



Punter Southall
CONSULTING ACTUARIES

PS ProFit
FRS17 model

Actuarial in depth, commercial in nature

Projecting pensions accounting results for corporate sponsors

Recent discussion papers and changes in financial markets have highlighted the significance of pension schemes to company annual reports.

Key issues

We understand that corporate sponsors are becoming more interested in forecasting pension accounting results and would like to:

- see how their net liability might change over time;
- know in advance the impact of extreme market movements (e.g. equity, property and bonds) to help directors understand the volatility of their accounting results;
- have knowledge of the significance of each assumption to help with setting assumptions;
- be able to understand the impact of an exercise on the balance sheet and profit and loss account when making decisions about reducing liability; and
- determine the likely effect for their company's own scheme to help them formulate an opinion on the proposals and if necessary, put together a response.

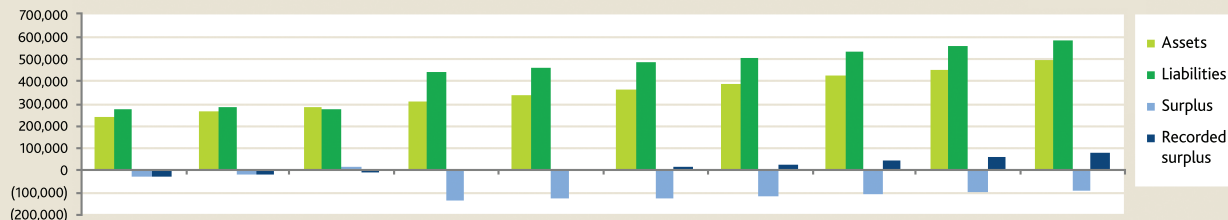
Our approach

We have developed a new model, ProFit, which projects the main balance sheet and profit and loss items for up to ten years by:

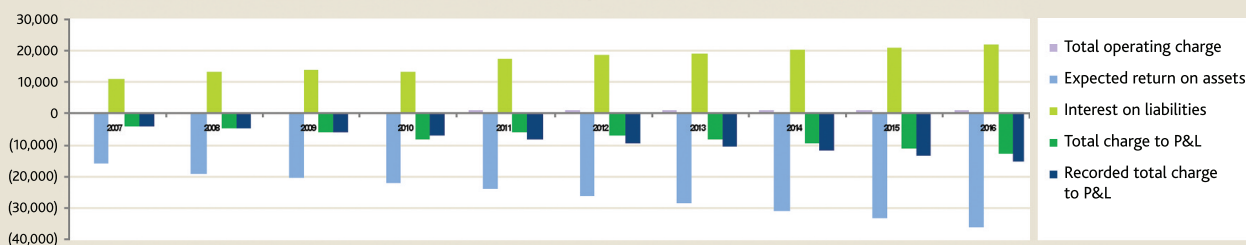
- using summary data to give you approximate trends;
- showing the impacts of changing key assumptions;
- simulating the effect of market movements;
- modelling the impact of scheme events such as liability reduction exercises, buyouts etc;
- comparing against the forecasts assuming that all assumptions remain at the current level; and
- producing results in clear and simple graphs (examples shown overleaf).

The effect of ASB proposals being implemented from 2010

Balance sheet position



Charges to profit and loss



Discover more

Find out more by contacting your usual Punter Southall contact or email info@puntersouthall.com

Email info@puntersouthall.com or visit our website at www.puntersouthall.com



Punter Southall
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