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BS8 1BQ

24th September 2021

Dear Sirs

Letter of representation

We confirm to the best of our knowledge and belief, and having made appropriate enquiries of other officials of the scheme, the following representations given to you in connection with your audit of the financial statements for the scheme year ended 27 February 2021.

This representation letter is provided in connection with your audit of the scheme's financial statements and examination of the scheme's summary of contributions for the purpose of expressing an opinion as to whether the financial statements give a true and fair view of the financial position of the scheme in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and making a statement about contributions.

We acknowledge as trustees our responsibilities for ensuring that financial statements are prepared which give a true and fair view, for keeping records of contributions received in respect of active members of the scheme and for making accurate representations to you.

1. All the accounting records have been made available to you for the purpose of your audit and all the transactions undertaken by the scheme have been properly reflected and recorded in the accounting records. All other records and related information have been made available to you.
2. You have been provided with all minutes of meetings of trustees held during the scheme year and subsequently.
3. We acknowledge our responsibilities for the design and implementation of internal controls to prevent and detect fraud and error.
4. Except as stated in the financial statements:
 - there are no unrecorded liabilities, actual or contingent
 - none of the assets of the scheme has been assigned, pledged or mortgaged
5. There have been no significant transactions with related parties other than those disclosed in the financial statements and we are not aware of any other such matters in relation to related parties required to be disclosed in the financial statements in accordance with the recommendations of the Statement of Recommended Practice, 'Financial Reports of Pension



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We invest in people Silver



Fair Tax

Schemes' or any other requirement. We have confirmed this with all key managers and other individuals who are in a position to influence or are accountable for the stewardship of the scheme.

6. All known, actual, or possible non-compliance with laws and regulations, together with the actual or contingent consequences which may arise therefrom have been disclosed to you.
7. There have been no communications with The Pensions Regulator or other regulatory bodies during the scheme year or subsequently concerning matters of non-compliance with any administrative duty.
8. We have not commissioned advisory reports on the schedule of contributions which may affect the conduct of your work in relation to the scheme's financial statements.
9. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud. We have disclosed to you our knowledge of fraud or suspected fraud affecting the entity involving trustees, management, employees who have significant roles in internal control, or others where the fraud could have a material effect on the financial statements. We have disclosed to you our knowledge of any allegations of fraud, or suspected fraud, affecting the entity's financial statements.
10. There have been no events since the scheme year end which necessitate revision of the figures included in the financial statements or inclusion of a note thereto. Should further material events occur, which may necessitate revision of the figures included in the financial statements or inclusion of a note thereto, we will advise you accordingly.
11. We are not aware of any unadjusted misstatements.
12. We are aware of no factors which may make it necessary to wind up the scheme or which may lead to the scheme entering the Pension Protection Fund assessment period. We have made an assessment of the scheme's financial position and there are no known significant impacts on the scheme as a result of Covid-19. As such, we consider that the scheme's financial statements can continue to be prepared on a going concern basis.

As discussed, approved and minuted by the board of trustees at its meeting on 1st September 2021

Trustee.....

Secretary.....

Radstock Co-operative Society Limited Employees' Superannuation Fund

Trustees' Report And Financial Statements

For The Year Ended
27 February 2021

Scheme Registration Number: 10002004

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Participating Employer, Trustees and Fund Advisers

Participating Employer

Principal Employer

Radstock Co-operative Society Limited ("the Society")
Co-operative House, 3 Wells Hill, Radstock, BA3 3RQ

Trustees

Trustees at date of this report

Mrs S Burgess
Mr D Roberts
Mr J Rich
Mr G Jeffery
Mr R Slade
Mrs V Przytocki
Mrs P Young

Secretary to the Trustees

Don Morris - Radstock Co-operative Society Limited
Co-operative House, 3 Wells Hill, Radstock, BA3 3RQ

Fund Advisers

Fund Actuary

Mr D Ross FIA - Hughes Price Walker Limited
Pembroke House, 15 Pembroke Road, Clifton, Bristol, BS8 3BA

Auditor

Saffery Champness LLP
St Catherine's Court, Berkeley Place, Clifton, Bristol, BS8 1BQ

Participating Employer, Trustees and Fund Advisers (continued)

Investment Strategy Advisors

Hughes Price Walker Limited
Pembroke House, 15 Pembroke Road, Clifton, Bristol, BS8 3BA

Investment Manager

BlackRock
12 Throgmorton Avenue, London, EC2N 2DL

Additional Voluntary Contribution Investment Manager

Royal London Mutual Insurance Society Limited ("Royal London")
5th Floor, Churchgate House, 56 Oxford Street, Manchester, M1 6EU

Legal Advisers

Pinsent Masons LLP
30 Crown Place, Earl Street, London, EC2A 4ES

Fund Administrator and Consultants

Hughes Price Walker Limited
Pembroke House, 15 Pembroke Road, Clifton, Bristol, BS8 3BA

Bankers

Barclays Bank PLC
Leicester, LE87 2BB

Contact Details for Enquiries and Further Information

For general enquiries, requests from members for information about their benefits and complaints about the Fund, please contact:

The Trustees of the Radstock Co-operative Society Limited Employees' Superannuation Fund
Hughes Price Walker Limited
Pembroke House
15 Pembroke Road
Clifton
Bristol
BS8 3BA

Telephone: 0117 946 7269

Email: radstockcoop@hughespricewalker.co.uk

The Pension Tracing Service

The Pension Tracing Service's main purpose is to provide a tracing service for members (and their dependants) of previous employers' schemes, who have lost touch with earlier employers and trustees. To trace a benefit entitlement under a former employer's scheme, enquiries should be addressed to:

The Pension Service 9
Mail Handling Site A
Wolverhampton
WV98 1LU

Telephone: 0800 731 0193

The Pensions Ombudsman (TPO)

Any concern connected with the Fund should be referred to Hughes Price Walker Limited at the address above, who will try to resolve the problem as quickly as possible using the Fund's internal dispute resolution procedure (IDRP). Members and beneficiaries of occupational pension schemes who have problems concerning their scheme who are not satisfied by the information or explanation given by the administrators or the trustees can consult with TPO. An application can be made to TPO, normally after IDRP, for him to investigate and determine any complaint or dispute of fact or law involving occupational pension schemes.

