

# Pensions and retirement planning

## R04 2017–18 edition

### Web update 4: 8 December 2017

Please note the following update to your copy of the 2017–18 edition of the R04 study text:

#### Chapter 3, section E3A, page 3/31

Please amend example 3.8 as shown in **bold** below:



#### Example 3.8

Orla is a member of her employer's occupational money purchase pension scheme. Prior to the start of her statutory maternity leave she earned £1,500 per month and paid 10% (£150) of her salary into the scheme on a 'matched' basis. As a result her employer was also paying £150 per month.

Orla commenced statutory maternity leave and was informed that her employer will pay her full salary for the first 13 weeks of her leave, then 13 weeks at half pay and finally 13 weeks of Statutory Maternity Pay (£140.98 per week for 2017/18), after which they will cease making any payments. On this basis, the pension contributions made are as follows:

- for the first 13 weeks Orla will pay her normal contribution, equivalent to £150 per month as does her employer;
- **for the next 13 weeks, Orla's contribution reduces to the equivalent of £75 per month, with her employer paying its usual contribution of £150 per month;**
- **for the next 13 weeks, Orla's contribution reduces to the equivalent of £61.09 per month, with her employer paying its usual contribution of £150 per month.**

#### Chapter 3, section F, page 3/32

Please amend the first paragraph after the first bullet list as shown in **bold** below:

Creditors can only petition for a bankruptcy **if they can prove that the debtor owes them £5,000 (or owes them part of a debt totalling £5,000).**