

A photograph of an elderly couple walking barefoot on a sandy beach. The man is on the left, wearing a light yellow polo shirt and khaki shorts, with his arm around the woman's shoulder. The woman is on the right, wearing a red t-shirt and light-colored trousers. They are both smiling and looking towards the ocean. The background shows waves breaking on the shore under a soft, hazy sky.

QROPS from a
provider you can trust

QROPS from a provider you trust

With increasing numbers of individuals living, working and planning their retirement overseas, interest in Qualifying Recognised Overseas Pension Schemes (QROPS) has grown substantially in recent years.



This brochure explains what a QROPS is, the Moore Stephens QROPS and how we can help you. However, the suitability of a QROPS is a complex area that must be assessed on an individual basis. It is therefore essential that appropriate professional advice is taken.

What is a QROPS?

QROPS enable individuals to transfer UK pension funds to an HMRC recognised scheme based in another country or jurisdiction. This has the potential to generate significant tax benefits – both in terms of taxation on income drawn from the fund and taxation on death. A QROPS can also provide additional investment flexibility over and above that provided by a UK Self-Invested Personal Pension (SIPP).

Who is it applicable for?

A QROPS could be applicable to you if you have UK accrued pension benefits and you are:

- considering retiring abroad;
- have been or intend to be outside of the UK for five complete tax years;
- are a UK resident with unprotected pension funds approaching the Lifetime Allowance of £1.8m (£1.5m from 2012/13).

For the transfer to the QROPS to be beneficial, you would usually have to demonstrate that you have left the UK permanently and become a non UK tax resident.

We specialise in acting for individuals who are leaving the UK or are considering achieving non UK residence status.

Benefits of a QROPS

There are a number of potential benefits to be gained by transferring your UK pension plan to a QROPS, particularly in a low tax regime, most notably:

- no tax on the pension assets within the scheme;
- pension income paid gross, subject to the QROPS jurisdiction;
- pension payments can be made in a currency of your choice rather than sterling;
- following death, all remaining funds within the scheme can be distributed to chosen beneficiaries;
- freedom to make additional contributions with no lifetime limit / annual allowance;
- increased flexibility, including potentially higher income, when drawing pension benefits;
- wider choice of investment management.



Why choose the Moore Stephens QROPS?

Growing interest in QROPS has led to an increasing number of providers in the market. This has led to difficulty in identifying bona fide schemes and in assessing the ability of the QROPS provider to effectively administer the scheme in the long-term.

The Moore Stephens QROPS is regulated and recognised for tax purposes as a pension scheme in Guernsey, and is also fully approved by HMRC. Guernsey is a reputable, well established financial centre with an attractive tax regime.

We maintain an open QROPS dialogue with HMRC and, as such, you can be assured that you will not be exposed to investigations and penalties such as those seen applied to schemes in jurisdictions such as Hong Kong, Singapore and Latvia.

With over 40 years of experience in the implementation and administration of trust-based structures, you can be sure not only to receive a personal service, but the benefit of dealing with highly experienced administrators.

How do I transfer my current pension into a QROPS?

Even if it appears that a QROPS could be beneficial from a tax perspective, it is important to remember that establishing a QROPS will involve the transfer of a UK pension plan. Therefore, it is essential to obtain advice from an appropriately qualified individual – this is particularly the case where the transfer of a final salary scheme or plan offering guarantees is being considered. Many UK pension plans have complex charging structures and may be subject to penalties upon transfer, which must be taken into account. Moore Stephens is able to provide expert pensions transfer advice as part of the overall QROPS service.

However, the financial planning process does not stop once the transfers to the QROPS have been completed. A QROPS is intended to provide an income in retirement. We can advise on selecting the correct benefit option from those available to not only meet your requirements, but to maximise tax efficiency in your country of residence.

What is your investment strategy?

As part of the QROPS service, Moore Stephens is able to offer a low cost, risk assessed, passive investment strategy.

Based on over 40 years of academic research and the only Nobel prize on stock-market behaviour, we are able to offer a structured and diversified approach to investing your pension monies. We are also able to structure the QROPS so that, at anytime within the next five years, there is no need to sell equities to meet income needs, a common flaw with standard investment strategies, particularly with the volatility we have seen over recent years.

What happens once the QROPS is in place?

We understand that even when you have ceased UK tax residence there can still be continuing UK tax considerations including income tax, inheritance tax and capital gains tax matters. These can be more complex as there are temporary 'non residence rules' and specific laws to consider. By establishing a personal relationship and gaining an understanding of your needs, Moore Stephens can help you meet your continuing obligations in the most efficient way. Again, this is part of the overall QROPS service.

What next?

For more information on QROPS, or to learn how we could help you, contact one of the team on the back page of this brochure.

Moore Stephens in the UK

Moore Stephens is the UK's 11th largest independent accounting and consulting association, comprising over 1,500 partners and staff in 37 locations.

Our objective is simple: to be viewed by clients as the first point-of-contact for all their financial, advisory and compliance needs. We achieve this by providing sensible advice and tailored solutions to help clients achieve their commercial and personal goals.

Clients have access to a range of core and specialist services including audit and tax compliance, business and personal tax, trust and estate planning, wealth management, IT consultancy, governance and risk, business support and outsourcing, corporate finance, corporate recovery and forensic accounting.

Our success stems from our industry focus, which enables us to provide an innovative and personal service to our clients in our niche markets. Specialist sectors include energy and mining, financial services, insurance, not-for-profit, pensions, professional practices, real estate, shipping, transport and public sector.

Moore Stephens globally

Moore Stephens International Limited is a global accountancy and consulting association with its headquarters in London.

With fees of US\$2.1 billion and offices in 98 countries, you can be confident that we have access to the resources and capabilities to meet your needs. Moore Stephens International independent member firms share common values: integrity, personal service, quality, knowledge and a global view.

By combining local expertise and experience with the breadth of our UK and worldwide networks, clients can be confident that, whatever their requirement, Moore Stephens will provide the right solution to their local, national and international needs.

Contact information

If you would like further information on any item within this brochure, or information on our services please contact:

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