The Pensions Ombudsman can be contacted at:

10 South Colonnade
Canary Wharf
London
E14 4PU

Telephone: 0800 917 4487

Email: helpline@pensions-ombudsman.org.uk

Trustees' Report - Part A - Introduction & General

Introduction

The Trustees of the Radstock Co-operative Society Limited Employees' Superannuation Fund (the "Trustees" and "Fund" respectively) are pleased to present their report together with the financial statements for the year ended 27 February 2021.

The Radstock Co-operative Society Limited Employees' Superannuation Fund was established on 2 July 1945, and is governed by a definitive trust deed and rules dated 20 September 2004 as amended from time to time. The Fund was closed to future accrual on 25 September 2010. The Trustees hold Fund funds on trust and use them to pay pensions and other benefits in accordance with the Trust Deed.

Information about the Fund is given in the explanatory booklets and announcements which are issued to all the relevant members.

Financial development

The financial statements on pages 23 to 35 have been prepared and audited in accordance with the Regulations made under Sections 41 (1) and (6) of the Pensions Act 1995. A summary of the financial statements is set out in the table below.

	2020-2021	2019-2020
	£	£
Member related income	78,000	278,000
Member related payments	(347,031)	(319,340)
Returns on investments	659,133	334,279
Net increase in year	390,102	292,939
Net Assets at 27 February 2020	7,433,515	7,140,576
Net Assets at 27 February 2021	7,823,617	7,433,515

Management of the Fund

In accordance with The Occupational Pension Schemes (Member-nominated Trustees and Directors) Regulations 2006, three of the Trustees are nominated by the members under the rules notified to the members of the Fund.

During the year under review, and to the date of signing this annual report, the Trustees of the Fund have been:

Mrs S Burgess	Society appointed (Removed 1 July 2021)
Mr C Doughty	Society appointed (Appointed 19 November 2020)
Mr D Roberts	Society appointed (Removed 19 November 2020)
Mr J Rich	Society appointed
Mr C Warren	Society appointed (Appointed 1 July 2021)
Mr G Jeffery	Ex-officio
Mr R Slade	Member nominated
Mrs V Przytock	Member nominated (Removed 27 March 2021)
Mrs P Young	Member nominated

The Fund rules provide for a maximum of eight Trustees in total:

- No more than four Member Nominated Trustees;
- No more than three to be appointed by the Society's Board of Directors from amongst themselves (Society appointed trustees); and
- The President of the Society is also a Trustee and is Chairperson of the Trustees (Ex-officio trustee).

Member Nominated Trustees are elected for a period of three years and may be eligible for reselection. Member Nominated Trustees may include those that have been co-opted by the Trustees in circumstances where the usual nomination process has been unsuccessful. There is currently a vacancy for a Member Nominated Trustee position. A Society Appointed Trustee ceases to be a Trustee on ceasing to be a member of the Board of Directors. The ex-officio Trustee ceases to be a Trustee on ceasing to be the President of the Society. The Board of Directors may remove or replace any Trustee appointed by it and any appointed or elected Trustee may be removed by unanimous resolution of the other Trustees.

During the year the Trustees met once. All decisions are taken by simple majority with the Chairman having the casting vote.

The Trustees have delegated certain of the day-to-day management and operation of the Fund's affairs to advisers as set out on pages 2 and 3.

Membership

Details of the membership of the Fund for the year ended 27 February 2021 are given below:

	Year to 27 February 2021	Year to 27 February 2020
Deferred Benefits Members		
Number at the start of the year	85	92
Retirements	(5)	(7)
Deferred Benefits Members at end of the year	80	85
Pensioner Members		
Pensioners at the start of the year	67	61
New Pensioners – members retiring	5	7
New Pensioners – Dependents of deceased members	4	-
Deaths and cessations	(9)	(1)
Pensioner Members at end of the year¹	67	67
Total membership at the end of the year	147	152

¹ Includes members with pensions secured by annuities purchased in the Fund's name by the Trustees.

The above membership numbers take account of individuals with more than one period of service in the Fund.

	2021	2020
Total number of individual members at the end of the year	141	146

Trustees' Report - Part B - Investments

Investment - General

There is a degree of delegation of responsibility for investment decisions. The investment strategy is agreed by the Trustees after taking appropriate advice. The day-to-day management of the Fund's investment portfolio, which includes full discretion for stock selection, is the responsibility of the investment manager.

During the year the investment portfolio has been managed by BlackRock. The internal procedures of BlackRock are subject to the regulatory supervision of the FCA. AVCs are separately managed by Royal London.

The Trustees are satisfied that the investment assets are secure and readily marketable. The investment assets are valued in this annual report at bid price. Details of the overall values and largest holdings are set out in Notes 7 and 15 to the financial statements.

Implementation Statement

In accordance with The Occupational and Personal Pension Schemes (Disclosure of Information) Regulations 2013, as amended by The Occupational Pension Schemes (Investment and Disclosure) (Amendment) Regulations 2019, the Trustees must produce an Implementation Statement which:

- Explains how and the extent to which it has followed its engagement policy.
- Describes the voting behaviour by, or on behalf of the Trustees (including the most significant votes cast by the Trustees or on its behalf) during the year and state any use of the services of a proxy voter during that year.

