



Barnett Waddingham LLP
ANNUAL REVIEW

*Barnett
Waddingham*



Partners

H R Wynne-Griffith FIA ASA
R A J Waddingham FIA ASA
P A Leandro FIA ASA
N J H Salter FIA ASA
P McGurk FIA
M A Underwood FIA
M D Da Silva FIA
C D Mayger FIA
M A J Howard FIA
C D Richardson FIA
N Dodhia FIA
J M Bridger FIA
D G Wilding FIA
R J Evans FPMI
N P Hacking FIA APMI
S J O Morran FIA
L F Witts FIA
N P Hedges
R A Millson ASFA
I A Coles FIA
C J Harrington APMI
C W Chadwick FIA FPMI
P Latimer APMI
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M I Whitehead FIA

Associates

A G Hague APMI
S A Cluff APMI
R J Routley
C L Ward APMI
J M Bassett APMI ASFA
P M Duly APMI
J A Harrison FIA
S C P Meldrum FIA
A R Twells FIA
P E Berry APMI
T Harvey APMI
P Burton
R Chadwick FIA
D M H Clark
P R Hamilton FIA
R A Wakefield
A J Walker FIA
P J Houghton FIA





When we started Barnett Waddingham 15 years ago, inflation was running a little below 7% a year, interest rates were about 10% and equities had returned 11% in the previous year (with 35% on the cards for the following year). At that time, MFR, FRS17 and PPF were just a random and pretty

meaningless collection of letters and numbers!

The intervening years have seen substantial change. By far the most dramatic change has been the amount of regulation - and the last 12 months have been no exception. We have another major Pensions Act on the way, together with radical changes in the tax treatment of UK pensions (I predicted last year that 'simplification' would be anything but simple, but I have to concede that the long-term benefits of a simplified tax regime are to be welcomed). However, I have more fundamental concerns about the credibility and sustainability of certain provisions in the new Pension Bill.

Major changes to pension scheme funding are on the horizon with the introduction of a 'scheme specific funding standard', further changes to accounting standards and the latest EU pensions directive. There is also the increasing possibility of compulsory pension contributions at some point in the future.

This Government - like its predecessors - presides over an inadequate State pension arrangement and makes it difficult for employers to make up for the State's shortcomings (and employers are the only realistic and cheap alternative vehicle for providing retirement pensions). As they say in the EU - plus ça change!

The growth in Barnett Waddingham over the past 15 years is, of course, something of which we are all immensely proud. We now have six offices - Amersham, Cheltenham, Glasgow, Leeds, Liverpool and London - with nearly 300 people and, like policemen, actuaries are getting younger!

Sadly, I can no longer claim to know the names of all of our clients and other friends who receive a copy of our Annual Review. However, if any of our readers have any thoughts or comments they would like to share with me, I would be delighted to hear from them.

A handwritten signature in blue ink, appearing to read 'Huw Wynne-Griffith'.

HUW WYNNE-GRIFFITH
SENIOR PARTNER

Barnett Waddingham LLP

Like many other professional firms we decided to become a Limited Liability Partnership (LLP) with effect from 1 June 2004. As you would expect, this does not affect the two most important aspects of our business - our staff and the service we provide to our clients.

The size of the firm also means that it is no longer practical to list the names of all our Partners and Associates on the notepaper. While this was an inevitable consequence of the growth of Barnett Waddingham, it was still a sad day when we had to finally acknowledge this fact. Nevertheless, we still publish the names of Partners and Associates where this is appropriate and practical. For example, all these names are on display in each of our offices and are listed on the inside front cover of this Review.

There were, as usual, a number of changes to this list at 1 June 2004 as we were delighted to announce that Paul Latimer and Marcus Whitehead from our Amersham office and Rajeev Shah from our London office became Partners of the firm. In addition, Paul Houghton from our Amersham office became an Associate with effect from the same date.

