheme's assets, estimates the value of its liabilities and then compares the two. This gives the funding level. (If the Scheme has exactly the right amount of assets to meet its liabilities, it is described as having a 100% funding level.) The aim is to suggest:

- how much money the Scheme needs to set aside to cover the benefits members have already earned; and
- the contributions the Scheme should receive for benefits building up in the future, if any.

In a valuation, the Actuary looks at the Scheme's finances under two main situations.

The **scheme specific funding basis** is effectively the basis used by the Trustee for striking the technical provisions and assumes that the Scheme will continue in its present form. It includes the cost of paying benefits now and in the future. These liabilities can be spread over many years, which allows the Actuary to include allowance for future investment growth on the Scheme's assets.

The **discontinuance basis** assumes that the Scheme was wound up on the valuation date. (The Actuary is required by law to look at this situation: it does not mean that the company is thinking of ending the Scheme.) To do this, he looks at whether the Scheme had enough money to buy insurance policies to provide members' benefits. This is called the '**full solvency position**'. Insurance companies have to invest in low-risk assets which are likely to give low returns, while their policy prices will include administration charges and a profit margin. This means that even if a Scheme is fully funded on the technical provisions basis, the full solvency figure is likely to be less than 100%.

The most recent actuarial valuation of the Scheme was undertaken as at 31 December 2008 and the next valuation is being carried out as at 31 December 2011 although this has not been completed within the fifteen month period required by legislation. The Trustee and Company are still to agree the terms on which the valuation should be carried out. The Actuarial Certificate required under Section 227 relating to the 2008 valuation, as required by law, is set out on page 31.

Planned Maintenance Engineering Limited Staff Pension and Assurance Scheme

Actuarial Valuation Year ended 31 December 2012

The results of the valuation as at 31 December 2008

The valuation due at 31 December 2008 was not signed until October 2010, which is outside the statutory requirement. The Pensions Regulator was notified of the late submission, which was due to extended discussions with the Company.

Technical Provisions basis

On 31 December 2008, the Actuary found that the Scheme was not 100% funded and the full amount needed to provide benefits was £59.0m. The market value of the Scheme's assets was £46.0m which gave a shortfall of £13.0m on the technical provisions basis. This is equivalent to a funding level of 78%.

Discontinuance basis

If the Scheme was wound up on 31 December 2008, the Actuary estimated the shortfall would have been £41.6m. This is equal to a funding level of 52%.

Under the Statutory Funding objective, where there is a shortfall at the effective date of the actuarial valuation, the Trustee must aim to achieve full funding in relation to the technical provisions. It achieves this by agreeing a Recovery Plan with the Employer to make good any shortfall over a reasonable period. The Scheme's Statutory Funding objective and Recovery Plan are subject to the Regulator's scrutiny.

The Trustee and Employer agreed on a Recovery Plan which aims to achieve 100% funding on the technical provisions basis by 31 December 2024, with the Employer paying shortfall contributions of £1.25m per annum in 2009 and 2010, £0.9m per annum from 2011 to 2022 inclusive, £1.0m in 2023 and £1.8m in 2024.

Movements over the last year and since the valuation

Over 2012 there has been an improvement in the funding level, due to continuing positive investment returns and contributions from the Company coupled with a slight easing of gilt yields over the year reducing the cost of providing benefits.

Since the formal valuation in 2008, the liabilities increased on account of lower gilt yields but this has been more than offset by the effect of positive asset returns and deficit contributions, leading to a funding level of approximately 82% as at the 2012 year end on the technical provisions basis.

The funding position will continue to be monitored regularly by the Trustee as part of its on-going strategy for managing the Scheme.

Full details of the valuation as at 31 December 2008 are given in the Actuary's valuation report. A copy is available on request from the Administrator.

The results of the valuation as at 31 December 2011

The 31 December 2011 valuation is still being discussed between the Trustee and Company. The Regulator has been informed of the delay.

Planned Maintenance Engineering Limited Staff Pension and Assurance Scheme

Compliance statement For the year ended 31 December 2012

Introduction

The Scheme is a defined benefit scheme and is administered by MNPA Limited in accordance with the establishing document and rules, solely for the benefit of its members and other beneficiaries.

The registration number in the Register of Occupational and Personal Pension Schemes is **100018750**.

Other information

- (i) The Trustee is required to provide certain information about the Scheme to the Registrar of Pension Schemes. This has been forwarded to:

The Registrar of Pension Schemes
PO Box 1NN
Newcastle Upon Tyne
NE99 1NN

- (ii) The Pensions Ombudsman may investigate and determine any complaint or dispute of fact or law in relation an Occupational Pension scheme. Any such complaints should be addressed in the first instance to the Scheme Adjudicator. Enquiries should be addressed to:

The Pensions Ombudsman
11 Belgrave Road
London
SE1V 1RB

- (iii) The Pensions Advisory Service exists to assist members and beneficiaries of schemes in connection with difficulties which they have failed to resolve with the Trustee or Administrators of the Scheme. PAS may be contacted at:

PAS The Pensions Advisory Service
11 Belgrave Road
London
SE1V 1RB

- (iv) The Pensions Regulator (TPR) can intervene if it considers that a Scheme's Trustee, advisers or the employer are not carrying out their duties correctly. The address for TPR is:

Napier House
Trafalgar Place
Brighton
East Sussex
BN1 4DW

- (v) The Pensions Compensation Scheme was introduced to protect members' interests in certain circumstances, i.e. to provide compensation where an employer has become insolvent and the Scheme assets have been reduced due to fraud, theft, or misappropriation. It does not cover losses resulting from adverse investment returns.