A copy of the Statement starts on page 38 of this Trustees' Report and Financial Statements.

Statement of Investment Principles

The Trustees have produced a Statement of Investment Principles in accordance with Section 35 of the Pensions Act 1995. A copy of the Statement is available on request to the address shown on page 4.

Trustees' Report - Part B - Investments (continued)

Investment Performance

The initial investments in the BlackRock funds were made in October 2014. For indication and comparison purposes, the investment returns on these funds against the benchmark set by Blackrock for the period to 27 February 2021 has been as follows.

	1 year	3 years	Since Inception *
	%	%	%
Aquila Life 2062 ILG Fund Acc	-6.04	3.95	13.00
<i>Benchmark: T62 UK 0 3/8 percent IL Treasury 62 Gross Index</i>	<i>-6.01</i>	<i>3.91</i>	<i>12.97</i>
Aquila Life UK Equity Index Fund S1	3.50	1.29	7.04
<i>Benchmark: FTSE All-Share TR Index</i>	<i>3.50</i>	<i>1.24</i>	<i>7.02</i>
Aquila Life Currency Hedged Overseas Equity S1	22.23	8.40	6.09
<i>Benchmark: Aquila Life Currency Hedged Overseas Equity Benchmark</i>	<i>23.07</i>	<i>8.47</i>	<i>6.09</i>
BIJF Dynamic Diversified Growth Fund I Acc	13.30	6.05	4.99
<i>Benchmark: 3 Month Sterling LIBOR (Daily Average)</i>	<i>0.1879</i>	<i>0.58</i>	<i>0.86</i>

Source: BlackRock

Periods greater than one year are annualised.

Custodial arrangements

The Fund's investments are held in the name of the Fund and the investment managers appoint their own custodians as appropriate.

Socially responsible investments

The Trustees have delegated responsibility for the selection, retention and realisation of investments that make the pooled funds to the investment manager (within certain guidelines and restrictions). The Trustees policy is that the extent to which social, environmental or ethical considerations are taken into account in the selection, retention and realisation of investments is left to the discretion of the investment manager.

Rights attaching to investments

The Trustees policy is to delegate responsibility for the exercising of rights (including voting rights) attaching to the investments to the investment manager.

Trustees' Report - Part C - Report on Actuarial Liabilities

Report on Actuarial Liabilities - Introduction

Under Section 222 of the Pensions Act 2004, 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 represent the present value of the benefits members are entitled to based on pensionable service to the valuation date. This is assessed using the assumptions agreed between the Trustees and the Employer and set out in the Statement of Funding Principles, which is available to Fund members on request.

Actuarial Valuation at 27 February 2020

The most recent full actuarial valuation of the Fund was carried out as at 27 February 2020. This showed that on that date:

The value of the Technical Provisions was: £8.83 million

The value of the assets at that date was: £7.30 million

The method and significant actuarial assumptions used to determine the technical provisions are as follows (all assumptions adopted are set out in the Appendix to the Statement of Funding Principles):

Method

The actuarial method to be used in the calculation of the technical provisions is the Defined Accrued Benefit Method.

Significant actuarial assumptions

Pre-retirement discount rate: derived from the Bank of England's projection for nominal spot gilt yields at a duration consistent with the Fund's liabilities plus 2.4% per annum.

Post-retirement discount rate: derived from the Bank of England's projection for nominal spot gilt yields at a duration consistent with the Fund's liabilities plus 1.15% per annum.

Future Retail Price inflation: based on the 18-year spot implied inflation rate produced by the Bank of England.

Future Consumer Price inflation: rates derived from the assumption for future retail price inflation less an adjustment equal to 0.75% per annum.

Pension increases: Pensions accrued up to 30 April 2006 increase in payment in line with RPI inflation, subject to a maximum of 5% in any year.

Pensions accrued from 1 May 2006 increase in payment in line with CPI inflation, subject to a maximum of 2.5% in any year.

Trustees' Report - Part C - Report on Actuarial Liabilities (continued)

Mortality:

- in line with standard tables referred to as S3PMA (for males) and S3PFA (for females);
- future improvements in mortality are assumed to be in line with the CMI 2019 (Core) projection model, allowing for a long-term assumed rate of improvement of 1.5% per annum;
- all members are assumed to retire at their normal retirement date (or otherwise on cost neutral terms);
- members are assumed on average to exchange 20% of their pensions for a pension commencement lump sum at retirement.

Recovery plan

The Trustees and the Society have agreed a recovery plan in order to eliminate the deficit of £1,537,000 within 7 years and 4 months of the valuation date. This states that the Society shall pay annual contributions of £196,000 on or before each 1 June commencing in the year ending 1 June 2022 up to and including the year ending 1 June 2027. Annual contributions of £178,000 were payable under the previous recovery plan to 1 June 2021.

These arrangements are reflected in the Schedule of Contributions and the Actuarial Certification thereof included on page 37 of this annual report.

Next actuarial valuation

The next actuarial valuation is due as at 27 February 2023.

Trustees' Report - Part D - Summary of Contributions

Introduction

The Trustees are responsible under pensions legislation for preparing, maintaining and from time to time reviewing and if necessary revising a Schedule of Contributions showing the rates of contributions payable towards the Fund by or on behalf of the Employer and any active members of the Fund and the dates on or before which such contributions are to be paid. The schedule in force during the year and the Actuarial Certification of the Schedule of Contributions is included on page 36 of this annual report.

