

The Museums Association Pension Plan

Chair's Statement

1 April 2024 to 31 March 2025

01 Introduction

This is the Chair’s Statement for The Museums Association Pension Plan (the “Plan”) covering the period 1 April 2024 to 31 March 2025.

As the Chair of Trustee, I provide you with a yearly statement which explains what steps have been taken by the Trustee Board, with help from our professional advisers, to meet the new governance standards. The law sets out what information has to be included in my Statement, and this is designed to help members achieve a good outcome from their pension savings.

The Plan is a defined benefit (“DB”) arrangement, established on 1 November 1988, providing benefits to members depending on their membership category. The Plan also operates a Money Purchase Underpin (“MPU”) relating to contributions paid in respect of members prior to 1 September 2005. Each member with a MPU is notionally allocated a number of units which increase in value in line with the Plan’s underlying investments. The MPU is compared against the value of benefits upon crystallisation, for example death, transfer, or retirement.

The MPU underpin does not have a default investment option and this is explained further in Section 2.

The Plan was closed to future accrual with effect from 31 March 2008. As a result, all employees became deferred members, and no further contributions are payable by members.

The Plan is an “insured scheme” and so the Trustee may only choose from in house investments available from the insurers, the Royal London Mutual Insurance Society (“Royal London”), or those offered through the external fund managers on RLAM’s platform.

£3.50m

Total MPU funds in the Plan

01.01 Governance and Queries

The Trustee is committed to having high governance standards and we meet regularly to monitor the controls and processes in place in connection with the Plan’s investments and administration.

I welcome this opportunity to explain what the Trustee do to help ensure the Plan is run as effectively as it can be. If you have any questions about anything that is set out below, or any suggestions about what can be improved, please do contact The Museums Association at 42 Clerkenwell Close, London, EC1R 0AZ.

The Plan was established by a Trust Deed effective from 1 November 1988 in order to provide benefits for employees of the Museums Association.

The Plan is currently governed by a corporate trustee body registered with Companies House.

I, Mohammed Suleman, was appointed as the Chair of Trustee in 2023 and am signing this Statement in that capacity.

02 Investment Strategy

2023

The most recent review of the fund range and investment strategy and performance was concluded on 30 January 2023

02.01 The default investment option

The Plan has no default investment arrangement and is not required to. The current investment strategy was implemented following the conclusion of a strategic investment review by the Trustee, taking specialist investment advice from its advisers, XPS Investments, on 30 January 2023.

02.02 Reviewing the investment arrangement

The Trustee reviews the investment strategy and its objectives at regular intervals. The Trustee regularly monitors the investment performance.

03 Charges and transaction costs

Members may self-select their investment strategy, investing in any of these funds in whatever proportions they choose

03.01 Investment Manager Charges

The Trustee has selected a range of funds which it believes to be appropriate to meet the Plan's investment objectives. All monies are invested in funds managed by the insurer Royal London.

The Trustee's principal aim is to ensure sufficient funds are available to provide benefits as and when required by the rules of the Plan. Subject to this objective, the Trustee's policy is to maximise long-term investment performance, having due regard to the nature of the liabilities of the Plan and to the funding objective that has been established.

All expenses relating to the management of funds are charged via an Annual Management Charge calculated as a percentage of the Plan's total assets under management with Royal London.

Under the insurance contract, each fund has an Annual Management Charge (AMC). The charges for the relevant funds are outlined below. The fund charges for the funds with monies invested in at 31/03/2025 are detailed below:

Fund Name	Total Expense Ratio*	Transaction Costs
RLP Long (15yr) Corporate Bond	0.20%	0.00%
RLP Managed	0.20%	0.12%
RLP/BlackRock Over 5 years Index linked Gilt Index	0.20%	0.00%

(Source: Royal London Mutual Insurance Society)

*TER represents the sum of the Annual Management Charge (AMC) and Additional Fund Expenses (AFEs)

Charges and Transaction costs continued

The TER for all of the funds is 1.00% p.a. where the unit price is adjusted daily to take 1.00% over the year. However, the TER for the Plan is effectively 0.20% p.a. as the Plan receives a rebate of 0.80%.