Raymond Hayward 1928-2003

Raymond Hayward was the senior partner of Rodney Barnett & Co. when that firm merged with Waddingham & Co. in 1989 to become Barnett Waddingham. He became senior partner of the new firm before retiring from the partnership, although his involvement continued on a consultancy basis. We are all grateful for his role in laying the foundations for the success that the firm has enjoyed since its formation.

Raymond became a Fellow of the Institute of Actuaries in 1958. His professional achievements were many, though he is perhaps best known for his role with the profession's Continuous Mortality Investigation Bureau where he was Assistant Secretary for many years. He also served on the Permanent Health Insurance Sub-Committee as both Secretary and later as a member. For many years he acted as tutor to actuarial students and plenty of currently qualified actuaries have benefited from his wisdom.

His gentle voice and kindly manner were backed by a great determination to serve his clients, partners, staff, students, family, friends, church and community to the very best of his abilities. It is these qualities that will live in the memory of all that were privileged to know him and work alongside him.

New Glasgow office

In June 2003 we were delighted to open the first Barnett Waddingham office in Scotland. We had the advantage of being able to start our new Glasgow office with an experienced team on day one, as six staff, led by new Barnett Waddingham Associate Dot Clark, joined us from an existing firm of actuaries in Glasgow. Over 200 clients also transferred and are being looked after from our new offices at 163 West George Street, Glasgow.

The opening party was held on 23 September 2003 and, as well as the traditional cake, our guests all received a commemorative bottle of Barnett Waddingham whisky. Strictly speaking these were whisky miniatures, but at Barnett Waddingham we think that personal service and quality is sometimes more important than size!

At the time of going to press we are building on our successful first year in Glasgow by strengthening our actuarial capabilities even further. Paul Hamilton, a qualified actuary from our Amersham office and Eddie Campbell, an experienced pensions consultant from our Cheltenham office, will be moving to Glasgow to help Dot and her team with the continued expansion of Barnett Waddingham's pension scheme services in Scotland.



*Glasgow team, from left to right:
Jonathan Gwinnett, Tracy Waddell, Graeme Melville, Carol Paterson,
Dot Clark, Lisa McMinn*

www.barnett-waddingham.co.uk

Barnett Waddingham's website has been up and running for over five years now. In that time it has grown from a relatively simple affair to being an integral part of our communication strategy, as well as a historical record of Barnett Waddingham's activities.

Although our old site was well received, it was felt that it was time for a new look. This also gave us the opportunity to develop a new 'Extranet' section, an area of our website dedicated to individual clients. Each client can, potentially, have access to a secure, password-protected area of the website which includes useful information relating to the client's own pension scheme. For example, this information can include the Trust Deed & Rules, the Scheme Booklet and other formal announcements to individual members. Minutes of

previous trustee meetings, together with the previous actuarial valuation report, Annual Report & Accounts and Statement of Investment Principles can also be a useful source of reference from time to time. The main aim of the site is to ensure that all of the key information relating to the pension scheme is available to trustees in one, easily accessible, place.

As well as these new developments, we continue to make sure that our main website is kept up-to-date. Partners and staff are encouraged to place newsworthy articles on our website on a regular basis. These articles are 'published' every month so that our website always provides useful and relevant information on topical issues.

Our thanks go to Adam Walker, Will Bennett, Sam Underhill and our IT team for their hard work in developing and maintaining our website and related services.

“an area of our website dedicated to individual clients.”



“our website always provides useful and relevant information on topical issues.”

A new tax regime for pensions

The eagerly awaited second consultation paper on pension taxation simplification finally arrived on 10 December 2003.

Almost all the radical proposals from the first paper remain, along with some welcome concessions. However, nothing in life is perfect and a number of unwelcome issues from the first paper have been retained, together with some unpleasant new proposals. Despite this, overall, we welcome the new proposals and the opportunities they present, in many cases, for higher tax-free lump sums, more flexible retirement and better death benefits.