The Trustees are also responsible for keeping records in respect of contributions received in respect of any active member of the Fund and adopting risk-based processes to monitor whether contributions are made to the Fund by the Employer in accordance with the Schedule of Contributions.

Summary of contributions paid in the year

During the year ended 27 February 2021, the contributions paid to the Fund by the Employers under the Schedule of Contributions were as follows:

Contributions in accordance with the Schedule of Contributions

Employer contributions in respect of deficit funding	£78,000
Total contributions reconciled to the financial statements	£78,000

Trustees' Report - Part E - Statement of Responsibilities for the Financial Statements

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 Trustees. Pension scheme regulations require, and the Trustees are responsible for ensuring, that those financial statements:

- show a true and fair view of the financial transactions of the Fund during the Fund year and of the amount and disposition at the end of the Fund year of its assets and liabilities, other than liabilities to pay pensions and benefits which fall due after the end of the Fund year; 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 making a statement whether the financial statements have been prepared in accordance with the relevant financial reporting framework applicable to occupational pension schemes.

In discharging the above responsibilities, the Trustees are responsible for selecting suitable accounting policies, to be applied consistently, making any estimates and judgments 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 the Fund will not be wound up.

The Trustees are also responsible for making available certain other information about the Fund in the form of an Annual Report.

The Trustees also have 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 Fund and to prevent and detect fraud and other irregularities, including the maintenance of an appropriate system of internal control.

The Trustees are responsible under pensions legislation for preparing, maintaining and from time to time reviewing and if necessary revising, a Schedule of Contributions showing the rates of contributions payable towards the Fund by or on behalf of the employer and the active members of the Fund and the dates on or before which such contributions are to be paid. The Trustees are also responsible for keeping records in respect of contributions received in respect of any active member of the Fund and for adopting risk-based processes to monitor whether contributions are made to the Fund by the employer in accordance with the Schedule of Contributions. Where breaches of the Schedule occur, the Trustees are required by the Pensions Acts 1995 and 2004 to consider making reports to the Pensions Regulator and the members.

Trustees' Report - Part F - Compliance Statement and Signature

Compliance Statement for the year ended 27 February 2021

Constitution

The Fund was established on 2 July 1945, and is governed by a definitive trust deed and rules dated 20 September 2004 as amended from time to time. The Fund was closed to future accrual on 25 September 2010.

Taxation status

The Fund is a "registered" scheme under the terms of the Finance Act 2004. The Trustees know of no reason why this registered status may be prejudiced or withdrawn.

Pension increases

Deferred pensions are increased in accordance with statutory requirements.

Pensions in payment Pensions in payment earned up to 1 May 2006 increase each September by 5% or the percentage increase in the Retail Prices Index during the previous twelve months ending in December, whichever is the lower.

Pensions in payment earned from 1 May 2006 increase each September by 2.5% or the percentage increase in the Consumer Prices Index during the previous twelve months ending in December, whichever is the lower.

No discretionary increases were awarded in the year.

Calculation of transfer values

Transfers to other pension arrangements are calculated in accordance with regulations made under the Pension Schemes Act 1993. No allowance is made in the calculation of transfer values for discretionary pension increases.

Employer-related investment

There was no employer-related investment at any time during the year.

Trustees' Report - Part F - Compliance Statement and Signature (continued)

Signature

The Trustees' Report on pages 5 to 16 has been approved by the Trustees.


.....

Trustee


.....

Trustee

Signed on behalf of the Trustees on 27/9/2021

Independent Auditor's Report

Independent Auditor's Report to the Trustees of the Radstock Co-operative Society Limited Employees' Superannuation Fund for the Year ended 27 February 2021

Opinion

We have audited the financial statements of the Radstock Co-operative Society Limited Employees' Superannuation Fund for the year ended 27 February 2021, set out on pages 23 to 35. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- show a true and fair view of the financial transactions of the Fund during the year ended 27 February 2021, 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 Fund year;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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, 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 pension scheme 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.

This audit report continues on the next page

Independent Auditor's Report (continued)

Independent Auditor's Report to the Trustees of the Radstock Co-operative Society Limited Employees' Superannuation Fund for the Year ended 27 February 2021 (continued)

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the pension scheme's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The Trustees are 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, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 themselves. 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 the Trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 14, the Fund's Trustees are responsible for the preparation of the Annual Report and the financial statements which give a true and fair view and fair view, and for such internal control as the trustees determine 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, the trustees are responsible for assessing the pension scheme's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the pension scheme or to cease operations, or have no realistic alternative but to do so.

This audit report continues on the next page

Independent Auditor's Report (continued)

Independent Auditor's Report to the Trustees of the Radstock Co-operative Society Limited Employees' Superannuation Fund for the Year ended 27 February 2021 (continued)

Auditor's 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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

We assessed the susceptibility of the pension scheme's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the pension scheme by discussions with trustees and updating our understanding of the sector in which the pension scheme operates.

Laws and regulations of direct significance in the context of the pension scheme include The Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996 made under the Pensions Act 1995.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the pension scheme's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the pension scheme's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

This audit report continues on the next page

Independent Auditor's Report (continued)

Independent Auditor's Report to the Trustees of the Radstock Co-operative Society Limited Employees' Superannuation Fund for the Year ended 27 February 2021 (continued)

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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. This description forms part of our auditors' report.

Use of our report

This report is made solely to the scheme's trustees, as a body, in accordance with Regulation 3 of 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 trustees those matters we are required to state to them in an auditors' 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's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Saffery Champness LLP

Saffery Champness LLP
Chartered Accountants
Statutory Auditors
Bristol

Date: 6 October 2021

Independent Auditor's Statement about Contributions

Independent Auditor's Statement about Contributions to the Trustees of the Radstock Co-operative Society Limited Employees' Superannuation Fund for the year ended 27 February 2021

We have examined the Summary of Contributions to the Radstock Co-operative Society Limited Employees' Superannuation Fund for the Fund year ended 27 February 2021 which is set out in the Trustees' Report on page 13.