03.02 AVC Charges

Three members of the Plan hold AVC investments with Royal London. These three members are invested in the Cautious Lifestyle (Annuity). The charges for the underlying funds are shown below, as at 31 March 2025:

Fund Name	Total Expense Ratio ¹	Transaction Costs
RLP Annuity	1.00	0.085
RLP Governed Portfolio Enhanced*	1.00	0.138
RLP Governed Portfolio Moderate*	1.00	0.096
RLP Governed Portfolio Defensive*	1.00	0.047

(Source: Royal London Mutual Insurance Society)

¹TER represents the sum of the Annual Management Charge (AMC) and Additional Fund Expenses (AFEs).

* Following changes made by Royal London to the fund names, which took place 18 November 2024, Governed portfolio 1, 2 and 3 were renamed to Governed portfolio Enhanced, Moderate and Defensive respectively.

03.03 Administration Charge

All core administration are currently met by the Employer in the form of a fixed fee.

03.04 An illustration of the charges levied on members

Illustrations showing the possible effect of the costs and charges met by members on an example pension pot over time can be found in Appendix A. This is for illustration purposes only. The projected figures are not guaranteed and actual returns earned, and member fund values are likely to be different. Illustrations are shown for members invested in the RLP Long (15yr) Corporate Bond Fund, RLP Managed Fund and RLP/BlackRock Over 5 years Index linked Gilt Index Fund.

03.05 Investment Performance

Changes to legislation introduced in October 2021 require trustees of relevant occupational pension schemes to report on the net investment returns for the default arrangement(s) and for each fund which scheme members are, or have been able to, select, and in which scheme members are invested during the scheme year.

Net investment returns refer to the returns on funds after the deduction of all transaction costs and charges and including them in this statement is intended to help members understand how their investments are performing.

03.06 Fund Performance

Royal London provides the Trustees with regular investment performance information to monitor the investment funds. The Trustee raises performance questions directly with Royal London. This table shows how the funds have performed over the last one, three and five years to 31 March 2025.

	1 Year (31/03/2024 - 31/03/2025)	3 Years (31/03/2022 - 31/03/2025)	5 Years (31/03/2020 - 31/03/2025)
Self-select funds			
RLP Long (15yr) Corporate Bond	-3.17%	-7.87%	-5.21%
RLP Managed	3.17%	2.52%	7.65%
RLP BlackRock Over 5 years index linked	-10.08%	-16.94%	-10.61%

(Source: Royal London Mutual Insurance Society)

This table shows how the Cautious LifeStyle Strategy (Annuity) has performed for members at three different ages, over the last one and five years (annualised p.a.) with a target retirement date of 65.

	1 year (01/04/2024 – 31/03/2025)
Age 25	3.37%
Age 45	3.37%
Age 55	3.04%

(Source: Royal London Mutual Insurance Society)

Figures are net of fees. Past performance is not a reliable indicator of future results. The value of investments may go down as well as up and members may get back less than they invest.

*Returns over 5 years are not available as the funds were not in existence. Following changes made by Royal London to the fund names, which took place 18 November 2024, Governed portfolio 1, 2 and 3 were renamed to Governed portfolio Enhanced, Moderate and Defensive respectively.

04 Core financial transactions

04.01 Assessing Core Transactions

During the year, the Trustee ensured the requirements of Regulation 24 of the Occupational Pension Schemes (Scheme Administration) Regulations 1996 were met and that the Plan's core financial transactions were processed promptly and accurately by:

- There is an agreement in place with XPS (As Plan administrator), committing them to defined service level agreements ("SLAs") for all services.
- XPS report on their performance regularly against the SLAs above so that the Trustee can monitor that the SLAs are being met. Where agreed SLAs have not been achieved, the Trustee has worked with the administrator to understand why this has happened and where improvements can be made
- The administrator produces audit reports on a regular basis to show all switching activity that has taken place.

