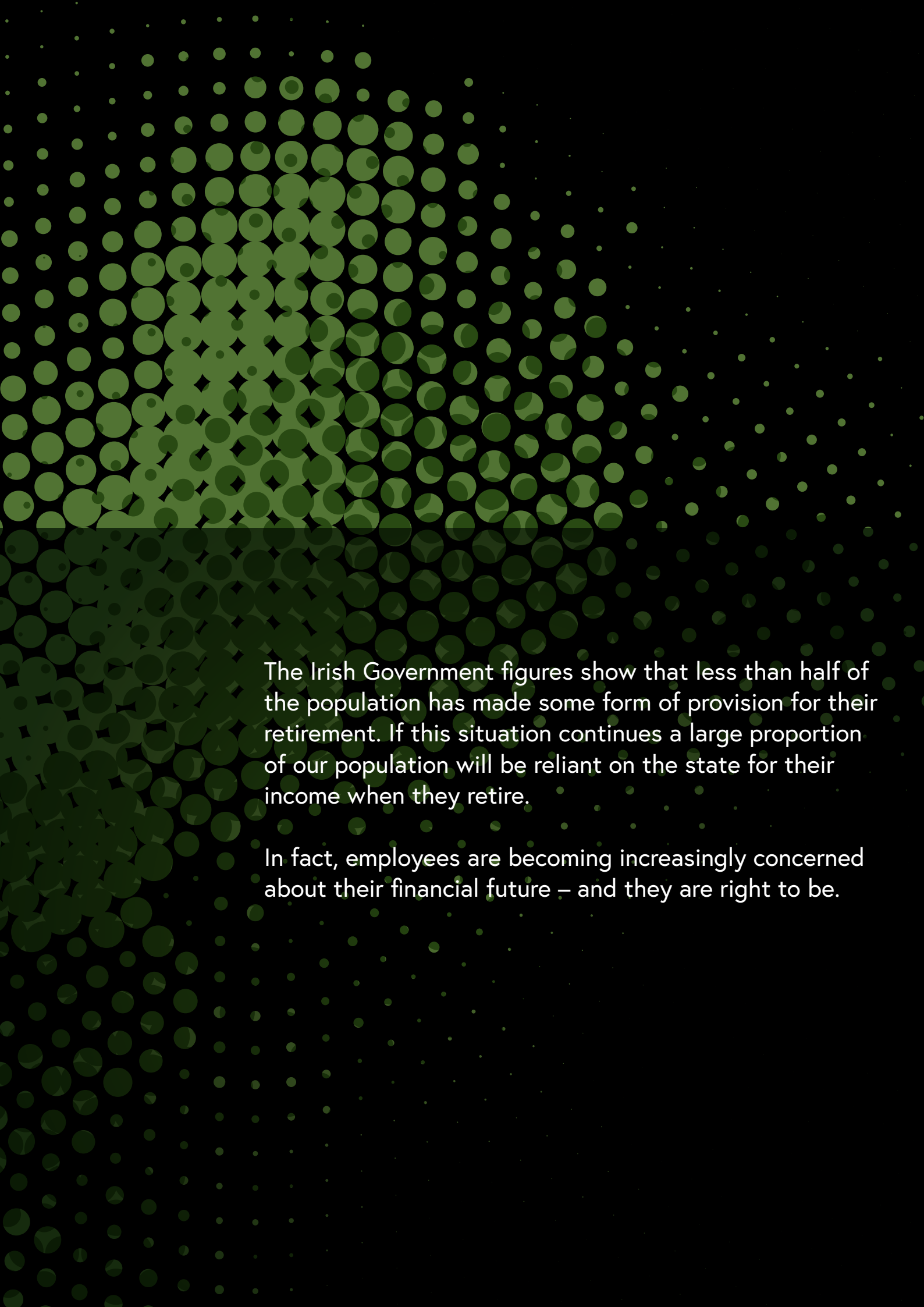


White Paper

October 2021

A GUIDE TO
PENSIONS

A SOLUTION FOR YOUR STAFF PENSION SCHEME



The Irish Government figures show that less than half of the population has made some form of provision for their retirement. If this situation continues a large proportion of our population will be reliant on the state for their income when they retire.

In fact, employees are becoming increasingly concerned about their financial future – and they are right to be.