Statement about contributions payable under the Schedule of Contributions

In our opinion contributions for the Fund year ended 27 February 2021 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 certified by the Fund Actuary on 9 November 2017.

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, set out on page 13, 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 Fund and the timing of those payments under the Schedule of Contributions.

Respective responsibilities of the Trustee and auditors

As explained more fully in the Statement of Trustees' Responsibilities, the Fund's Trustees are responsible for preparing, and from time to time reviewing and if necessary revising, a Schedule of Contributions and for monitoring whether contributions are made to the Fund by the employer in accordance with the Schedule of Contributions relevant requirements.

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

This statement continues on the next page

Independent Auditor's Statement about Contributions (continued)

Independent Auditor's Statement about Contributions to the Trustees of the Radstock Co-operative Society Limited Employees' Superannuation Fund for the year ended 27 February 2021 (continued)

Use of our report

This statement is made solely to the Fund's Trustees, as a body, in accordance with Regulation 4 of 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 Fund's Trustee those matters we are required to state to them 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 Fund's Trustee as a body, for our audit work, for this report, or for the opinions we have formed.

Saffery Champness LLP

Saffery Champness LLP

Chartered Accountants and Statutory Auditor
Bristol

Date: 6 October 2021

Financial Statements - Part A - Fund Account

Fund Account for the year ended 27 February 2021

	Note	2021 £	2020 £
Contributions and benefits			
Employer Contributions	3	78,000	278,000
Benefits	4	(346,996)	(319,191)
Administrative expenses	5	(35)	(149)
		(347,031)	(319,340)
Net (withdrawals) from dealings with members		(269,031)	(41,340)
Returns on investments			
Investment income	6	8,068	8,258
Change in market value of investments	7	636,046	311,653
Investment management expenses	9	15,019	14,368
Net returns on investments		659,133	334,279
Net increase in the fund during the year		390,102	292,939
Net assets of the Fund at start of the year		7,433,515	7,140,576
Net assets of the Fund at end of the year		7,823,617	7,433,515

The notes on pages 25 to 35 form part of these financial statements.

Financial Statements - Part B - Statement of Net Assets

Statement of Net Assets as at 27 February 2021

	Note	27 February 2021	27 February 2020
		£	£
Investment Assets	7		
Pooled investment vehicles		7,561,095	7,215,383
Insurance policies		100,000	105,000
AVC investments		36,457	33,623
		7,697,552	7,354,006
Total net investments		7,697,552	7,354,006
Current assets	16	130,435	101,528
Current liabilities	17	(4,370)	(22,019)
Net assets of the Fund at end of the year		7,823,617	7,433,515

The financial statements summarise the transactions of the Fund and deal with the net assets at the disposal of the Trustees. They do not take account of obligations to pay pensions and benefits which fall due after the end of the Fund year. The actuarial position of the Fund, which does take account of such obligations for the Fund, is dealt with in the Trustees' Report - Report on Actuarial Liabilities included on pages 11 and 12 of this annual report and these financial statements should be read in conjunction with that report. The notes on pages 25 to 35 form part of these financial statements. The financial statements on pages 23 to 35 were approved by the Trustees on 11/9/ 2021

Signed on behalf of the Trustees

.....

Trustee

.....

Trustee

Financial Statements - Part C - Notes

1. Notes

1.1 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 (FRS 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 2018 (SORP).

1.2 Identification of the financial statements

The Fund is established as a trust under English Law. The address for enquiries to the Fund is shown at the first address on page 4.

2. Accounting policies

The principal accounting policies are set out below.

2.1 Contributions

- a) Employer deficit funding contributions are accounted for on the due dates on which they are payable under the Schedule of Contributions or on receipt if earlier with the agreement of the Employer and Trustees.
- b) Employer s75 debt contributions are accounted for when a reasonable estimate of the amount due can be determined.

2.2 Payments to members

- a) Pensions in payment are accounted for in the period to which they relate.
- b) Benefits are accounted for in the period in which the member notifies the Trustees of his decision on the type or amount of benefit to be taken or, if there is no member choice, the date of retirement or leaving.
- c) Individual transfers in or out are accounted for when member liability is accepted or discharged which is normally when the transfer amount is paid or received.

2.3 Expenses

Administrative expenses are met by the principal employer, except as disclosed in the Fund Account. Expenses are accounted for on an accruals basis.

2.4 Investment income

- a) Income arising from the underlying investments of the pooled investment vehicles is rolled up and reinvested within the pooled investment vehicles. This is reflected in the unit price and reported within 'Change in Market Value'.
- b) Receipts from annuity policies held by the Trustees are accounted for as investment income on an accruals basis.

2.5 Change in market value of investments

The change in market value of investments during the year comprises all increases and decreases in the market value of investments held at any time during the year, including profits and losses realised on investments sold as well as unrealised gains and losses in the value of investments held at the year-end.

2.6 Valuation of investments

Investments are included at fair value as described below.

- a) Accrued interest is excluded from the market value of fixed income securities and is included in invested income receivable.
- b) Unitised pooled investment vehicles have been valued at the latest available bid price or single price provided by the pooled investment manager. Shares in other pooled arrangements have been valued at the latest available net asset value (NAV), determined in accordance with fair value principles, provided by the pooled investment manager.
- c) The Fund functional and presentation currency is pounds sterling. Monetary items denominated in foreign currency are translated into sterling using the closing exchange rates at the Fund year-end. Foreign currency transactions are recorded in sterling at the spot exchange rate at the date of the transaction.
- d) Annuities have been valued by the Fund Actuary as the amount of the related obligation, determined for the purposes of the Pension Expense Disclosure in the sponsoring employer's accounts using the methodology for the measurement of post-employment benefits under Financial Reporting Standard 102.