The Plan administrator carries out an annual audit to check that internal control procedures are being followed. The XPS Administration team is accredited against ISO9001:2008 and AAF 01/06 audit requirement.

We can confirm there were no material issues in the Statement period on which to report.

The core financial transactions include:

- The transfer of assets relating to members into and out of the Plan - The Plan's administrator maintains and reconciles comprehensive records of individual member's fund values. Any investments withdrawn or transferred to another scheme are processed following receipt of all relevant paperwork, subject to any investigations required where there is evidence of a pensions scam.
- Monitoring of bank accounts – There is a dedicated processing team, checking investment and banking transactions.
- Payments to members – All payments out of the Plan in respect of members' benefits are made in line with standard checks. This includes agreed processes and authorisation levels to ensure any payment made is calculated correctly and in line with the Plan rules and legislation and also complies with HMRC rules and guidance. In addition, every effort is made to check for possible pension scams.

Noting the requirement for accurate member data to process payments correctly, the Trustee is taking steps to continually review and where necessary, correct any problems with the member data which is held by the Plan administrator, XPS.

05 Value for Members

05.01 Assessment of Value

The Trustee has reviewed the value for members considering the latest guidance from the Pensions Regulator.

The value assessment included the consideration of the member borne costs and charges and the net returns for the Plan's investment options (net of all costs and charges) against alternative arrangements (including master trust arrangements).

Net investment returns

The Trustee compared the net investment returns of the three most popular funds to similar funds with three large comparators. The analysis showed that the performance of the Plan's most popular funds were mixed when compared against the short- and long-term performance of similar comparator funds.

Costs and charges

The Trustee compared the member borne costs and charges of the most popular funds to three large comparators. The analysis showed that the charges borne by members within the Plan's funds were broadly in line with the comparator arrangements.

Administration

There have been no material errors in relation to the service providers, and the administrator was operating appropriate procedures, checks and controls and operating within the agreed SLA.

Governance

The Trustee Board has adopted a governance structure that provides the Trustee with sufficient resource to govern the Plan. Guidance is provided to the Trustee concerning technical matters of relevance by their professional advisors. Overall, despite identifying a few areas in which the governance could be further developed and improved, the Trustee considers the current level of governance as suitable.

Communications

The Plan is committed to producing clear and concise communication materials that are appropriate for its members. It appoints a professional administrator (XPS) to provide these items to members. The Trustee has identified several areas in which communications could be developed and improved

Value for Members

continued

05.02 Flexibility - accessing benefits

The range of options available to members has increased since the introduction of the 'Freedom and Choice' legislation which came into effect from April 2015. This legislation affords members the opportunity to draw their benefits more flexibly than previously possible. However, these options are not available under the Plan and members are required to transfer their benefits to another type of pension arrangement to access them.

05.03 Conclusion

Assessment of value for members is an ongoing process, and the Trustee has undertaken a review to ensure the Plan continues to offer good value, and that any changes in legislation, market conditions or member views are reflected for the benefits of members. The Trustee identified some areas in which the Plan's Investment, Administration and Governance practices could be improved and developed. The Trustee is currently reviewing these areas.

The Plan is a defined benefit ('DB') arrangement, which operates a Money Purchase Underpin relating to contributions paid in respect of members prior to 1 September 2005. On the basis that members find additional value in the defined benefit arrangement, the Trustee considers the Plan to provide good value for members.

06 Trustee Knowledge and understanding

06.01 Knowledge and understanding of the Trustee

The Trustee is satisfied that they have complied with the knowledge and understanding requirements set out in section 248 of the Pensions Act 2004.

