



Professionalism and Governance

Governance Assignment 1

(Part 1– Pensions Risk Management)

(Recommended Time: 2 hours)

1. Case Study:

You have just been appointed as the Finance Director of a medium sized company. You know that the company has a mature defined benefit scheme. Although you have not yet seen full details, you get the impression that the scheme has not been run very effectively in the past.

You are due to meet the chairman of trustees. You would like to come away with an overall understanding of how the trustee board operates, and what structures it has in place to ensure that it carries out its work effectively.

As an aide memoire for you to take to the meeting, make bullet point notes outlining the questions that you should ask the chairman, the reasons why these questions are important, and any changes that you might suggest making.

At this stage you are not concerned with how well the scheme is funded or how its assets are invested, only with how trustee business is carried out and what structures are used.

60 marks