So what do we like about this second consultation paper? We like the simplicity and the level of the 20 to 1 factor for valuing defined benefit pensions against the Lifetime Allowance. We are also keen on the Enhanced Protection option for those with pension benefits valued above the Lifetime Allowance at the implementation date, 'A Day', enabling full protection from the Recovery Tax charge. We are also grateful that the Recovery Tax

charge has been reduced to a more palatable rate of 25%, from 33.3%. Finally, on balance, we are relieved and pleased with the changes to permitted investments.

“overall, we welcome the new proposals and the opportunities they present”

What about those changes we wanted but didn't get? We are still unhappy about the £1.5 million Lifetime Allowance. It does not replicate the value of current maximum permitted capped benefits and has the potential to impose higher taxation on all high earners who joined their pension scheme before June 1989. We were also disappointed that the Revenue appears to remain paranoid about heritable wealth and continues to prohibit any form of lump sum payment on death after 75. The solution is to tax it not stop it!

We are disappointed by the changes in the pipeline for Funded Unapproved Retirement Benefit Schemes (FURBS). We are struggling to understand the rationale behind the removal of tax breaks on them, just when there will be a greater need for alternative pension provision.

Now that we know the proposals are to go ahead, schemes and employers need to prepare for these changes. There is a need to identify those employees who will be caught by the Lifetime Allowance, both at inception and in the future. Appropriate benefit arrangements will need to be considered and implemented. Equally, consideration needs to be given to those employees whose pension benefits are restricted by the current regime. Will employers want to increase these employees' pension benefits? Will they have to? A careful review of scheme documentation and pension commitments in employment contracts will need to be carried out in both situations.

The almost blank canvas that is the new regime will also influence the structure of pension provision, death benefits (before and after retirement), tax free lump sum provision and timing of retirement. We are now in a period of review and restructure to accommodate the new rules. Another quiet year then!

Up hill and down dale

Over the years a number of extra-curricular activities have become permanent fixtures in the Barnett Waddingham social calendar. Two recent additions to this list are an annual walking/climbing/mountaineering/collapsing-in-a-heap weekend involving some very large hills, and the annual 'Race for Life' in aid of Cancer Research UK.

This year's 'walking' weekend involved an assault on Snowdon by a 39 strong party of Barnett Waddingham staff and their families. This was organised by Robert Wakefield of our Leeds office. The last 300 metres of the ascent turned into a steep scramble on loose shale which tested the nerve of every member of the expedition. At this point Adrian Waddingham was heard expressing his gratitude to Robert for selecting such a scenic and challenging route and for being a first class walker, or that's what we think he said!

On 6 July 2003, thousands of women across the UK took part in the 'Race for Life' in aid of Cancer Research UK. A team from Barnett Waddingham's Cheltenham office entered the event held at Cheltenham racecourse. The Barnett Waddingham ladies excelled at the initial milling around, were slightly less enthusiastic about the aerobic warm-up session and just about managed to complete the 5km course. Despite this they managed to raise over £800 for Cancer Research, which was a tremendous effort by everyone concerned. Training is already under way for this year's event, although the main difficulty seems to be deciding whether the team colours should be pink or yellow!



Snowdon 2003

Lees Brewery

Lees Brewery, based in north Manchester, is a familiar name to those of us who like a pint (or two!), with a large network of pubs and a number of renowned beers. Although Barnett Waddingham is relatively new to the North West we hope to follow in Lees' footsteps as June 2003 saw the celebration of Lees' 175th anniversary. Louise Witts and Pauline Berry were pleased to join the celebrations at Haydock races, although luckily their pensions advice is better than their betting advice! Lees is family owned with several members of the family still involved in the day-to-day running of the business and the pension scheme.