3. Contributions

	2021	2020
	£	£
Contributions from employer:		
In respect of deficit funding	78,000	278,000
Total contributions	78,000	278,000

The deficit funding contributions are payable until 1 June 2027 in line with the Schedule of Contributions, subject to review at future actuarial valuations. £100,000 of the total contribution due for the year to 1 June 2020 was paid to the Fund in the previous year and is included in the total above.

4. Benefits

	2021	2020
	£	£
Pensions	264,027	283,871
Commutations and lump sums on retirement	82,969	35,320
	346,996	319,191

5. Administrative expenses

	2021	2020
	£	£
Bank & other minor charges	35	149
	35	149

All other costs of administration are met by the Employer, Radstock Co-operative Society Limited.

Financial Statements - Part C - Notes (continued)

6. Investment income

	2021	2020
	£	£
Annuity income	8,030	7,981
Interest on cash deposits	38	277
	8,068	8,258

7. Reconciliation of investments

	Market value at 27 February 2020	Purchases at cost	Sales proceeds	Change in market value	Market value at 27 February 2021
	£	£	£	£	£
Not designated or allocated to individual members					
Pooled investment vehicles:					
Managed funds by asset class					
- Equities	3,339,528	-	(200,828)	376,448	3,515,148
- Bonds	1,257,186	-	(91,672)	(70,118)	1,095,396
- Diversified Growth	2,618,640	-	-	331,882	2,950,522
	7,215,354	-	(292,500)	638,212	7,561,066
Cash	29	-	-	-	29
Insurance policies	105,000	-	-	(5,000)	100,000
Sub-total	7,320,383	-	(292,500)	633,212	7,661,095
Designated to individual members					
Managed by Royal London	33,623	-	-	2,834	36,457
Total Fund	7,354,006	-	(292,500)	636,046	7,697,552

8. Reconciliation of investments – notes

8.1 Change in market value

The change in market values comprises all increases and decreases in the value of investments held at any time during the year, including profits and losses realised on sales of investment, as well as unrealised gains and losses in the value of investments held at the year-end.

8.2 Transaction costs

Indirect transaction costs are incurred through the bid-offer spread on investments within pooled investment vehicles. The amount of indirect costs is not separately provided to the Fund.

8.3 Country of registration of fund manager

All fund managers operating the pooled investment vehicles are registered in the United Kingdom.

8.4 AVC funds (designated to individual members)

The Trustees hold assets under the Fund, which are separately invested from the other Fund investments, which secure additional benefits on a money purchase basis for those members who elected to pay additional voluntary contribution whilst contributing under the Section. The AVC Fund Manager holds records to show to which member each investment relates. Members receive an annual statement prepared by the AVC Fund Manager confirming the amounts held to their account.

9. Investment management expenses

	2021	2020
	£	£
Administration management rebates	15,019	14,368
	<u>15,019</u>	<u>14,368</u>

The rebates above are in respect of fees relating to the BlackRock Dynamic Diversified Growth Fund, which are met within the unit price and reimbursed by the Employer.

10. Taxation

The Fund is a registered Pension Scheme under Chapter 2 of Part 4 of the Finance Act 2004 and is therefore exempt from income tax and capital gains tax.

11. Derivatives

The Trustees do not use derivatives as part of their investment strategy for the Fund but will permit the managers of pooled funds investing overseas to use forward foreign exchange contracts to balance the risk of investing in foreign currencies whilst looking to obtain a return in Sterling.

12. Insurance policies

	27 February 2021	<i>27 February 2020</i>
	£	<i>£</i>
Annuities with Royal London (CIS) Limited	100,000	<i>105,000</i>
Total	100,000	<i>105,000</i>

13. Fair value determination

The fair value of financial instruments has been estimated by the following fair value hierarchy:

- Level (1) Using unadjusted quoted prices in an active market for identical assets or liabilities that can be accessed at the reporting date.
- Level (2) Using inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.
- Level (3) Using inputs that are unobservable (i.e. for which market data is unavailable) for the asset or liability.

A fair value measurement is categorised in its entirety on the basis of the lowest level input which is significant to the fair value measurement in its entirety.

The Fund's investment assets and liabilities have been fair valued using the above hierarchy categories as follows:

At 27 February 2021				
	Level 1	Level 2	Level 3	Total
	£	£	£	£
Pooled investment vehicles	-	7,561,066	-	7,561,066
Insurance policies	-	-	100,000	100,000
AVC Investments	-	-	36,457	36,457
Cash	29	-	-	29
Total	29	7,561,095	136,457	7,697,552

At 27 February 2020				
	Level 1	Level 2	Level 3	Total
	£	£	£	£
Pooled investment vehicles	-	7,215,354	-	7,215,354
Insurance policies	-	-	105,000	105,000
AVC Investments	-	-	33,623	33,623
Cash	29	-	-	29
Total	29	7,215,354	138,623	7,354,006

14. Investment risk disclosures

14.1 Investment risks

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.

The Trustees determine their investment strategy after taking advice from a professional investment adviser. The Fund has exposure to these risks because of the investments it makes in following the investment strategy set out below. The Trustees manage investment risks, including credit risk and market risk, within agreed risk limits which are set taking into account the Fund's strategic investment objectives. These investment objectives and risk limits are implemented through the investment management agreements in place with the Fund's investment managers and monitored by the Trustees by regular reviews of the investment portfolio.

