

PROFESSIONAL STANDARDS DIRECTORY - Update 27

For Actuaries involved in investment related business activities for authorised professional firms, and

For Actuaries involved in the production of Statutory Money Purchase Illustrations (SMPIs)

The Professional Standards Directory can be found [here](#)

It is designed to permit members and others to access the current Financial Reporting Council (FRC) Standards together with the current version of the Actuarial Profession Standards (APSs).

ACTUARIAL PROFESSION STANDARDS

APS D1: Investment Related Business Activities for Authorised Professional Firms version 2.0 (which can be found [here](#)).

APS D1 version 1.0 effective from December 2009 was due for review by December 2012. Version 1.0 has now been revised and updated to reflect:

- the evolving style and layout of APSs including standard wording,
- changes required following the merger of the Faculty and Institute,
- necessary changes to the definition of FSA to include its successor body, and
- other minor revisions such as tightening of references to definitions.

The changes have been implemented under the IFoA's Standards Approval Process for minor procedural amendments.

FRC STANDARDS

The Financial Reporting Council is responsible for producing technical actuarial standards and the Institute and Faculty of Actuaries (IFoA) is responsible for implementing those standards. Each body is responsible for the content on its own website.

AS TM1: Statutory Money Purchase Illustrations

Following consultation, the FRC has published [a revised version](#) of actuarial standard TM1 (AS TM1) which sets out the assumptions to be used in annual statutory money purchase pension illustrations (SMPIs).

The most significant change to AS TM1 is the removal of the cap of 7% pa on the rate at which pension scheme investments are assumed to build up. Insurance companies and other providers will have to make justifiable assumptions about the investment returns that can be achieved taking

account of the nature of members' investments. The FRC will monitor the assumptions used in SMPIs to assess the impact of the removal of the cap.

The new version of AS TM1 applies from 6 April 2013 with a transitional arrangement to allow compliance with the earlier version for illustrations with effective dates before 6 April 2014.

UPDATING YOUR CONTACT DETAILS

If you require to update your contact details, please contact the Membership Department (<mailto:membership@actuaries.org.uk>) or update them on-line at the members' only section of the profession's website at: <https://www.actuaries.org.uk/user>. To log in, please note that your user name is your ARN and your password is your date of birth entered as dd/mm/yyyy (including the separators) unless you have previously changed it.

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