Sealed Air

In February 2004 we were appointed to provide administration, actuarial and investment consultancy services to Sealed Air's UK pension scheme. Mark Da Silva, Andrew Twells and Julian Mainwood provide these services from our Amersham office. Sealed Air is a US multinational and one of the world's leading packaging companies supplying flexible packaging systems to food and non-food consumer markets. Sealed Air Limited has five manufacturing sites in the UK with 1,500 employees.

Renold plc

Renold plc is the leading worldwide manufacturer of chain and associated products. Mark Underwood in our Leeds office was appointed early in 2004 as Actuary to the three defined benefit occupational pension schemes they sponsor. This appointment was obtained despite the fact that Mark and his team had failed to turn up for the 'beauty parade'. After spending a number of frustrating and stressful hours stationary on the M62, our attempt to get to Manchester on the Friday afternoon was abandoned and an alternative presentation was hurriedly arranged in Leicester on the following Monday morning. This was clearly very worthwhile as, following a subsequent due diligence visit to our Leeds office, this significant new appointment was confirmed by the Trustees.

Highlands and Islands Airports Limited

During 2003 Adrian Waddingham was heavily involved in setting up a new final salary pension scheme for the employees of Highlands and Islands Airports Limited, a rare treat in the current pensions environment! As part of this project, Adrian visited all 10 airports throughout the Highlands and Islands of Scotland during the summer months to give presentations to employees and to help launch the scheme. As Adrian commented, "pensions have never been so exciting before, or done in such wonderful locations". The new scheme started on 1 December 2003 and we were delighted that all eligible employees except one opted to join the new scheme. Barnett Waddingham has also been appointed to provide the ongoing administration, actuarial and investment consultancy services for the scheme.

Master Actuary

During the year Huw Wynne-Griffith was installed as Master of the Worshipful Company of Actuaries - a City Livery Company. The activities of the Company relate principally to City affairs and charitable work and many senior actuaries are Liverymen (including four of our own partners).

Unlike freemasonry, the Livery is not at all secret in what it does but it does not go out of its way to advertise its activities. For example, it is the Livery that elects the Lord Mayor and the Sheriffs and many Liverymen sit on the Corporation's two main governing bodies - the Court of Common Council and the Court of Aldermen. As to its charitable activities, the Livery Companies between them dispense over £40m a year in charitable giving. The Actuaries are funding a Fellowship at St Thomas's Hospital to finance the research of a PhD student into the genetic influences of Alzheimer's disease using the world-famous twin database that they have there.

Huw's duties as Master have kept him away from his desk for much of the year but his year in the post ends in July, when he plans to take a well-earned holiday before attending an international Colloquium in Sydney. On his return his partners expect he'll be thinking of skiing again! Desk, Huw?



Liverpool Office - One Year On

In last year's Review we reported on the first few months of our Liverpool office, which opened in December 2002. Liverpool started off just running Small Self Administered Schemes (SSASs). However, the last year has seen it make major inroads into the group pensions market, as well as now being able to offer Self Invested Personal Pensions (SIPPs) and, through our subsidiary company, Barnett Waddingham Investments Limited (BWIL), personal financial planning advice. There are 10 final salary schemes being serviced from the office and the majority of schemes are new clients. Amongst them are Lees Brewery of North Manchester and Reebok the sportswear brand that has been Lancashire-based for almost 100 years. Several tenders are in the pipeline and we believe that our presence in the North West will soon help us in winning more schemes.

The city of Liverpool itself had marvellous news during the year. It was awarded the prestigious European Capital of Culture role for 2008. There are all sorts of exciting plans and developments afoot. The Cunard Building, our office location, is the middle one of the 'Three Graces' which make such a photogenic waterfront on the Mersey. It is planned to add a futuristic Fourth Grace which will clearly be a striking new building.