Further information on the Trustees' approach to risk management, credit and market risk is set out below.

14.2 Investment Strategy

The Trustees' long-term investment objective is to maintain a portfolio of suitable assets of appropriate liquidity which will generate investment returns to meet, together with future contributions, the benefits of the Fund payable under the trust deed and rules as they fall due.

The Trustees set the investment strategy for the Fund taking into account considerations such as the strength of the employer covenant, the long term liabilities of the Fund and the funding agreed with the Employer. The investment strategy is set out in its Statement of Investment Principles (SIP).

The current strategy is to invest 45% of the total assets in equities (broadly split with 60% of total equity exposure invested in UK equities, and 40% of total equity exposure invested in global equities), 40% in multi asset funds, and 15% in index-linked government bonds.

14.3 Credit risk

The Fund is subject to credit risk because the Fund directly invests in bonds and has cash balances. The Fund also invests in pooled investment vehicles and is therefore directly exposed to credit risk in relation to the instruments it holds in the pooled investment vehicle and is indirectly exposed to credit risks arising on the financial instruments held by the pooled investment vehicles.

Credit risk arising on bonds held directly is mitigated by investing in government bonds where the credit risk is minimal, or corporate bonds which are rated at least investment grade. Credit risk arising on other investments is mitigated by mandates required by all counterparties to be at least investment grade credit rated. This is the position at the year-end.

Cash is held within financial institutions which are at least investment grade credit rated. This is the position at the year-end.

Direct credit risk arising from pooled investment vehicles is mitigated by the underlying assets of the pooled arrangements being ring-fenced from the pooled manager, the regulatory environments in which the pooled managers operate and diversification of investments amongst a number of pooled arrangements. Trustees carry out due diligence checks on the appointment of new pooled investment managers and on an ongoing basis monitor any changes to the regulatory and operating environment of the pooled manager. Investments exposed to direct credit risk at the year end amount to £7,561,066 (2020: £7,215,354).

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

	2021	2020
	£	£
Authorised unit trusts	2,950,522	2,618,640
Open ended investment companies	4,610,544	4,596,714
	7,561,066	7,215,354

Indirect credit risk arises in relation to underlying investments held in the bond pooled investment vehicle. This risk is mitigated by only investing in funds which hold at least investment grade credit rated investments. Investments exposed to indirect credit risk at the year end amount to £1,095,396 (2020: £1,257,186).

14.4 Currency risk

The Fund is subject to currency risk because some of the Fund's investments are held in overseas markets via pooled investment vehicles. The Trustees monitor currency exposure in these vehicles, including the extent to which it is hedged. Investments exposed to currency risk at the year end amount to £1,507,365 (2020: £1,399,672).

14.5 Interest rate risk

The Fund is subject to interest rate risk because some of the Fund's investments are held in bonds through pooled vehicles, and cash. Investments exposed to interest rate risk at the year end amount to £1,095,396 (2020: £1,257,186).

14.6 Other price risk

Other price risk arises principally in relation to the Fund's return seeking portfolio which includes equities held in pooled vehicles and hedge funds. The Fund manages this exposure to overall price movements by constructing a diverse portfolio of investments across various markets. Investments exposed to other price risk at the year end amount to £3,515,148 (2020: £3,339,528).

15. Concentration of investments

The following investments account for more than 5% of the Fund's net assets as at either the current or previous year-ends:

Fund Name	27 February 2021	27 February 2020
	%	%
BIJF Dynamic Diversified Growth Fund I Acc	37.7	35.2
Aquila Life UK Equity Index Fund S1	25.7	26.1
Aquila Life Currency Hedged Overseas Equity S1	19.3	18.8
Aquila Life 2062 ILG Fund Acc	14.0	16.9

16. Current assets

	27 February 2021	27 February 2020
	£	£
Cash at bank	114,763	100,815
Investment charge reimbursement	15,019	-
Due from insurance company	653	670
Accrued interest	-	43
	130,435	101,528

17. Current liabilities

	27 February 2021	<i>27 February 2020</i>
	£	£
Pensions	-	18,628
Taxation	4,370	3,391
	4,370	22,019

18. Related party transactions

The Principal Employer of the Fund is Radstock Co-operative Society Limited. The trustee, Mr J Rich is a member of the Fund entitled to deferred benefits calculated in accordance with the Fund rules. The trustees, Mr R Slade and Mrs P Young are pensioners in receipt of pensions calculated in accordance with the Fund rules.

There have been no other material transactions with related parties which have not been disclosed in these financial statements other than the provision of administration services by the Trustees and appointed personnel of the Principal Employer. No charges have been made to the Fund in respect of these services.

Actuarial Certification of the Schedule of Contributions

A. Certification of Schedule of Contributions in force at start of Fund-year

Actuarial Certificate given for the purposes of Section 227 of the Pensions Act 2004 (Certificate of Schedule of Contributions)

Name of scheme: Radstock Co-operative Society Limited Employees' Superannuation Fund

Adequacy of rates of contributions

1. I certify that, in my opinion, the rates of the contributions shown in this schedule of contributions are such that –

the statutory funding objective could have been expected on 27 February 2017 to be met by the end of the period specified in the recovery plan dated 1 November 2017.

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 1 November 2017.