I "Retirement is not the end of the road, it is the beginning of the open highway"

CONSIDER THE FACTS

- In 1900, the average person only lived to age 49*. Nowadays, the average man can expect to live to age 75* and average woman to age 80.*
- Anyone who has only the State Pension to look forward to will face a big drop in income when they retire. For someone who is earning the average weekly wage, the drop will currently be a massive 72% **.
- Currently the State Pension (Contributory) is just €230.30 per week (as at January 2015). It is therefore unlikely that the state pension alone will be enough to match employee expectations for a reasonable quality of life in retirement.
- Over all the years that an employee spends in retirement, inflation will steadily erode the value of their pension. For example, if inflation is only 2% a year, the purchasing power of a fixed annual income of €20,000 would fall to €13,459*** over a 20 year period – and at 3.50% a year, it would fall to €10,051***.

***Source:** Central Statistics Office (September 2005)
****Source:** Department of Social & Family Affairs (January 2010)
*****Source:** Aviva Compound Interest Table

AT A GLANCE

Aim	A straight forward pension option for you and your employees
Cost	Competitive and transparent charges
Service	Tailored member service Online access to view plan for both Employers
Tax Relief	Employer Corporation Tax Relief of 12.50% on contributions available. Employee income tax relief on contributions (up to 40%)*
Investment	Trustee Indemnity from member fund selection** Wide range of investment funds
Risk	Corporate Trustee Services available to take responsibility for trustee role.
Employee Retention	A company pension plan is a valuable employee benefit making your company an employer of choice.

AS AN EMPLOYER – WHAT CAN YOU DO?

Well, there are clear benefits to providing your employees with access to a company pension – and just as importantly, reviewing it regularly to ensure it is up to date.

By providing for your employees retirement, you will:

RECRUIT AND RETAIN HIGH QUALITY STAFF

- As employees realise that they cannot just rely on the State for a comfortable retirement, they are increasing taking personal responsibility for their own pension provision. So, offering access to a pension (and contributing to it) is a particularly valuable benefit – and it can help you with recruiting, and indeed retaining, quality staff.

ENHANCE AND MAINTAIN PERFORMANCE AT WORK

- Providing a pension, into which you as an employer are paying contributions, is a very real indication of how much you value your staff. It will give them a sense that they have been recruited for a career, not just a job – and they are likely to respond to it through a greater degree of commitment to your company.

AS AN EMPLOYER – YOUR LEGAL REQUIREMENTS

- Although it is generally accepted that providing employees with access to a pension scheme makes sound business sense, the Irish Government has enshrined this as a legislative requirement.

Since September 2003, employers have been required to provide access for employees to some form of pension provision, such as a company pension scheme or a PRSA. This amended legislation puts a much greater onus on employers to help provide for the employees retirement.

I HAVE NO STAFF PENSION IN PLACE - WHAT SHOULD I DO?

Your first step should be to speak to us in Orca Financial. We will help you put a staff pension scheme in place – to ensure you meet your basic requirements under the required legislation.

At its most basic level, you must:

GIVE YOUR EMPLOYEES THE OPPORTUNITY TO ARRANGE THEIR PENSION

- You must allow the pension provider access to your staff, to enable your employees set up their retirement plan. Employees must be given a reasonable amount of paid leave to do so.

MAKE PAYROLL DEDUCTION FACILITIES AVAILABLE

- You must offer them the right to have the contributions deducted from their pay.

PASS ON THE CONTRIBUTIONS PROMPTLY

- You must remit the contributions to the pension provided within 21 days of the end of the month in which you deducted them.

PROVIDE YOUR EMPLOYEES WITH REGULAR INFORMATION ABOUT THEIR PLANS

- You must give each contributing employee a monthly statement on the contributions that you have deducted from their pay during the month, including any additional contributions you have made. (These can simply be separate entries on their payslips.)

But don't worry – at Orca Financial we can guide you through the pension maze to ensure that you meet all legislative requirements and give your staff access to a pension that they will fully appreciate.

I HAVE A STAFF PENSION – SO I DON'T NEED TO DO ANYTHING!