As in our other offices, we ran a series of evening seminars on current pensions topics: after one of these we entertained clients and advisers to a Scotch Malt Whisky Society tasting in the Athenaeum Club, Liverpool. We held one of our regular SSAS/SIPP/FURBS seminars in the beautiful setting of Tatton Hall on the outskirts of South Manchester at Knutsford. We also entertained our families and ourselves with a Sunday picnic in the grounds of Croxteth Park in Liverpool on a day when the sun shone, a festival of music and dance provided artistic diversion and the 18th century Croxteth Hall provided an elegant backdrop.

We are very pleased to say that of the 12 staff who joined us in December 2002, only one has left and that was because she was already living too far away from our office to make daily commuting tolerable. With the expansion of the actuarial and BWIL teams, our headcount is now up to 17 and we hope to be adding a pensions administration team during 2004. This expansion reflects our commitment to providing a full range of services to pension scheme clients in the North West.



Barnett Waddingham Seminars

Our breakfast and evening seminars continue to go from strength to strength.

One of the most thought provoking seminars this year was on the subject of longevity. The fact that human rejuvenation may be possible within the next 50 years left younger members of our audience wondering whether they were ever going to reach retirement age.

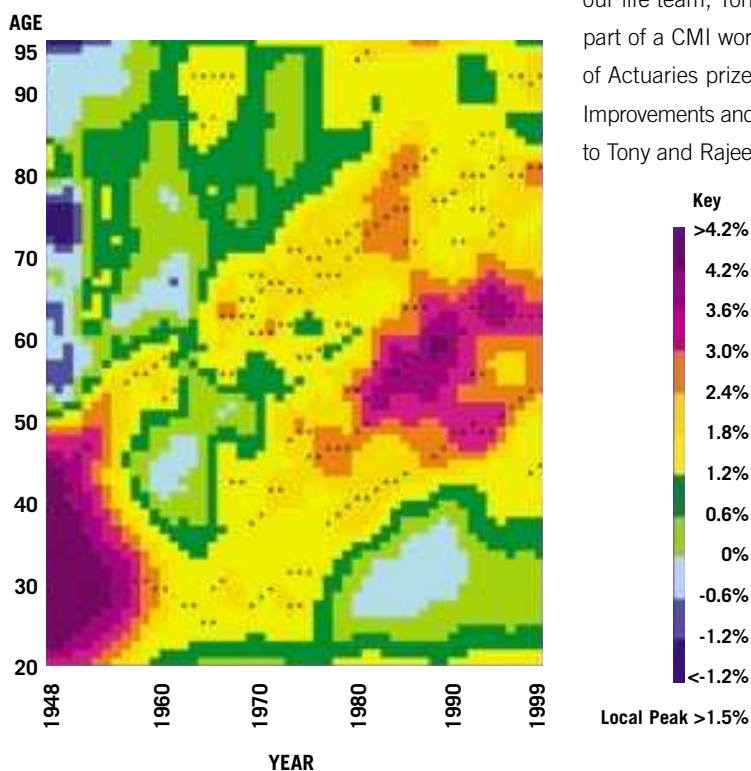
This particular talk, given by members of Barnett Waddingham's (appropriately named) life team, was also the most visually attractive, although it must be said that this was due to the slides rather than the presenters!

One of the most striking (and challenging) slides demonstrated the 'cohort effect'. The technical explanation together with the graph (or contour map) is shown here.

For people who purchased life assurance, this 'contour map' shows improvements in mortality, by age, in each year from 1948 to 1999. Each cell is coloured according to the improvement rate at that age and in that year. These vary from a reduction of 1.2% per annum (dark blue) to improvements greater than 4.2% per annum (purple).

Diagonals in the map, bottom left to top right, show cells for succeeding ages relating to the same year of birth. The strong diagonal features, seen as bands of the same colour, are clear evidence of cohort (i.e. year of birth) related effects on the improvement rates. In particular, lives born in 1926 show the most pronounced improvements, especially after 1980 where improvements in excess of 3% per annum are seen every year. These lives have experienced greater improvements in mortality than cohorts born just before and just after them.