The Trustee has over a decade of combined experience directly relating to the Plan and so, has built up a strong working understanding and knowledge of the law relating to pensions and trusts, principles of investment and the requirements for funding a pension Plan. This is evidenced by the Trustee's interaction with its advisers as shown in the Trustee's Meeting minutes, and the governance framework established by the Trustee to review the performance of the Plan.

The Chair of Trustee has a background in finance and is a qualified accountant.

The Trustee has exercised its discretions and powers in line with the Trust Deed and Rules, current legislation and, where required, legal advice has been taken, demonstrating its working knowledge of the Plan's Trust Deed and Rules.

The Trustee Board has implemented arrangements to ensure that at least one third of directors of the trustee company are member nominated.

06.02 Trustee Training

In-house training is offered, use of the Pensions Regulator's (TPR's) online Trustee Toolkit is encouraged, and the Trustee may attend external seminars and updates. Any new trustee would be expected to carry out this training and be fully conversant with the Plan's documentation within 6 months.

The Trustee has put in place arrangements for ensuring that each Trustee takes personal responsibility for keeping themselves up to date with relevant developments.

The Trustee has regular training during the course of each meeting and this covers both regular governance and management of the Plan in addition to specialised investment training. A log of trustee participation in training is maintained. During the period covered by this Statement the Trustee did not receive any DC training.

The Trustee also makes use of a team of expert advisers. Investment advisers and representatives from the Plan's administrator, regularly attend meetings of the Trustee's Board.

06.03 Conclusion

As a result of the activities completed by the Trustee (both individually and collectively as a Trustee Board), and taking into account the professional advice available, I am confident that the combined knowledge and understanding of the Board has enabled the Trustee to exercise its functions properly.

07 Conclusion

“Overall, the conclusion is that the Plan is currently delivering value for money to the members”

The annual production of this Statement provides members with a narrative of how the Trustee looks after members’ interests, especially in the areas of the 5 key elements within this Statement listed below.

- Investment strategy
- Charges and transaction costs
- Core financial transactions
- Providing value for members
- Trustee Knowledge and understanding

The Trustee will continue to monitor these key areas and report to members both via the annual Chair’s Statement and other communications as appropriate. In conclusion, with the continual monitoring and the reviews detailed here, I am pleased to be able to submit this report in accordance with the Chair’s Statement requirements, in the belief that the Plan was operated and governed appropriately during the reporting period.

Signature

Date 31.10.25

Name

Mohammed Suleman

Qualification

Chair of Trustee
The Museum Association Pension
Plan

Appendix A

Projections

The table shows in money terms the accumulative effect of charges taken from a member's fund over time.

	RLP BlackRock Over 5 Years Index Linked Gilt		RLP Managed		RLP Long (15yr) Corporate Bond	
Investment return (p.a.)	7.00%		6.00%		6.00%	
Charges (p.a.)	0.00%	1.00%	0.00%	1.12%	0.00%	1.00%
Years to Normal Retirement Age	DC Pension Pot (before charges)	DC Pension Pot (after charges)	DC Pension Pot (before charges)	DC Pension Pot (after charges)	DC Pension Pot (before charges)	DC Pension Pot (after charges)
15	35,000	35,000	35,000	35,000	35,000	35,000
10	43,388	41,398	41,398	39,258	41,398	39,482
5	53,786	48,965	48,965	44,035	48,965	44,537
0	66,676	57,916	57,916	49,393	57,916	50,240

The above figures are for illustration purposes only. The actual returns received are likely to differ over time as will individual member's pension pot sizes.

This illustration is based on:

- An initial pension pot of £35,000.
- Investment returns as shown in the table above
- Inflation of 2.5% p.a.

In preparing these illustrations, the Trustee has had regard to:

- The Department for Work and Pensions' 'Reporting of costs, charges and other information: guidance for trustees and managers of relevant occupational schemes'.
- Actuarial Standards Technical Memorandum 1 (AS TM1) issued by the Financial Reporting Council. and
- The Financial Conduct Authority in workplace pensions.