

Afonwen Laundry Ltd Retirement and Death Benefits Scheme ("Scheme")

Transactional Cost Disclosure Report 01.04.2020 to 31.03.2021 Costs and Charges Illustration

Governance rules apply to defined contribution pension arrangements like the Scheme which are designed to help members achieve a good outcome from their pension savings.

From 6 April 2018 the Occupational Pension Schemes (Administration and Disclosure) (Amendment) Regulations 2018 introduced new requirements relating to the disclosure and publication of the level of charges and transaction costs by the trustees and managers of a relevant scheme. These regulations are intended to improve transparency on costs and to help members understand costs, and their impact, of the different investment options available under their Defined Contribution pension arrangements.

As part of the governance rules the Trustee of the Scheme is required to set out the on-going charges borne by members. Therefore details of the administration charges and transaction costs for each fund under the Scheme are set out in the disclosure table provided on pages 2 and 3 of this statement.

Administration charges, to include the annual management charge and additional expenses, are deducted by Aviva to cover its administration costs.

The transaction costs that may be deducted can be incurred in two ways:

1. due to the fund manager buying or selling within the markets i.e. investing contributions or disinvesting when a member leaves the fund; or
2. due to daily investment decisions made by the fund manager in order to achieve the fund's objectives.

Aviva has produced a 'Cost and charges illustration' to show the effect costs and charges may have on pension savings. This illustration, which can be found on pages 4 to 6, is not member specific and is based on a selection of the investment funds available under the Scheme to show the impact the administration charges and transaction costs applicable to those funds have on the pension pot.

This statement covers the period from 1 April 2020 to 31 March 2021.

For and on behalf of Johnsons Textile Limited

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Transaction Cost Disclosure for Workplace Pensions

Scheme Name:	Afonwen laundry Ltd Retirement and Death Benefits
Scheme Number:	F41584

Explanatory Notes:	In accordance with FCA & DWP regulations, Governance bodies of workplace pension schemes must perform a value for money assessment for their scheme which includes looking at the costs involved in managing pension funds. This table shows the administration and transaction costs for each fund in your scheme and is provided to assist with value for money / value for member assessments. The FCA has prescribed the 'slippage cost' methodology for calculating transaction costs. The slippage cost methodology calculates the transaction cost of buying or selling an investment as the difference between the price at which an asset is valued immediately before an order is placed into the market and the price at which it is actually traded. Where fund managers have not used this methodology it is shown below.
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The data in the table below shows the following:	
Administration Cost	This is the fund's annual administration cost for the scheme.
Total Transaction Cost	Where the 'Total Transaction Cost' is 0 (zero) but there are 'Buying & Selling', and 'Lending & Borrowing' costs, this reflects modifications made to the calculation and reporting methodology set by the FCA. This modification means that: 1) Where the sum of the 'Buying & Selling,' 'Lending & Borrowing' and 'Anti-dilution' costs are greater than the 'Anti-dilution', then the 'Transaction Cost' is the sum of the 'Buying & Selling' and 'Lending & Borrowing' costs. 2) Where the sum of the 'Buying & Selling' and 'Anti-dilution' costs is less than 0 (Zero), then the 'Total Transaction Cost' is the sum of 'Buying & Selling', 'Lending & Borrowing' and 'Anti-Dilution.' 3) For other scenarios the 'Total Transaction Cost' is to be shown as 0 (zero).
Buying and Selling Transaction Cost	Where it is an internal fund, which is a fund managed to an investment mandate set by Aviva UK Insurance, these are the costs incurred in buying and selling units in the Aviva insured fund and the costs incurred by this fund in buying and selling its holdings. Where the Aviva insured fund invests in an external fund these are the annual costs incurred in buying and selling units in the underlying external fund and the annual costs incurred by the underlying fund in buying and selling its holdings.
Lending and Borrowing Transaction Cost	The annual costs incurred by either the Aviva insured fund and / or the underlying fund in lending and borrowing its holdings.
Transaction Cost Data Missing	The percentage of the fund value for which underlying fund cost data is missing. As a result of this we cannot provide the total transaction costs for this fund. This includes when: a) the fund manager has provided no transaction costs b) the fund manager has not provided costs for a certain percentage of their fund
Slippage Cost methodology not used	The percentage of the fund for which transaction costs have been calculated using a method other than the slippage cost methodology.

