



### Core Unit 4 Sample Questions

1. Who regulates the tax reliefs available on pension schemes?
  - a. The trustees of the pension scheme.
  - b. HM Revenue & Customs.
  - c. The sponsoring employers.
  - d. The Pensions Regulator.
  
2. Which of the following does a SORP for pension schemes set out?
  - a. The basis for disclosing scheme information.
  - b. The basis of the financial reporting for schemes.
  - c. The actuarial valuation basis.
  - d. The method of reporting pension costs in company accounts.
  
3. Investment managers must be authorised by the
  - a. Pensions Regulator
  - b. Financial Conduct Authority
  - c. Association of British Insurers
  - d. Institute of Financial Planning.
  
4. Asset allocation deals with the
  - a. statement of investment principles
  - b. allocation of assets to beneficiaries
  - c. apportionment of assets between different investment managers
  - d. apportionment of assets between various investment classes.
  
5. What is a segregated fund?
  - a. An alternative name for a pooled fund.
  - b. A fund managed independently from other funds under the investment manager's control.
  - c. The separation of investments between various classes of investment.
  - d. The investment of funds by using a unit-linked insurance policy.



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6. Effects of the pensions tax regime introduced from 6 April 2006 were that
- (i) different tax regimes for the limits on contributions to pension schemes were replaced by a new single tax regime.
  - (ii) the concepts of early and late retirement were abolished in relation to the calculation of HM Revenue & Customs benefit limits.
- a. Both True
  - b. Only (i) True
  - c. Only (ii) True
  - d. Both False

**Correct Responses:**

- 1. B
- 2. B
- 3. B
- 4. D
- 5. B
- 6. A