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## **Pensions TAS – comparison with revised TASs**

The following table compares the scope and requirements in the original Pensions TAS with the scope, principles and provisions of TAS 300: Pensions and where relevant TAS 100. In this analysis, we have only considered text which appears in boxes in the Pensions TAS. This table is intended to support the transition to the revised TASs. Practitioners should not solely rely on this document when complying with the revised TASs.

Current Pensions TAS text		Corresponding TAS 300/TAS 100 text	
C.1.2	This standard shall apply to all Reserved Work concerning pension schemes.	TAS 300 applies only to specified work – other Reserved Work is in the scope of TAS 100	
C.1.5	This standard shall apply to actuarial work performed for a governing body of a funded pension scheme to support decisions on contribution requirements or benefit levels.	Scope	<p><b>Scheme funding and financing</b></p> <p>Technical actuarial work required by legislation to support decisions on funding, contribution requirements or benefit levels</p>
C.1.7	This standard shall apply to actuarial work for a governing body of a funded pension scheme that concerns any amendments, proposed or agreed, to the pension scheme's governing documents which might affect members' benefits or the security of their benefits	Scope	<p><b>Scheme funding and financing</b></p> <p>Technical actuarial work required by legislation to support decisions on funding, contribution requirements or benefit levels</p>
C.1.9	This standard shall apply to actuarial work for employers or pension scheme sponsors on any matter for a Scheme Funding assessment for which there is a statutory or contractual requirement for the governing body to reach agreement or consult on the matter with the employer or sponsor.	Scope	<p><b>Scheme funding and financing</b></p> <p>Technical actuarial work for an employer concerning a Scheme Funding assessment for which there is a statutory or contractual requirement for the governing body to reach agreement or consult on the matter with the employer</p>
C.1.11	This standard shall apply to actuarial work for a governing body in connection with a bulk transfer of assets and liabilities from one pension scheme to another.	Scope	<p><b>Bulk transfers</b></p> <p>Technical actuarial work in connection with a bulk transfer of assets and liabilities to another pension scheme or an insurer</p> <p><b>Scheme modifications</b></p> <p>Technical actuarial work concerning any modifications, proposed or agreed, to a pension scheme which might affect members' accrued benefits or the security of their accrued benefits</p>
C.1.15	This standard shall apply to actuarial work for a governing body of a pension scheme in wind up or contemplating wind up that concerns the transfer of liabilities to an insurer.	Scope	<p><b>Bulk transfers</b></p> <p>Technical actuarial work in connection with a bulk transfer of assets and liabilities to another pension scheme or an insurer</p> <p><b>Debt calculations</b></p>

			<p>The calculation of a deficiency of assets in accordance with section 75(5) of the Pensions Act 1995</p> <p><b>Scheme modifications</b></p> <p>Technical actuarial work concerning any modifications, proposed or agreed, to a pension scheme which might affect members' accrued benefits or the security of their accrued benefits</p>
C.1.18	This standard shall apply to actuarial work that concerns actuarial calculations in respect of individual members of a pension scheme and which have a direct effect on payments to members or the financial position of the pension scheme.	Scope	<p><b>Factors for individual calculations</b></p> <p>Technical actuarial work concerning the derivation of actuarial factors to be used in calculations which have a direct effect on the benefits for individual members of a pension scheme or the financial position of a pension scheme</p>
C.1.22	This standard shall apply to actuarial work concerning projections of benefits from defined contribution elements of pension schemes which have been performed using assumptions other than those specified in legislation or other rules.	Not in the scope of TAS 300; covered by TAS 100	
C.1.24	This standard shall apply to actuarial work concerning pension schemes which is provided in connection with financial statements that are intended to give a true and fair view of a reporting entity's financial position and profit or loss (or income and expenditure).	Not in the scope of TAS 300; covered by TAS 100	
C.1.27	This standard shall apply to actuarial work performed to support information on directors' pension arrangements which is disclosed in annual reports and in financial statements that are intended to give a true and fair view of a reporting entity's financial position and profit or loss (or income and expenditure).	Not in the scope of TAS 300; covered by TAS 100	
C.1.29	This standard shall apply to actuarial work concerning an incentive exercise.	Scope	<p><b>Incentive exercises</b></p> <p>Technical actuarial work concerning an incentive exercise</p>
D.1.2	Judgements concerning the application of this standard shall be exercised in a reasoned and justifiable manner.	TAS 100 Principle 1	Judgement shall be exercised in a reasoned and justifiable manner; material judgements shall be communicated to users so that they are able to make informed decisions