The Compensation Scheme is funded by a retrospective levy on occupational pension schemes.

Planned Maintenance Engineering Limited Staff Pension and Assurance Scheme

Compliance statement For the year ended 31 December 2012

- (vi) The Trust Deed and rules, the Scheme details, and a copy of the Schedule of contributions and Statement of investment principles are available for inspection free of charge by contacting the Trustee at the address shown for enquiries in this report.

Any information relating to the members' own pension position, including estimates of transfer values, should also be requested from the administrators of the Scheme, MNPA Limited at the address detailed in this report.

Planned Maintenance Engineering Limited Staff Pension and Assurance Scheme

Appendix

Appendix E

Schedule of Contributions, incorporating actuarial certificate

Status of this document

This schedule has been prepared by the Trustee of the Planned Maintenance Engineering Limited Staff Pension and Assurance Scheme to satisfy the requirements of section 227 of the Pensions Act 2004, after obtaining the advice of Edwin Topper, the actuary to the Scheme appointed by the Trustee.

This document is the first schedule of contributions put in place for the Scheme following the 31 December 2008 valuation. It supersedes all earlier versions.

After discussions, a pattern of contributions was agreed by the Trustee and the Employer, Planned Maintenance Engineering Limited, on 29 October 2010.

The Trustee and the Employer have signed this schedule to indicate that it represents an accurate record of the agreed pattern of contributions. The schedule is effective from the date it is certified by the Scheme Actuary.

Contributions to be paid to the Scheme from 31 December 2008 to 31 December 2024

Members' contributions

No contributions are payable by members after 5 April 2009.

Employer's contributions in respect of future accrual of benefits

No future accrual contributions are payable by the Employer after 5 April 2009.

Planned Maintenance Engineering Limited Staff Pension and Assurance Scheme

Appendix

Employer's contributions in respect of the shortfall in funding as per the recovery plan of 29 October 2010

The Employer shall pay shortfall correction additional contributions of £1.25m per annum in 2009 and 2010, £0.9m per annum from 1 January 2011 to 31 December 2022, £1.0m in 2023 and £1.8m in 2024 with contributions from 2011 onwards being paid on a monthly basis.

Employer's contributions in respect of benefit augmentations

In addition the Employer shall pay the cost, as determined by the Scheme Actuary, of any benefit augmentations requested by the Employer and approved by the Trustee.

Employer's contributions in respect of administration and other costs

The Employer shall reimburse the Trustee for the cost of meeting levies payable to the Pension Protection Fund. Until 2013 other expenses will be paid directly from the Scheme. The Employer will also meet the general running costs of the Scheme from 2013 onwards and will also cover the investment management costs either directly, or by explicit funding reserves, from 2013. The precise methodology will be considered at the next valuation.

Other Employer contributions

The Employer may pay additional contributions on a regular or one off basis if it chooses

Dates of review of this schedule

This schedule of contributions will be reviewed by the Trustee and the Employer no later than 15 months after the effective date of each actuarial valuation, due at least every three years.

This schedule of contributions has been agreed by the Employer, Planned Maintenance Engineering Limited, and the Trustee of the Planned Maintenance Engineering Limited Staff Pension and Assurance Scheme on 29 October 2010.

Signed on behalf of Planned Maintenance Engineering Limited

Name

Position

Date of signing

Signed on behalf of the Trustee of the Planned Maintenance Engineering Limited Staff Pension and Assurance Scheme

Name

Position

Date of signing


.....
J. K. DAWSON
.....
HEAD OF REWARD
.....
29.10.10
.....

.....
LEE MILLS
.....
Chairman of Trustees
.....
29th October 2010
.....

Planned Maintenance Engineering Limited Staff Pension and Assurance Scheme

Appendix

Certification of schedule of contributions

Name of Scheme

Planned Maintenance Engineering Limited Staff Pension and Assurance Scheme

Adequacy of rates of contributions

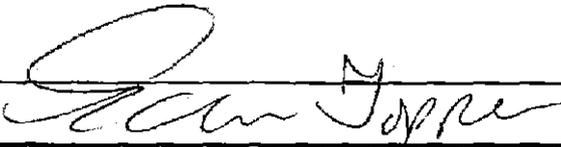
1. I certify that, in my opinion, the rates of contributions shown in this schedule of contributions are such that the statutory funding objective could have been expected on 31 December 2008 to be met by the end of the period specified in the recovery plan dated 29 October 2010.

Adherence to statement of funding principles

2. I hereby certify that, in my opinion, this schedule of contributions is consistent with the Statement of Funding Principles dated 29 October 2010.

The certification of the adequacy of the rates of contributions for the purpose of securing that the statutory funding objective can be expected to be met is not a certification of their adequacy for the purpose of securing the Scheme's liabilities by the purchase of annuities, if the Scheme were to be wound-up.

Signature



Scheme Actuary

E S Topper

Date of signing

29 October 2010

Name of Employer

Mercer Limited

Address

Clarence House,
Clarence Street
Manchester
M2 4DW

Qualification

Fellow of the Institute and Faculty of Actuaries