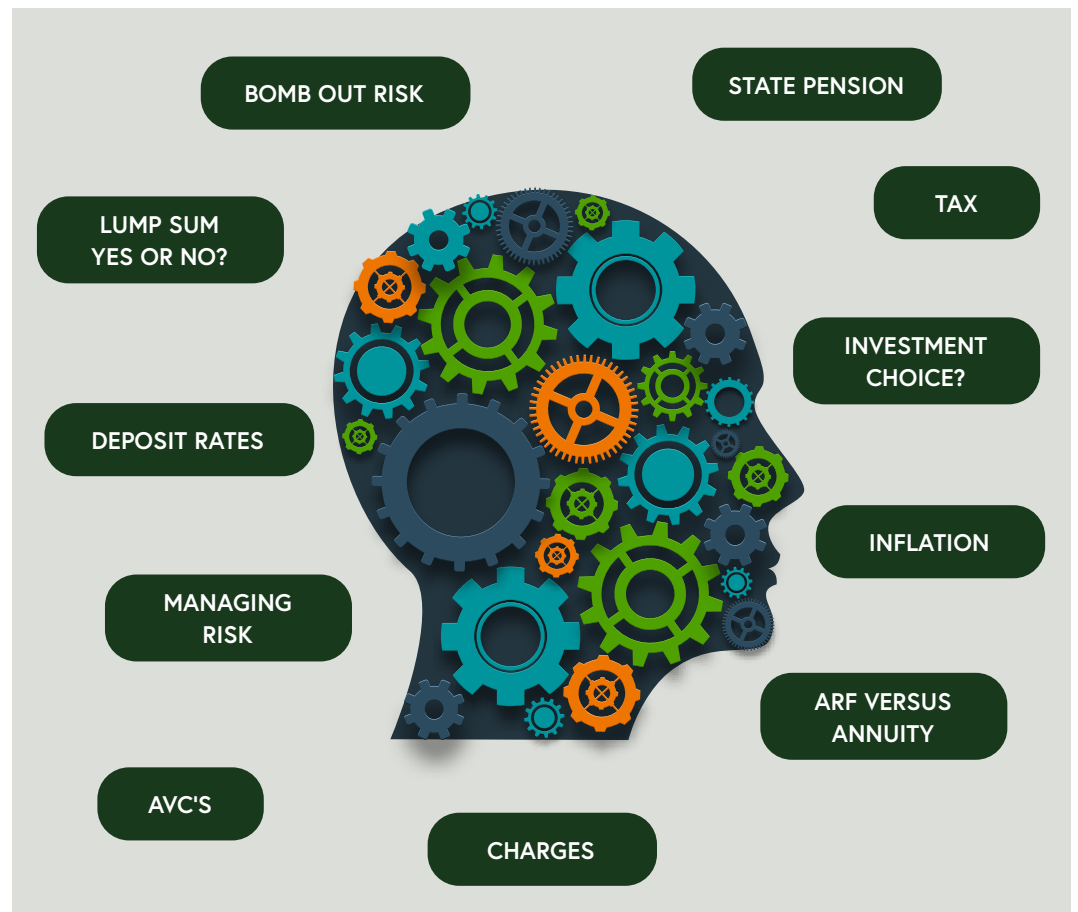
If you already have a staff pension in place – or you provide your employees with a access to one – then you should congratulate yourself. You've taken the first step in ensuring your employees future wellbeing is provided for.

However, we still think you should ask the following questions of your staff pension.

	YES	NO
Do you review the operation of your staff scheme every year?		
Are you happy with the level of charges that are applying?		
Did the performance of the investments hold up during the recent stock market crashes?		
Do you meet regularly with your adviser or pension provider?		
Are all qualifying staff, members of the pension scheme?		
Does your staff recognise the benefits of the staff pension as provided by you?		

If you have more no's than yes's – then you should speak to us. We can advise you on how to get the best out of your existing arrangement – or even, find a new one.

PENSION AND RETIREMENT PLANNING IS DIFFICULT TO NAVIGATE WITHOUT QUALITY ADVICE, IRRESPECTIVE OF INVESTMENT SIZE



RELAX - AT ORCA FINANCIAL, WE ARE HERE TO HELP

You may be aware that there are a number of changes currently being implemented (and many more proposed!) – and as a result, employers are coming under increasing pressure to ensure that their staff pension scheme meets all the requirements.

TAILORED SOLUTIONS FOR YOU

Our experienced team will be delighted to meet with you to understand the issues you face – and to provide solutions that are relevant and timely. We specialise in advising on the most suitable and efficient staff pension schemes available. We can tailor a scheme for your company's exact requirements and more importantly, promote the benefits of the pension scheme to your employees.

WHAT ABOUT YOUR EXISTING SCHEME?

Well, many existing schemes implemented in the past have older, more expensive charging structures in addition to being set up on obsolete platforms that make them harder and less efficient to administer.

AUDIT AND REVIEW

Orca can undertake a full audit of your existing arrangement: reviewing the existing charging structure, fund options, administration options and providing you with a report on areas that can be improved.

The vast majority of audits have allowed us to identify significant savings to schemes without incurring additional costs and have resulted in a net increase in investments being made into the funds.

The importance of having a clear understanding of your existing scheme and the options available to you and your employees cannot be underestimated. In addition, it is paramount that each member meets with an advisor at least once a year to fully understand his or her options.