We were also extremely proud that two members of our life team, Tony Leandro and Rajeev Shah, were part of a CMI working party which won an Institute of Actuaries prize for its paper entitled "Mortality Improvements and the Cohort Effect". Congratulations to Tony and Rajeev and the rest of the working party.



Inflation matters

In his pre-Budget statement of December 2003, Gordon Brown announced that the Government is to change the measure of UK inflation from RPIX to an internationally-recognised measure of consumer prices, the Consumer Price Index (CPI). This came as no surprise as the Chancellor has been hinting at this since his maiden Budget speech in 1997. He also stated that the new level of the CPI inflation target had been set at 2% with immediate effect.

The CPI is the UK version of the Harmonised Consumer Price Index (H CPI), which is used by the European Central Bank to set interest rates in the eurozone. Using the CPI inflation measure will make it easier to see how UK economy inflation is doing compared with other EU nations and this will have an influence on our chances of joining the European single currency.

So what effect will this have on UK pensions? To understand the implications, it is important to understand the differences between the two indices.

RPIX is based on the old RPI (Retail Prices Index), which is the change in cost of a 'basket of goods' chosen to represent the typical purchases made by consumers. The prices of these goods are checked around the country and via websites and then compared to prices for the same goods in the previous month. RPIX is calculated in the same way, except that mortgage and other interest payments are excluded from the basket of goods. This tends to make it a much less volatile figure.

A problem with both the RPI and RPIX indices is that the basket of goods used to calculate these measures is revised every quarter to reflect changing patterns of consumption and also new technology. This has the effect of overstating the rise in the cost of living, because old technology tends to drop markedly in price as it is overtaken by newer developments. This is referred to as the 'replacement' effect. Pensions that rise in line with

RPI allow one not only to maintain the standard of living at retirement, but also to improve one's quality of life by continually upgrading to the latest model in the basket.

A second problem is that of 'substitution'. Say Double Gloucester cheese is in the basket and its price doubles while that of other cheeses remains unaffected. Consumers will not continue to buy Double Gloucester but will switch instead to, say, Red Leicester. Has the cost of living gone up or not?

The CPI measure uses a different method of calculation to try to overcome these problems. It excludes a number of items that are included in RPIX, such as council tax and other owner-occupier housing costs. Different methods are used in the CPI to 'quality-adjust' prices for new items and technological advances, while individual prices are also combined according to different formulae.

The Treasury's stated intention is that the new CPI target of 2.0% should be identical to the old RPIX target of 2.5%. However, it remains to be seen whether this will be borne out in practice. There are already indications that the market thinks the difference between the two indices will be greater than 0.5% so that this change will, in fact, result in a slightly higher inflation target in the future.

Adopting CPI is unlikely to affect pension payments in the short term. The UK will continue to calculate and publish an RPI figure based on prices measured in the UK, so that existing calculations which rely on it can continue. Limited Price Indexation is currently linked to this and index-linked gilts currently being traded on the market need the RPI link for coupon payment calculations.

While a switch towards using a CPI figure may have pros and cons, one overriding benefit will, hopefully, be a greater general understanding of how inflation is calculated and its effect on the underlying economy.

1989 – a vintage year

Barnett Waddingham started in June 1989 in the garden of a rather splendid hotel in Bath. It was champagne and strawberries for two whole days. We then ran out of excuses for continuing the party and went back to work - and we all worked very hard in the first few years (and some of us still do!).

This photograph shows the young enthusiastic partners in the hotel garden.....



From the left they are Lyndon Jones (who left for pastures new after 18 months), Tony Leandro (rather more hair then, Tony), the eponymous Rodney Barnett (now, sadly, no longer with us), Martin Harris who retired to become an organic farmer a few years ago (anyone who holds a wine glass like that ought to go into farming!), a very young and slim Huw Wynne-Griffith (his children claimed he looked vaguely familiar when they saw this picture), Raymond Hayward our first Senior Partner (also, sadly, no longer with us), Nick Salter (with a waistline - but you'll have to take my word for that Ed), Jillian Evans now happily retired in Essex and a very hairy Adrian Waddingham.