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:



Date:

9 November 2017

Name:

Paul Bunzl

Qualification:

Fellow of the Institute and Faculty of Actuaries

Address:

BBS Consultants & Actuaries Ltd
Canard Court
23-25 St George's Road
Bristol
BS1 5UU

Name of employer: BBS Consultants & Actuaries Ltd
(If applicable)

Actuarial Certification of the Schedule of Contributions (continued)

B. Certification of Schedule of Contributions in force after end of Fund-year

Certification of the schedule of contributions

Name of scheme: Radstock Co-operative Society Limited Employees' Superannuation Fund

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 27 February 2020 to be met by the end of the period specified in the recovery plan dated 25 May 2021.

Adherence to the 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 25 May 2021.

The certification of the adequacy of the rates of contributions for the purpose of securing that the statutory funding objective could have been 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:



Date:

26 / 5 / 21

Name:

Duncan Ross

Qualification:

Fellow of the Institute and Faculty of Actuaries

Name of employer:

Hughes Price Walker Limited

Address:

Pembroke House
15 Pembroke Road
Clifton
Bristol
BS8 3BA

Radstock Co-operative Society Limited Employees' Superannuation Fund

Implementation Statement

Introduction

On 6 June 2019, the U.K. Government published the Occupational Pension Schemes (Investment and Disclosure) (Amendment) Regulations (the "Regulations"). The Regulations, amongst other things, require that the Trustees of the Radstock Co-operative Society Limited Employees' Superannuation Fund (the "Fund"), produce an Implementation Statement which:

- outlines how the Trustees have ensured that the voting and engagement policies set out in its SIP have been followed over the course of the Fund year; and
- describes the voting behaviour on behalf of the Trustees, including the most significant votes cast and any use of a proxy.

This is the first Implementation Statement the Trustees have prepared and covers the year ending 27 February 2021.

Voting and engagement

As set out in the SIP, The Trustees undertake due diligence when appointing investment managers and review each of those managers' policies on Environmental, Social and Corporate Governance ("ESG") considerations. The Trustees appreciate that those investment managers which integrate ESG considerations can help mitigate risks and have the potential to lead to better, long-term financial outcomes. The Trustees will expect fund managers to have signed up to the United Nations-supported Principles for Responsible Investment ("PRI"), a set of six voluntary and aspirational principles supported by the United Nations, which offer an assortment of possible actions for incorporating ESG issues into investment practice.

As the Trustees invest in pooled funds, the fund managers make decisions related to the exercise of any rights, including voting rights, attaching to the investments and engagement activities in respect of the investments. The Trustees currently invest in pooled funds with BlackRock, which are subject to BlackRock's own policies on ESG considerations, including climate change. No new investment managers have been appointed over the year to 27 February 2021 so no due diligence has been carried out over this period.

Radstock Co-operative Society Limited Employees' Superannuation Fund

Implementation Statement

Voting behaviour on behalf of the trustees

As a holder of assets with attaching voting rights, the Trustees are able to exercise these voting rights on behalf of members of the Fund. As part of their delegated responsibilities, the Trustees expect the Fund's investment manager (BlackRock) to:

- Ensure that (where appropriate) underlying managers exercise the Trustees' voting rights in relation to the Fund's assets; and
- Report to the Trustees on stewardship activity by underlying managers as required.

The investment manager reaches a voting decision by using a combination of research from the proxy advisory firms ISS and Glass Lewis, and several other inputs, including a company's own disclosures.

BlackRock's voting process is led by the BlackRock Investment Stewardship team. The investment manager does not automatically accept the vote recommendations from the proxy advisory firms.

Voting information for the three relevant funds has been provided as follows by BlackRock:

- Aquila Life UK Equity Index Fund - 100% of eligible resolutions were voted on and the investment manager voted against management in 5% of the votes.
- Aquila Life Currency Hedged Overseas Equity Fund – 100% of eligible resolutions were voted on and the investment manager voted against management in 6% of the votes.
- BlackRock Dynamic Diversified Growth Fund - 99% of eligible resolutions were voted on and the investment manager voted against management in 5% of the votes.

Most significant votes over the year

A summary of some of the significant votes over the year in relation to the BlackRock funds, as highlighted by BlackRock, is set out below.

Chevron, May 2020

Chevron is an American multinational oil and gas corporation engaged in integrated energy, chemicals and petroleum operations worldwide. Shareholders filed a non-binding proposal requesting that Chevron report on how the company's direct and indirect lobbying align with the Paris Climate Agreement goals.

BlackRock voted for this proposal, as greater transparency into the company's approach to political spending and lobbying as aligned with their stated support for the Paris Agreement will help articulate consistency between private and public messaging in the context of managing climate risk and the transition to a lower-carbon economy.

Radstock Co-operative Society Limited Employees' Superannuation Fund

Implementation Statement

Ocado Group, May 2020

Ocado is a UK online grocery retailer that specialises in developing and supplying online retailing technology (including distribution logistics) to other grocers. Shareholders were asked to approve a remuneration report.

BlackRock voted against this proposal due to concerns about the long-term executive pay plan. The pay plan is based on share price growth which, considering the executives' sizeable shareholdings, the participants already had a very strong incentive to meet this objective. Moreover, the awards are out of line with usual levels of variable pay for executives within the UK market, even for exceptional performance.

Procter & Gamble, October 2020

Procter & Gamble is one of the largest global branded consumer packaged goods companies. It operates in the following segments: Beauty; Grooming; Health Care; Fabric & Home Care; and Baby, Feminine & Family Care. Shareholders requested a report assessing if and how Procter & Gamble could increase the scale, pace, and rigor of its efforts to eliminate deforestation and the degradation of intact forests in its supply chains. Special focus was placed on the company's use of palm oil and forest pulp.

BlackRock voted for this proposal as it recognised that there was room for the company to improve the frequency and depth of sustainability disclosure. As a long-term investor, the reputational and operational risks faced by companies being implicated in deforestation is concerning to BlackRock.