TESTIMONIALS

PAUL SHEERAN MANAGING DIRECTOR PAUL SHEERAN JEWELLERS LIMITED

I have worked with John & Stephen and their staff for over 10 years now. Orca has a tremendous insight into the complex world of financial management and planning. The team is customer centric, delivers to the very highest standards, and always takes the longer term view for clients. This is reflected in the year on year growth Orca has experienced since he started the business. I have in the past and will continue to recommend Orca to friends, family and colleagues. Orca's domain knowledge is invaluable to any company or private individual looking for appropriate solutions and the very best advice available.

REYNOLDS LOGISTICS

The team at Orca Financial have always provided proactive advice and their professional staff are always on hand when I need them - ready to assist, advise and guide. I have found them to be extremely professional, reliable, prompt and knowledgeable in their field.

CCKF

CCKF have for more than 5 years utilised Orca Financial to provide a comprehensive range of service for both employee and employer based financial products. As the Chief Operation Officer I regularly meet with and have communications from Orca Financial. Orca provides me with detailed independent information which assists me in making decisions which best suit my business needs and the needs of my employees.

Orca Financial provides a service which enables a small enterprise to offer large corporate level personal services to each employee. These services are provided at a very high professional level, are cost effective and always time efficient. I look forward to working with Orca Financial into the future.

ALL WATER SYSTEMS

Orca Financial have managed our Group Life and Pension arrangements for more than 10 years now and during all of this time they have always demonstrated the highest standards of professionalism and integrity. Their work is hallmarked by their personable approach and sound independent advice. Nothing is too much trouble for them.

CONTACTS

For further advice on this area please contact:



John Molloy

johnmolloy@orca.ie
+353 (87) 258 6039



Sarah McGurrin

sarahmcgurrin@orca.ie
+353 (87) 258 6039

Our team have over 80 years of Financial Management experience and are dedicated to giving you tailored financial advice, to ensure your future is protected. Contact any of our team directly today. As a team we offer a highly personalised service, and have a long standing trust with all of our customers. We have exceptional industry knowledge, and are constantly up skilling on the latest financial industry updates and changes. As we educate ourselves, we will educate you.

THE IMPORTANCE OF PENSION TRAINING

If you, or one of your employees were to retire today, the State would pay a contributory old age pension which currently represents less than 28% of the national average wage. That will almost certainly represent a big drop in income. The National Pensions Policy Initiative recommends that State Pensions be increased over a period of years to bring the level up to 34%.

By the time you retire, the State Pension should be higher than it is today but given that today there are 5 people working for every one person in retirement and by 2050 that figure will be 2 to 1 there is concerns over the figure of the State pension. By providing your employees with a pension plan and the facility to invest Additional Voluntary Contributions (AVC's), members will receive an additional income for life throughout retirement.

TAX ADVANTAGES

A Retirement Plan gives a company and its employees access to the unique taxation treatment of pension funding. The main features are summarised below:

- The employer's contributions can be offset against corporation tax as a business expense.
- The member's regular contributions will qualify for full income tax relief.
- The pension contributions will be invested in a fund that grows tax-free.
- On retirement, the members will be able to take a significant part of their accumulated benefits as a tax-free cash sum.

A GROUP RETIREMENT PLAN THROUGH ORCA OFFERS THE FOLLOWING FACILITIES:

- Contributions can be invested in a range of actively managed investment funds.
- Regular contributions may be increased or decreased at any time.
- The entry and withdrawal of members are easily administered within the plan.
- On joining the plan, a member receives information outlining the benefits of the plan and a notification of membership.
- Each year, members receive a statement of benefits secured to date and current levels of contribution.

ONLINE MEMBER ACCESS

- Each year the member will receive a review from their Orca representative.
- Member Presentations carried out annually or bi annually.
- A Death in Service and Permanent Health Insurance scheme can be set up alongside the Company Pension Scheme.

About Orca

Orca was set up to challenge the lack of service in the pensions market, and we wanted to fill that gap. Over time we have added a range of services for our customers, and our core focus has always been about making everything we do more client and service focused.

We are a financial broker established in 2004, and through our team of financial advisors and administrators, we now look after the needs of over 2000 clients nationwide.

Orca

Financial Group

DUBLIN

The Grange,
Stillorgan Rd,
Galloping Green North,
Blackrock, Co. Dublin

+353 1 210 3030
info@orca.ie

orca.ie

LAOIS

7/8 Old Mill
Church Avenue,
Portlaoise,
Laois

+353 057 867 2929
info@orca.ie

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