			understanding the matters relevant to the actuarial information.
D.2.2	Assumptions used in, or proposed for use in, models shall be appropriate for the purpose of the calculations for which they are used.	TAS 100 Principle 3	Assumptions used, or proposed for use, in technical actuarial work shall be appropriate for the purpose of that work so that users can rely on the resulting actuarial information.
D.2.3	Assumptions used in, or proposed for use in, models shall be derived from as much relevant information as is sufficient or, if there is insufficient relevant information, as is available.	TAS 100 Provision 3.1	Unless set by the user, a third party or by regulation, assumptions used in technical actuarial work, shall be consistent with each other and shall be derived from as much relevant information as is sufficient or, if there is insufficient relevant information, as is available.
D.2.7	Any opinion in a report on an assumption or a set of assumptions to be used for an exercise shall include a statement about the appropriateness of the assumption or set of assumptions for the purpose of the calculations for which they will be used.	TAS 100 Provision 3.3  TAS 100 Provision 3.5	Communications shall state the material assumptions and describe their rationale.  Communications shall state when assumptions are set by a user, a third party or by regulation. Communications shall state whether any assumptions set by a user or a third party are not reasonable for the purpose of the technical actuarial work and provide an indication of their impact on the actuarial information.
D.2.9	No adjustment shall be made to any assumption used in, or proposed for use in, a model to compensate for a shortcoming in another unrelated assumption.	Not in revised TASs	
D.2.11	Aggregate reports shall explain any change in the rationale underlying the assumptions between two similar and related exercises.	TAS 100 Provision 3.4	Communications shall include a comparison of the assumptions with those used in the previous exercise carried out for the same purpose (if one exists) with an explanation of any differences, and description of any change in the rationale underlying the assumptions used.
D.2.13	For any discount rates used in, or proposed for use in, an exercise, aggregate reports shall explain:  the derivation of the discount rates;  the implications of adopting the discount rates; and  the cash flows that are being discounted.	TAS 300 Provision 4 covers first bullet  Second and third bullets not covered explicitly	Communications shall include the derivations of material assumptions used in the technical actuarial work and any limitations in the data used to derive those assumptions.

D.2.16	Aggregate reports shall explain how the discount rates used in, or proposed for use in, an exercise concerning a funded pension scheme compare with the return on assets that can be expected from assets invested according to any stated investment strategy, including any anticipated changes in that strategy.	TAS 300 Provision 8	Communications shall explain how the discount rates used, or proposed for use, compare with the return that can be expected from assets invested according to any stated investment strategy, including any anticipated changes in that strategy.
D.2.17	If mortality assumptions are used in, or proposed for use in, an exercise there shall be separate assumptions for base rates of mortality and subsequent changes to mortality rates.	Implicit in TAS 100 Principle 3	Assumptions used, or proposed for use, in technical actuarial work shall be appropriate for the purpose of that work
D.2.18	Assumptions for base rates of mortality used in, or proposed for use in, an exercise shall reflect the current and anticipated membership of the pension scheme in question.	TAS 300 Provision 3	Material assumptions used shall, where appropriate, reflect the membership, benefit structure and financial features of the pension scheme
D.2.20	The data sought for any exercise shall include information about any relevant practice concerning discretionary benefits.	TAS 300 Provision 2	The data sought for any exercise shall include information about any relevant practice concerning discretionary benefits.
D.2.22	Aggregate reports shall state the extent to which assumptions take account of past experience of discretionary practices and information about the exercise of discretion in the future.	Implicit in TAS 300 Provision 4	Communications shall include the derivations of material assumptions used in the technical actuarial work and any limitations in the data used to derive those assumptions.
D.3.1	If any party associated with a pension scheme has influence or control over matters affecting benefits payable to members, the data sought for an exercise shall include information from that party about those matters.	Not in revised TASs	
D.3.6	If there is any uncertainty about the impact of legislation on the calculation of benefits, the data sought for any exercise shall include any known relevant legal opinions in the possession of the client in relation to the pension scheme in question.	TAS 300 Provision 1	If there is any uncertainty, arising from legislation or scheme documentation, in how the benefits are calculated, the data sought for any exercise shall include any known relevant legal opinions in the possession of the client in relation to the pension scheme.
D.3.7	Aggregate reports shall include an explanation of any known uncertainty in benefit definitions due to legislation.	TAS 300 Provision 5	Communications shall include an explanation of any known material uncertainty, arising from legislation or the scheme documentation, in how