Joint meeting of EURACS and NORACS

Barnett Waddingham is a member firm of the international networks European Actuarial Consulting Services (EURACS) and North American Actuarial Consulting Services (NORACS). The other NORACS member firms are all based in North America and so their meetings are usually held on the other side of the Atlantic. However, they agreed to hold their most recent meeting in London, which enabled us to organise a combined meeting with the EURACS members. As well as increasing the networking value, this provided an opportunity to discuss technical issues of global importance such

as improving longevity, international accounting standards and pension protection funds. Our membership of EURACS and NORACS provides us with an international presence and the joint meeting enabled clients with overseas operations to meet our international network partners. The joint meeting was a great success and revealed many similarities in the pensions issues currently being tackled across both Europe and North America. As one client commented, it is reassuring and at the same time a little disheartening to learn that other countries are tackling similar pension problems to the UK.

Ian Ferguson's retirement

31 May 2004 marked not only the end of the firm's year but the retirement of one of our well known partners, Ian Ferguson. Ian has decided to hang up his abacus (yes, he really is that old!) and Scheme Actuary's whistle and move into semi-retirement as an independent pension scheme trustee.



Ian had been senior partner in Cheltenham since he joined us and set up the office on 1 January 1996. This was the result of our groundbreaking deal with Eagle Star Life Assurance Company, where Ian had been the Pensions Actuary. He brought with him 18 colleagues and, with the help of Amersham partner Mark Da Silva, took

on the challenge of integrating them into the consulting environment. These 19 émigrés responded with such enthusiasm that the team rapidly outgrew its first premises and is well on its way to repeating the exercise. Only three of the original 19 have left us in those eight years.

Senior Partner Huw Wynne-Griffith has fond memories of those early months.

"It was an exciting time. Ian floated to us the idea of a deal with Eagle Star and was the principal architect of all that followed. The Cheltenham office has been one of our greatest success stories. Ian's depth of understanding and wealth of experience in the various fields of pensions practice were key to our welding together the insurance and consulting cultures, not only in Cheltenham but throughout the firm."

Ian started life in Liverpool where, at the Liverpool Institute High School, Peter Sissons, Edwina Currie, Bill Kenwright, Steven Norris and Sir Paul McCartney are all proud to say he was their contemporary. Having said that, successive generations of friends and colleagues have been relieved - occasionally -

not to experience his attempts to emulate Sir Paul's skills both with song and guitar. He went on to read Maths at Oxford where, apart from taking his first step to joining the MAFIA (sic), he acquired the essential skill of playing croquet on a steeply sloping lawn.

Ian's actuarial career began in 1966 as a student at Duncan C Fraser & Co in Liverpool (now part of Mercers) where his peers included Huw Wynne-Griffith and Adrian Waddingham. He recalls his principle images of Huw were through a cloud of pipe smoke and believes he is the only partner who can confirm Adrian once had hair. Huw and Adrian would counter that Ian's main achievement at DCF was to become the official Towel Roll Monitor, on account of his fruitless crusades against unfair hierarchical discrimination.

After he passed his final MAFIA test in 1971, Ian joined Barclays Bank Trust Co Ltd in 1972 as Assistant Manager, Pensions Advisory Service. There he lived through the stock market collapse of 1974, three day working weeks, £6pw pay freezes and 26%pa RPI. He was famously supported in the columns of 'The Times' by a leading Trades Unionist of the time (Harry Lucas), when he poured scorn on the 'lemmings' who were predicting the imminent collapse of company pension schemes. So you've been there before then, Ian?

While at Barclaytrust, Ian was one of the pioneers of Small Self-Administered Schemes (SSAS) when convincing the Revenue's Superannuation Funds Office that they were not potential vehicles for rampant tax evasion. However, he then left all the glory to be taken by youngsters like Adrian Waddingham - his words, not ours!

