



Core Unit 4 -Financing and Investing for Retirement Provision

Tuesday 8th April 2025

2.00 PM – 4:30 PM

Time Allowed:

2 hours 30 minutes

Overall Marks - 100

Passing Percentage – 65 %

1. Answer **ALL** the questions.
2. Type all your answers in the answer box provided.
3. It is suggested to allocate your time according to the proportion of marks each question attracts.

Question Number: 1	
List the risks and other factors to be considered when investing in commercial property. (12 marks)	
Marks	Total Marks 12

Question Number: 2	
Briefly explain what is meant by a CDC scheme. (5 marks)	
Marks	Total Marks 5

Question Number: 3	
Describe the risks for a defined benefit pension scheme from holding growth assets and the impact of growth assets in actuarial valuations. (16 marks)	
Marks	Total Marks 16

Question Number: 4	
Outline the "Pension Freedoms" introduced in 2015 through the Taxation of Pensions Act 2014. (7 marks)	
Marks	Total Marks 7

Question Number: 5	
Describe the "Scheme Pays" system for an annual allowance charge . (10 marks)	
Marks	Total Marks 10

Question Number: 6	
List the questions trustees of a defined benefit scheme should consider when assessing their attitude to risk. (5 marks)	
Marks	Total Marks 5

Question Number: 7	
List the disclosure requirements which apply to Statements of Investment Principles from 2019 onwards. (5 marks)	
Marks	Total Marks 5

Question Number: 8	
Describe the information needed by trustees to measure the performance of an investment manager. You should include details of the information provided by an investment manager in its investment reports to trustees. (20 marks)	
Marks	Total Marks 20

Question Number: 9	
Describe the four main types of money market instrument used by pension schemes to invest in cash. (20 marks)	
Marks	Total Marks 20