Fund Name	Administration Cost	Total Transaction Cost	Buying and Selling Transaction Cost	Lending and Borrowing Transaction Cost	Transaction Cost Data Missing	Slippage Cost methodology not used	Comments/ Additional Information
Av North American (Pensions)	0.77%	0.4467%	0.4433%	0.0034%	0%	0%	
Av European (Pensions)	0.77%	0.4258%	0.4251%	0.0007%	0%	100%	
Av Managed Balance Exempt	1.10%	0.3468%	0.3468%	0.0000%	0%	99%	
Av UK Equity (Pensions)	0.76%	0.1919%	0.1915%	0.0004%	0%	100%	
Av UK Index Tracking (Pension)	0.81%	0.1787%	0.1767%	0.0020%	0%	99%	The costs provided represent those incurred by the underlying fund in buying and selling its holdings and do not include those incurred by the Aviva fund in buying and selling units in the underlying fund(s).
Av FP With Profits Fund (Main Series 1) Pensions	0.30%	0.1390%	0.1390%	0.0000%	0%	0%	
Av FP With Profits Fund (Main Series 21) Pensions	0.75%	0.1390%	0.1390%	0.0000%	0%	0%	
Av FP With Profits Fund (Main Series 9) Pensions	0.75%	0.1390%	0.1390%	0.0000%	0%	0%	
Av Stewardship Managed (Pension)	0.77%	0.1335%	0.1335%	0.0000%	0%	0%	The costs provided represent those incurred by the underlying fund in buying and selling its holdings and do not include those incurred by the Aviva fund in buying and selling units in the underlying fund(s).
Av Global Equity (Pensions)	0.77%	0.1250%	0.1244%	0.0006%	0%	100%	

Fund Name	Administration Cost	Total Transaction Cost	Buying and Selling Transaction Cost	Lending and Borrowing Transaction Cost	Transaction Cost Data Missing	Slippage Cost methodology not used	Comments/ Additional Information
Av Property (Pensions)	0.75%	0.1244%	0.1244%	0.0000%	0%	0%	The costs provided represent those incurred by the underlying fund in buying and selling its holdings and do not include those incurred by the Aviva fund in buying and selling units in the underlying fund(s).
Av Stewardship (Pensions)	0.76%	0.0776%	0.0776%	0.0000%	0%	0%	
Av Fixed Interest (Pensions)	0.77%	0.0605%	0.0605%	0.0000%	0%	50%	The costs provided represent those incurred by the underlying fund in buying and selling its holdings and do not include those incurred by the Aviva fund in buying and selling units in the underlying fund(s).
Av Pacific Basin (Pensions)	0.81%	0.0579%	0.0571%	0.0008%	0%	67%	The costs provided represent those incurred by the underlying fund in buying and selling its holdings and do not include those incurred by the Aviva fund in buying and selling units in the underlying fund(s).
Av Pre-retirement Fixed Interest	0.76%	0.0379%	0.0379%	0.0000%	0%	0%	
Av Managed	0.77%	0.0337%	0.0337%	0.0000%	0%	100%	
Av Index Linked (Pension)	0.77%	0.0023%	0.0023%	0.0000%	0%	99%	
Av Cash (Pensions)	0.76%	0.0000%	-0.0001%	0.0000%	0%	100%	

Your pension scheme

Afonwen laundry Ltd Retirement and Death Benefits Scheme

Costs and charges illustration

What is this illustration for and how could it help you?

The information in this document is an 'illustration'. This is to show you the possible effect of costs and charges on your pension savings to help you plan for your retirement. The figures shown in it are not personal to you and do not show the actual pension benefits you could get from the pension scheme.

Your pension scheme benefits depend on many things such as contributions from you or your employer, how your investment funds have performed, and costs and charges. You may get back less than you put in.

How charges affect your pension scheme's investment funds

On page 2 are tables which show how different costs and charges can impact the pension pot over certain periods of time, based on a selection of investment funds. Table 1 shows typical funds for your pension scheme. Table 2 shows funds with different growth rate assumptions and charges.

Under each investment fund, there are two columns. The first shows the projected pension values assuming no charges are taken. The second shows the projected pension values after costs and charges are taken. By comparing the two you can see how much the charges over the years will impact your pension fund. The figures are based on a monthly investment of £100 – see page 3 for the assumptions we use.

Table 1

Illustration of effect of cost and charges for typical funds within your scheme – Afonwen laundry Ltd Retirement and Death Benefits Scheme										
	Av Managed		Av FP With Profits Fund (Main Series 1) Pensions		Av European (Pensions)		Av FP With Profits Fund (Main Series 21) Pensions		Av UK Equity (Pensions)	
	Assumed growth rate 3.6% p.a.		Assumed growth rate 3.0% p.a.		Assumed growth rate 4.5% p.a.		Assumed growth rate 3.0% p.a.		Assumed growth rate 4.5% p.a.	
	Assumed fund costs and charges 0.8% p.a.*		Assumed fund costs and charges 0.44% p.a.*		Assumed fund costs and charges 1.2% p.a.*		Assumed fund costs and charges 0.89% p.a.*		Assumed fund costs and charges 0.95% p.a.*	
At end of year	Projected value assuming no charges are taken	Projected value with charges taken	Projected value assuming no charges are taken	Projected value with charges taken	Projected value assuming no charges are taken	Projected value with charges taken	Projected value assuming no charges are taken	Projected value with charges taken	Projected value assuming no charges are taken	Projected value with charges taken
1	£1,200	£1,190	£1,200	£1,190	£1,200	£1,200	£1,200	£1,180	£1,200	£1,200
2	£2,440	£2,410	£2,420	£2,410	£2,460	£2,430	£2,420	£2,390	£2,460	£2,430
3	£3,710	£3,660	£3,670	£3,650	£3,760	£3,690	£3,670	£3,620	£3,760	£3,700
4	£5,020	£4,940	£4,960	£4,920	£5,110	£4,990	£4,960	£4,870	£5,110	£5,010
5	£6,370	£6,240	£6,280	£6,210	£6,510	£6,320	£6,280	£6,130	£6,510	£6,360
10	£13,700	£13,200	£13,300	£13,100	£14,400	£13,500	£13,300	£12,800	£14,400	£13,700
15	£22,200	£20,900	£21,300	£20,600	£23,700	£21,700	£21,300	£19,900	£23,700	£22,100
20	£31,900	£29,500	£30,100	£28,900	£34,900	£30,900	£30,100	£27,600	£34,900	£31,700
25	£43,100	£39,000	£40,100	£38,000	£48,100	£41,300	£40,100	£36,000	£48,100	£42,600
30	£55,700	£49,500	£51,100	£48,000	£63,700	£53,100	£51,100	£45,000	£63,700	£55,000