His big move was in 1980 when he joined the cream of the profession (sic) by becoming Group Pensions Manager at Unigate.

"I wanted to be at the implementation end of pensions change," Ian recalls. During his five years at Unigate, he conceived and implemented a project which went a long way to offsetting the impact on pensioners of the inflation of the 1970s. He also streamlined the scheme's investment management arrangements and merged the Group's two schemes into a single, two tier trust. It was his communication of these changes to employees that won Unigate the NAPF's Golden Pen Award, an achievement which he three times repeated at Rank Xerox and British Waterways with their 'popular-style' annual scheme reports.

In retrospect, he evidently had natural recruitment skills even then because he engaged, as his Number Two, Terry Faulkner, the current Chairman of the National Association of Pension Funds! In between all this, he was elected a Fellow of the Pensions Management Institute in 1981.

After a spell at Rank Xerox, Ian spent a year as a consultant to a number of household names and then joined Reeves Brown Associates (now part of Jardine Lloyd Thompson) as Director responsible for investment services. He moved to Cheltenham in 1991 to join Eagle Star and became Actuary to the Eagle Star (now Zurich Financial Services) staff pension schemes, a role which he held until shortly before his retirement. When Barnett Waddingham appeared, "I suppose we were both in the right place at the right time".

In a varied career (Barnett Waddingham is where he has been longest), Ian has therefore practised at senior level as a consulting actuary, an in-house pensions manager and as a life office manager and actuary. We believe very few have had this breadth and depth of experience and we have benefited enormously from his eight years with us. It is not surprising that he wants to put in some time as an independent trustee for it's about all he

has left to do! In this changing world of occupational pension schemes, the pressures on trustees are enormous, with huge potential for conflicts of interest and Ian has the professional approach and all the qualities needed to make a successful contribution as an independent trustee.

What with his OPAS work and being Treasurer of Age Concern in Gloucestershire we do hope Ian makes enough time for his family and his retirement pursuits. In his youth, he was (we are told) a somewhat quick bowler (where his opening partner at Oxford was Chris Patten - "Chris had a wicked off cutter," muses Ian). Those days must be past, for he is now a keen fly fisherman, as these columns have related. This gives us the chance to correct our previous gaffe (phonetic pun intended!) because our 2001 Review included a photograph of his gillie Bob McIntyre, incorrectly captioned as Ian, holding Ian's 14lb salmon. Ian has asked us to put the record straight and so we are delighted to reproduce the same photo but with the correct caption!



Bob McIntyre with salmon

Ian sees his time at Barnett Waddingham as an Indian summer in his career.

"I was 51 when I joined the firm, having already had a full and varied career. It was good to rejoin colleagues from my early career and to work with partners who all share my values and professional attitude. At all levels in the firm everyone is committed to providing a first class, highly skilled service to their clients and getting a lot of fun out of doing so. Many organisations claim to do this, but very rarely actually achieve it. I am proud to have been part of the impressive growth of Barnett Waddingham."

We are sorry to see Ian go but wish him and Rosemary a long and happy retirement.

We are delighted to announce Adrian Waddingham's appointment as Chairman of the Association of Consulting Actuaries (ACA). One of the principal aims of the ACA is to inform and educate decision makers and other interested parties about the need for, and implications of, legislative change in areas where consulting actuaries are qualified to speak.

With a new Pensions Act expected on the statute books very shortly and fundamental changes to the tax regime taking place in 2006, Adrian can expect to be kept extremely busy over the next couple of years.

As well as getting close to senior politicians and key decision makers, Adrian's high profile role will also generate a significant amount of media interest. Although Adrian has the ideal face for radio, his picture is likely to appear in pensions publications on a regular basis. With this in mind, Adrian's usual media photo has been updated although readers will no doubt agree that he hasn't changed much since the last one was done - see the picture on page 13.





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