			benefits are to be calculated and how this uncertainty has been treated in the work.
D.4.1	Instructions provided to another party for the calculation of benefits or other payments related to individual members shall be sufficiently clear to enable that party to carry out the calculations correctly.	Not in revised TASs.	
D.4.4	Information that is provided to enable a governing body or other body to set actuarial factors for calculations concerning individual members shall be sufficient for that body to understand the financial implications of choosing the actuarial factors.	TAS 300 Provision 17 and related points 17 (a) to (e)	Communications shall include sufficient information to enable the governing body or other decision-making entity to understand the financial implications of adopting the actuarial factors to be used in the calculation of members' benefits.
D.4.7	Information that is provided to enable a governing body to set assumptions for cash equivalent transfer values shall include a comparison of any proposed assumptions with those used for a Scheme Funding assessment.	TAS 300 Provision 17 (c)	The information provided shall include:.....  c) the rationale for differences between assumptions used for actuarial factors and assumptions used for the Scheme Funding assessment.
D.5.2	Information shall be sought regarding materiality levels for accounting purposes that apply to the piece of work.	Not in revised TASs	
D.5.3	If approximate methods have been used to provide actuarial information the aggregate report shall state any circumstances under which the information might, as a result of the use of approximate methods, be materially inaccurate for accounting purposes.	Not in revised TASs	
E.2.5	Aggregate reports shall describe and explain the implications of adopting different funding measures.	TAS 100 Provisions 4.3 and 4.4	Communications shall explain the methods and measures used in the technical actuarial work and describe their rationale.  Communications shall include an explanation of any changes to the methods and measures used from the previous exercise carried out for the same purpose (if one exists).

E.2.7	Aggregate reports shall contain sufficient actuarial information to support the governing body in fulfilling its statutory duties in relation to setting assumptions and the funding strategy.	TAS 300 Provision 11	Communications shall contain sufficient actuarial information to support the governing body in fulfilling its statutory duties in relation to funding and financing.
E.2.10	<p>Aggregate reports which include an assessment of the technical provisions of a pension scheme shall include:</p> <p>an approximate estimate of the value of the liabilities represented by the technical provisions calculated using the same assumptions that are used for the technical provisions but with any margins for prudence removed;</p> <p>an explanation of the relationship between the technical provisions and the approximate estimate; and</p> <p>an explanation of any change to the relationship between the technical provisions and the approximate estimate from the previous exercise of the same type, if any.</p>	TAS 300 Provisions 6 and 7	<p>Communications shall include sufficient information to enable the user to understand the level of prudence in the assumptions and the resulting actuarial information.</p> <p>Communications shall include an explanation of, and reason for, any material change in the level of prudence from the previous exercise.</p>
E.3.3	<p>The Scheme Funding report shall be written so that an informed reader can understand the financial position of the pension scheme, including its development since the previous Scheme Funding assessment and how it might change in the future. The Scheme Funding report shall include:</p> <ul style="list-style-type: none"> <li>• information required by statute;</li> <li>• the governing body's funding objectives;</li> <li>• a description of the effect on members' benefits had the pension scheme been wound up at the effective date of the Scheme Funding assessment;</li> <li>• an explanation of any difference between the technical provisions and the value of the liabilities calculated on the solvency basis; and</li> <li>• the current funding level and projections of the funding level at the expected effective date of the next Scheme Funding assessment</li> </ul>	TAS 300 Provisions 14, 15 and 16 supported by Appendix A	<p>The Scheme Funding report, or equivalent report produced on the completion of a required funding assessment for pension schemes not subject to Part 3 of the Pensions Act, shall be written so that an informed reader can understand the financial position of the pension scheme, including its development since the previous assessment and how it might change in the future.</p> <p>The Scheme Funding report shall contain the information in Appendix A. This information is material; however the level of detail is a matter for judgement and information about complex matters should not be excluded on the grounds that it might be too difficult for some readers to understand.</p>

	on the solvency basis and on the technical provisions basis.		
F.2.1	Paragraphs E.2.2 to E.2.9 and E.3.3 to E.3.12 shall apply to required funding assessments.		Provisions 6 to 16 have been drafted to apply to public sector and private sector funding and financing.