*includes transaction costs

Table 2

Illustration of effect of costs and charges for funds with different growth rates and charges within your scheme – Afonwen laundry Ltd Retirement and Death Benefits Scheme									
	Av Cash (Pensions)		Av Index Linked (Pension)		Av North American (Pensions)		Av Managed Balance Exempt		
	Assumed growth rate 0.5% p.a.		Assumed growth rate 1.0% p.a.		Assumed growth rate 4.5% p.a.		Assumed growth rate 3.6% p.a.		
	Assumed fund costs and charges 0.76% p.a.*		Assumed fund costs and charges 0.77% p.a.*		Assumed fund costs and charges 1.22% p.a.*		Assumed fund costs and charges 1.45% p.a.*		
At end of year	Projected value assuming no charges are taken	Projected value with charges taken	Projected value assuming no charges are taken	Projected value with charges taken	Projected value assuming no charges are taken	Projected value with charges taken	Projected value assuming no charges are taken	Projected value with charges taken	
1	£1,180	£1,170	£1,180	£1,180	£1,200	£1,200	£1,200	£1,190	
2	£2,360	£2,340	£2,370	£2,350	£2,460	£2,430	£2,440	£2,400	
3	£3,540	£3,500	£3,570	£3,520	£3,760	£3,690	£3,710	£3,630	
4	£4,720	£4,650	£4,770	£4,690	£5,110	£4,980	£5,020	£4,870	
5	£5,900	£5,790	£5,970	£5,860	£6,510	£6,310	£6,370	£6,140	
10	£11,800	£11,400	£12,100	£11,700	£14,400	£13,500	£13,700	£12,800	
15	£17,800	£16,900	£18,400	£17,500	£23,700	£21,600	£22,200	£20,000	
20	£23,900	£22,300	£25,000	£23,300	£34,900	£30,900	£31,900	£27,700	
25	£30,100	£27,700	£31,800	£29,200	£48,100	£41,200	£43,100	£36,100	
30	£36,400	£33,100	£38,900	£35,200	£63,700	£52,900	£55,700	£45,200	

*includes transaction costs

Product Charges

Some members will hold Initial units :-

For the first 12 months of the plan (and the same period following any increments, until August 2014 after which all new units purchased are Accumulation units) the investments were made into initial units. Initial units used to have an additional charge.

How we worked out the figures in the tables

It's important to understand how much or how little difference charges make to your pension pot, but we can't predict exactly what will happen in the future so we've had to make some assumptions. The values shown are estimates and are not guaranteed.

These assumptions are:

1. **We've assumed someone doesn't have anything in their pension pot when they start saving.** Contributions are assumed to be paid £100 monthly increasing in line with assumed earnings inflation of 3.5% each year.
2. **The figures illustrate the pension pot value in 'today's money' which means they take inflation into account by reducing values at 2.0% a year.** Seeing the figures in this way shows you what they could be worth today. It's important to note that inflation reduces the worth of all savings and investments. The effect of this is shown in the illustration and could mean the fund may reduce as well as grow in 'today's money'.
3. Transaction costs may not have been included where data was not available from the fund managers.

Some important things to remember

Your scheme will offer other funds to those illustrated, with different growth potential and different charges, and may also offer some form of lifestyling investment approach. If you have selected the lifestyling investment approach your pension pot will automatically be moved into different funds as you approach your retirement date and your scheme literature will provide details of how this works. As the individual funds used in a lifestyling approach have different growth potential and different charges, the overall growth rate and overall charge will change over time.

For these reasons, we have shown a range of funds with a range of charges which are available to you and which could apply to your pension pot during the life of your plan. A personal projection of your pension pot is included in your annual benefit statement and you should read that to get an individual view of your **projected pension benefits. You'll also find details of the actual charges applicable to you in your scheme literature.**

The figures shown here:

- **Shouldn't be used to make investment decisions, so if you need to do that, we recommend that you take financial advice.**
- May not be relevant to your personal circumstances. Your money may be invested in different funds, for example.